

**Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2023
for
RC DIOCESE OF MOTHERWELL
Charity Number: SC011041**

RC DIOCESE OF MOTHERWELL

**Report and Financial Statements
For the year ended 31 December 2023**

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RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2023

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 2023.

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 2023 the Trustees were accordingly as follows:

Rt Rev Joseph Toal	Bishop of Motherwell
Rev Raymond Breslin	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 at least six times per year.

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 fifty nine 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

**Reference and administrative details
For the year ended 31 December 2023**

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 James Thomson Father Raymond Breslin
Principal Bankers	Bank of Scotland The Quadrant Main Street Coatbridge ML5 3EG
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 2023

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 seven 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. The public benefit provided by the Charity includes the provision of religious ceremonies (such as baptisms, weddings and funerals), celebrating public Masses, and providing and maintaining places of worship. There is also a benefit to the general public as churches can be accessed by people of all faiths and none, for personal spiritual contemplation. Parishes are communities which contribute to the moral and spiritual wellbeing of those who participate. From these centres educational, social and pastoral work is carried out as a practical expression of faith. All of these contribute to the wellbeing of civic society in our country.

Volunteers

Special mention should be made of the considerable number of volunteers who participate in all aspects of the work of the Diocesan Trust as they seek to live out their Christian vocation. Without their active participation our Parishes, in particular, would not function. The Diocesan Trustees, Parish clergy and our employees are most grateful to our volunteers for giving the Church and the world so much time and effort. A typical Parish has between 10% and 20% of its Parishioners actively helping in all manner of voluntary roles from altar servers to financial accountants. Parishes do not only look inwardly to their own needs. Many Parish volunteers give help to the sick, elderly, homeless and disadvantaged in their local areas, and further afield, through their Parish organisations.

RC DIOCESE OF MOTHERWELL

Report of the Trustees For the year ended 31 December 2023

Safeguarding

An annual Diocesan and Parish audit, reviewed by the Scottish Catholic Safeguarding Service (SCSS) and the Independent Review Group (IRG), is analysed and a report on strengths and weaknesses is fed back to the Diocese. All Catholic Organisations, including the Diocesan Lourdes Pilgrimage, SPRED and Alma, operating within the Diocesan boundaries, complies with IN GOD'S IMAGE, the Safe Recruitment Process, and is audited each year. The Diocese has an established safeguarding structure and governance with the Diocesan Safeguarding Advisory Group meeting quarterly to aid the Bishop. The Diocesan Risk Assessment Team meets as and when required, producing risk assessments and recommendations with support from statutory partners. The Safe Recruitment Process is overseen centrally at the Diocesan Centre, with the Safeguarding Administrator as the link for Parish Safeguarding Coordinators. 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 £1,375,397 on total Curial funds for the year (2022: deficit £1,362,481) and a deficit of £298,642 on Parochial funds for the year (2022: surplus £4,133,436). Curial net current assets were £5,242,531 at 31 December 2023 (2022: £4,843,558) and Parochial net current assets were £11,127,564 (2022: £11,054,192).

Parochial reserves total £22,481,804 at 31 December 2023 (2022: £22,780,446) which relate solely to the assets and transactions of individual parishes. Curial reserves total £9,463,789 at 31 December 2023 (2022: £8,088,392).

£785,740 of the reported total surplus on Curial funds relates to unrealised gains on investments, of which £427,936 relates to unrestricted funds. Removing the effect of these gives a surplus on unrestricted Curial funds of £684,080 for the year and the reserves at the year end would be £1,961,368.

Diocesan income including the levy and special collection transfers from the parishes was £2,290,122 in the year (2022 - £1,877,913) compared to expenditure of £1,671,745 (2022 - £1,550,227). Much of the increase in expenditure is attributable to increased salary costs.

Curial income has been sufficient 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.

Parochial income has increased £95,494. Of this £315,853 is an increase in collections representing approximately a 6.7% increase. Special collections have decreased £65,915 and other donations have decreased £156,458. Hall income has increased £66,694 from 2023.

Property costs for both the Curial office and parishes have increased £926,874 from 2022. Of this £192,411 was an increase in energy costs which was anticipated and £679,035 was due to necessary repairs and refurbishment works.

RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2023

Financial (continued)

During 2023 we invited three banks - RBS, Bank of Scotland and Virgin Money to respond to criteria which included (1) earning wholesale market rates of return on deposit balances while leaving all monies in the accounts of individual parishes, (2) to see all of the Diocesan accounts at any one time, while each Parish still being able to see their own accounts, (3) support for Parish Annual Return in the data that can be downloaded from bank statements, (4) A convenient way to deposit cash (5) An ability to manage mandates ourselves online, (6) Low charges. The Diocesan Finance Committee agreed to the proposal to consolidate with Bank of Scotland.

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, £1,393,798 (2021: £1,241,195) was raised in levy and a further £295,975 (2022: £241,735) 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 unrestricted fund has a surplus at 31 December 2022 of £2,210,304 an increase from 2021 of £940,203. Of this £376,726 is attributable to unrealised gains on investments in the year; in 2021 unrealised losses were £838,238.

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. Our 10 year plan, Project Wellspring, will assist us with this.

Going concern

The Trustees regard the future operation of the Diocese as a going concern. Cash held in bank accounts is £7.14 million and the investment portfolio totalled £11.8 million at 31 December 2023. Costs are constantly monitored and income streams continue to be reviewed. Income is now approaching a return to prepandemic levels although there has not been a corresponding increase in Mass attendances.

The largest cost to the Diocese as a whole continues to be the upkeep of the Diocesan properties. The Trustees have resolved to ensure repairs will be considered very carefully and assessed based on the need for the number of churches/properties currently held and funding sources available. Residential properties which become surplus to requirements will be sold at the earliest opportunity.

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. Our insurers, Catholic National Mutual, instructed Fisher German, Chartered Surveyors, to do a valuation exercise on all insured property. These have now been completed to provide a more accurate reinstatement cost of property.

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.

RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2023

Investment policy and performance (continued)

The investments of the Diocese include a 43.99% share (2022: 42.73%) in the National Contingency Fund amounting to £11,406,658 at the end of the financial year (2022: £10,639,840). 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 (2022: £4,000) which are stated at cost.

The valuation of the various portfolios at 31 December 2023 produced an increase of £785,740 (2022: decrease £1,673,130). 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 £266,800 was received as dividend from the National Contingency Fund (2022 £224,800). The costs of caring for our sick and retired clergy in the year was £176,986 (2022 - £179,109). The surplus of £87,691 will be used for future expense.

The Trustees have established an Investment Committee with the purpose of advising them on the performance of the investment that they have and ensuring that our investment brokers are performing well. The committee includes the Diocesan Treasurer, the Finance Manager and people with relevant knowledge and experience in the investment field.

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 2023 the balance of general funds was in surplus by £2,389,304. However much of this due to the prior unrealised gains on investments. The Trustees continue to take steps by preparing budgets for 2024 and 2025 to scrutinise and further reduce costs throughout the Diocese.

Developments

During the year we continued to invest in maintaining the fabric of our 73 churches and parish houses. At 31st December 2023, there were 59 parishes in the Diocese, as a result of amalgamations which have taken place over the last 4 years. The Bishop, assisted by his advisors, continues to look at how the needs of parishioners are being met. Taking into consideration the condition of the fabric of buildings, the financial security of the parish and the number of regular attenders, difficult decisions may need to be made about the viability of churches or the need to amalgamate parishes. The decision was taken by the Trustees to close one church as the necessary repairs were too costly.

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 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.

RC DIOCESE OF MOTHERWELL

Report of the Trustees For the year ended 31 December 2023

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 in line with our ten year plan.

Project Wellspring

As reported in last year's report and accounts, we launched a programme of work called Project Wellspring that is aimed at ensuring that the Diocese thrives over the next 10 years. That programme - with significant focus on all of pastoral and operational activities - produced an integrated set of designs and plans, which were approved at a meeting of all Clergy in January 2024. The programme was formally launched across the whole Diocese in February 2024 and we have significant work being undertaken on programme workstreams, including transforming our priority Missions, renewing our parishes and transforming our operations. The programme is led by Bishop Toal and runs under an industrial strength set of Governance meetings (4 different meetings every month), where we ensure transparency and accountability deliver on our designs. The tangible progress we are making during 2024 will be reported in this report for year ending 31 December 2024.

National Schools Singing Programme

The Diocese of Motherwell continues to receive funding from the Hamish Ogston Foundation for which we are most grateful. The programme has been a great success and well received by the participating schools. So much so that we have extended the hours of the Choral Director to a full-time post. The choir has been asked to perform at national events organised by the Scottish Catholic Education Service. Feedback from the schools has been very positive. The children not only gain in singing ability but also in confidence.

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.

RC DIOCESE OF MOTHERWELL

**Report of the Trustees
For the year ended 31 December 2023**

Statement of Trustees' Responsibilities

In preparing these financial statements the Trustees are required to:



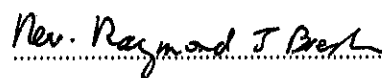
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures and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

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 1st August 2024 and signed on their behalf by:

	Bishop Joseph Toal	Trustee
	Father James Thomson	Trustee
	Father Raymond Breslin	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 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 and for being satisfied that they 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

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements of the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Use of our report

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



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: 1st August 2024

RC DIOCESE OF MOTHERWELL

Statement of Financial Activities
For the year ended 31 December 2023

	Notes	Curial Funds				Parochial Funds	Total Funds	Total Funds
		Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	Restricted Funds	31/12/2023	31/12/2022
		£	£	£	£	£	£	
Income and Endowments from:								
Donations and legacies	2	250,475	-	22,000	272,475	7,480,112	7,752,587	7,378,260
Other trading activities	3	-	-	-	-	1,644,631	1,644,631	1,577,937
Investments	4	143,638	266,800	105	410,543	127,352	537,895	364,690
Other	5	21,331	-	-	21,331	29,505	50,836	260,202
Total income		415,444	266,800	22,105	704,349	9,281,600	9,985,949	9,581,089
Expenditure on:								
Raising funds	6	-	-	-	-	661,024	661,024	603,649
Charitable activities	7	1,566,100	-	30,645	1,596,745	7,437,165	9,033,910	7,668,742
Total expenditure		1,566,100	-	30,645	1,596,745	8,098,189	9,694,934	8,272,391
Net income/(expenditure) and net movement in funds before gains and losses on investments		(1,150,656)	266,800	(8,540)	(892,396)	1,183,411	291,015	1,308,698
Net gains/(losses) on investments	12	376,726	409,014	-	785,740	-	785,740	(1,673,130)
Net income/expenditure		(773,930)	675,814	(8,540)	(106,656)	1,183,411	1,076,755	(364,432)
Transfers between funds								
Levy and Special Collections	18	1,689,773	-	-	1,689,773	(1,689,773)	-	-
Other transfers	19	196,223	(266,800)	(137,143)	(207,720)	207,720	-	-
		1,885,996	(266,800)	(137,143)	1,482,053	(1,482,053)	-	-
Other recognised gains/(losses)								
Gains/(losses) on revaluation of fixed assets	11	-	-	-	-	-	-	3,135,387
Net movement in funds		1,112,066	409,014	(145,683)	1,375,397	(298,642)	1,076,755	2,770,955
Reconciliation of Funds								
Total Funds brought forward		1,626,831	5,675,192	786,369	8,088,392	22,780,446	30,868,838	28,097,883
Total Funds carried forward		2,738,897	6,084,206	640,686	9,463,789	22,481,804	31,945,593	30,868,838

The notes form part of these financial statements

RC DIOCESE OF MOTHERWELL

Balance Sheet

As at 31 December 2023

	Notes	Curial 31/12/2023 £	Parochial 31/12/2023 £	Total 31/12/2023 £	Total 31/12/2022 £
Fixed assets					
Tangible assets	11	1,805,131	11,354,240	13,159,371	13,423,355
Investments	12	11,807,044	-	11,807,044	11,006,416
		<u>13,612,175</u>	<u>11,354,240</u>	<u>24,966,415</u>	<u>24,429,771</u>
Current assets					
Debtors	13	3,832,536	9,365,917	13,198,453	13,400,091
Short term deposits		35,167	-	35,167	1,545
Cash at bank and in hand		1,552,840	5,594,541	7,147,381	6,973,120
		<u>5,420,543</u>	<u>14,960,458</u>	<u>20,381,001</u>	<u>20,374,756</u>
Liabilities					
Creditors falling due within one year	14	178,012	3,832,894	4,010,906	4,477,006
Net current assets		<u>5,242,531</u>	<u>11,127,564</u>	<u>16,370,095</u>	<u>15,897,750</u>
Total assets less current liabilities		18,854,706	22,481,804	41,336,510	40,327,521
Liabilities					
Amounts falling due after more than one year	15	(9,365,917)	-	(9,365,917)	(9,358,683)
Provision for liabilities and charges	16	(25,000)	-	(25,000)	(100,000)
Net assets		<u>9,463,789</u>	<u>22,481,804</u>	<u>31,945,593</u>	<u>30,868,838</u>
The funds of the charity					
Unrestricted funds	17	2,389,304	-	2,389,304	1,270,101
Revaluation reserve	17	349,593	-	349,593	356,730
Designated funds	17	6,084,206	-	6,084,206	5,675,192
Restricted funds	17	640,686	22,481,804	23,122,490	23,566,815
		<u>9,463,789</u>	<u>22,481,804</u>	<u>31,945,593</u>	<u>30,868,838</u>

Approved by the Trustees on 1st August 2024

Trustee + Joseph Toal Bishop Joseph Toal

Trustee James Thomson Father James Thomson

Trustee Rev. Raymond J Breslin Father Raymond Breslin

The notes form part of these financial statements

RC DIOCESE OF MOTHERWELL

Statement of Cash Flows

For the year ended 31 December 2023

	Note	31/12/2023 £	31/12/2022 £
Net cash used in operating activities			
Reconciliation of net income/expenditure to net cash flow from operating activities	21		
Net movement in funds		1,076,755	(364,432)
Adjustments for:			
Interest received		(136,624)	(24,390)
Dividends received		(281,688)	(235,989)
Rent received		(119,583)	(104,311)
Depreciation charges		271,746	230,350
Gain on disposal of assets		140,000	(193,878)
Net (gains)/losses on investments		(785,740)	1,673,130
Decrease/(increase) in debtors		201,638	128,675
(Decrease)/increase in creditors		(458,866)	(119,306)
Net cash used in operating activities		<u>(167,362)</u>	<u>989,849</u>
Cash flows from investing activities	22		
Interest received		136,624	24,390
Dividends received		281,688	235,989
Rent received		119,583	104,311
Payments to acquire fixed asset investments		(14,888)	(11,189)
Payments to acquire tangible fixed assets		(147,762)	(152,844)
Receipts from sales of tangible fixed assets		-	194,250
Net cash flows from investing activities		<u>375,245</u>	<u>394,907</u>
Changes in cash and cash equivalents in the year		<u>207,883</u>	<u>1,384,756</u>
Cash and cash equivalents brought forward		6,974,665	5,589,909
Cash and cash equivalents carried forward	23	<u>7,182,548</u>	<u>6,974,665</u>

The notes form part of these financial statements

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 2019)", 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.

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 2023

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 17 to the financial statements.

2 Income from donations and legacies

	Curial Restricted Funds £	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2023 £	Total 2022 £
Offerings	-	-	5,014,581	5,014,581	4,698,728
Gift Aid Scheme repayments	-	663	707,469	708,132	760,831
Special Collections	-	-	679,368	679,368	745,283
Legacies	-	174,000	204,220	378,220	119,622
Other donations	22,000	75,812	514,084	611,896	736,991
Votive candles	-	-	270,206	270,206	269,497
Grants received	-	-	90,184	90,184	47,308
	<u>22,000</u>	<u>250,475</u>	<u>7,480,112</u>	<u>7,752,587</u>	<u>7,378,260</u>

RC DIOCESE OF MOTHERWELL

**Notes to the Financial Statements
For the year ended 31 December 2023**

3 Income from other trading activities

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2023 £	Total 2022 £
Hall income	-	1,172,440	1,172,440	925,179
Stall	-	204,724	204,724	248,414
General fundraising	-	267,467	267,467	404,344
	-	1,644,631	1,644,631	1,577,937

4 Income from investments

	Curial Restricted Funds £	Curial Unrestricted Funds £	Curial Designated Funds £	Parochial Restricted Funds £	Total 2023 £	Total 2022 £
Rent received	-	17,212	-	102,371	119,583	104,311
Interest received	105	111,538	-	24,981	136,624	24,390
Dividends received	-	14,888	-	-	14,888	11,189
CNET4 dividend	-	-	266,800	-	266,800	224,800
	105	143,638	266,800	127,352	537,895	364,690

5 Other income

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2023 £	Total 2022 £
Religious education	21,331	-	21,331	16,406
Compensation	-	-	-	170,000
Other income	-	29,505	29,505	73,796
	21,331	29,505	50,836	260,202

6 Expenditure on raising funds

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2023 £	Total 2022 £
Hall expenditure	-	388,022	388,022	315,256
Staff costs	-	104,932	104,932	102,226
Stall	-	134,504	134,504	152,656
General fundraising costs	-	33,566	33,566	33,511
	-	661,024	661,024	603,649

RC DIOCESE OF MOTHERWELL

**Notes to the Financial Statements
For the year ended 31 December 2023**

7 Expenditure on Charitable Activities

	Diocesan Activities	National Activities	Parochial Activities	Total 2023	Total 2022
	£	£	£	£	£
Education and formation	134,101	-	30,064	164,165	146,923
Seminaries and Permanent Diaconate	140,201	-	-	140,201	211,807
Pastoral services	-	139,821	569,694	709,515	748,322
Retired priests	176,986	-	-	176,986	179,109
Special Collections	-	199,520	416,870	616,390	663,633
Special care	62,018	-	-	62,018	60,940
Safeguarding	46,790	-	-	46,790	28,205
Staff costs	367,797	-	611,068	978,865	913,086
Property costs	40,676	-	4,398,679	4,439,355	3,471,481
Organ costs	2,650	-	-	2,650	-
Computer costs	20,230	-	-	20,230	17,973
Depreciation	39,732	-	232,014	271,746	230,350
(Gain)/loss on disposal of assets	-	-	140,000	140,000	(193,878)
Administration	70,493	-	671,348	741,841	743,216
Retired housekeepers' fund	-	-	-	-	5,175
Catholic Diocese Healthcare Trust	23,460	-	-	23,460	4,500
National singing programme costs	2,074	-	-	2,074	-
Professional fees	69,135	-	53,266	122,401	74,793
Auditor's remuneration	18,852	-	12,144	30,996	30,048
Donations	20,800	-	133,968	154,768	113,474
Provision for sensitive claims	(75,000)	-	-	(75,000)	-
Other	96,409	-	168,050	264,459	219,585
	<u>1,257,404</u>	<u>339,341</u>	<u>7,437,165</u>	<u>9,033,910</u>	<u>7,668,742</u>

8 Analysis of Staff Costs and Remuneration of Key Management Personnel

	2023	2022
	£	£
Curial		
Salaries and wages	424,612	379,316
Social security costs	34,616	29,946
Pension costs	24,992	21,273
	<u>484,220</u>	<u>430,535</u>
Wages and salaries - parishes	716,000	694,885
	<u>1,200,220</u>	<u>1,125,420</u>
The average monthly number of employees during the year was	<u>138</u>	<u>136</u>

The above numbers include lay people, priests and religious sisters. 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.

The emoluments of higher paid employees fell within the following range: £60,001 - £70,000 one (2022 - one).

Notes to the Financial Statements
For the year ended 31 December 2023

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 (2022: £Nil) and the total costs of accommodation and reimbursement of expenses amounted to £51,430 (2022: £73,100).

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 £30,996 (2022 -£30,048) and additional accountancy work of £12,108 (2022 -£11,532).

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 2023	1,695,000	11,725,000	111,859	18,126	13,549,985
Additions	136,400	-	11,362	-	147,762
Disposals	-	(140,000)	-	-	(140,000)
Revaluation	-	-	-	-	-
At 31 December 2023	<u>1,831,400</u>	<u>11,585,000</u>	<u>123,221</u>	<u>18,126</u>	<u>13,557,747</u>
Depreciation					
At 1 January 2023	-	-	109,758	16,872	126,630
Provision	36,628	231,700	3,104	314	271,746
On disposal	-	-	-	-	-
On revaluation	-	-	-	-	-
At 31 December 2023	<u>36,628</u>	<u>231,700</u>	<u>112,862</u>	<u>17,186</u>	<u>398,376</u>
Net Book Value					
At 31 December 2023	<u>1,794,772</u>	<u>11,353,300</u>	<u>10,359</u>	<u>940</u>	<u>13,159,371</u>
At 31 December 2022	<u>1,695,000</u>	<u>11,725,000</u>	<u>2,101</u>	<u>1,254</u>	<u>13,423,355</u>

DM Hall LLP, Chartered Surveyors were appointed to perform valuations of relevant diocesan and parochial properties and sites for the year ended 31 December 2022. DM Hall are independent qualified surveyors and this is their second term 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.

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2023

11 Tangible Fixed Assets

The basis for all valuation is fair value as per Valuation Practice Statement 4.1 of the RCIS Valuation - Professional Standards, updated and published January 2022 and as described by the International Valuation Standards. 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 2022.

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.

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

	2023	2022
	£	£
At valuation - Curial properties	1,794,772	1,989,989
At cost - Parochial properties	-	-
At valuation - Parochial properties	11,353,300	11,725,000
	<u>13,148,072</u>	<u>13,714,989</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:

	2023	2022
	£	£
Cost	1,867,835	1,731,435
Accumulated depreciation	(427,808)	(390,454)
	<u>1,440,027</u>	<u>1,340,981</u>

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

12 Fixed Asset Investments

	2023	2022
	£	£
Valuation		
At 1 January 2023	11,006,416	12,668,357
Invested during the year	14,888	11,189
Proceeds from disposals	-	-
Surplus/(Deficit) on revaluation	785,740	(1,673,130)
At 31 December 2023	<u>11,807,044</u>	<u>11,006,416</u>
Cost at 31 December 2023	<u>6,789,964</u>	<u>6,789,964</u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2023

12 Fixed Asset Investments

The above total is represented by:

	2023	2022
	£	£
Listed investments	396,386	362,576
Catholic National Endowment Trust 4	11,406,658	10,639,840
Unlisted investments	4,000	4,000
	<u>11,807,044</u>	<u>11,006,416</u>

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

	2023	2022
	£	£
Investment assets inside the UK	11,807,044	11,006,416
Investment assets outside the UK	-	-
	<u>11,807,044</u>	<u>11,006,416</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 2023 the Diocese of Motherwell had ownership of 43.99% of the total fund (2022: 42.73%). The cost of these investments at 31 December 2023 was £6,445,392 (31 December 2022: £6,445,392). 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
	£	£	2023	2022
			£	£
Prepayments and accrued income	427,452	-	427,452	457,803
Parish loans	3,405,084	-	3,405,084	3,583,605
Due by Curial Office	-	9,365,917	9,365,917	9,358,683
	<u>3,832,536</u>	<u>9,365,917</u>	<u>13,198,453</u>	<u>13,400,091</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 2023**

14 Creditors falling due within one year

	Curial £	Parochial £	Total 2023 £	Total 2022 £
Accruals	135,078	427,810	562,888	852,455
Parish loans	-	3,405,084	3,405,084	3,583,605
Taxation and social security	14,112	-	14,112	12,124
Other creditors	28,822	-	28,822	28,822
	<u>178,012</u>	<u>3,832,894</u>	<u>4,010,906</u>	<u>4,477,006</u>

15 Creditors falling due after more than one year

	Curial £	Parochial £	Total 2023 £	Total 2022 £
Parochial Investment Fund	8,635,507	-	8,635,507	8,665,021
Pastoral Aid Fund	730,410	-	730,410	693,662
	<u>9,365,917</u>	<u>-</u>	<u>9,365,917</u>	<u>9,358,683</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 Provision for liabilities and charges

	2023 £	2022 £
Provision for sensitive claims	<u>25,000</u>	<u>100,000</u>

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. Based on discussions with the charity's insurers, provision for £25,000 has been made to meet these claims.

Notes to the Financial Statements
For the year ended 31 December 2023

17 Analysis of charitable funds

(a) Curial Unrestricted Funds

	At 1 January 2023 £	Incoming Resources £	Resources Expended £	Revaluation/ Investment Gains/(Losses) £	Transfers £	At 31 December 2023 £
General Fund	1,270,101	415,444	(1,566,100)	376,726	1,893,133	2,389,304
Revaluation reserve	356,730	-	-		(7,137)	349,593
Unrestricted funds	<u>1,626,831</u>	<u>415,444</u>	<u>(1,566,100)</u>	<u>376,726</u>	<u>1,885,996</u>	<u>2,738,897</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.

(b) Curial Designated Funds

	At 1 January 2023 £	Incoming Resources £	Resources Expended £	Investment Gains/(Losses) £	Transfers £	At 31 December 2023 £
CNET 4	<u>5,675,192</u>	<u>266,800</u>	<u>-</u>	<u>409,014</u>	<u>(266,800)</u>	<u>6,084,206</u>

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 2023 £	Incoming Resources £	Resources Expended £	Investment Losses £	Transfers £	At 31 December 2023 £
St Patrick's Levy fund	755,356	-			(137,143)	618,213
Cathedral organ fund	12,741	105	(2,650)			10,196
National schools singing programme	18,272	22,000	(27,995)			12,277
	<u>786,369</u>	<u>22,105</u>	<u>(30,645)</u>	<u>-</u>	<u>(137,143)</u>	<u>640,686</u>

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.

The St Patrick's Levy fund was set up by the parish of St Patrick's, Coatbridge to assist any parishes experiencing difficulties in paying their levy over the next 3 years.

The Cathedral Organ fund has been set up for the maintenance and upkeep of the cathedral organ.

RC DIOCESE OF MOTHERWELL

**Notes to the Financial Statements
For the year ended 31 December 2023**

17 Analysis of charitable funds

The National Schools Singing Programme was set up to fund the salary costs of a choir master for teaching children to sing in a choir.

(d) Parish Restricted Funds

	At 1 January 2023	Incoming Resources	Resources Expended	Revaluation Losses	Transfers	At 31 December 2023
	£	£	£	£	£	£
Parochial restricted funds	22,780,446	9,281,600	(8,098,189)	-	(1,482,053)	22,481,804

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.

18 Transfers between Funds - Levy and Special Collections

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

	2023 £	2022 £
Levy	1,393,798	1,241,195
Special Collections:		
Communications	26,157	22,890
Day for Life	26,560	15,723
St Margaret's Children and Family Care	15,937	18,583
Justice and Peace	33,490	19,388
Holy Places	38,205	29,253
Peter's Pence	36,293	28,710
Lenten Appeal	45,597	42,290
Ecclesiastical Students' Fund	36,524	36,726
Students/retired priests boxes	4,515	3,055
Catholic Education Commission	32,697	25,117
	<u>295,975</u>	<u>241,735</u>
Total	<u>1,689,773</u>	<u>1,482,930</u>

19 Other transfers between funds

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

	2023 £	2022 £
Parish loan interest	18,478	24,814
Maintenance costs	3,141	-
	<u>21,619</u>	<u>24,814</u>

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**Notes to the Financial Statements
For the year ended 31 December 2023**

19 Other transfers between funds

Transfers from the Diocese to the parishes were as follows:

	2023	2022
	£	£
Parochial Investment Fund interest	21,776	20,920
Pastoral Aid Fund interest	1,748	1,829
Support of retired priests	35,872	36,625
Bishop Toal's allowance	10,800	10,800
Spred rent	7,000	7,000
Fontes Magazine contribution	10,000	-
PAF donations	5,000	11,960
St Patrick's levy fund	137,143	129,104
	<u>229,339</u>	<u>218,238</u>
Total	<u>(207,720)</u>	<u>(193,424)</u>

20 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £
Tangible fixed assets	1,805,131	11,354,240	-
Investments	5,722,838	-	6,084,206
Cash at bank and in hand	947,321	6,235,227	-
Other net current assets/(liabilities)	(5,736,393)	5,533,023	-
	<u>2,738,897</u>	<u>23,122,490</u>	<u>6,084,206</u>

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

	Curial £	Parochial £	Total 2023 £	Total 2022 £
Net movement in funds	(106,656)	1,183,411	1,076,755	(364,432)
Adjustments for:				
Interest received	(111,643)	(24,981)	(136,624)	(24,390)
Dividends received	(281,688)	-	(281,688)	(235,989)
Rent received	(17,212)	(102,371)	(119,583)	(104,311)
Depreciation charges	39,732	232,014	271,746	230,350
Provision for sensitive claims	(75,000)	-	(75,000)	-
(Gain)/loss on disposal of assets	-	140,000	140,000	(193,878)
Net gains on investments	(785,740)	-	(785,740)	1,673,130
Decrease in debtors	208,872	(7,234)	201,638	128,675
(Decrease)/Increase in creditors	(1,091)	(457,775)	(458,866)	(119,306)
Net cash used in operating activities	<u>(1,130,426)</u>	<u>963,064</u>	<u>(167,362)</u>	<u>989,849</u>

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Notes to the Financial Statements For the year ended 31 December 2023

22 Cash flows from investing activities

	Curial	Parochial	Total	Total
	£	£	2023	2022
			£	£
Interest received	111,643	24,981	136,624	24,390
Dividends received	281,688	-	281,688	235,989
Rent received	17,212	102,371	119,583	104,311
Payments to acquire fixed asset investments	(14,888)	-	(14,888)	(11,189)
Payments to acquire tangible fixed assets	(147,762)	-	(147,762)	(152,844)
Receipts from sales of tangible fixed assets	-	-	-	194,250
	<u>247,893</u>	<u>127,352</u>	<u>375,245</u>	<u>394,907</u>

23 Analysis of cash and cash equivalents

	At 1 January	Cash	At 31 December
	2023	Flows	2023
	£	£	£
Curial Funds			
Cash at bank	988,487	599,520	1,588,007
Bank overdrafts	-	-	-
	<u>988,487</u>	<u>599,520</u>	<u>1,588,007</u>
Parochial Funds			
Cash at bank	5,986,178	(391,637)	5,594,541
	<u>6,974,665</u>	<u>207,883</u>	<u>7,182,548</u>

24 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.

25 Capital Commitments

There were no unprovided capital commitments at 31 December 2023 or 31 December 2022.

