

**Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2016
for
RC DIOCESE OF MOTHERWELL
Charity Number: SC011041**

RC DIOCESE OF MOTHERWELL

Report and Financial Statements For the year ended 31 December 2016

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RC DIOCESE OF MOTHERWELL

Reference and administrative details For the year ended 31 December 2016

Name of Charity	RC Diocese of Motherwell
Registered Charity Number	SC011041 (Scotland)
Principal Office	Diocesan Centre Coursington Road Motherwell ML1 1PP
Trustees	Bishop Joseph Toal Father Gerard Chromy Father James Thomson
Principal Bankers	Clydesdale Bank plc 43 Hamilton Road Motherwell ML1 3DD
Solicitor	McSparran McCormick Waterloo Chambers 19 Waterloo Street Glasgow G2 6AH
Investment Managers	Tilney Bestinvest 130 St Vincent Street Glasgow G2 5SE
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 2016

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 2016.

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 2016 the Trustees were accordingly as follows:

Rt Rev Joseph Toal	Bishop of Motherwell	
Rev Gerard Chromy	Vicar-General	(Appointed 10 January 2017)
Rev James Thomson	Treasurer	

Mgr Thomas Millar was Vicar-General until his resignation on 10 January 2017.

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

Scope of the Financial Statements

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

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

Structure, Governance and Management

Governing document

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

Organisational Structure

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

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

RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2016

Management

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

Key management personnel remuneration

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

Objectives and Activities

Objectives

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

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

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

Activities

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

Volunteers

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

Safeguarding

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

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

RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2016

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

Financial Review

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

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

Financial

The Trustees report a surplus of £193,177 on Curial funds for the year (2015: deficit £330,873) and a deficit of £953,866 on Parochial funds for the year (2015: deficit £108,425). Curial net current assets were £6,305,708 at 31 December 2016 (2015: £6,591,182) and Parochial net current assets were £10,840,828 (2015: £11,537,817).

Parochial reserves total £22,674,095 at 31 December 2016 (2015: £23,627,961) which relate solely to the assets and transactions of individual parishes. Curial reserves total £6,215,761 at 31 December 2016 (2015: £6,022,584).

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, £959,086 (2015: £933,524) was raised in levy and a further £384,643 (2015: £371,112) 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 deficit in the Curial fund is the result of income being insufficient to meet the obligations faced by the Diocese in relation to retired priests, education of seminarians and the administrative costs of both the Pastoral Office and Diocesan Office.

The Trustees recognise the need to reduce the deficit and plans were made in 2014 to increase income to the Diocese by increasing amounts levied on parishes. A review of both curial and parochial investments was undertaken in an effort to increase income. Salary costs also continued to be reduced in 2016.

In order to maintain the financial security of the Diocese for the future, it is essential that expenditure will have to be 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 increased, otherwise the Diocese will encounter further deficits which will be unsustainable in the long term.

Going concern

The Trustees regard the future operation of the Diocese as a going concern given the cash at bank is £1.5million and the investment portfolio totals £8million at 31 December 2016. Plans which were put in place in 2015 to reduce costs are constantly monitored and income streams continue to be reviewed. This should eliminate the deficit going forward on Curial Funds.

RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2016

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-adjointed parochial properties, excluding churches, i.e. parish halls, presbyteries and other parochial properties not physically joined to each other or to the church are valued. Inalienable and historic assets have not been capitalised as no reliable value can be attributed to them.

Investment policy and performance

The Trustees have power to invest in such stocks, shares, investments and property as they see fit. It is the Trustees' policy to invest in the Stock Market to obtain a balanced return combining capital and income growth to protect the real value of both capital and income. These investments will seek to achieve this by investing in a range of assets suitable for the investment of charitable monies, which will take account of our ethical requirements. The Trustees will not invest in anything that is contrary to the moral and ethical teachings of the Catholic Church.

The investments of the Diocese include a portfolio of diverse stocks and shares of £1,223,667 at 31 December 2016 (2015: £1,113,436), managed on a discretionary basis by independent professional stockbrokers and a 39.76% share (2015: 39.93%) in the National Contingency Fund amounting to £7,041,590 at the end of the financial year (2015: £6,793,042). This latter 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 (2015: £4,000) which are stated at cost.

The valuation of the various portfolios at 31 December 2016 produced an increase of £354,670 (2015: decrease £75,607). 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 increase.

During the year under review £232,100 was received as dividend from the National Contingency Fund (2015 £193,500). The costs of caring for our sick and retired clergy in the year was £376,940 (2015 - £425,540). The shortfall has been met from Central Funds.

Reserves policy

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

At 31 December 2016 the balance of general funds was in deficit by £79,988 which has arisen through several years of shortfalls between operating income and expenditure. The Trustees have taken steps by preparing budgets for 2017 and 2018 to scrutinise and further reduce costs throughout the Diocese in order to eliminate the deficit on general reserves.

Developments

During the year we continued to invest in maintaining the fabric of our 74 churches and parish houses.

RC DIOCESE OF MOTHERWELL

Report of the Trustees For the year ended 31 December 2016

Risk Management

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

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

Future Plans

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.

Statement of Trustees' Responsibilities

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

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

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.

RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2016

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 21st August 2017 and signed on their behalf by:

+ Joseph Toal
.....

Bishop Joseph Toal

Trustee

James Thomson
.....

Father James Thomson

Trustee

Gerard Chromy
.....

Father Gerard Chromy

Trustee

RC DIOCESE OF MOTHERWELL

Report of the Independent Auditors to the Trustees of the RC Diocese of Motherwell For the year ended 31 December 2016

We have audited the financial statements of the RC Diocese of Motherwell for the year ended 31 December 2016 set out on pages 10 to 26. The financial reporting framework that has been applied in their preparation is applicable charity law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

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 regulations made under that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

RC DIOCESE OF MOTHERWELL

**Report of the Independent Auditors to the Trustees of the
RC Diocese of Motherwell
For the year ended 31 December 2016**

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.



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: 21st August 2017

RC DIOCESE OF MOTHERWELL

Statement of Financial Activities
For the year ended 31 December 2016

	Notes	Curial Funds			Parochial Funds	Total Funds	Total Funds
		Unrestricted Funds	Designated Funds	Total Funds	Restricted Funds	31/12/2016	31/12/2015
		£	£	£	£	£	£
Income and Endowments from:							
Donations and legacies	2	135,292	-	135,292	7,676,198	7,811,490	7,382,463
Other trading activities	3	231,302	-	231,302	2,229,824	2,461,126	2,201,541
Investments	4	46,863	232,100	278,963	45,342	324,305	308,559
Other	5	51,662	-	51,662	73,690	125,352	114,039
Total income		465,119	232,100	697,219	10,025,054	10,722,273	10,006,602
Expenditure on:							
Raising funds	6	248,411	-	248,411	1,133,055	1,381,466	1,249,558
Charitable activities	7	2,052,208	-	2,052,208	8,403,958	10,456,166	9,120,735
Total expenditure		2,300,619	-	2,300,619	9,537,013	11,837,632	10,370,293
Net income/(expenditure) and net movement in funds before gains and losses on investments		(1,835,500)	232,100	(1,603,400)	488,041	(1,115,359)	(363,691)
Net gains/(losses) on investments	11	106,122	248,548	354,670	-	354,670	(75,607)
Net income/expenditure		(1,729,378)	480,648	(1,248,730)	488,041	(760,689)	(439,298)
Transfers between funds							
Levy, CNET4 and Special Collections	15	1,490,729	-	1,490,729	(1,490,729)	-	-
Other transfers	16	256,455	(305,277)	(48,822)	48,822	-	-
		1,747,184	(305,277)	1,441,907	(1,441,907)	-	-
Net movement in funds		17,806	175,371	193,177	(953,866)	(760,689)	(439,298)
Reconciliation of Funds							
Total Funds brought forward		1,511,197	4,842,260	6,353,457	23,627,961	29,981,418	30,089,843
Total Funds carried forward		1,529,003	5,017,631	6,546,634	22,674,095	29,220,729	29,650,545

The notes form part of these financial statements


RC DIOCESE OF MOTHERWELL

Balance Sheet

As at 31 December 2016

	Notes	Curial 31/12/2016 £	Parochial 31/12/2016 £	Total 31/12/2016 £	Total 31/12/2015 £
Fixed assets					
Tangible assets	10	3,032,466	11,833,267	14,865,733	15,028,948
Investments	11	8,325,093	-	8,325,093	7,965,728
		<u>11,357,559</u>	<u>11,833,267</u>	<u>23,190,826</u>	<u>22,994,676</u>
Current assets					
Stocks		8,378	7,257	15,635	17,205
Debtors	12	5,346,358	11,498,205	16,844,563	16,517,775
Short term deposits		1,451,425	-	1,451,425	1,783,903
Cash at bank and in hand		42,860	4,576,983	4,619,843	5,073,362
		<u>6,849,021</u>	<u>16,082,445</u>	<u>22,931,466</u>	<u>23,392,245</u>
Liabilities					
Creditors falling due within one year	13	543,313	5,241,617	5,784,930	5,263,246
		<u>6,305,708</u>	<u>10,840,828</u>	<u>17,146,536</u>	<u>18,128,999</u>
Net current assets					
		<u>17,663,267</u>	<u>22,674,095</u>	<u>40,337,362</u>	<u>41,123,675</u>
Liabilities					
Amounts falling due after more than one year	14	(11,447,506)	-	(11,447,506)	(11,473,130)
Net assets		<u>6,215,761</u>	<u>22,674,095</u>	<u>28,889,856</u>	<u>29,650,545</u>
The funds of the charity					
Unrestricted funds	15	(79,988)	-	(79,988)	(121,831)
Revaluation reserve	15	1,327,336	-	1,327,336	1,351,373
Designated funds	15	4,968,413	-	4,968,413	4,793,042
Restricted funds	15	-	22,674,095	22,674,095	23,627,961
		<u>6,215,761</u>	<u>22,674,095</u>	<u>28,889,856</u>	<u>29,650,545</u>

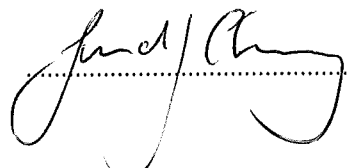
Approved by the Trustees on 21st August 2017

Trustee 

Bishop Joseph Toal

Trustee 

Father James Thomson

Trustee 

Father Gerard Chromy

The notes form part of these financial statements

RC DIOCESE OF MOTHERWELL

Statement of Cash Flows

For the year ended 31 December 2016

	Note	31/12/2016	31/12/2015
		£	£
Net cash used in operating activities			
Reconciliation of net income/expenditure to net cash flow from operating activities	18		
Net movement in funds		(760,689)	(439,298)
Adjustments for:			
Interest received		(18,786)	(19,824)
Dividends received		(268,830)	(232,731)
Rent received		(36,689)	(56,004)
Depreciation charges		334,672	330,833
Gain on disposal of assets		(142)	-
Net (gains)/losses on investments		(354,670)	75,607
Decrease in stocks		1,570	4,942
Increase in debtors		(326,788)	(229,094)
Increase in creditors		276,215	83,493
Net cash used in operating activities		<u>(1,154,137)</u>	<u>(482,076)</u>
Cash flows from investing activities			
	19		
Interest received		18,786	19,824
Dividends received		268,830	232,731
Rent received		36,689	56,004
Payments to acquire fixed asset investments		(322,756)	(2,331,287)
Payments to acquire tangible fixed assets		(175,615)	(105,846)
Receipts from sales of tangible fixed assets		4,300	-
Receipts from sales of fixed asset investments		318,061	327,308
Net cash flows from investing activities		<u>148,295</u>	<u>(1,801,266)</u>
Changes in cash and cash equivalents in the year		<u>(1,005,842)</u>	<u>(2,283,342)</u>
Cash and cash equivalents brought forward		6,770,426	9,053,768
Cash and cash equivalents carried forward	20	<u>5,764,584</u>	<u>6,770,426</u>

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 Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

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.

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.

Notes to the Financial Statements
For the year ended 31 December 2016

1 Accounting policies

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.

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.

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2016

1 Accounting policies

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 15 to the financial statements.

Income from donations and legacies

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2016 £	Total 2015 £
Offerings	-	4,339,550	4,339,550	4,385,624
Gift Aid Scheme repayments	15,000	616,501	631,501	601,135
Special Collections	-	973,203	973,203	1,057,642
Legacies	-	165,662	165,662	49,348
Other donations	120,292	433,612	553,904	314,181
Votive candles	-	299,282	299,282	277,582
Grants received	-	848,388	848,388	696,951
	<u>135,292</u>	<u>7,676,198</u>	<u>7,811,490</u>	<u>7,382,463</u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements
For the year ended 31 December 2016

3 Income from other trading activities

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2016 £	Total 2015 £
Income				
Pilgrimage Centre				
Sales income	231,302	-	231,302	219,237
Parishes:				
Hall income	-	1,502,194	1,502,194	1,333,729
Stall	-	245,795	245,795	246,385
General fundraising	-	481,835	481,835	402,190
	<u>231,302</u>	<u>2,229,824</u>	<u>2,461,126</u>	<u>2,201,541</u>

4 Income from investments

	Curial Unrestricted Funds £	Curial Designated Funds £	Parochial Restricted Funds £	Total 2016 £	Total 2015 £
Rent received	-	-	36,689	36,689	56,004
Interest received	10,133	-	8,653	18,786	19,824
Dividends received	36,730	-	-	36,730	39,231
CNET4 dividend	-	232,100	-	232,100	193,500
	<u>46,863</u>	<u>232,100</u>	<u>45,342</u>	<u>324,305</u>	<u>308,559</u>

Other income

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2016 £	Total 2015 £
Religious education	46,643	-	46,643	61,909
Other income	5,019	73,690	78,709	52,130
	<u>51,662</u>	<u>73,690</u>	<u>125,352</u>	<u>114,039</u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2016

6 Expenditure on raising funds

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2016 £	Total 2015 £
Pilgrimage Centre expenditure				
Cost of sales	102,899	-	102,899	94,810
Property costs	25,903	-	25,903	22,267
Staff costs	107,096	-	107,096	107,759
Administration costs	2,688	-	2,688	2,616
Parishes				
Hall expenditure	-	665,698	665,698	604,860
Staff costs	-	178,918	178,918	141,516
Stall	-	222,745	222,745	217,603
General fundraising costs	-	65,694	65,694	47,720
Investment management costs	9,825	-	9,825	10,407
	248,411	1,133,055	1,381,466	1,249,558

7 Expenditure on Charitable Activities

	Diocesan Activities £	National Activities £	Parochial Activities £	Total 2016 £	Total 2015 £
Education and formation	64,672	-	44,435	109,107	126,580
Seminaries and Permanent Diaconate	235,503	-	-	235,503	212,728
Pastoral services	61,956	225,360	605,112	892,428	910,407
Retired priests	376,940	-	-	376,940	425,540
Special Collections	-	230,996	572,636	803,632	964,231
Other chaplaincy costs	1,907	-	-	1,907	5,722
Special care	88,472	-	-	88,472	86,471
Safeguarding	3,004	-	-	3,004	31,596
Staff costs	260,818	-	590,519	851,337	900,192
Property costs	135,431	-	5,287,356	5,422,787	4,006,768
Computer costs	18,655	-	-	18,655	14,767
Depreciation	72,553	-	262,119	334,672	330,833
Gain on disposal of assets	-	-	(142)	(142)	-
Administration	84,393	-	698,084	782,477	748,179
Professional fees	43,460	-	17,877	61,337	70,838
Auditor's remuneration	16,932	-	13,754	30,686	41,456
Donations	79,538	-	174,513	254,051	62,954
Other	51,618	-	137,695	189,313	181,473
	1,595,852	456,356	8,403,958	10,456,166	9,120,735

Notes to the Financial Statements
For the year ended 31 December 2016

8 Analysis of Staff Costs and Remuneration of Key Management Personnel

	2016	2015
	£	£
Curial		
Salaries and wages	439,566	503,979
Social security costs	27,088	30,802
Pension costs	18,923	21,205
	<hr/> 485,577	<hr/> 555,986
Wages and salaries - parishes	769,437	778,402
	<hr/> <hr/> 1,255,014	<hr/> <hr/> 1,334,388
The average monthly number of employees during the year was	<hr/> <hr/> 47	<hr/> <hr/> 51

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

The Charity considers its key management personnel comprises the Trustees. Remuneration of the Trustees is detailed in note 10 to the financial statements. No employee received remuneration in excess of £60,000.

9 Remuneration of Trustees

The three Trustees of the Diocese receive no remuneration for their services as Trustees. All of the Trustees are clergy of the Diocese and, as such, are housed, remunerated and reimbursed expenses for carrying out their ministry in the same way as other priests of the Diocese, in accordance with the code of Canon Law. The Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 require disclosure of remuneration and expenses paid to Trustees in whatever capacity. The total remuneration paid to the Trustees amounted to £Nil (2015: £Nil) and the total costs of accommodation and reimbursement of expenses amounted to £50,812 (2015: £50,812).

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 £30,686 (2015 -£31,916) and additional accountancy work of £9,828 (2015 -£9,540).

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2016

10 Tangible Fixed Assets

	Heritable Property		Curial Furniture, fittings, vehicles & equipment	Parochial Furniture, fittings & motor vehicles	Total
	Curial £	Parochial £	£	£	£
Cost or Valuation					
At 1 January 2016	3,108,870	12,843,599	129,943	52,734	16,135,146
Additions	156,020	-	10,195	9,400	175,615
Disposals	-	-	-	(11,463)	(11,463)
At 31 December 2016	<u>3,264,890</u>	<u>12,843,599</u>	<u>140,138</u>	<u>50,671</u>	<u>16,299,298</u>
Depreciation					
At 1 January 2016	182,777	768,464	117,232	37,725	1,106,198
Provision	65,297	256,872	7,256	5,247	334,672
On disposal	-	-	-	(7,305)	(7,305)
At 31 December 2016	<u>248,074</u>	<u>1,025,336</u>	<u>124,488</u>	<u>35,667</u>	<u>1,433,565</u>
Net Book Value					
At 31 December 2016	<u>3,016,816</u>	<u>11,818,263</u>	<u>15,650</u>	<u>15,004</u>	<u>14,865,733</u>
At 31 December 2015	<u>2,926,093</u>	<u>12,075,135</u>	<u>12,711</u>	<u>15,009</u>	<u>15,028,948</u>

In connection with the valuation in 2012 of investment and heritable properties, Freeman Macleod, Chartered Surveyors and Property Consultants, made the following statement:

"The feuhold (equivalent) properties owned and occupied together with those subjects held for investment by the Diocese of Motherwell were valued by External Valuers, Freeman Macleod, Chartered Surveyors & Property Consultants, as at 31 December 2012 on the basis of Existing Use Value and Market Value, in accordance with the RICS Valuation - Professional Standards-March 2012 (7th edition) together with United Kingdom Accounting Practice.

The valuation report was compiled by Jeffrey Freeman Bsc FRICS and Alastair Macleod Bsc MRICS, Directors of Freeman Macleod.

The date of valuation is 31 December 2012.

The Valuer's opinion of Existing Use value (and where appropriate Market Value) will be primarily derived from, where available, comparable recent market transactions on arm's length terms, but also by using an estimate of the future potential net income generated by the use of the property, because its (part) specialised nature means there is either no or limited market based evidence available.

With regard to rotation of personnel it is this firm's policy to change the signatory of the report after two successive valuations for the same purpose.

A previous valuation was carried out in December 2007 for accounts purposes.

On this occasion the valuations have been prepared jointly by Jeffrey Freeman Bsc FRICS and Alastair Macleod Bsc MRICS, both Directors of Freeman Macleod who are also co-signatories to the report.

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2016

10 Tangible Fixed Assets

In the context of Disclosure we confirm that Freeman Macleod have had a fee earning relationship with the Diocese of Motherwell and related organisations since 1995.

Further Jeffrey Freeman Bsc FRICS has been a signatory to reports for varying purposes submitted to the Diocese of Motherwell for a period of some 17 years.

Additional services provided to the Diocese of Motherwell include valuations, property sales and general property consultancy.

In relation to this firms preceding financial year the proportion of total fees paid by the Client in relation to the total fee income of Freeman Macleod was less than 5%.

Further, since the end of the last financial year it is not anticipated that there will be a material increase in the proportion of fees payable, or likely to be payable, by the Client to this firm."

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

	2016	2015
	£	£
At valuation - Curial properties	3,264,890	3,108,870
At cost - Parochial properties	107,599	107,599
At valuation - Parochial properties	12,736,000	12,736,000
	<u>16,108,489</u>	<u>15,952,469</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:

	2016	2015
	£	£
Cost	2,063,091	1,907,071
Accumulated depreciation	(321,326)	(280,066)
	<u>1,741,765</u>	<u>1,627,005</u>

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

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2016

11 Fixed Asset Investments

Valuation	2016 £	2015 £
At 1 January 2016	7,965,728	6,037,356
Invested during the year	322,180	2,298,152
Proceeds from disposals	(318,061)	(327,308)
(Deficit)/Surplus on revaluation	354,670	(75,607)
Movement in cash held by the stockbroker	576	33,135
At 31 December 2016	<u>8,325,093</u>	<u>7,965,728</u>

Cost at 31 December 2016	<u>5,165,364</u>	<u>5,142,180</u>
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The above total is represented by:

	2016 £	2015 £
Listed investments	1,223,667	1,113,436
Catholic National Endowment Trust 4	7,041,590	6,793,042
Unlisted investments	4,000	4,000
Cash held as part of the portfolio	55,836	55,250
	<u>8,325,093</u>	<u>7,965,728</u>

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

	2016 £	2015 £
Investment assets inside the UK	8,143,907	7,795,657
Investment assets outside the UK	181,186	170,071
	<u>8,325,093</u>	<u>7,965,728</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 2016 the Diocese of Motherwell had ownership of 39.76% of the total fund (2015: 39.93%). The cost of these investments at 31 December 2016 was £4,035,392 (31 December 2015: £4,035,392). 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.

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements
For the year ended 31 December 2016

12 Debtors

	Curial £	Parochial £	Total 2016 £	Total 2015 £
Prepayments and accrued income	419,365	699	420,064	372,774
Parish loans	4,926,993	-	4,926,993	4,621,871
Due by Curial Office	-	11,447,506	11,447,506	11,473,130
Other debtors	-	50,000	50,000	50,000
	<u>5,346,358</u>	<u>11,498,205</u>	<u>16,844,563</u>	<u>16,517,775</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).

13 Creditors falling due within one year

	Curial £	Parochial £	Total 2016 £	Total 2015 £
Bank overdrafts	306,684	-	306,684	86,839
Trade creditors	29,228	1,960	31,188	33,234
Accruals	179,585	303,159	482,744	481,228
Parish loans	-	4,926,993	4,926,993	4,621,871
Taxation and social security	15,316	9,505	24,821	27,574
Other creditors	12,500	-	12,500	12,500
	<u>543,313</u>	<u>5,241,617</u>	<u>5,784,930</u>	<u>5,263,246</u>

14 Creditors falling due after more than one year

	Curial £	Parochial £	Total 2016 £	Total 2015 £
Parochial Investment Fund	10,110,892	-	10,110,892	10,080,009
Pastoral Aid Fund	1,336,614	-	1,336,614	1,393,121
	<u>11,447,506</u>	<u>-</u>	<u>11,447,506</u>	<u>11,473,130</u>

The Parochial Investment Fund represents monies deposited with the Diocese by the parishes. Investing parishes receive interest at a rate of 0.5%. 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 0.5% 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.

Notes to the Financial Statements
For the year ended 31 December 2016

15 Analysis of charitable funds

(a) Curial Unrestricted Funds

	At 1 January 2016 £	Incoming Resources £	Resources Expended £	Revaluation/ Investment Gains £	Transfers £	At 31 December 2016 £
General Fund	(121,831)	465,119	(2,300,619)	106,122	1,771,221	(79,988)
Revaluation reserve	1,351,373	-	-	-	(24,037)	1,327,336
Unrestricted funds	<u>1,229,542</u>	<u>465,119</u>	<u>(2,300,619)</u>	<u>106,122</u>	<u>1,747,184</u>	<u>1,247,348</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 2016 £	Incoming Resources £	Resources Expended £	Investment Gains £	Transfers £	At 31 December 2016 £
CNET 4	<u>4,793,042</u>	<u>232,100</u>	<u>-</u>	<u>248,548</u>	<u>(305,277)</u>	<u>4,968,413</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) Parish Restricted 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.

(d) Transfers between Funds - Levy, CNET4 and Special Collections

The transfer of funds of Levy, CNET4 and Special Collections from parishes to the Diocese comprised the following:

	2016 £	2015 £
Levy	<u>959,086</u>	<u>933,524</u>
CNET4	<u>147,000</u>	<u>152,000</u>

RC DIOCESE OF MOTHERWELL

**Notes to the Financial Statements
For the year ended 31 December 2016**

15 Analysis of charitable funds

(d) Transfers between Funds - Levy, CNET4 and Special Collections

	2016 £	2015 £
Special Collections:		
Communications	33,160	36,271
Papal & Episcopal	711	1,000
Day for Life	24,857	26,176
St Margaret's Children and Family Care	26,584	31,957
Justice and Peace	34,138	40,116
Holy Places	40,655	41,418
Peter's Pence	32,773	34,840
Lenten Appeal	36,409	37,021
Education Fund	48,275	44,328
Students/retired priests boxes	31,085	41,398
Catholic Education Commission	35,205	36,587
Ukraine Appeal	40,791	-
	<u>384,643</u>	<u>371,112</u>
Total	<u>1,490,729</u>	<u>1,456,636</u>

16 Other transfers between funds

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

	2016 £	2015 £
Pastoral Centre contributions	-	23,125
Parish loan interest	31,122	32,683
	<u>31,122</u>	<u>55,808</u>

Transfers from the Diocese to the parishes were as follows:

	2016 £	2015 £
Parochial Investment Fund interest	51,128	50,140
Pastoral Aid Fund interest	6,762	7,078
Support of retired priests	22,054	15,712
	<u>79,944</u>	<u>72,930</u>
Total	<u>(48,822)</u>	<u>(17,122)</u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements

For the year ended 31 December 2016

17 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £
Tangible fixed assets	3,032,466	11,833,267	-
Investments	3,283,503	-	5,041,590
Cash at bank and in hand	1,187,601	4,576,983	-
Other net current assets/(liabilities)	(6,329,399)	6,263,845	-
	<u>1,174,171</u>	<u>22,674,095</u>	<u>5,041,590</u>

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

	Curial £	Parochial £	Total 2016 £	Total 2015 £
Net movement in funds	(1,248,730)	488,041	(760,689)	(439,298)
Adjustments for:				
Interest received	(10,133)	(8,653)	(18,786)	(19,824)
Dividends received	(268,830)	-	(268,830)	(232,731)
Rent received	-	(36,689)	(36,689)	(56,004)
Depreciation charges	72,553	262,119	334,672	330,833
Gain on disposal of assets	-	(142)	(142)	-
Net losses on investments	(354,670)	-	(354,670)	75,607
Decrease in stocks	106	1,464	1,570	4,942
(Increase)/decrease in debtors	(352,471)	25,683	(326,788)	(229,094)
Increase in creditors	(64,403)	340,618	276,215	83,493
Net cash used in operating activities	<u>(2,226,578)</u>	<u>1,072,441</u>	<u>(1,154,137)</u>	<u>(482,076)</u>

19 Cash flows from investing activities

	Curial £	Parochial £	Total 2016 £	Total 2015 £
Interest received	10,133	8,653	18,786	19,824
Dividends received	268,830	-	268,830	232,731
Rent received	-	36,689	36,689	56,004
Payments to acquire fixed asset investments	(322,756)	-	(322,756)	(2,331,287)
Payments to acquire tangible fixed assets	(166,215)	(9,400)	(175,615)	(105,846)
Receipts from sales of tangible fixed assets	-	4,300	4,300	-
Receipts from sales of fixed asset investments	318,061	-	318,061	327,308
	<u>108,053</u>	<u>40,242</u>	<u>148,295</u>	<u>(1,801,266)</u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2016

20 Analysis of cash and cash equivalents

	At 1 January 2016 £	Cash Flows £	At 31 December 2016 £
Curial Funds			
Cash at bank	1,951,058	(456,773)	1,494,285
Bank overdrafts	(86,839)	(219,845)	(306,684)
	<u>1,864,219</u>	<u>(676,618)</u>	<u>1,187,601</u>
Parochial Funds			
Cash at bank	4,906,207	(329,224)	4,576,983
Total Funds	<u>6,770,426</u>	<u>(1,005,842)</u>	<u>5,764,584</u>

21 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.

22 Associated and Connected Bodies and Related Party Transactions

At 31 December 2016 the following companies were connected with the Diocese:

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

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

A donation of £10,000 (2015 - £15,000) was made by the Trustees of the Diocese to Carfin Pilgrimage Centre Limited as support for ongoing running costs. Carfin Pilgrimage Centre is a wholly owned subsidiary of the Diocese. St Patrick's Tearoom Limited and St Columbkille's Tearoom Limited are wholly owned subsidiaries of St Patrick's Parish, Coatbridge and St Columbkille's Parish, Rutherglen. All profits by these companies are donated to the respective parishes through gift aid. In the year under review £46,341 (2015 -£51,193) was gift aided by St Patrick's Tearoom Limited and nil (2015 - £nil) was gift aided by St Columbkille's Tearoom Limited. All amounts are removed on consolidation.

23 Capital Commitments

There were no unprovided capital commitments at 31 December 2016 or 31 December 2015.