

**THE ROMAN CATHOLIC ARCHDIOCESE
OF ST ANDREWS AND EDINBURGH**

ANNUAL REPORT and ACCOUNTS

For the year ended 31 December 2007

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

ANNUAL REPORT and ACCOUNTS

For the year ended 31 December 2007

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Reference & Administrative Details

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

Trustees

The Trustees of the Archdiocese during the year to 31 December 2007 and at the time the financial statements were approved were:-

<i>Name</i>	<i>Title</i>	<i>Appointed by</i>
His Eminence Keith Patrick Cardinal O'Brien	Archbishop	His Holiness the Pope
Right Reverend Monsignor Alistair Lawson	Senior Vicar General	Archbishop
Right Reverend Monsignor Philip J Kerr	Vicar General	Archbishop

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

Address

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

Bankers

Bank of Scotland, Edinburgh Business Centre, 2 Castle Terrace, Edinburgh, EH1 2YA
Royal Bank of Scotland, 36 St Andrew Square, Edinburgh, EH2 2YB
Skipton Building Society, The Bailey, Skipton, North Yorkshire, BD23 1DN

Solicitors

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

Auditors

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

Investment Advisors

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

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Structure, Governance & Management

Organisational Structure

The Archdiocese is comprised of 105 parishes located in various cities, town and villages throughout its boundaries. A Parish Priest, who is appointed by and is accountable to the Archbishop, is responsible, in terms of the Code of Canon Law, for a single or multiple Parishes. Parishes are grouped into Deaneries on a geographical basis. The Archbishop appoints one of the Parish Priests in each Deanery as "Vicar Episcopal". There are regular meetings of the 6 Vicars Episcopal with the Archbishop as well as meetings of the individual Vicar Episcopal with him.

Governance

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

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

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

Management

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

Induction & Training

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

Objectives & Activities

Objectives

The objectives of the Archdiocese are: -

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

Mission Statement

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

Activities

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

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

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

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Achievements & Performance

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

The Cardinal and his advisors have produced a Pastoral Plan for the Archdiocese called "Now is the favourable time". This is attempting to address the falling numbers of clergy and religious persons in the Archdiocese by clustering parishes and revising Deanery boundaries. The consultation process, with all persons within the Archdiocese, has been started and is ongoing.

Financial Review

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

The accounts for the year ended 31 December 2007 are presented in accordance with the legislation governing the reporting of charities under the provisions of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and comply in every material respect with the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (2005).

Financial

The year of 2007 has been financially sound in that we can again report a surplus of £1,771,000 before unrealised losses. As has been stated over the past number of years, the numbers of lay people employed by the Archdiocese has steadily increased with the resultant increase in costs. Over the next few years, there will be a substantial capital commitment required to maintain our buildings. This will involve a review of our investments, some of which may have to be realised to provide the funding.

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

Developments

A number of developments were started in 2007 and others are scheduled to start in 2008. It has become increasingly apparent that a number of capital projects, which are in the pipeline, may have to be reviewed as some of our churches and presbyteries will require major maintenance.

The following is a list of the major projects with the shortfall requiring funding from the Archdiocese. In some of these Parishes fundraising is already under way to reduce the shortfall.

<i>Parish</i>	<i>Cost Shortfall</i>	<i>Project</i>
St Mary's Cathedral	£1.0 Million	Major fabric repairs & services
St Patrick's, Edinburgh	£1.5 Million	Major fabric repairs & services
Burntisland	£0.3 Million	Upgrade of church building
Falkirk - St Francis	£0.6 Million	Hall extension & church stone repairs
Kilsyth	£0.6 Million	New hall
Rosewell	£0.2 Million	Completion of major fabric repairs
Gillis Centre	£1.0 Million	Roof repairs & flooring repairs in chapel
Total	£5.2 Million	

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Investments – Performance

We are pleased to report that, despite the downturn in the Stock Market in the later part of the year due to the problems in the USA sub-prime market, our portfolios have increased albeit slightly. The short-term uncertainties of Stock Market investments should be acknowledged, but equities remain the long-term champions of real growth in income and capital.

<i>Market Value</i>	<i>FTSE All Share Index</i>	<i>Bell Lawrie White</i>	<i>Newton Management</i>	<i>Shares held separately</i>
At Dec 07	3286.67	£1,921,520	£4,895,015	£491,137
At Dec 06	3221.42	£2,092,143	£4,613,542	£659,198
Percentage change in year	2.03%	-8.16%	6.10%	-25.49%

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

The 'Shares held separately' were HBOS shares held by the Mission Fund for a considerable number of years. No review had been carried out in this period as is normal practice with investments. On advice from our investment managers, the shares were sold and the funds re-invested in a portfolio based on the other portfolios held by the Archdiocese. This will illicit more control and the new portfolio incorporates a wider range of stock and shares to achieve more stability.

Year 2007 was a year of two halves. In the first, global growth appeared to accelerate; in the second, fears of a slowdown/recession became almost self-fulfilling. Our investment managers are of the opinion that both of our portfolios have survived the downturn better than some of the other clients portfolios.

Reserves

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

Investments – Policy

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

Grant Making

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

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

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Financial Review (cont'd)

Parish Accounts

The Parish Accounts have again been included in the Archdiocesan accounts in order to reflect the overall financial position of the Archdiocese. This is a requirement of the new charity legislation. It has been achieved only by a great deal of extra work and the co-operation of most of the Parish Priests.

Risk Assessment

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

Financial

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

In 2007 due to a lack of financial pressures, we have had to liquidate some of our reserves. As previously mentioned, this has reduced our income. This has shown the need for stricter expenditure and budgetary control.

In turn this has prompted the need for the production of a capital budget to cover the whole Archdiocese. The strain on our financial resources has become so great that, currently we have insufficient funds to meet our commitments. We are only able to fund certain capital projects by utilising the loans we have received from some of the Parishes in the Archdiocese.

It may transpire in the near future that we may have to obtain external funding from various sources to finance new capital projects thus incurring additional expense via interest charges or loss of income.

Health & Safety

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

Child Protection & Vulnerable Adult Policy

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

Strategic Plan

As already mentioned earlier in the report, the Cardinal and his advisors are consulting with the Archdiocesan flock to form a strategic plan to address the major problem of falling numbers of clergy.

Future Plans

Pastoral

Following the Archdiocesan programme "Together in Hope", a further consultation is in progress.

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Future Plans (cont'd)

Financial

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

The requirements of OSCR (Office of Scottish Charity Regulator) and the SORP 2005 (Statement of Recommended Practice) will continue to be the basis for the financial controls within the Archdiocese.

In conclusion, the Trustees wish to thank all the Archdiocesan personnel both clergy and laity for their hard work in 2007. A special word of thanks is given to the many volunteers throughout the Archdiocese for their continued lay ministry. Without this ministry of the laity the Archdiocese would not function and it is hoped that it will continue to become even stronger in the future

Statement of Trustees' Financial Responsibilities

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements, comply with the Charities and Trustee Investment (Scotland) Act 2005 the Charity Accounts (Scotland) Regulations 2006 and the terms of the charity's Founding Deed. The applicable law also sets out the trustees' responsibilities for the preparation and content of the trustees' Annual Report. In addition, the trustees are responsible for any other information published along with the trustees' Annual Report and Financial Statements.

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

KEITH PATRICK O'BRIEN
Senior Trustee

24 October 2008



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

This report is issued in respect of an audit carried out under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

We have audited the accounts of The Roman Catholic Archdiocese of St Andrews & Edinburgh for the year ended 31 December 2007 set out on pages 8 to 23. These accounts have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Trust'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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

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

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

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and whether the information given in the Trustees' Annual Report is consistent with the accounts. We also report to you if, in our opinion, the Trust has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

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

Basis of audit opinion

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

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

Opinion

In our opinion:

- the accounts give a true and fair view of the state of the Trust's affairs as at 31 December 2007 and of its incoming resources and application of resources for the year then ended;
- the accounts have been properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Accounting Practice; and
- the information given in the Trustees' Annual Report is consistent with the accounts.

CHIENE + TAIT

Chartered Accountants and Registered Auditors

61 Dublin Street

Edinburgh EH3 6NL

12 November 2008

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

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

For the year ended 31 December 2007

	Notes	Parishes			Curial				2007 Total Funds £'000	2006 Total Funds £000
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000		
INCOMING RESOURCES:										
Incoming Resources from Generated Funds										
	2	4,856	699	5,555	208	321	11	540	6,095	5,757
	3	882	-	882	-	2	-	2	884	642
	4	234	-	234	555	199	80	834	1,068	768
	5	351	-	351	211	98	-	309	660	589
		-	-	-	-	-	-	-	-	34
TOTAL INCOMING RESOURCES		6,323	699	7,022	974	620	91	1,685	8,707	7,790
RESOURCES EXPENDED:										
Cost of generating funds										
		309	-	309	-	-	-	-	309	221
		-	-	-	16	2	7	25	25	22
	7, 8	4,846	678	5,524	1,251	713	18	1,982	7,506	6,755
	10	-	-	-	27	-	-	27	27	30
TOTAL RESOURCES EXPENDED		5,155	678	5,833	1,294	715	25	2,034	7,867	7,028
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS										
		1,168	21	1,189	(320)	(95)	66	(349)	840	762
	18,19	109	270	379	(379)	-	-	(379)	-	-
	18,19	(540)	(291)	(831)	513	318	-	831	-	-
NET INCOMING / (OUTGOING) RESOURCES AFTER TRANSFERS		737	-	737	(186)	223	66	103	840	762
		909	-	909	-	3	19	22	931	242
NET SURPLUS/ (DEFICIT)/ FOR THE YEAR		1,646	-	1,646	(186)	226	85	125	1,771	1,004
	12	-	-	-	140	-	-	140	140	(1,959)
	13,14	-	-	-	(29)	(233)	(12)	(274)	(274)	1,988
NET MOVEMENT ON FUNDS		1,646	-	1,646	(75)	(7)	73	(9)	1,637	1,033
Funds Brought Forward		24,793	-	24,793	11,720	3,454	2,395	17,569	42,362	41,329
FUNDS CARRIED FORWARD		26,439	-	26,439	11,645	3,447	2,468	17,560	43,999	42,362

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

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

BALANCE SHEET

As at 31 December 2007

	Notes	2007	2006
		£'000	£'000
Fixed Assets			
Tangible fixed assets	12	25,840	25,253
Investments	13	7,308	7,365
National Contingency Investment fund	14	3,464	3,627
Total Fixed Assets		36,612	36,245
Current Assets			
Debtors	15	285	449
Cash at bank and in hand		8,918	8,388
Total Current Assets		9,203	8,837
Liabilities			
Creditors: amounts due within one year	16	(1,816)	(2,720)
Net current assets		7,387	6,117
Net Assets		43,999	42,362
The Funds of the Charity:			
Curial Endowments	17	2,468	2,395
Curial Restricted funds	18	3,447	3,454
Curial Unrestricted funds	19	11,645	11,720
Parish Unrestricted funds	19	26,439	24,793
Total Charity Funds	20	43,999	42,362

Approved by the Trustees on 24 October 2008

Keith Patrick O'Brien
 Trustee

Alistair Lawson
 Trustee

Philip J Kerr
 Trustee

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

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS & EDINBURGH

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	£'000	2007 £'000	£'000	2006 £'000
Net cash (outflow)/inflow from operating activities	24		(412)		111
Returns on investments and servicing of finance					
Interest and investment income received		1,068		768	
Net cash inflow from returns on investments and servicing of finance			1,068		768
Capital expenditure and financial investment					
Payments to acquire fixed assets		(591)		(790)	
Payments to acquire investments		(1,164)		(2,059)	
Receipts from the sale of fixed assets		1,058		227	
Receipts from the sale of investments		1,301		1,676	
Net cash inflow/(outflow) from capital expenditure and investments			604		(946)
Cash inflow/(outflow) before financing			1,260		(67)
Financing					
Loans (repaid)/received in the year			(550)		290
Increase in cash in the year	25,26		710		223

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

NOTES to the ACCOUNTS

For the year ended 31 December 2007

1 Accounting Policies

Basis of preparation

The Roman Catholic Archdiocese of St Andrews and Edinburgh is recognised as a Scottish Charity (No. SC008664) and the accounts are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, on an accruals basis and comply in every material respect with the Statement of Recommended Practice - Accounting and Reporting by Charities (2005) and the Charities Accounts (Scotland) Regulations 2006. Parishes are considered to be part of the charity, and accordingly parish income, expenditure, assets and liabilities are reflected in the financial statements.

Offertory and Special Collections Income

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

Donations and Legacies

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

Grants

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

Income from Investments

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

Resources expended

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

- Costs of generating funds are those associated with generating incoming resources and charitable activities costs are those expended on meeting the Archdiocese's objectives.
- Charitable activities include expenditure associated with meeting the Archdiocese's primary objectives and include both the direct costs and the support costs relating to these activities.
- Governance costs are those of a constitutional, strategic, or statutory nature with respect to the general running of the Archdiocese, rather than day to day management.
- Costs directly attributable to Charitable activities and Governance, are allocated to the appropriate activity. Support costs, including staff costs, which cannot be directly attributed to an activity are allocated on the basis of an estimate of the time or resource expended on each activity.

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

1 Accounting Policies (cont'd)

Tangible Fixed Assets

All fixed assets, other than investment properties, are included in the accounts at their historical cost or estimation of their value in use, less depreciation which is provided in equal annual instalments over the estimated useful lives of the assets.

Certain assets which are inalienable and historic have not been capitalised or depreciated. While these assets are functional, due to their nature, cost information is unavailable and conventional valuation techniques cannot be applied. Consequently, no reliable value can be attributed these assets.

Depreciation

Heritable properties:-

Financial Reporting Standard (FRS) 15 requires all assets to be depreciated over their estimated economic life, taking account of any residual value of the assets. Heritable properties are considered to have a high residual value and a useful economic life in excess of 50 years. The heritable depreciation charge is therefore immaterial and no charge has therefore been made.

Where no charge for depreciation is made and where the useful economic life exceeds 50 years an impairment review should be carried out on an annual basis. Such a review has been performed and the Trustees are satisfied that the value of the properties under FRS 11 is not less than the carrying value in the financial statements.

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

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

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

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

Investment Properties

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

Investments

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

Pensions

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

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

1 Accounting Policies (cont'd)

Fund Accounting

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

Unrestricted funds represent the funds which the Trustees are free to use in accordance with the charitable objects.

Designated funds are unrestricted funds designated for particular purposes by the Trustees.

Restricted funds are derived from legacies, bequests and donations which were donated for purposes and which form the restricted funds of the Archdiocese. The Trustees may only use these restricted funds for the purpose for which they were given.

Endowment funds are invested in investments, the income from which is used for the normal operation of the Trust, and must be spent in accordance with the terms of the endowment.

2 Voluntary income

	2007 £'000	2006 £'000
Donations	598	425
Legacies	565	310
Special collections income	564	487
Offertory collections and gift aid	3,930	3,895
Miscellaneous collections and donations	41	266
Grants received	397	374
	-----	-----
	6,095	5,757
	=====	=====

3 Activities for generating funds

	2007 £'000	2006 £'000
AICF property income	2	2
Fundraising and parish hall and other property income	882	640
	-----	-----
	884	642
	=====	=====

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

4 Investment Income

	2007	2006
	£'000	£'000
Income from listed investments	270	263
Bank interest receivable	264	64
Other interest receivable	162	88
National Contingency Investment Fund income	88	66
Rental income from investment properties	284	287
	-----	-----
	1,068	768
	=====	=====

5 Incoming resources from charitable activities

	2007	2006
	£'000	£'000
Gillis Centre income	203	160
Mount Vernon cemetery income	98	80
Church stall	310	303
Chaplaincy income	41	46
Courses and workbook income	8	-
	-----	-----
	660	589
	=====	=====

6 Staff Costs

	2007	2006
	£'000	£'000
<i>Diocese</i>		
Wages and salaries	400	364
Social security costs	32	29
Pension costs	17	18
	-----	-----
	449	411
Wages and salaries – parishes	627	589
	-----	-----
	1,076	1,000
	=====	=====

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

	No	No
The average monthly number of employees during the year was	51	48
	=====	=====

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

Three (2006: Two) Trustees in respect of their work as Parish Priests have received remuneration from the Archdiocese during the year. The Archbishop in respect of his work as Archbishop of the Archdiocese has received remuneration from the Archdiocese during the year. During the year no expenses were reimbursed to the Trustees incurred in attending Trustees' meetings. The Archdiocese has insurance to protect the Archdiocese from loss arising from neglect or default of its Trustees and insurance to indemnify the Trustees against the consequences of neglect or default on their part.

Trustees received remuneration from the Archdiocese during the year as follows:

	£	£
His Eminence Keith Patrick Cardinal O'Brien	2,028	1,918
Right Reverend Monsignor Alistair Lawson	2,028	1,918
Right Reverend Monsignor Philip J Kerr	676	-
Reverend Nicholas Hodgson	1,352	1,918

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

6 Staff Costs (cont'd)

The Trustees are also entitled to assistance in their retirement as detailed in note 27. This remuneration is permitted under the provisions of Canon Law.

7 Parish charitable activities

	2007	2006
	£'000	£'000
Direct charitable activities		
Special collections remitted	273	218
Travel and car expenses	192	188
Repairs and renovations	1,272	1,243
Church costs	1,348	1,166
Hall costs	199	210
Priests' house costs	1,053	983
Staff salaries and national insurance	485	475
	-----	-----
	4,822	4,483
	-----	-----
Support costs of charitable activities		
Depreciation	95	90
Loss on disposal of motor vehicles	2	-
Retreats and courses	206	133
Insurance	27	36
Professional and legal fees	33	53
Office and stationery	199	201
Interest payable	5	30
Donations	26	-
Miscellaneous	109	53
	-----	-----
	702	596
	-----	-----
Total parish charitable activities	5,524	5,079
	=====	=====
8 Diocesan charitable activities		
Direct charitable activities		
Staff salaries and national insurance	58	84
Education of priests and students	115	124
Grants paid (note 11)	77	62
Endowment funds expenditure	-	30
Special collections	163	110
Mount Vernon cemetery costs	151	13
	-----	-----
	564	423
	-----	-----
Support costs of charitable activities		
Curial administration expenses	280	247
Curial property expenses	257	317
Care of sick and retired priests	128	115
Religious education and chaplaincies	207	179
Contribution to national assessments	115	115
Staff salaries and national insurance	328	280
Interest payable	103	-
	-----	-----
	1,418	1,253
	-----	-----
Total Diocesan charitable activities	1,982	1,676
	=====	=====
Total of notes 7 and 8	7,506	6,755
	=====	=====

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

9 Charitable activities	2007	2006
	<i>£'000</i>	<i>£'000</i>
Advancement of Religion (40%)	3,002	2,702
Advancement of Education (35%)	2,627	2,364
Relief of Poverty (15%)	1,126	1,013
Cure / alleviation of sickness/disease (10%)	751	676
	<u>7,506</u>	<u>6,755</u>

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

10 Governance costs	2007	2006
	<i>£'000</i>	<i>£'000</i>
Auditors' remuneration in respect of audit services	<u>27</u>	<u>30</u>

The remuneration paid to the auditors in respect of other professional services amounted to £22,250 (2006: £22,250).

11 Grants Paid	2007	2006
	<i>£'000</i>	<i>£'000</i>
The amounts payable in the year, which are included within charitable activities, comprise:		
Grants to institutions		
To fund the running of parishes	4	2
Marriage and family	36	37
Other institutional grants	5	9
	<u>45</u>	<u>48</u>
Grants to individuals		
Clergy – Ecclesiastical education	2	2
Students - Ecclesiastical education	16	12
Clergy – AICF	14	-
	<u>32</u>	<u>14</u>
	<u>77</u>	<u>62</u>

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

12 Tangible Fixed Assets	Investment Properties £'000	Heritable Properties £'000	Furnishings and Equipment £'000	Motor Vehicle £'000	Total £'000
Asset cost, valuation or revalued amount					
Balance brought forward	6,112	17,690	1,404	313	25,519
Reclassification (Net)	(469)	469	-	-	-
Additions	-	358	133	100	591
Disposals	-	-	-	(26)	(26)
Revaluation	140	-	-	-	140
Balance carried forward	<u>5,783</u>	<u>18,517</u>	<u>1,537</u>	<u>387</u>	<u>26,224</u>
Depreciation					
Balance brought forward	-	-	136	130	266
Charge for the year	-	-	30	95	125
Disposal	-	-	-	(7)	(7)
Balance carried forward	<u>-</u>	<u>-</u>	<u>166</u>	<u>218</u>	<u>384</u>
Net Book Value					
As at 31 December 2007	<u>5,783</u>	<u>18,517</u>	<u>1,371</u>	<u>169</u>	<u>25,840</u>
As at 31 December 2006	<u>6,112</u>	<u>17,690</u>	<u>1,268</u>	<u>183</u>	<u>25,253</u>

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

The Archdiocese owns St Mary's Cathedral together with a large number of properties throughout the 105 parishes. Most of the buildings are regarded as inalienable or historic assets, and while functional, no reliable cost information is available nor conventional valuation techniques possible. As a result, these properties are therefore excluded from the values above.

The non-adjointed property portfolio was independently valued by Ryden LLP, Chartered Surveyors, as at 31 December 2006 on the existing use basis. This resulted in an exceptional write down in the value of heritable properties amounting to £1,959,000 last year.

In the opinion of the Trustees, the market values of both investment properties and the non-adjointed property portfolio at 31 December 2007 are unchanged from 31 December 2006 with the exception of Randolph Place which has been re-valued by Trustees at £1,150,000, an uplift of £140,000.

Following a review of the nature and use of investment properties, £1,479,000 was reclassified from investment properties to heritable properties during the year. £1,010,000 was also reclassified from heritable properties to investment properties during the year.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

13 Investments	2007	2006
	£'000	£'000
Market value at beginning of year	7,365	6,482
Additions	1,315	1,955
Disposals	(1,261)	(1,636)
Unrealised (loss)/ gain	(111)	564
Market value at end of year	<u>7,308</u>	<u>7,365</u>
Cost at 31 December 2007	<u>6,465</u>	<u>5,978</u>

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

Investments at market value comprised:-

Investments held in the UK	6,811	6,914
Investments held out with the UK	497	451
	<u>7,308</u>	<u>7,365</u>

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

	£'000
HBOS ordinary shares	<u>428</u>

14 National Contingency Investment Fund

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

	2007	2006
	£'000	£'000
Market value at 1 January 2007	3,627	3,158
Additions	-	125
Unrealised (loss)/ gain	(163)	344
Market value at 31 December 2007	<u>3,464</u>	<u>3,627</u>
Cost at 31 December 2007	<u>1,741</u>	<u>1,741</u>

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

15 Debtors	2007	2006
	£'000	£'000
Other debtors	285	449
	<u>285</u>	<u>449</u>

16 Creditors: amounts due within one year	2007	2006
	£'000	£'000
Bank overdraft	1,469	1,649
Accruals	90	162
Other creditors	257	909
	<u>1,816</u>	<u>2,720</u>

Included within other creditors is a loan from a third party for £nil (2006 : £550,000). Interest was payable on this loan at base plus 1 %. There were no set terms for repayment and the loan was repayable on demand. This loan was repaid in full during the year.

17 Curial Endowments	Balance at 1 January 2007	Incoming Resources	Outgoing Resources	Realised and Transfers Between Funds	Unrealised gains on Investments	Balance at 31 December 2007
	£'000	£'000	£'000	£'000	£'000	£'000
Funds for special purposes	2,395	91	(25)	-	7	2,468
	<u>2,395</u>	<u>91</u>	<u>(25)</u>	<u>-</u>	<u>7</u>	<u>2,468</u>

18 Restricted Funds

Curial:

Special Collections	304	5	(176)	207	-	340
Ecclesiastical Education Fund	-	16	(29)	27	-	14
Aged and Infirm Clergy Fund	1,538	179	(179)	69	(4)	1,603
Rev J C Barry Trust	17	-	-	-	-	17
Taggart Bursary	66	103	(76)	-	-	93
Cathedraticum	-	-	(12)	12	-	-
Mount Vernon	627	124	(207)	-	15	559
Vocations	60	-	(5)	3	-	58
SPRED	11	17	(11)	-	-	17
Mission Fund	814	30	(15)	-	(231)	598
Sick Priests' Fund	17	53	(5)	-	-	65
Margret Sinclair Fund	-	68	-	-	(10)	58
Friendly Society	-	8	-	-	-	8
Farquharson Fund	-	17	-	-	-	17
Total curial restricted funds	<u>3,454</u>	<u>620</u>	<u>(715)</u>	<u>318</u>	<u>(230)</u>	<u>3,447</u>
Parish restricted funds	<u>-</u>	<u>699</u>	<u>(678)</u>	<u>(21)</u>	<u>-</u>	<u>-</u>

ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

	As at 1 Jan 2007 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers Between Funds £'000	Realised Gains £'000	Revaluation/ Unrealised Gains £'000	As at 31 Dec 2007 £'000
19 Unrestricted Funds							
Designated Funds:-							
Development Fund	137	-	-	-	-	-	137
Priests on Foreign Missions	27	-	(4)	-	-	-	23
Parish Support Fund	13	-	-	(6)	-	-	7
Adult Lay Formation Fund	180	-	-	-	-	-	180
Gain on sale of property	372	-	-	-	-	-	372
National Contingency Investment Fund	3,627	-	-	-	-	(163)	3,464
	<u>4,356</u>	<u>-</u>	<u>(4)</u>	<u>(6)</u>	<u>-</u>	<u>(163)</u>	<u>4,183</u>
Other Unrestricted Funds:							
Curial Central Fund	4,087	974	(1,290)	140	-	134	4,045
Revaluation Fund	3,277	-	-	-	-	140	3,417
	<u>11,720</u>	<u>974</u>	<u>(1,294)</u>	<u>134</u>	<u>-</u>	<u>111</u>	<u>11,645</u>
Parish unrestricted fund	<u>24,793</u>	<u>6,323</u>	<u>(5,155)</u>	<u>(431)</u>	<u>909</u>	<u>-</u>	<u>26,439</u>
20 Analysis of Net Assets between Funds							
			Tangible Fixed Assets £'000	Invest- ments £'000	National Contingency Investment Funds £'000	Net Current Assets/ (Liabilities) £'000	Total £'000
Endowments:-							
Funds for Special Purposes			750	2,526	-	(808)	2,468
Restricted Funds:							
Special collections			-	-	-	340	340
Ecclesiastical Education Fund			-	-	-	14	14
Aged and Infirm Clergy Fund			-	527	-	1,076	1,603
Rev. J C Barry Trust			-	-	-	17	17
Taggart Bursary			-	-	-	93	93
Mount Vernon			-	400	-	159	559
Vocations			-	-	-	58	58
SPRED			-	-	-	17	17
Mission Fund			-	431	-	167	598
Sick Priest's Fund			-	50	-	15	65
Margaret Sinclair			-	77	-	(19)	58
Friendly Society			-	-	-	8	8
Farquharson Fund			-	-	-	17	17
			<u>-</u>	<u>1,485</u>	<u>-</u>	<u>1,962</u>	<u>3,447</u>
Unrestricted Funds:							
Designated Funds:							
Development Fund			-	-	-	137	137
Priests on Foreign Missions Fund			-	-	-	23	23
Parish Support Fund			-	-	-	7	7
Adult Lay Formation Fund			-	-	-	180	180
Gains on sale of Heritable Property			-	-	-	372	372
National Contingency Investment Fund			-	-	3,464	-	3,464
			<u>-</u>	<u>-</u>	<u>3,464</u>	<u>719</u>	<u>4,183</u>
Other Unrestricted Funds:							
Curial Central Fund			4,542	3,297	-	(3,794)	4,045
Revaluation Fund			3,417	-	-	-	3,417
			<u>7,959</u>	<u>3,297</u>	<u>3,464</u>	<u>(3,075)</u>	<u>11,645</u>
Total curial unrestricted funds			<u>17,131</u>	<u>-</u>	<u>-</u>	<u>9,308</u>	<u>26,439</u>
Total parish unrestricted funds			<u>25,840</u>	<u>7,308</u>	<u>3,464</u>	<u>7,387</u>	<u>43,999</u>
Total							



ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (*cont'd*)

For the year ended 31 December 2007

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

Endowment Funds

1 Funds for Special Purposes

These funds have been given to the Archdiocese for the exclusive benefit of certain clearly defined specific purposes, relating to the charity's general charitable objectives.

Other Restricted Funds

2 Special Collections

These funds represent the balance of collections taken up in the parishes of the Archdiocese for particular causes due to be remitted as at the year end.

3 Ecclesiastical Education Fund

This fund relates to the training of students for the priesthood.

4 Aged and Infirm Clergy Fund

This fund is for the care and support of clergy who have retired from active service due to age or ill-health.

5 Rev J C Barry Trust

This fund is to be used to send Edinburgh students to the Holy Land, preferably to study on a recognised course.

6 Taggart Bursary

This fund is to be used for four Edinburgh students in Rome or Spain to study at the Scots College.

7 Cathedraticum

This fund helps to meet the costs of the Cardinal's office.

8 Mount Vernon Fund

This fund is to be used for the maintenance of Mount Vernon Cemetery in Edinburgh.

9 Vocations Fund

This fund is to be used to meet expenses incurred in promoting vocations to the priesthood.

10 SPRED

This fund is to be used to provide assistance to allow disabled people to take their rightful place in the parish community.

11 Mission Fund

This fund is to be used for the benefit of Archdiocesan clergy.

12 Sick Priests Fund

This fund is to be used for the care of sick priests.

13 Margaret Sinclair Fund

This fund is for costs incurred in pressing the case for Margaret Sinclair to become a saint.

14 Friendly Society

This fund is to be used for the relief of poverty of Archdiocesan clergy.

15 Farquharson Fund

This fund is to be used for the benefit of Archdiocesan clergy.

ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

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

Designated Funds

16 Development Fund

This fund is for future capital projects of the Archdiocese.

17 Priests on Foreign Missions Fund

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

18 Parish Support Fund

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

19 Gains on Sale of Heritable Properties

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

20 National Contingency Investment Fund

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

21 Pension commitments

The Archdiocese operates three defined contribution pension schemes. The assets of the schemes are held separately from those of the Archdiocese in independently administered funds. The pension cost charge represents contributions payable by the Archdiocese to the funds and amounted to £16,878 the year (2006: £17,757).

22 Capital and major repairs commitments

	2007	2006
	£'000	£'000
Amount contracted for but not provided in the accounts	2,200	1,700
Amount authorised but not contracted for	850	-
	<u>3,050</u>	<u>1,700</u>

ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2007

23 Post balance sheet event

In March 2008, a sum of £521,000 was received for the sale of St Peter's Church and St Peter's Presbytery in Leven.

In view of the banking crisis subsequent to the year end, the Trustees have reviewed banking deposit arrangements for the charity. The Trustees are currently reviewing the position with one bank balance totalling approximately £300,000 where recovery of the funds may be uncertain. The Trustees have decided not to provide against this balance until more information is forthcoming. The Trustees are also aware of the post year end developments in the property sector and undertake to consider values at 31 December 2008.

24 Reconciliation of net incoming resources before unrecognised gains and exceptional item to net cash outflow from operating activities

	2007 £'000	2006 £'000
Net surplus for the year	1,771	1,004
Interest and investment income	(1,068)	(768)
Depreciation	125	113
Donated investments	(151)	-
Additional fixed asset costs written off	-	165
Gain on disposals of investments and heritable property	(931)	(242)
Loss/(gain) on disposal of other fixed assets	2	(34)
Decrease/(increase) in debtors	14	(46)
Decrease in creditors	(174)	(81)
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(412)	111
	<hr/> <hr/>	<hr/> <hr/>

25 Reconciliation of net cash flow to movement in funds

	2007 £'000	2006 £'000
Increase in cash in the year	710	223
New loans	-	(290)
Loans repaid	550	-
	<hr/>	<hr/>
Change in funds	1,260	(67)
Net funds at beginning of year	6,189	6,256
	<hr/>	<hr/>
Net funds at end of year	7,449	6,189
	<hr/> <hr/>	<hr/> <hr/>

26 Analysis of changes in funds

	At 1 January 2007 £'000	Cash flows £'000	At 31 Dec 2007 £'000
Cash at bank and in hand	8,388	530	8,918
Bank overdraft	(1,649)	180	(1,469)
	<hr/>	<hr/>	<hr/>
Loan	6,739	710	7,449
	(550)	550	-
	<hr/>	<hr/>	<hr/>
	6,189	1,260	7,449
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

27 Contingent liability

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

Appendix 1
THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

INCOME and EXPENDITURE ACCOUNT

For the year ended 31 December 2007

	Total 2007 £'000	Total 2006 £'000
Income		
Investment income	1,068	768
Gillis and AICF property income	205	162
Special collections income	564	487
Legacies	565	310
Donations	598	425
Offertory collections and gift aid	3,930	3,895
Fund raising and hall rental	882	640
Church stall	310	303
Grants received	397	374
Miscellaneous	41	266
Mount Vernon funeral income	98	80
Chaplaincy income	41	46
Courses and workbooks	8	-
Realised gain on sale of motor vehicles	-	34
Total income	8,707	7,790
Expenditure		
<u>Direct charitable expenditure:</u>		
Staff costs	543	559
Special collections expenditure	436	328
Education of priests and students	131	124
Grants paid	10	62
Endowment fund expenditure	-	30
Mount Vernon cemetery costs	151	13
Property expenses	3,872	3,602
Travel and car expenses	192	188
<u>Support costs of charitable activities:</u>		
Staff costs	328	280
Care of sick and retired priests	141	115
Religious education, chaplaincies and pastoral activities	245	179
Retreats and courses	206	133
Contributions to national assessments	115	115
Miscellaneous	107	53
Administration expenses	662	627
Property expenses	257	317
Interest payable	108	30
Loss on disposal of motor vehicles	2	-
<u>Costs of generating funds</u>		
Investment managers' fees	25	22
Fundraising and church stall costs	309	221
<u>Governance costs</u>	27	30
Total expenditure	7,867	7,028
Net incoming resources for the year	840	762
Realised gain on sale of investments and heritable property	931	242
Net surplus for the year	1,771	1,004