



Report and Accounts for the Year ended 30 September 2010

Contents

	<i>page</i>
Reference and administrative details	2
Report of the Vestry (Trustees' report)	3
Statement of responsibilities of the Members of the Vestry	6
Committee reports	6
Group reports	8
Summary of accounts	10
Independent examiner's report	12
Statement of financial activities	13
Balance sheet	14
Notes to the accounts	15

Reference and administrative details

NAME OF CHARITY Old Saint Paul's Episcopal Church

SCOTTISH CHARITY NUMBER SC017399

PRINCIPAL ADDRESS Old Saint Paul's Church
Jeffrey Street
Edinburgh EH1 1DH

Email: info@osp.org.uk
Internet: http://www.osp.org.uk

THE VESTRY

Rector: The Reverend Canon Ian Paton

Churchwardens: Appointed by the Rector:
Sheila Brock
Elected by the Congregation in Annual Meeting:
Frank Ribbons

Vestry Clerk: Virginia Franklin (*resigned 13 December 2009*)
Kimberley Moore Ede (*appointed 13 January 2010*)

Treasurer: Nigel Cook

Lay Representative: Helen Tyrrell

Ordinary members: Janet de Vigne (*resigned 29 October 2010*)
Jane Gardner
Caroline Gooch
James Hutchinson (*elected 13 December 2009*)
David McLellan
James Wynn-Evans (*deceased 20 August 2010*)

CHARITY TRUSTEES The members of the Vestry are the Charity Trustees of Old Saint Paul's Episcopal Church.

TRUSTEES FOR THE CHARITY The following officials of the Diocese of Edinburgh are Trustees for the Church in respect of heritable property:

Bishop: The Right Reverend Brian Smith

Dean: The Very Reverend Kevin Pearson (*resigned 15 November 2010*)
The Very Reverend John Armes (*appointed 15 November 2010*)

Chancellor: Sarah Wolffe

Registrar: Robin Morton

Certain investment assets are registered in the name of Scottish Episcopal Church Nominees, a company limited by guarantee, whose members and directors are Trustees of the Scottish Episcopal Church.

BANKERS The Royal Bank of Scotland plc
31 North Bridge
Edinburgh EH1 1SF

SOLICITORS Bell & Scott llp
16 Hill Street
Edinburgh EH2 3LD

INDEPENDENT EXAMINER James Younger, BSC CA
Chiene + Tait
Chartered Accountants and Independent Examiners
61 Dublin Street
Edinburgh EH3 6NL

Except where stated otherwise, all Trustees served throughout the financial year.

Report of the Vestry (Trustees' report) Year ended 30 September 2010

As Trustees of Old Saint Paul's Episcopal Church, the Vestry presents its report and accounts for the year ended 30 September 2010. These have been prepared in accordance with applicable charities law and the requirements of the Statement of Recommended Practice : Accounting and Reporting by Charities (March 2005).

Reference and administrative details

Reference and administrative details are presented on page 2.

Structure, governance and management

The Church is an unincorporated association, governed by Constitution dated 16 January 1938, and last amended in January 2003. For the purposes of charities law, the members of the Vestry are the Trustees of the Church.

Except for the Rector, Vestry members are appointed from the Congregation. The Rector is appointed by the Vestry and the Bishop of the diocese; one Churchwarden is appointed by the Rector; the Clerk and the Treasurer are appointed by the Vestry; one Churchwarden, the Lay Representative and six ordinary members of the Vestry are elected by the Congregation in annual meeting.

Ordinary members of the Vestry serve 2-year terms, and may serve a maximum of two consecutive terms. Casual vacancies may be filled by the Vestry, and up to 3 members may be co-opted by the Vestry for a period not exceeding one year.

The obligations and responsibilities of trustees are considered as required by the Vestry. New Vestry members receive printed guidance explaining their duties and responsibilities.

The Vestry is responsible for managing and safeguarding the assets of the Church, and assists the Rector in matters affecting the spiritual welfare of the Congregation. The Vestry is supported by its Finance and Property Committees, which operate with specific remits under delegated powers. Activity groups operate on a semi-autonomous basis within budgets agreed with the Vestry. Individual members of the Vestry act as liaison between the Vestry and activity groups.

The Church is a congregation of the Diocese of Edinburgh in the Scottish Episcopal Church. The Bishop of Edinburgh has pastoral oversight of all congregations within the diocese, and all congregations are subject to Canon Law of the Scottish Episcopal Church. The Rector and the Lay Representative represent the Congregation at Diocesan Synod.

Resolutions of General Synod of the Scottish Episcopal Church provide that the primary duties of every congregation are to provide the prescribed stipend and allowances for its cleric(s) and to contribute to central funds through payment of Quota.

The Vestry reviews on a regular basis the major risks to which the Church is exposed, and systems or procedures have been established to manage those risks.

Objectives and activities

The objectives of the Vestry are to advance the mission of the Christian Church, through worship, service, and fellowship. These objectives are carried out primarily through direct activities, but the Vestry also awards grants in furtherance of its objectives.

The principal activities of the Church are public worship, the spiritual development of its members, and social responsibility.

Formal grant making takes place through tithing the Church's disposable income, and from a large bequest by a former member of the Congregation. Grants are targeted at charitable causes which provide tangible benefit to disadvantaged communities, at home and overseas.

In carrying out its objectives the Vestry depends considerably on the contribution of many volunteers from the Congregation. Activities carried out include contributions preparatory to and during worship, service on committees and through activity groups, care and maintenance of premises and fabric, and pastoral and social activities. These contributions are highly valued, and all members of the Congregation are encouraged to participate.

Achievements and performance

The Vestry began financial year 2010 contemplating the prospect of a large budget deficit. This view flowed from a number of factors, all resulting from the global economic situation:

- a large increase in the rate of pension contributions due to a scheme deficit;
- the loss of most of our investment income;
- a tapering down in pledged giving;
- direction of donations to the restoration and renewal appeal.

The Vestry's immediate response was that so far as possible existing programmes and activities should be continued, and that termination of any employments should be avoided. Through calm and careful management this has been achieved, and the Vestry is grateful to all who have assisted in this.

Report of the Vestry (continued) Year ended 30 September 2010

Achievements and performance (continued)

During the course of the year, a number of decisions were made, and certain other factors improved, which would assist in bringing about a better than expected out-turn for 2010:

- we dispensed with paid cleaning, and the Vestry is hugely grateful to the volunteers from the Congregation who have taken over this role;
- paid hours for the children's ministry worker and for the hall assistant were reduced;
- a significant legacy from the late Cecilia Cavaye has enabled us to fund a large part of our music costs;
- another, smaller, legacy has helped in making good declining giving for general purposes;
- a more efficient electrical supply was installed, and more favourable tariffs obtained for both electricity and gas supplies;
- regrettably, we have reduced the portion of our income given away in tithing.

For a large part of the year the church building was shrouded with scaffolding while work continued on the high level repair scheme. This was partly funded by Historic Scotland and Heritage Lottery Fund. Smaller grants have been awarded by General Synod, Scottish Churches Architectural Heritage Trust and the National Churches Trust. Anticipated total grant income, including VAT recovery, amounts to more than £260,000, and the final cost including fees is expected to be around £350,000.

Good progress was made with the project, and more was achieved than expected, the final scaffolding being removed shortly before Easter. The restoration and renewal committee supervised progress with both management of the contract and fundraising. Currently, the impressive sum of about £49,000 has been raised within the Congregation, through a variety of efforts, including a gift fair in December which raised £4500 and this year's series of *Hot Chocolate* concerts which raised more than £5000.

Fundraising was boosted through two particular efforts: in June 2010 our Curate, Simon Tibbs, spent five weeks walking to the Shrine of Our Lady at Walsingham in Norfolk, and has so far raised about £5000, shared between the R&R project and Christian Aid; earlier, in August 2009 Jim Wynn-Evans had spent an hour on the vacant Trafalgar Square plinth and raised more than £6000, shared between the R&R project and the Society of Saint Francis multi-cultural support project in Leeds.

Jim Wynn-Evans had been Convenor of our property committee for several years and was project manager for the roof repair scheme. All were greatly saddened by his death in August 2010 following a short illness.

As the roof project neared completion, the restoration and renewal committee turned its sights to renewal activity and fundraising for that. There is a prioritised list of projects, but that currently gaining attention is improvement of the Jeffrey Street entrance and Calvary staircase. This is part of the desire to improve the visibility of the church building.

Meanwhile, the Vestry continued to support all the different activities of the Church. Necessary repairs have been carried out as required, and following a visit from the Fire and Rescue Service a fire detection and alarm system is due to be installed.

A change of approach to tithing has been introduced, whereby each year a single beneficiary is adopted by the annual meeting of the Congregation to receive the whole tithing contribution for the ensuing year. For 2010 the beneficiary was Scotland Yard Adventure Centre, a local playgroup for children with disability.

The Vestry is seeking new ways to improve its income, through strengthening our resources for recruiting regular giving and encouraging members to provide for the Church in their wills.

A number of personnel changes have taken place: Michelle Brown, children's ministry worker, left us in April, and Paul Lugton was appointed to succeed her; and Carol Naismith retired from her non-stipendiary ministry role during the year.

Financial review

The financial result of the year is summarised as follows:

	<i>Unrestricted funds</i>	<i>Restricted funds</i>
	<i>£'000s</i>	<i>£'000s</i>
Voluntary income	118	233
Activities for generating funds	22	15
Investment income	7	–
Total generated funds	147	248
Income from charitable activities	19	–
Total incoming resources	166	248
Resources expended	165	262
Net incoming / (outgoing) resources	1	(14)
Transfers between funds	(44)	44
Investment gains	20	–
Net movement for year	(23)	30

Within unrestricted funds, the general fund (which meets all normal operating expenses) we achieved a net operating surplus for the year of £3,621, compared with a net deficit of £14,804 in the preceding year. This is the result of the deficit management activity outlined earlier.

Report of the Vestry (continued) Year ended 30 September 2010

Financial review (continued)

Income

Voluntary income comprises regular giving by the Congregation, other donations and legacies. It also includes grants and donations to the roof project and fundraising appeal. This year we received a legacy of £100,000 from the estate of Cecilia Cavaye, a former member of the Congregation, to support our music expenditure.

Activities for generating funds comprises letting of the church and hall for a variety of events, and continues to rise.

Investment income continued to decline.

Expenditure

Overall, the Vestry has been able to hold direct operational costs under control. As mentioned earlier, increases in some areas have been offset through savings in other areas.

Financial procedures

Each year the Vestry agrees an operating budget after consultation with Church activity groups. Reports on performance against budget are circulated to the finance committee monthly, and to the Vestry quarterly. Material budget variances are analysed, and where necessary corrective action is taken. This is coupled with a financial procedures system, which provides for a varying level of approval for expenditure, according to amount and whether it has been budgeted.

Policy on reserves

The Vestry adopts a cautious and prudent approach to reserves. The bulk of unrestricted reserves derives from legacies and the sale of investments and properties. The view of the Vestry is that these funds provide a resource for major projects (including refurbishment of our buildings), and that they should not be used to finance ordinary working expenses. However, the Vestry relies on income generated by investment of reserves to assist funding of Church activities.

Policy on investments

The majority of the Church's investments are held in the Scottish Episcopal Church Unit Trust Pool (UTP). The investment policy of the UTP, which accords with that of the Vestry, is to earn a return on the assets, over the long term, sufficient at least to maintain the real value of the distribution to unit holders. The UTP maintains an ethical investment policy.

Plans for future periods

The Vestry aims to continue its support for all current activities, and will seek to maintain or improve its income.

However, there are further cost issues to be noted in the forthcoming year. The standard rate of value added tax increases to 20% from 4 January; the rate for gift aid recovery will reduce from 22% to 20% on 6 April; and from the same day national insurance contributions increase by 1%.

We shall continue to utilise all possible avenues for raising funds to support the restoration and renewal programme, and embark on development as soon as resources permit.

Conclusion

In conclusion, the Vestry wishes to thank all members of the Congregation who assist in so many different ways in carrying on the work of the Church, without whom nothing would be possible.

ON BEHALF OF THE VESTRY

KIMBERLEY MOORE EDE

Vestry Clerk

1 December 2010

Statement of responsibilities of the Members of the Vestry

The members of the Vestry, as trustees, are responsible for preparing the Trustees' Report (Report of the Vestry) and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the members of the Vestry to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Church and of the incoming resources and application of resources of the Church for that period. In preparing these accounts, the members of the Vestry are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles set out in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Church will continue its activities.

The members of the Vestry are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Church and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The applicable law also sets out the responsibilities of the members of the Vestry for the preparation and content of the Annual Report.

The members of the Vestry are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE VESTRY

KIMBERLEY MOORE EDE

Vestry Clerk

1 December 2010

Committee reports

Finance Committee

The committee is a small but dedicated group of individuals with relevant skills whose role is to support, advise and assist the Treasurer in financial management and strategy.

Following handover of her stewardship recorder role to John Dale, Margaret Aspen left the committee in February and we renew our thanks for her support. Barrie Wilkinson joined at the beginning of the year, and has brought his accountant's focus to the committee's deliberations.

The committee has continued to monitor income and expenditure regularly, particularly in relation to the restoration and renewal project, in a year which saw total expenditure exceed £400,000, the highest on record. The committee also continues to provide advice to the Vestry on various issues when requested.

NIGEL COOK

MEMBERSHIP:

Margaret Aspen (*until February*)
Nigel Cook
John Dale

Paul Jourdan
David McLellan (*Convenor*)

Canon Ian Paton
Barrie Wilkinson

Committee reports (continued)

Property Committee

The committee ended the year in a very different form from how it began. The death of Jim Wynn-Evans left a great many gaps in the life of the Congregation, but as Property Convener he left some very large boots to fill. However, the business of keeping the church fit for purpose must go on, and the committee has done its best to carry on work already set in motion.

Much of this year's work has been invisible to all but a trained (and elevated) eye. The roof repair scheme is now complete, as are essential high level stonework repairs. We should, therefore, remain wind and watertight for a good while to come.

MEMBERSHIP:

Tim Blackmore (*until January*)
James Campbell
Jennie Gardner
Carrie Gooch
Trevor Harding (*until January*)
Stephen Harries

James Hutchinson
(*Convenor from September 2010*)
Robb Liddle (*until July*)
Lynne Niven (*until July*)
Canon Ian Paton

David Taylor (*from September 2010*)
Nicholas Uglow (*from September 2010*)
Arthur Williams (*until January*)
Jim Wynn-Evans
(*Convenor, until August*)

The installation of fire alarms and detectors has become unavoidable if we are to continue as a public building. Ongoing maintenance continues thanks to an army of cleaners and dusters, light bulb changers and brass polishers, without whose work the Church could not continue as it is.

In the coming year, we will continue in collaboration with the restoration and renewal committee to improve the entrance way and Calvary stair, as well as re-examine lighting and heating of the church and, of course, the thorny issue of access...

JAMES HUTCHINSON

Restoration and Renewal Committee

The committee has had three strands to its work this year. The first was continuing supervision of the grant funded high level repair project; this was managed day to day by Jim Wynn-Evans, whose enthusiasm and knowledge we greatly miss. Practical completion was achieved on 12 March; however, several matters remained outstanding, the last of which was accomplished at the end of October. During the year we were pleased to be awarded a grant of £10,000 from National Churches Trust.

However, the largest part of the committee's time has been spent looking forward to its programme of improvements. Several architect's meetings have been held examining proposals for improving the visibility and accessibility of our Jeffrey Street entrance. Some of these were exhibited to the

Congregation during the year. Work on these proposals continues.

Meanwhile, the fundraising goes on – both within the Congregation and the seeking of grants from external bodies. In the spring Father Simon Tibbs walked to Walsingham, raising to date* £5214 shared between the appeal and Christian Aid; and the successful *Hot Chocolate* concert series was repeated during the Edinburgh Festival, raising more than £5000. The latest available* total for fundraising from congregational donations and fundraising events is the hugely impressive £49,196. We are grateful to all who have contributed in any way, great or small. The committee's work proceeds on all fronts!

NIGEL COOK

* as at 31 October 2010

MEMBERSHIP:

Sheila Brock
Nigel Cook
Niall Franklin

Carrie Gooch (*until March*)
David McLellan
Canon Ian Paton (*Convenor*)

Elsbeth Strachan (*until October 2009*)
David Taylor (*from February*)
Jim Wynn-Evans (*until August*)

Group reports

Reports submitted by congregational groups appear below. Groups with content on the Church website (www.osp.org.uk) have the location of their page(s) indicated, where more information about the group is available, including contact details.

Choir

osp.org.uk/index.php/liturgy/choir/

The choir continues to work unstintingly to enhance the liturgy, and it is very gratifying to have so much positive feedback from the Congregation – even if it is not always fully deserved! With a choir like ours, people come and go because of other commitments, but there remains a solid core of members who keep the show on the road. At present we have three choral scholars: Eleanor Wolfe (soprano), Alice McMichael (alto) and Tim Cais (bass); we are doing our best to recruit a tenor choral scholar. All choir members have to be very quick sight-readers, because we cover so much music with comparatively little rehearsal time – so fluent reading is the essential attribute. We still have a few junior choristers who are instructed by Ruth Slater and Kath Jourdan, although we would like more. Calum Robertson continues to give sterling service as organ scholar.

JOHN KITCHEN

Servers

osp.org.uk/index.php/groups/group/servers/

The serving team hopefully continues to provide inconspicuous and attentive support to the celebration of the liturgy. Anne rejoined us after returning to Edinburgh, but we were sad to lose Allan, Duncan, Liz and Robb, whom we wish well and thank for their respective contributions.

The liturgical year followed its customary round; additionally this year we supported the choir in taking *Tenebrae* to Crichton at the start of Holy Week.

We hope we have maintained our reputation as a socialising group, although here we have tried to avoid falling into a customary round! Last December, we all felt rejuvenated when we went to see *Peter Pan*, and more recently some of us were thrilled beyond belief by our visit to the Strathspey Railway.

NIGEL COOK

Welcomers

About thirty people belong to this group whose primary and most important function is to live up to their new name by welcoming all those coming to High Mass or to Evensong on Sundays. In addition the welcomers fulfil a range of duties which contribute to the smooth running of our services.

SHEILA BROCK

Liturgical rotas

osp.org.uk/index.php/groups/group/readers/
osp.org.uk/index.php/groups/group/intercessors/

Both Readers and Intercessors are an integral part of morning and evening worship. We are fortunate in having a large number of people who are willing – and able – to contribute in this way and whose care and thoughtfulness are much appreciated by the Congregation. Anyone who would like to join the rota, particularly to read at Evensong or to lead intercessions, would be most welcome.

SHEILA BROCK

Children and young people's ministry

osp.org.uk/index.php/groups/group/childrens_ministry/

Michelle Brown left us during the year for a similar post in Joppa, and was succeeded by Paul Lugton. Steve Martz retired from the organising team, which he had convened for some time with much energy. We are grateful to both Michelle and Steve. Christine Rednall joined continuing team members Jennie Gardner, Emma Johnston and Paul Lugton. Children's and young people's work continues to be run mainly by volunteers, to whom we are very grateful; we are always looking for more recruits.

We continue to offer a crèche for under 5s in the class room, below the Lady Chapel. For primary age children, we continue to have two approaches: Godly Play, a form of story telling designed to engage children with Bible studies; and Sunday school, which gives space to learn about Bible stories and other areas of faith, recently looking at Celtic Saints.

The young people's group for over 10s meets regularly in the Library, which they have taken stewardship of. The group discusses matters of faith, but also has a strong social element.

PAUL LUGTON

Children and vulnerable adults protection

Our young people are involved in many Church activities, including the choir, serving team, Fairtrade stalls, Godly Play and family worship. Children are valued members of our OSP community and we support them with love and encouragement.

We remain totally committed to the safety and wellbeing of children and vulnerable adults through the Church's protection policy and procedures.

LESLEY BLACKMORE

Group reports (continued)

XYmonday (young adults group)

osp.org.uk/index.php/groups/group/xymonday/

The group has enjoyed a happy and eventful year, observing Lent through a series of movie nights with a spiritual interest, engaging in Bible studies and prayer classes on a number of themes, and embarking on a *peregrinatio pro amore Dei*, visiting various places of worship around the city as well as the medieval abbey of Inchcolm. Recently, the group has been startled but deeply gladdened by an influx of deeply likeable and enthusiastic new members. The group is now planning to become more involved in social activism and in developing links of mutual assistance in this respect with other parishes and organisations, in particular the Student Christian Movement.

EYSTEIN THANISCH

Pastoral support

On Advent Sunday 2009 a new pastoral group was commissioned, consisting of about 12 people – some recently trained in simple pastoral skills, some already experienced visitors, and some offering supervision. Co-ordinated by Lynne Niven and Elspeth Strachan, the group gelled well and over the past year there have been visits to people at home or in hospital, and sometimes home Communion. It has been lovely to see friendships developing and deep bonds forming. Although it is early days and there is much more to do, we hope that the group's presence is beginning to be felt in the Congregation.

The monthly Hall Masses on the first Wednesday of every month continue to flourish, with good attendances and excellent lunches afterwards. Organised by Mary Thorpe, they are a wonderful opportunity to make new friendships through worshipping together, especially for those who find the Sunday morning services difficult.

Pastoral care has always been a priority here and much informal cherishing is offered through friendship in the Congregation, but there is a place at times for something more structured, so please let us know of anyone who might like a regular visitor, or who would benefit from coming to the Hall Mass. Please also get in touch with any ideas about how pastoral care could be improved!

ELSPETH STRACHAN

Walking group

osp.org.uk/index.php/groups/group/walking_group/

The group had a successful year, with enthusiastic walkers enjoying a wealth of varied countryside. The season started with a river and canal walk from

Linlithgow, progressed through the autumn colours of the Borders and the reservoirs of the north Pentlands, before ending the calendar year with Christmas lunch at the Allan Ramsay in Carlops.

Severe weather disrupted the first quarter of 2010, but we eventually got going and ended with a splendid ramble in the Lammemuir Hills in June. The new season is now under way, and a range of walks will be on offer for 2010-11. All are welcome.

CHRISTINE STEVENSON and BRENDA WHITE

Giving group

osp.org.uk/index.php/groups/group/tithing_group/

The 2009 annual meeting agreed that the Tithing and Overseas Groups should be merged to form one Giving Group, responsible for advising the Vestry on giving in the UK and abroad. It was also agreed that, instead of giving to several organisations from our relatively small tithing fund, we would select one. It was hoped that, in addition to making periodic donations, members of the Congregation might be interested in finding out more about a charity's activities at first hand. A new charity will be adopted for 2011 and the aim is still the same.

The very large bequest which formed the basis of the overseas fund has become gradually depleted so that the grants we have been able to give have become smaller and less frequent. However, as this money is ring-fenced we have been able to provide some support to the Cultural Centre in Jenin and to Burma in 2010.

SHEILA BROCK

White Rose Newsletter

osp.org.uk/index.php/news/white_rose/

The newsletter started in April 2004 to enhance communications and to reflect the wide diversity of our eclectic Congregation. Now in its seventh year, the Newsletter is keen to recruit more volunteers to help with all aspects of the publication, from writers and photographers to editors and designers. Anyone wishing to help should contact Steve Harries.

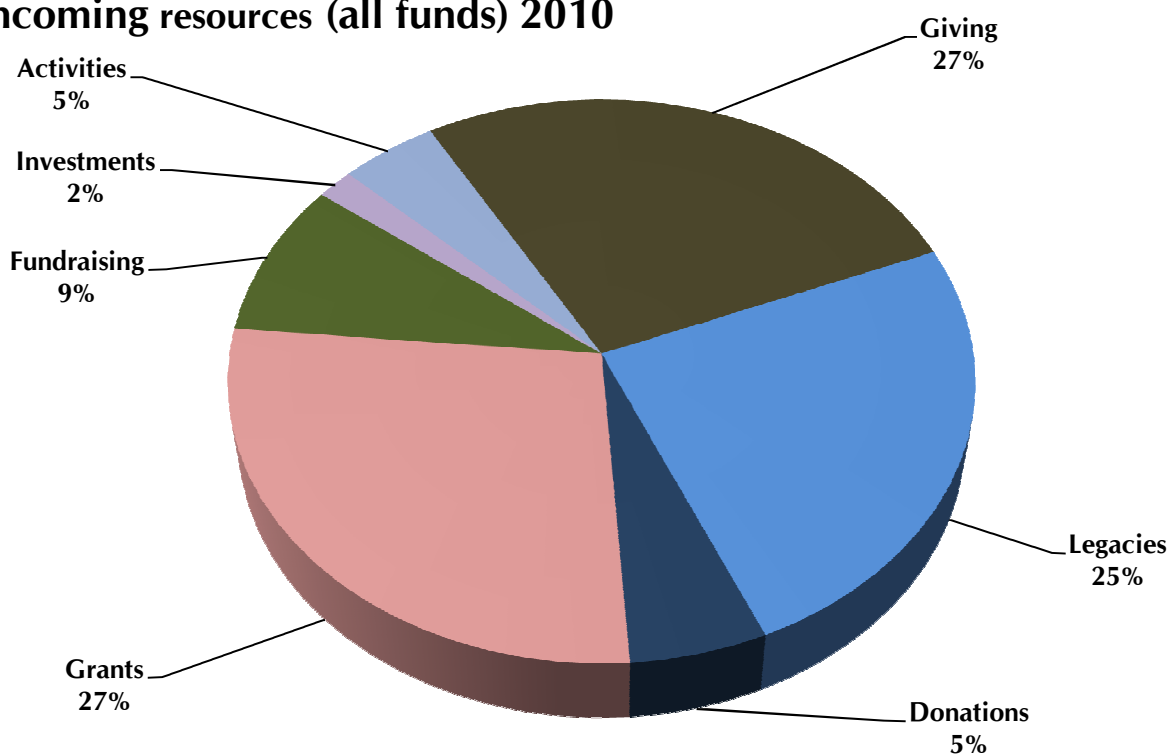
Sadly this year we had to carry Jim Wynn-Evans' obituary. He will be sorely missed, both on a personal level, and as a regular contributor, inspiration and invaluable help behind the scenes.

STEVE HARRIES

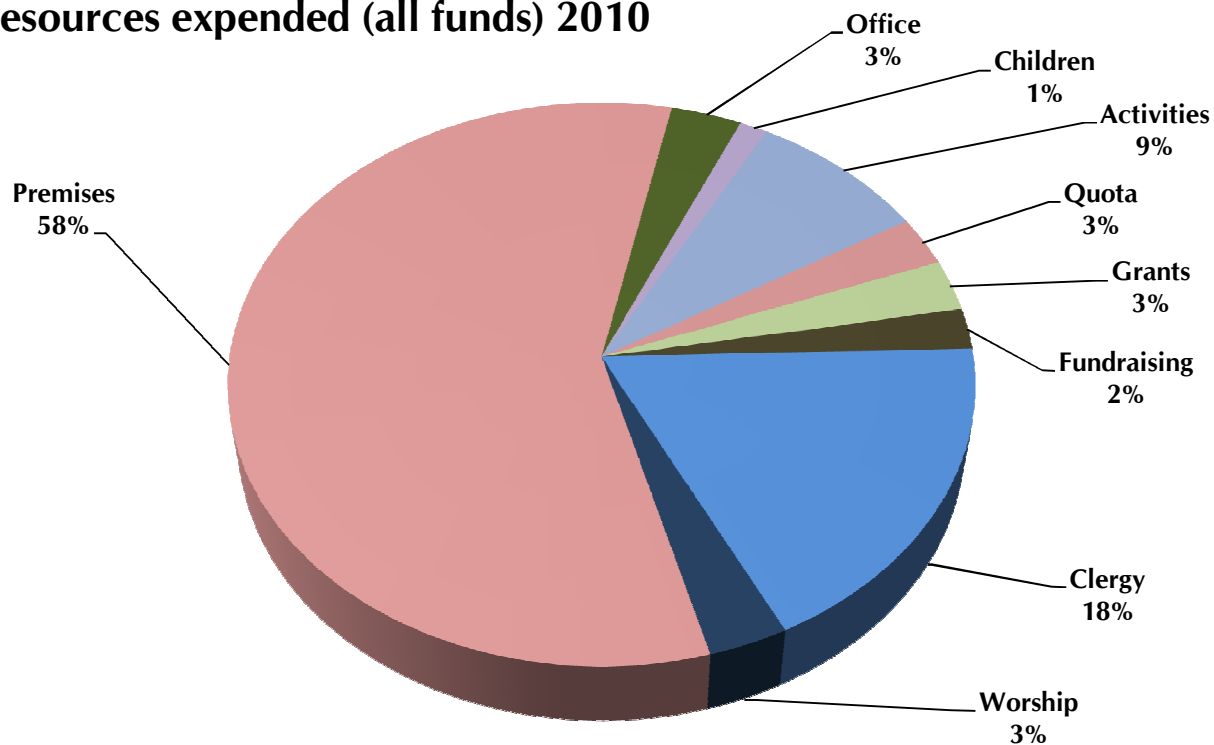
Details of all groups appear on the Church website at <http://www.osp.org.uk/index.php/groups/>

Summary of accounts Year ended 30 September 2010

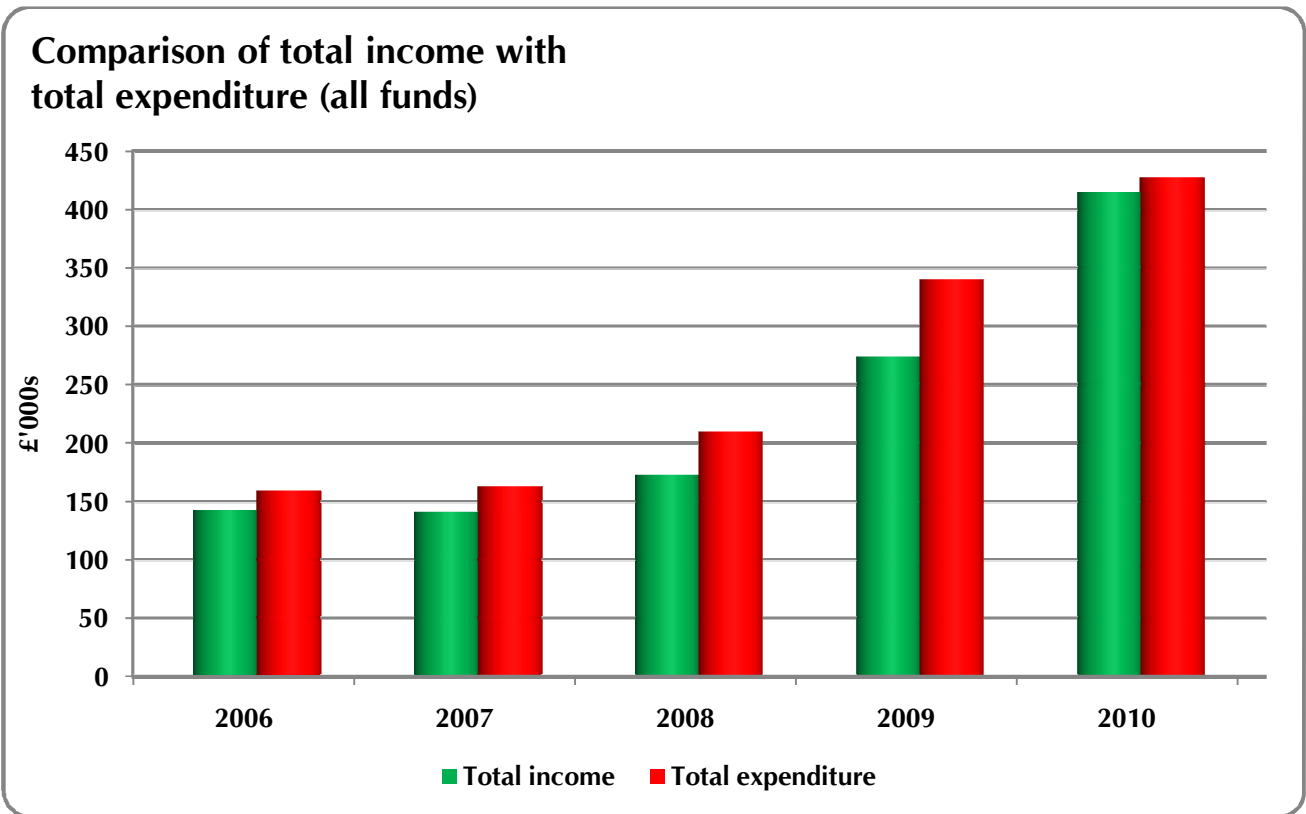
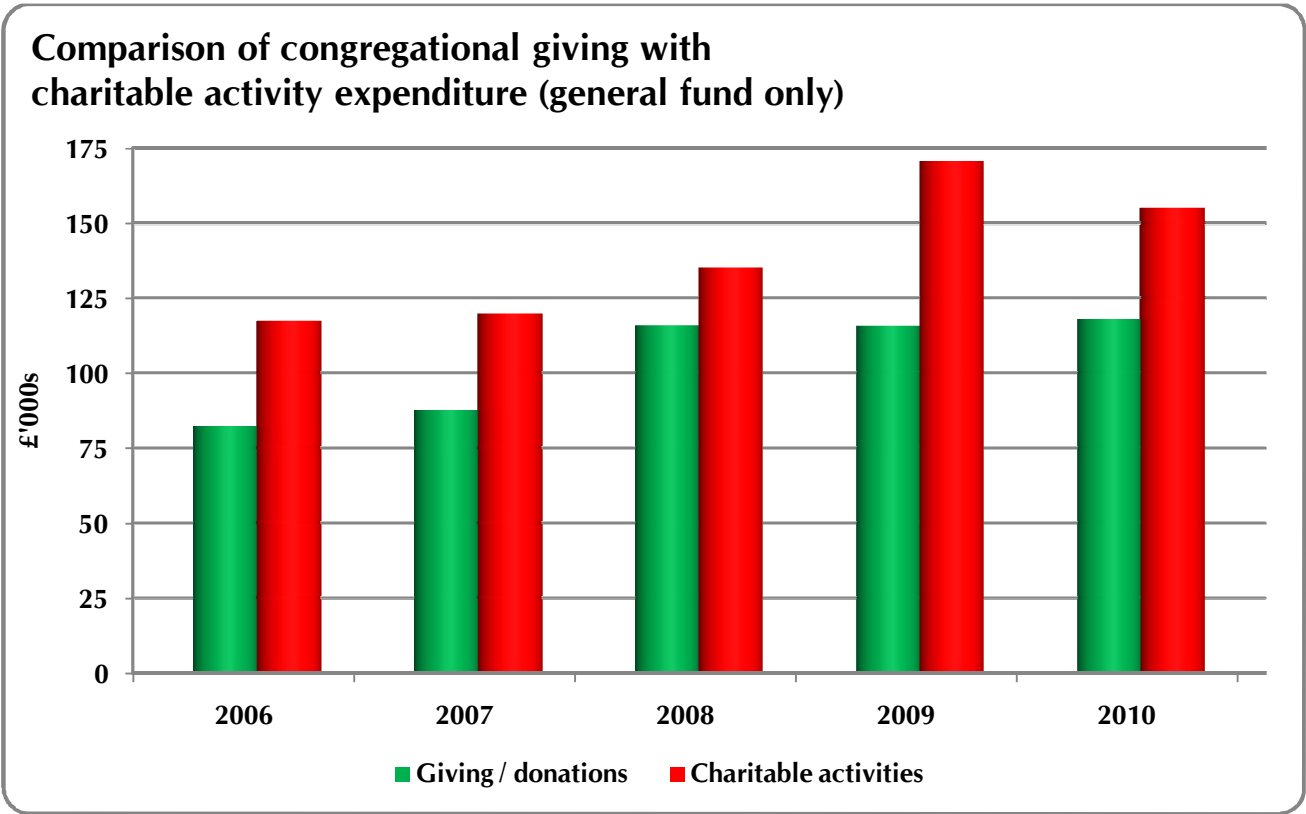
Incoming resources (all funds) 2010



Resources expended (all funds) 2010



Summary of accounts (continued)
Year ended 30 September 2010





Independent examiner's report to the Trustees and Members of Old Saint Paul's Episcopal Church

I report on the accounts of Old Saint Paul's Episcopal Church for the year ended 30 September 2010 which are set out on pages 13 to 26.

This report is made to the trustees and members of the Church, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Church and its trustees and members, as a body, for my work or for this report.

Respective responsibilities of trustees and independent examiner

The Members of the Vestry, as Trustees, are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Regulations).

The trustees consider that the audit requirement of regulation 10(1) (a) to (c) of the Regulations does not apply.

It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with regulation 11 of the Regulations. An examination includes a review of the accounting records kept by the Church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in

the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 44(1)(a) of the Act and regulation 4 of the Regulations, and
 - to prepare accounts which accord with the accounting records and comply with regulation 8 of the Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

James Younger BSc CA
CHIENE + TAIT
Chartered Accountants and
Independent Examiners
61 Dublin Street
Edinburgh EH3 6NL
3 December 2010

Statement of financial activities

Year ended 30 September 2010

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
		General	Designated				
		£	£	£	£	£	£
Incoming resources							
Incoming resources from generated funds:							
Voluntary income	2(a)	117,885	–	233,446	–	351,331	219,535
Activities for generating funds	2(b)	21,594	–	15,052	90	36,736	26,373
Investment income	2(c)	7,267	2	–	8	7,277	11,040
Total generated funds		146,746	2	248,498	98	395,344	256,948
Incoming resources from charitable activities	3	19,076	–	–	–	19,076	16,724
Total incoming resources		165,822	2	248,498	98	414,420	273,672
Resources expended							
Costs of generating funds							
	4	6,076	–	3,730	–	9,806	9,440
Charitable activities:							
	5						
Clergy costs		73,830	3,179	–	–	77,009	173,079
Worship costs		8,345	–	4,974	220	13,539	14,864
Premises and fabric costs		32,619	–	212,830	–	245,449	77,541
Office costs		14,287	–	–	–	14,287	12,891
Children's ministry costs		5,679	–	–	–	5,679	6,450
Other activities and costs		4,429	–	31,769	–	36,198	22,817
Diocesan quota		12,043	–	–	–	12,043	11,492
Grants and donations	12	3,812	–	8,545	–	12,357	10,064
Total costs of charitable activities		155,044	3,179	258,118	220	416,561	329,198
Governance costs	7	1,081	–	–	–	1,081	1,063
Total resources expended		162,201	3,179	261,848	220	427,448	339,701
Net incoming / (outgoing) resources before transfers		3,621	(3,177)	(13,350)	(122)	(13,028)	(66,029)
Gross transfers between funds	8	(52,064)	8,146	43,918	–	–	–
Net incoming / (outgoing) resources before other recognised gains and losses		(48,443)	4,969	30,568	(122)	(13,028)	(66,029)
Other recognised gains and losses:							
Gains/(losses) on investment assets	9	19,923	–	–	–	19,923	(10,336)
Net movement in funds		(28,520)	4,969	30,568	(122)	6,895	(76,365)
Reconciliation of funds:							
Total funds at 1 October 2009		324,105	19,124	78,749	41,303	463,281	539,646
Total funds at 30 September 2010	17	295,585	24,093	109,317	41,181	470,176	463,281

All incoming and outgoing resources derive from continuing operations.
The Church has no gains and losses other than those recognised above.

The notes on pages 15 to 26 form an integral part of these accounts.

Balance sheet

30 September 2010

	Note	£	2010 £	£	2009 £
Fixed assets					
Tangible assets held for Church use	13		68,522		72,930
Investments:					
Investments held for a financial return	14(a)	339,237		298,361	
Programme-related (social) investments	14(b)	648		647	
			<u>339,885</u>	<u>299,008</u>	
			408,407		371,938
Current assets					
Debtors	15	22,967		40,856	
Cash in building society		23,747		13,356	
Cash at bank and in hand		28,287		66,766	
			<u>75,001</u>	<u>120,978</u>	
Liabilities					
Creditors: amounts falling due within one year	16	13,232		29,635	
				<u>29,635</u>	
Net current assets			61,769		91,343
Net assets			<u>470,176</u>		<u>463,281</u>
Funds					
Endowment fund	17		41,181		41,303
Restricted income funds	17		109,317		78,749
Unrestricted income funds	17		319,678		343,229
			<u>470,176</u>		<u>463,281</u>
Total charity funds			<u>470,176</u>		<u>463,281</u>

The notes on pages 15 to 26 form an integral part of these accounts.

APPROVED FOR ISSUE BY THE MEMBERS OF THE VESTRY (TRUSTEES) ON 1 DECEMBER 2010
AND SIGNED ON THEIR BEHALF BY

KIMBERLEY MOORE EDE
Vestry Clerk

Notes to the accounts Year ended 30 September 2010

1. Accounting policies

(a) Basis of preparation

These accounts are prepared in accordance with the Charities Accounts (Scotland) Regulations 2006, the Statement of Recommended Practice (SORP) : Accounting and Reporting by Charities (published in March 2005), and the Financial Reporting Standard for Smaller Entities (FRSSE) (effective April 2008), under the historical cost convention as modified by the inclusion of investments at market value.

(b) Incoming resources

Incoming resources are recognised when there is legal entitlement to the income, certainty of receipt, and the amount can be quantified with reasonable accuracy.

Voluntary income comprises giving by members of the Congregation, legacies and other donations. Gift aid receivable is allocated to the related source of income.

Legacy income is recognised when there is reasonable certainty that it will be received, and that its value can be measured.

Gifts in kind and donated services and facilities (including the services of volunteers) are not recognised in the Statement of Financial Activities.

Voluntary income also comprises grants provided by government and charitable foundations to support specific projects.

Income from letting and from investment assets is recognised as it falls due, subject to provision for bad or doubtful debts.

Incoming resources from charitable activities include income generated as a result of Church activities, and grants specifically for or connected to the provision of goods and services as part of Church activities.

Grants may be receivable under the Listed Places of Worship Grant Scheme for recovery of VAT incurred on the repair and maintenance of listed ecclesiastical buildings begun on or after 1 April 2001. These grants are recognised when a claim is made, and offset against the related expenditure.

(c) Resources expended

Resources expended are accounted for on an accruals basis, being recognised when there is a legal or constructive obligation to pay. All costs are directly attributed, without apportionment or allocation of support or management costs, except for allocation of premises and office costs to space letting, in proportion to income generated.

Costs of generating funds include specifically identifiable costs of fundraising, and costs of investment management including maintenance of investment properties, together with an allocated proportion of premises and office costs.

Costs of charitable activities include all costs incurred in undertaking Church activities, including support costs. These include both costs directly incurred by the Church and grant funding of third parties in furtherance of programmes that contribute to the Church's objectives.

Costs may be netted with income where the Church seeks to recover only costs incurred from participants in congregational activities.

Governance costs include the costs associated with general running of the organisation as opposed to costs associated with fundraising and charitable activity. These include external scrutiny, legal advice, trustee meetings, and other costs associated with constitutional and statutory requirements. They include costs associated with strategic as opposed to day to day management of activities.

(d) Taxation

The Church is a registered Scottish charity exempt from corporation tax on income and gains applied to charitable purposes. Income tax is recoverable in respect of gift aided donations.

The Church is not registered for Value Added Tax and accordingly expenditure is shown gross of irrecoverable VAT.

(e) Fund accounting

The general fund comprises accumulated surpluses less deficits that may be used at the discretion of the Vestry for any purpose in furtherance of the Church's objectives.

Designated funds comprise unrestricted funds that have been put aside by the Vestry for particular purposes. Individual donations and legacies in excess of £5000 which have no restriction on their use are added to the memorial fund.

Restricted income funds are subject to specific restrictions imposed by the grantor or with their authority.

Endowment funds are held for specific purposes, without power to convert a fund into income.

Investment income, gains and losses are allocated to restricted and endowment funds as appropriate.

The purpose and use of individual funds are set out in note 17.

Notes to the accounts (continued)

Year ended 30 September 2010

1. Accounting policies (continued)

(f) Tangible assets held for use by the Church

Prior to 1 October 2000 neither the original cost of nor improvements to the church, and the rectory at Lauder House, 39 Jeffrey Street, Edinburgh were capitalised. These properties are considered to form part of the permanent endowment of the Church, since it is unlikely that they would ever be sold to realise cash. Values for original cost and improvements prior to 1 October 2000 are not available. The Vestry considers that the cost of carrying out a professional valuation to include these properties in the accounts would be disproportionate to any additional benefit derived by users of these accounts.

Since 1 October 2000 all additions and improvements to buildings costing more than £1000 are capitalised and depreciated. Other tangible fixed assets costing more than £500 are capitalised and depreciated.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Heritable property improvements	5% reducing balance
Other tangible assets	25% reducing balance

(g) Investment assets

Heritable properties held for investment purposes are recorded in the accounts at the Vestry's best estimate of market value, undertaken at 5-yearly intervals. Other investment assets are recorded at market valuation. Programme-related (social) investments are shown at cost, less any required impairment adjustment.

Included in investment assets is an amount which represents the unexpended portion of income received for restricted purposes.

(h) Retirement benefits

The Scottish Episcopal Church operates a defined benefit non-contributory pension scheme for clergy. The Congregation pays contributions to this multi-employer scheme in respect of its stipendiary clergy. Contributions to the scheme are set at rates designed to spread the cost of pensions over the working lives of the clergy, and are charged in the accounts on a due and payable basis. The rate of contributions is determined by a qualified actuary. The amount of charges for the year is disclosed in note 11.

2. Analysis of incoming resources from generated funds

(a) Voluntary income

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
	General	Designated				
	£	£	£	£	£	£
<i>Congregational giving:</i>						
'Open plate' giving	13,909	–	–	–	13,909	11,429
Pledged giving	69,228	–	–	–	69,228	71,705
Gift Aid claimed on giving	19,776	–	–	–	19,776	20,094
Payroll giving	9,702	–	–	–	9,702	9,772
<i>Total congregational giving</i>	112,615	–	–	–	112,615	113,000
Legacies received	2,000	–	100,000	–	102,000	–
Donations (including Gift Aid)	3,270	–	19,361	–	22,631	23,520
Grants receivable	–	–	114,085	–	114,085	83,015
	117,885	–	233,446	–	351,331	219,535

Notes to the accounts (continued)

Year ended 30 September 2010

2. Analysis of incoming resources from generated funds (continued)

(b) Activities for generating funds

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
	General	Designated				
	£	£	£	£	£	£
Fundraising activities	–	–	15,052	90	15,142	6,040
Space letting	21,594	–	–	–	21,594	20,333
	21,594	–	15,052	90	36,736	26,373

(c) Investment income

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
	General	Designated				
	£	£	£	£	£	£
Investment properties	–	–	–	–	–	290
Listed securities and unit trusts	7,234	–	–	–	7,234	9,844
Programme-related investments	1	–	–	–	1	8
Interest on cash deposits	32	2	–	8	42	898
	7,267	2	–	8	7,277	11,040

3. Analysis of incoming resources from charitable activities

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
		General	Designated				
		£	£	£	£	£	£
Church fees		1,190	–	–	–	1,190	420
Activities	6	2,699	–	–	–	2,699	2,548
Central grants		15,187	–	–	–	15,187	13,681
Other income		–	–	–	–	–	75
		19,076	–	–	–	19,076	16,724

4. Analysis of costs of generating funds

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
		General	Designated				
		£	£	£	£	£	£
Voluntary income		136	–	244	–	380	134
<i>Activities for generating funds:</i>							
Fundraising activities		60	–	3,486	–	3,546	2,786
Space letting salaries	11	2,071	–	–	–	2,071	–
Space letting costs		3,226	–	–	–	3,226	5,066
<i>Total generating funds</i>		5,357	–	3,486	–	8,843	7,852
Investment property costs		583	–	–	–	583	1,454
		6,076	–	3,730	–	9,806	9,440

Notes to the accounts (continued)

Year ended 30 September 2010

5. Analysis of resources expended on charitable activities

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
		General	Designated				
		£	£	£	£	£	£
Clergy costs							
Stipends and pensions	11	61,841	–	–	–	61,841	57,131
Allowances and training		293	–	–	–	293	1,804
Housing utilities and insurance		8,182	–	–	–	8,182	7,021
Housing maintenance		2,239	3,179	–	–	5,418	104,491
Travelling expenses		1,275	–	–	–	1,275	2,632
		73,830	3,179	–	–	77,009	173,079
Worship costs							
Music salaries	11	8,150	–	–	–	8,150	8,851
¹ Other music costs		1,282	–	–	–	1,282	2,058
Contribution from other funds		(4,574)	–	4,354	220	–	–
² Other worship costs		3,487	–	620	–	4,107	3,955
		8,345	–	4,974	220	13,539	14,864
Premises and fabric costs							
Utilities		9,373	–	–	–	9,373	11,190
Cleaning		1,726	–	–	–	1,726	8,394
Repairs and maintenance		9,644	–	212,830	–	222,474	47,532
Insurance		10,005	–	–	–	10,005	9,720
Premises and plant depreciation		3,807	–	–	–	3,807	3,745
Allocation to space letting		(1,936)	–	–	–	(1,936)	(3,040)
		32,619	–	212,830	–	245,449	77,541
Office costs							
Salaries	11	8,182	–	–	–	8,182	8,123
Printing and stationery		2,042	–	–	–	2,042	2,518
Postage and telephone		2,593	–	–	–	2,593	1,821
³ Other office costs		926	–	–	–	926	1,064
Office equipment depreciation		1,834	–	–	–	1,834	1,391
Allocation to space letting		(1,290)	–	–	–	(1,290)	(2,026)
		14,287	–	–	–	14,287	12,891
Children's ministry costs							
Salaries	11	4,320	–	–	–	4,320	5,555
Allowances and training		340	–	–	–	340	45
Other children's costs		1,019	–	–	–	1,019	850
		5,679	–	–	–	5,679	6,450
<i>Carried forward</i>		134,760	3,179	217,804	220	355,963	284,825

¹ Other music costs comprise payments to junior choristers, purchase of music, maintenance of instruments and vesture, fees and subscriptions.

² Other worship costs comprise consumables for the Eucharist, maintenance of vestments and ornaments, candles, and flowers.

³ Other office costs comprise maintenance of office equipment and miscellaneous expenses.

Notes to the accounts (continued)

Year ended 30 September 2010

5. Analysis of resources expended on charitable activities (continued)

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
		General	Designated				
		£	£	£	£	£	£
<i>Brought forward</i>		134,760	3,179	217,804	220	355,963	284,825
<i>Other activities and costs</i>							
Activities	6	1,700	–	–	–	1,700	4,057
Advertising and publicity		782	–	–	–	782	566
⁴ Legal and professional fees		–	–	31,694	–	31,694	16,448
Bank charges		661	–	75	–	736	772
Other costs		1,286	–	–	–	1,286	974
		4,429	–	31,769	–	36,198	22,817
<i>Total directly funded</i>		139,189	3,179	249,573	220	392,161	307,642
<i>Diocesan quota</i>		12,043	–	–	–	12,043	11,492
<i>Grants and donations</i>	12	3,812	–	8,545	–	12,357	10,064
		155,044	3,179	258,118	220	416,561	329,198

6. Activities income and expenditure

	Incoming resources	Resources expended	Net resources 2010	Net resources 2009
	£	£	£	£
Pastoral group	–	–	–	(291)
XYmonday (young adults group)	8	382	(374)	(849)
Sunday school income	284	–	284	–
Retreats and weekends	–	170	(170)	–
Social activities	196	162	34	(422)
Magazine and newsletter	–	472	(472)	(1,075)
Parish lunches	1,050	83	967	880
Sunday refreshments	1,161	431	730	489
Other groups	–	–	–	(241)
	2,699	1,700	999	(1,509)

⁴ Legal and professional fees were paid to architects and surveyors engaged in connection with property maintenance contracts.

Notes to the accounts (continued)

Year ended 30 September 2010

7. Analysis of governance costs

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
	General	Designated				
	£	£	£	£	£	£
External scrutiny of accounts	1,081	–	–	–	1,081	989
Vestry meetings	–	–	–	–	–	74
	1,081	–	–	–	1,081	1,063

8. Analysis of transfers between funds

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
	General	Designated				
	£	£	£	£	£	£
Transfer to organ fund	(1,200)	1,200	–	–	–	–
Transfer to buildings fund	(6,946)	6,946	–	–	–	–
Transfer to repair grants fund	(43,918)	–	43,918	–	–	–
	(52,064)	8,146	43,918	–	–	–

Each year the Vestry transfers the sum of £1200 to the organ fund to provide for the cost of non-routine maintenance of the organ.

£6,946 has been transferred to the buildings fund to extinguish a deficit of £3,179 arising in that fund and to contribute £3,767 to accumulate the fund.

£43,918 has been transferred to the repair grants fund to cover the anticipated final deficit on the repairs scheme.

Wholly within restricted funds, the remaining balance of £3,044 on the JWE plinth fund has been transferred to the restoration and renewal fund, and the resultant balance of £38,926 on the restoration and renewal fund has been transferred to the repair grants fund to cover expenditure not funded by grant. Restricted funds are disclosed individually in note 17.

9. Analysis of gains and losses on investment assets

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010	Total funds 2009
	General	Designated				
	£	£	£	£	£	£
Gain on disposals (against original cost)	59,792	–	–	–	59,792	4,768
Less: Revaluation gains brought forward	57,873	–	–	–	57,873	20,166
Recognised gain/(loss) on disposals	1,919	–	–	–	1,919	(15,398)
Unrealised gains on revaluation	18,004	–	–	–	18,004	5,062
	19,923	–	–	–	19,923	(10,336)

Notes to the accounts (continued)

Year ended 30 September 2010

10. Trustee remuneration, benefits and expenses

The Rector is *ex officio* a member of the Vestry and therefore a trustee, and receives remuneration, benefits, and reimbursement of expenses in respect of services as a stipendiary cleric in line with scales determined by General Synod of the Scottish Episcopal Church. The Rector is engaged on a full-time basis and payment of remuneration is authorised under article 19 of the Constitution. Amounts paid during the year were stipend of £22,415 and pension contributions of £7,289. As part of his remuneration, he also has occupancy of the Rectory.

Including the Rector, 2 members of the Vestry received reimbursement of expenses incurred. The total amount of expenses reimbursed during the year to members of the Vestry was £1,217, paid in respect of mileage allowances and parking fees. No other member of the Vestry received remuneration or reimbursement of expenses, other than reimbursement of purchases made on behalf of the Church.

11. Clergy and staff costs and emoluments

	2010	2009
	£	£
Gross stipends and salaries	65,636	64,248
Employers' national insurance contributions	4,350	4,295
Cost of pension contributions	14,578	11,117
	84,564	79,660

	Average headcount		Average full time equivalent	
	2010	2009	2010	2009
Clergy	2.00	2.00	2.0	2.0
Music	4.67	5.50	0.8	1.2
Office	1.00	1.00	0.4	0.4
Children's ministry	0.92	1.00	0.3	0.3
Space letting	1.00	–	0.2	–
	9.59	9.50	3.7	3.9

No employee received emoluments in excess of £60,000.

Information regarding stipendiary members of the clergy, who are not employees but self-employed office-holders, is included above.

Pension contributions in respect of stipendiary clergy are paid to the Scottish Episcopal Church Pension Fund. No information is available regarding the assets and liabilities of the fund relating to individual members. Contributions are therefore accounted for as if the scheme was a defined contribution scheme.

The periodic actuarial valuation of the entire fund as at 31 December 2008 revealed a deficit of £8.8 million. The Pensions Regulator has approved a recovery plan, under which the contribution rate was increased from 25.3% to 34.9% with effect from 1 January 2010.

There were no unpaid contributions outstanding at 30 September 2010 payable by the Vestry.

Notes to the accounts (continued)

Year ended 30 September 2010

12. Grants and donations

Included in the accounts are the following grants and donations awarded during the year:

	£
From the general fund as part of the tithing programme:	
Scotland Yard Adventure Centre <i>A centre for adventure play designed for children and young people with mental, emotional or physical handicaps</i>	3,767
Tithing total	3,767
Small payments of under £100 totalling	45
General fund total	3,812
From the overseas fund:	
Jenin Cultural Centre (Palestine) <i>A multi-cultural organisation for young people on the West Bank; to provide musical instruments and second-hand computers</i>	2,500
Lisu Project (Burma) <i>To support vocational skills training for income-generating projects and development awareness training for the minority Lisu people of northern Burma</i>	2,500
Soul of Europe <i>An organisation working to establish inter-faith reconciliation in Bosnia</i>	500
Overseas fund total	5,500
From the JWE plinth fund:	
Society of Saint Francis, Leeds <i>The plinth fund has been divided equally between the Society of Saint Francis multi-cultural support project in Leeds and Old Saint Paul's restoration and renewal appeal.</i>	3,045
JWE plinth fund total	3,045
Total grants and donations	12,357

During 2007, the Congregation raised £1,593 for The Ark, a local centre for the homeless which is currently closed. Pending resolution of various issues relating to the future of The Ark, the sum raised has been retained meanwhile by the Vestry, and is included within other creditors.

Notes to the accounts (continued)

Year ended 30 September 2010

13. Tangible fixed assets held for Church use

	Property improve- ments £	Plant and machinery £	Office equipment £	Total £
Asset cost				
Balance at 1 October 2009	82,351	41,903	11,208	135,462
Additions	–	–	1,233	1,233
Disposals	–	–	(2,327)	(2,327)
Balance at 30 September 2010	82,351	41,903	10,114	134,368
Accumulated depreciation				
Balance at 1 October 2009	18,131	38,275	6,126	62,532
Charge for year	2,900	907	1,320	5,127
Disposals	–	–	(1,813)	(1,813)
Balance at 30 September 2010	21,031	39,182	5,633	65,846
Net book value				
At 30 September 2010	61,320	2,721	4,481	68,522
At 30 September 2009	64,220	3,628	5,082	72,930

The Congregation also owns the church, and the rectory at Lauder House, both in Jeffrey Street, Edinburgh. The original value of these assets and the cost of improvements prior to 1 October 2000 are not available and have not been included because, in the opinion of the Vestry, the cost of professionally valuing them to include a value in the accounts outweighs the benefits to users of the accounts.

On 1 March 2010 the church and Lauder House were insured for £14,964,730, which is an estimate of the replacement cost of buildings and all contents (including plant and machinery and office equipment disclosed separately in the above table). Replacement building cost does not represent market value of the properties, and does not include valuation of the land on which the properties are situated.

14. Investment assets

(a) Investments held to provide a financial return

	Invest- ment property £	Listed securities and unit trusts £	Unin- vested cash £	Total £
Valuation				
Carrying value at 1 October 2009	24,615	202,778	70,968	298,361
Disposals at carrying value	–	(63,718)	–	(63,718)
Increase in uninvested cash	–	–	86,590	86,590
Gain on revaluation	–	18,004	–	18,004
Carrying value at 30 September 2010	24,615	157,064	157,558	339,237
Historical cost at 30 September 2010	6,907	97,761	157,558	262,226

In accordance with the policy described in note 1(g), investment properties were valued by the Vestry as at 1 April 2005 on an estimated, conservative basis by applying a discounted notional yield factor to the rateable value of the property applying on that date. The Vestry has resolved that there has been no material change in value since then.

Note continues on following page.

Notes to the accounts (continued)

Year ended 30 September 2010

14. Investment assets (continued)

Investments in listed securities (or ones valued by reference to such investments, such as unit trusts) are shown at market price on 30 September 2010. All investments are held in the United Kingdom.

Details of investments which are material in the context of the investment portfolio:

	Carrying value 2010
	£
Scottish Episcopal Church Unit Trust Pool	157,064
Dunfermline Building Society deposit	61,912
The Royal Bank of Scotland plc deposit	95,646

(b) Programme-related investments (social investments)

	2010	2009
	£	£
Shared Interest Society Ltd – equity capital shown at amount invested	648	647

Shared Interest Society Ltd is a UK based co-operative lending society that aims to reduce world poverty by providing fair and just financial services. It uses the pooled savings of its members to facilitate fair trade all over the world. The entitlement of members to the assets of the Society is limited to repayment of shares, together with interest payable on shares. The Society is incorporated with limited liability under the Industrial and Provident Societies Acts. Net profits may only be distributed as a rebate on charges to customers or applied for educational or charitable purposes.

15. Debtors

	2010	2009
	£	£
Grants receivable	10,387	25,462
Gift aid receivable	5,767	7,771
Interest receivable	–	205
Other debtors	2,015	2,788
Prepayments and accrued income	4,798	4,630
	22,967	40,856

All amounts fall due within one year.

16. Creditors: amounts falling due within one year

	2010	2009
	£	£
Roof project creditors	–	15,862
Grants awarded but not paid	2,025	5,000
Other creditors	2,283	2,563
Taxation and social security	1,525	1,536
Accruals and deferred income	7,399	4,674
	13,232	29,635

Notes to the accounts (continued)

Year ended 30 September 2010

17. Summary of fund movements

	Brought forward	Incoming resources	Resources expended	Transfers	Gains and losses	Carried forward
	£	£	£	£	£	£
Endowment fund						
John Steer music fund	41,303	98	220	–	–	41,181
Restricted funds						
Overseas fund	23,763	–	5,575	–	–	18,188
Jerusalem Still fund	2,546	–	–	–	–	2,546
Repair grants fund	34,568	114,085	242,872	82,844	–	(11,375)
Restoration and renewal fund	12,587	27,920	4,625	(35,882)	–	–
JWE plinth fund	5,285	804	3,045	(3,044)	–	–
Cecilia Cavaye music fund	–	100,000	4,354	–	–	95,646
ST Walsingham fund	–	5,069	757	–	–	4,312
Sundry funds	–	620	620	–	–	–
	78,749	248,498	261,848	43,918	–	109,317
Unrestricted funds						
<i>Designated funds:</i>						
Buildings fund	–	–	3,179	6,946	–	3,767
Memorial fund	7,088	–	–	–	–	7,088
Organ fund	12,036	2	–	1,200	–	13,238
	19,124	2	3,179	8,146	–	24,093
General fund	324,105	165,822	162,201	(52,064)	19,923	295,585
	343,229	165,824	165,380	(43,918)	19,923	319,678
Total charity funds	463,281	414,420	427,448	–	19,923	470,176

The **John Steer music fund** was founded in February 1999, and is funded by donations. The Vestry is required to retain the fund for a specific purpose, and has no power to convert the fund into income. Interest received by the fund is used to support expenditure on liturgical music as determined by the Vestry.

The **Overseas fund** was created by a bequest from the late Hubert Fortune. The terms of the bequest provide that the fund shall be used to support the work of the Church overseas.

The **Jerusalem Still fund** was created by grant from The Jerusalem Trust for the conservation, permanent exhibition, insurance and maintenance of the artwork *Still* by Alison Watt loaned to the Church and exhibited in the Memorial Chapel. To the extent that the grant cannot be used for this purpose, it must be returned.

The **Repair grants fund** holds the unexpended balance of grants awarded for the roof repair project. The fund deficit at 30 September 2010 will be cleared by anticipated final grant receipts, less contractor's retention payment.

The **Restoration and renewal fund** receives the proceeds of fundraising for the roof project and other development. Funds are transferred when required to meet the cost of projects.

The **JWE plinth fund** received donations raised by the late Canon James Wynn-Evans, a member of the Congregation, who directed that the proceeds be allocated equally between the restoration and renewal fund and the Society of Saint Francis multi-cultural support project in Leeds. The fund is now closed.

The **Cecilia Cavaye music fund** was created by bequest from the late Cecilia Cavaye, who directed that the fund be used to support the cost of liturgical music. The Vestry has resolved that for each of the five years to 30 September 2014, one half of music costs will be met from the fund.

The **ST Walsingham fund** receives donations raised by Father Simon Tibbs, who walked to Walsingham during June 2010. The proceeds are to be shared equally between Christian Aid and the Church restoration and renewal fund.

Note continues on following page.

Notes to the accounts (continued)

Year ended 30 September 2010

17. Summary of fund movements (continued)

The **Buildings fund** provides for any required expenditure (capital or revenue) on Church properties beyond normal recurring or routine maintenance. The original fund has been extinguished; each year, commencing in 2010, a sum, equivalent to the amount paid in tithing, is transferred from the general fund to rebuild the fund.

The **Memorial fund** is credited with legacies transferred in accordance with the policy described in note 1(e). The fund is available for specific projects at the discretion of the Vestry.

The **Organ fund** provides for the cost of non-routine maintenance of the organ. The fund is maintained through periodic contributions from the general fund, and specific donations.

18. Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2010
	General	Designated			
	£	£	£	£	£
Tangible assets	68,522	–	–	–	68,522
Investment assets	182,328	–	116,376	41,181	339,885
Net current assets / (liabilities)	44,735	24,093	(7,059)	–	61,769
Fund balances	295,585	24,093	109,317	41,181	470,176

19. Material commitments

At the balance sheet date the Vestry had made the following material expenditure commitments which are not included in the balance sheet as liabilities:

	Total amount committed	Amount outstanding brought forward	Amounts charged during the year	Amounts released during the year	Amount outstanding carried forward
	£	£	£	£	£
Renovation of 41 Jeffrey Street	120,000	2,188	3,179	(991)	–
Roof maintenance	345,158	287,327	242,872	36,788	7,667
Fire detection and alarm system	7,802	–	–	–	7,802

All outstanding amounts are payable within one year.