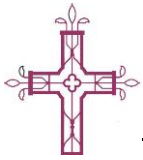




Report and Accounts for the year ended 30 September 2021

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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
 website <http://www.osp.org.uk>

THE VESTRY

Rector Fr John McLuckie
 Curate Jaime Wright
 Church Wardens *Appointed by the rector:*
 Gavin McEwan (appointed 14 January 2020)
Elected by the congregation in Annual Meeting:
 Lesley Blackmore (re-elected 15 December 2019)
 Vestry Clerk Kimberley Moore Ede
 Treasurer Malcolm Macrae
 Lay Representative Helen Tyrell (re-elected 13 December 2020)
 Alternate Lay Representative David McLellan (re-elected 13 December 2020)
 Ordinary Members Carrie Gooch (elected December 2019)
 Mark Gibson (retired July 2021)
 Nicholas Hotham (re-elected December 2020)
 Guy Johnson (elected December 2020)
 Janet de Vigne (elected December 2020)
 Simon Parsons (elected December 2020)
 Eleanor Smith (retired 13 December 2020)
 Jeanine Bezuijen (retired 13 December 2020)

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 John Armes
 Dean The Very Reverend Frances Burberry
 Chancellor Anna Poole QC
 Registrar Pippa Snell

SOLICITORS

Anderson Strathern LLP
1 Rutland Court, Edinburgh EH3 8EY

INDEPENDENT EXAMINER

Jeremy Chittleburgh BSC CA
Chiene + Tait LLP
Chartered Accountants and Independent Examiners 61 Dublin Street,
Edinburgh EH3 6NL



www.osp.org.uk



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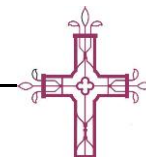


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Report of the Vestry (Trustees' report) Year ended 30 September 2021

As Trustees of Old Saint Paul's Episcopal Church, the Vestry presents its report and accounts for the year ended 30 September 2021. These have been prepared in accordance with applicable charities law and the requirements of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019)

Objectives and activities

The primary charitable purpose of the church is the advancement of religion and to provide public benefit. The Vestry's objective is 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 giving a proportion of the church's income. 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 in supporting our work.

Achievements and performance

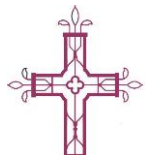
It is inevitable that, for the second year, this annual report will focus on the impact of an unprecedented global pandemic on our congregational life and activity. The months after Christmas saw the reimposition of strict lockdown measures which lasted until just before Easter, at which point we were able to resume in-person services for a limited number of people, with other restrictions, such as those on choral and congregational singing, gradually easing as summer approached. All through this time, the congregation's remarkable generosity in providing for a new streaming system allowed for high quality services to be offered week by week, maintaining the liturgical life of the community in a time of great stress and social isolation. Pastoral care, adult learning opportunities, reflective sessions and online social gatherings have continued all through this time, thanks to the creative and diligent attention of the congregation's staff and many volunteers. While many have been unable to attend services due to health concerns, we have also welcomed many new members over the course of this year, some as a direct result of our livestreams.

After a long period of preparation, and thanks again to the remarkable generosity of the congregation, the building is now accessible for people using wheelchairs or with mobility problems using our new stairlift. We are very grateful for the patient work of the property committee in seeing this significant project to completion. Work has also begun to replace the brick wall between the memorial garden and Carrubber's Close with a new low stone wall with railings to the height of the old wall. This work will offer a much better view of the church from the close and will contribute significantly to the improvement works on the close.

In February, the congregation was delighted to welcome a new full-time curate, the Rev'd Dr Jaime Wright, and her contributions to the congregation's life and growth are already making a very positive impact. She and her husband moved into the flat at 41 Jeffrey St in late June. In September, The Rev'd David Todd, a member of the congregation, was ordained priest in St Mark's church, Portobello, where he is serving his curacy. Old St Paul's continues its long tradition of fostering and supporting new vocations to ordained and other ministries.

Looking ahead

The pandemic has had an impact on most aspects of the life of the church and perhaps the greatest challenge has been the inability to gather for congregational activities. As restrictions ease, the rebuilding of the communal life of the congregation will be a key priority, as will our plans to refresh and renew our outward-facing work with those who are vulnerable in our society. All through the lockdown period, our friends in Steps-to-Hope have continued their excellent work with people dealing with addiction and homelessness, using our hall and kitchen spaces to support the work of the catering van which parks outside the church on Saturday mornings. Other impacts include the loss of income from hall lets, though these have resumed in the later part of this year. However, the financial position of the congregation has remained stronger than we might have feared at the outset of this period of uncertainty. Again, we are deeply grateful for the generosity, faithfulness and commitment of the members of Old St Paul's.



Financial review

Review of financial position

The financial result of the year is summarised as follows:

	<i>Unrestricted funds</i>	<i>Restricted funds</i>
	£'000s	£'000s
Income and endowments from:		
Donations and legacies	163.0	63.5
Charitable activities	10.3	-
Other trading activities	14.1	-
Investments	10.8	-
Other	-	-
Total income	198.2	63.5
Expenditure on:		
Raising funds		-
Charitable activities	196.0	77.9
Total expenditure	196.0	77.9
Net operating income/(expenditure)	2.2	(14.4)
Gains on investments	83.9	-
Net movement in funds	86.1	(14.4)
Total funds 30 September 2021	750.1	35.5

Restricted funds include endowment funds.

The general fund (which meets all normal operating expenses) and designated funds (which are unrestricted and have been used to contribute to certain music costs) achieved a net surplus for the year, before gains on investment assets and transfers between funds, of £2.2K compared with a deficit of £66.7K in the preceding year. This was a much better result than we budgeted for, and is a testament to the continued strength of congregational giving. Both this year and last year saw significant spending on church premises and fabric, £149K last year and £100K in the period under review, and the lower expenditure this year largely explains the difference in result between the two years. The major premises costs this year were the installation of the new stairlift in the Calvary Stair and the installation of live streaming equipment in the church. However, last year only £5.0K of these costs were met from restricted funds, whereas this year £61.9K were. On the other hand this year restricted funds received £53.5K of income, whereas last year this was only £0.5K. As a result to compare this year's financial result with that of last year, the most meaningful comparison is given by looking at total income and expenditure from both restricted and unrestricted funds.

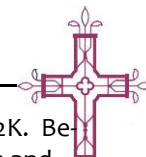
Total income from all sources rose to £261.7K from £207.4K. Total expenditure for the year fell to £273.9K down from £289.8K in the prior year. This resulted in total operating losses narrowing to £12.2K from £82.4K in the prior year.

Total income from donations and legacies rose from £174,277 to £226,451 including a VAT rebate of £6.5K from the DCMS Listed Places of Worship Scheme and a £13.0K grant from Lindsays for the stairlift

Unrestricted giving by the Congregation, including tax claims, rose from £136,999 to £141,909. The remainder of our income stems principally from letting of space to other groups and organisations £13,314 (down from £19,986) and investment and interest income £10,335 (up from £6,476).

The finance committee regularly monitors financial performance, and we continue to seek ways of maintaining or improving value, while containing or reducing costs.

Both this year and last year the church has benefitted greatly from achieving significant returns on its investments. The largest investment is with the Scottish Episcopal Church Unit Trust Pool, which rose a further 16.0% during the year. Our other investments are with a range of ethical funds, whose value collectively rose by 21.9% during the



year. This resulted in an overall gain of £83.9K for the year, which exceeded even last year's strong gain of £78.2K. Between the two years our investments have risen in value by £162.1K which has enabled the church to maintain and even strengthen its reserves both through the highly disrupted period of COVID 19 and a period of exceptionally high expenditure on premises and fabric costs. We should bear in mind, however, that these gains are unrealised and that stock market related investments such as these can fall in value as well as gain. We do not budget for these investment returns as they are inherently unpredictable.

The vestry's investment policy is to invest reserves likely to be held for the long term in balanced funds which take account of ethical and sustainability factors, with the aim of producing a real return on the assets over the long term.

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 properties. The view of the vestry is that these funds provide a resource for major projects (including refurbishment of our buildings such as the rectory and Laurie Halls), 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.

The vestry seeks to preserve as liquid funds sufficient to meet six months operational costs together with any remaining committed expenditure on special projects. Cash not required for this purpose is invested in ethical investment products.

At the date of these accounts freely disposable reserves, expressed as the net current assets of the Unrestricted Funds, are £227.9K (down from £236.8K in 2020). It should be noted also that the investments held by the General Fund for a financial return, which are shown as fixed assets are readily realisable, albeit their value can fluctuate rapidly.

Projected total expenditure for 2021-22 is anticipated to rise above £350K, significantly higher than the £273.9K, albeit that the timing of some large items of premises and fabric costs remain unpredictable. However, expenditure on premises and fabric is forecast to have one more year running at unusually elevated levels of close to £150K, before falling back to a more normal level around £55K in the following years. The two major items of expenditure for the coming year are likely to be the repair and reconstruction of the garden wall and planned work on the organ. At some point in the next few years the large gas boiler which heats the church will need replacing too. Because the timing of this is uncertain it is budgeted for as expenditure across three years, even though when it happens it will all take place in one year. As a result the budgeted total loss for next year is around £116K, reducing to around £39K the following year, based on conservative assumptions, but it is worth noting that the generosity of the congregation very much exceeded forecast last year through support for one off projects.

Details of other fund reserves and their purpose are disclosed in note 21.

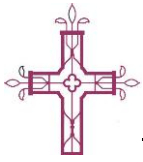
Structure, governance and management

The church is an unincorporated association, governed by Constitution dated 25 May 2016. 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, alternate lay representative and six ordinary members of the vestry are elected by the congregation in annual meeting.

Ordinary members of the vestry normally serve three-year terms (subject to the constitutional requirement that the two longest serving members must retire each year) and may serve a maximum of two consecutive terms. Casual vacancies may be filled by the vestry, and up to three 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 briefing and 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; other committees are formed as required. Activity groups operate on a semi-autonomous basis within budgets agreed with the vestry.

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 and their individual members 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.

Reference and administrative details

Reference and administrative details are presented on page 2.

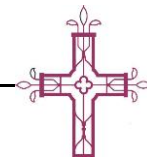
Conclusion

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
DATE



Statement of responsibilities of the Members of the Vestry

The Members of the vestry, as Trustees, are responsible for preparing the Annual 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 its income and expenditure for that period. In preparing these accounts members of the vestry are required to:

- select suitable accounting policies and 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the church will continue in operation.

The members of the vestry are responsible for keeping proper accounting records which 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, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the church's constitution.

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.

The members of the vestry are responsible for the maintenance and integrity of the charity and financial information included on the church's website.

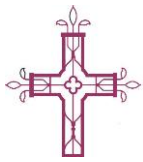
Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON BEHALF OF THE VESTRY

KIMBERLEY MOORE EDE

Vestry Clerk

2021



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 2021 which are set out on pages 9 to 23.

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 as amended (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.

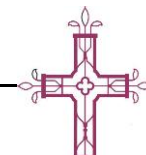
Independent examiner's statement

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.

Jeremy Chittleburgh BSc CA
CHIENE + TAIT LLP
Chartered Accountants and
Independent Examiners
61 Dublin Street
Edinburgh EH3 6NL

2021

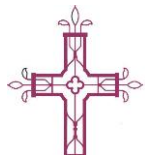


Statement of financial activities

Year ended 30 September 2021

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2021	Total funds 2020
		General	Designated				
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies							
		141,909	-	-	-	141,909	136,999
		21,092	-	63,449	-	84,541	37,278
	3	163,002	-	63,449	-	226,451	174,277
	4	10,298	-	-	-	10,298	6,050
	5	14,068	-	-	-	14,068	20,624
	6	10,840	-	-	-	10,840	6,476
		198,208	-	63,449	-	261,657	207,427
Expenditure on:							
	7	51	-	-	-	51	1,905
	8						
		67,515	-	-	-	67,515	37,985
		9,490	1,735	11,764	-	22,989	25,019
		64,465	-	61,885	-	126,350	171,327
		11,840	-	-	-	11,840	12,519
		5,596	-	-	-	5,596	5,316
		3,594	-	4,232	-	7,826	5,768
		18,052	-	-	-	18,052	19,180
	16	7,294	-	-	-	7,294	5,262
		6,395	-	-	-	6,395	5,529
		194,241	1,735	77,881	-	273,857	287,905
		194,291	1,735	77,881	-	273,907	289,810
		3,916	(1,735)	(14,432)	-	(12,251)	(82,383)
	100	83,871	-	-	-	83,871	78,179
		87,787	(1,735)	(14,432)	-	71,620	(4,204)
	11	(6,000)	6,000	-	-	-	-
		81,787	4,265	(14,432)	-	71,620	(4,204)
Reconciliation of funds:							
		309,537	355,228	49,973	42,741	757,479	761,683
		391,324	359,493	35,541	42,741	829,099	757,479

All income and expenditure derive from continuing operations. All income, gains, expenditure and losses recognised in the period are included above. Comparative information for all fund values presented above is given in the relevant note. The notes on pages 11 to 25 form an integral part of these accounts.



Balance Sheet

30 September 2021

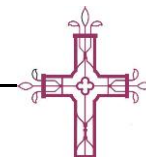
	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2021	Total funds 2020
		General	Designated				
		£	£	£	£	£	£
Fixed assets							
Tangible assets	17	41,597				41,597	44,907
Investments:							
held for a financial return	18(a)	121,200	359,493	35,541	42,741	558,975	475,104
programme-related (social)	18(b)	664				664	664
		121,864	359,493	35,541	42,741	559,639	475,768
Total fixed assets		163,460	359,493	35,541	42,741	601,235	520,675
Current assets							
Debtors	19	12,371				12,371	13,597
Cash in building society		-				-	98,004
Cash at bank and in hand		229,149				229,149	138,644
		241,520				241,520	250,245
Liabilities							
Creditors: amounts falling due within one year	20	13,656				13,656	13,441
Net current assets		227,864				227,864	236,804
Total net assets		391,324	359,493	35,541	42,741	829,099	757,479
Funds of the charity							
Endowment fund					42,741	42,741	42,741
Restricted income funds				35,541		35,541	49,973
<i>Unrestricted funds:</i>							
Designated funds			359,493			359,493	355,228
General fund		391,324				391,324	309,537
<i>Total unrestricted funds</i>		391,324	359,493			750,817	664,765
Total charity funds		391,324	359,493	35,541	42,741	829,099	757,479

The notes on pages 11 to 23 form an integral part of these accounts.

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

2021

KIMBERLEY MOORE EDE
Vestry Clerk



Notes to the accounts (continued)

Year ended 30 September 2021

1. Accounting policies

(a) Basis of preparation

These accounts have been prepared under the historical cost convention with items being recognised at cost or transaction value unless otherwise stated in the relevant note to the accounts, and are in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition – October 2019), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Church constitutes a public benefit entity as defined by FRS102.

(b) Going concern

The accounts have been prepared on a going concern basis. The members of the vestry have assessed the church's ability to continue as a going concern and have reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future, and for at least 12 months. Ongoing uncertainties around Covid-19 exist and are noted within the Trustees report section "Looking ahead". They thus continue to adopt the going concern basis of accounting in preparing these accounts.

(c) Fund accounting

Unrestricted funds may be used at the discretion of the vestry to further any of the purposes of the church, including to supplement expenditure from restricted funds.

The vestry may choose to set aside part of the unrestricted funds as a designated fund for a particular future project or commitment. Individual donations and legacies in excess of £5,000 which have no restriction on their use are added to the memorial fund.

Restricted funds can lawfully only be used for the purpose specified by the donor or resulting from the terms of an appeal.

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

The purpose and use of individual funds are set out in note 21.

(d) Recognition of income

Income is recognised in the statement of financial activities when the church becomes entitled to the income, there is probability of receipt, and its monetary value, including any associated costs, can be measured reliably. Income is deferred where it relates to activities or services delivered in a later accounting period.

Income from donations and legacies includes giving by members of the Congregation, other donations of a general nature, and legacies. In the case of legacy income where there is uncertainty as to amount, the fair value of the income receivable may be estimated on the basis of available information.

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

Income from charitable activities comprises sums 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.

Income from other trading activities includes receipts from fundraising and from letting of surplus space, which is recognised as it falls due for payment.

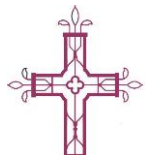
Income from investments, derived from securities and deposits, is recognised as it falls due for payment.

Grants may be receivable under the Listed Places of Worship Grant Scheme for recovery of Value Added Tax incurred on the repair and maintenance or alteration of listed ecclesiastical buildings. Grants receivable are offset against the related expenditure.

(e) Recognition of expenditure

Expenditure is accounted for on an accruals basis, being recognised when there is a legal or constructive obligation to pay, probability that settlement will be required, and the amount can be measured or estimated reliably

Expenditure on raising funds includes specifically identifiable costs of fundraising, and costs of investment management, together with a proportion of premises and office costs attributable to space letting.



Notes to the accounts (continued)

Year ended 30 September 2021

Expenditure on charitable activities includes 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.

Liability for grants payable is recognised at the time of the grant being awarded.

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

1. Accounting policies

Governance costs represent the costs associated with general running of the church as an organisation as opposed to costs associated with fundraising and charitable activity. These include external scrutiny, legal advice, trustee and member 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.

(f) Allocation of support and governance costs

There is considered to be one sole activity, the mission of the church. Support costs (including governance) are therefore presented as an additional component of expenditure on charitable activities, except for allocation of premises and office costs to space letting, in proportion to income generated.

(g) Taxation

The church is a registered Scottish charity exempt from 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.

(h) Tangible assets

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 £1,000 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

(i) Financial instruments

The church carries only basic financial assets and liabilities. These may comprise investments in securities, amounts receivable and payable, and cash deposited with banks and building societies. Financial assets and liabilities are initially recorded at cost; subsequently, investment assets are valued at market valuation (excluding any costs of realisation or disposal) and other assets and liabilities are valued at the best estimate of settlement amount.

(j) Investment assets

Investment assets are recorded at market valuation. Programme-related (social) investments are shown at cost, less any required impairment adjustment.

Investment assets include an amount representing any unexpended portion of income received for restricted purposes.

(k) Gains and losses

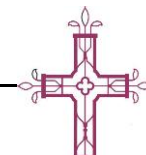
Realised gains and losses on security investments are calculated as the difference between the net sales proceeds and their valuation at the start of the year (or subsequent cost) and are recognised in the statement of financial activities in the year of disposal.

Unrealised gains and losses represent the movement in market valuation during the year (or since subsequent purchase) and are recognised in the statement of financial activities based on market valuation at year end.

(l) 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 15.



Notes to the accounts (continued)

Year ended 30 September 2021

2. Related party transactions

FRS102 requires disclosure of material related party transactions and year-end balances with related parties.

The total amount of unconditional donations received from trustees and other related parties was £17,278 (2020: 14,730).

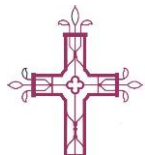
Apart from the disclosures made in note, there were no other related party transactions which require to be disclosed

3. Income from donations and legacies

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2021	Total funds 2020
	General	Designated				
	£	£	£	£	£	£
Congregational giving						
'Open plate' giving	7,624	-	-	-	7,624	9,362
Pledged giving	92,768	-	-	-	92,768	87,637
Payroll giving	15,606	-	-	-	15,606	14,033
Gift Aid claimed on giving	25,911	-	-	-	25,911	25,942
	141,909	-	-	-	141,909	136,974
Other donations and legacies						
Other donations (incl. Gift Aid)	13,628	-	50,449	-	64,077	19,070
Legacies	1,000	-	-	-	1,000	1,000
Grants	6,465	-	13,000	-	19,465	17,208
	21,093	-	63,449	-	84,542	37,278
	163,002	-	63,449	-	226,451	174,277
Fund totals 2020						
Congregational giving	136,999	-	-	-	136,974	
Other donations and legacies	36,778	-	500	-	37,278	
	173,777	-	500	-	174,277	

4. Income from charitable activities

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2021	Total funds 2020
		General	Designated				
		£	£	£	£	£	£
Church fees		-	-	-	-	-	985
Activities	15	-	-	-	-	-	719
Diocesan curate grant		10,298	-	-	-	10,298	4,346
		10,298	-	-	-	10,298	6,050
Fund totals 2020		6,050	-	-	-	6,050	



Notes to the accounts (continued)

Year ended 30 September 2021

5. Income from other trading activities

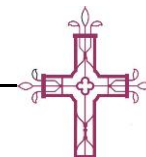
	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2021	Total funds 2020
	General	Designated				
	£	£	£	£	£	£
Fundraising activities	754	-	-	-	754	638
Space letting	13,314	-	-	-	13,314	19,986
	14,068	-	-	-	14,068	20,624
<i>Fund totals 2020</i>	20,036	588	-	-	20,624	

6. Income from investments

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2021	Total funds 2020
	General	Designated				
	£	£	£	£	£	£
Listed securities and unit trusts	10,185	-	-	-	10,185	6,180
Programme-related investments	-	-	-	-	-	-
Interest on cash deposits	655	-	-	-	655	296
	10,840	-	-	-	10,840	6,476
<i>Fund totals 2020</i>	6,476	-	-	-	6,476	

7. Expenditure on raising funds

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2021	Total funds 2020
		General	Designated				
		£	£	£	£	£	£
Donations and legacies		-	-	-	-	-	-
Trading activities							
Fundraising activities		51	-	-	51	-	-
Space letting salaries	13	-	-	-	-	-	-
Space letting cleaning		-	-	-	-	-	823
Space letting allocated costs		-	-	-	-	-	1,082
		51	-	-	51	-	1,905
<i>Fund totals 2020</i>		1,905	-	-	-	1,905	



Notes to the accounts (continued)

Year ended 30 September 2021

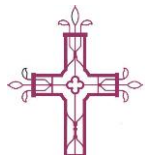
8. Expenditure on charitable activities

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
		General	Designated			2021	2020
		£	£	£	£	£	£
Clergy							
Stipends and pensions	13	55,049				55,049	34,048
Allowances and training		4,444				4,444	1,020
Housing utilities and insurance		7,858				7,858	2,883
Housing maintenance		26				26	-
Travelling expenses		138				138	34
		67,515				67,515	37,985
Worship							
Music salaries	13	14,067				14,067	18,451
¹ Other music costs		4,894	1,735			6,629	3,077
Contribution from other funds		(11,764)		11,764		-	-
² Other worship costs		2,293				2,293	3,491
		9,490	1,735	11,764	-	22,989	25,019
Premises and fabric							
Utilities		4,970				4,970	6,532
Cleaning		7,240				7,240	1,957
Repairs and maintenance		38,259		61,885		100,144	149,038
Insurance		10,891				10,891	11,970
Premises and plant depreciation		3,105				3,105	2,900
Allocated to space letting		-				-	(1,070)
		64,465		61,885		126,350	171,327
Office							
Salaries	13	9,602				9,602	9,443
Printing and stationery		836				836	703
Postage and telephone		1,022				1,022	717
³ Other office costs		174				174	2,097
Office equipment depreciation		206				206	274
Allocated to space letting		-				-	(715)
		11,840				11,840	12,519
Children's ministry							
Salaries	13	5,405				5,405	5,168
Other staff costs		-				-	-
Other children's ministry costs		190				190	148
		5,596				5,596	5,316
Carried forward		158,906	1,735	73,649	-	234,290	252,166

¹ Other music costs comprise 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.



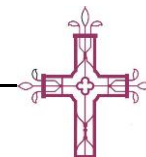
Notes to the accounts (continued)

Year ended 30 September 2021

8. Expenditure on charitable activities (continued)

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2021	Total funds 2020
		General	Designated				
		£	£	£	£	£	£
Brought forward		158,906	1,735	73,649	-	234,290	252,166
Other activities and costs							
Activities	15	(417)				(417)	1,799
Advertising and publicity		540				540	1,291
⁴ Legal and professional fees		2,440		4,232		6,672	2,415
Bank charges		483				483	262
Other costs		548				548	-
		3,594		4,232	-	7,826	5,768
Total activities directly funded		162,500	1,735	77,881	-	242,116	257,934
Diocesan quota		18,052				18,052	19,180
Grants and donations	16	7,294				7,294	5,262
Governance							
Preparation and External scrutiny of accounts	9	6,395				6,395	5,529
Meeting expenses							-
		6,395				6,395	5,529
Total Charitable Expenditure		194,291	1,735	77,881	-	273,907	289,810
Fund totals 2020:							
Clergy		37,985				37,985	
Worship		12,043		12,976		25,019	
Premises and fabric		166,327		5,000		171,327	
Office		12,519				12,519	
Children's ministry		5,316				5,316	
Other activities and costs		5,768				5,768	
Diocesan quota		19,180				19,180	
Grants and donations		5,262				5,262	
Governance		5,529				5,529	
		271,834	-	17,976	-	289,810	

⁴ Legal and professional fees were paid to architects and surveyors engaged in connection with property repair and maintenance, and proposals for development of the church hall.



Notes to the accounts (continued)

Year ended 30 September 2021

9. Independent examiner's remuneration

Fees paid to the independent examiner of £2,000 (2020-£1,800) consist solely of the fee for independent examination of the trustees' report and accounts.

10. Gains and losses on investment assets

	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
	General	Designated			2021	2020
	£	£	£	£	£	£
Gain on disposals (against original cost)					-	-
Less Revaluation gains previously recognised					-	-
(Loss) on disposals recognised in these accounts	-	-	-	-	-	-
Unrealised gains on revaluation	83,871	-	-	-	83,871	78,179
	83,871	-	-	-	83,871	78,179
<i>Fund totals 2020</i>	78,179	-	-	-	78,179	

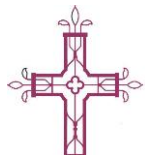
11. Transfers between funds

	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
	General	Designated			2021	2020
	£	£	£	£	£	£
Transfer to organ fund	(6,000)	6,000	-	-	-	-
Transfer to Restoration and Renewal Fund	-	-	-	-	-	-
	(6,000)	6,000	-	-	-	-
<i>Fund totals 2019</i>	(99,200)	99,200	-	-	-	

Each year the vestry transfers a sum 2021: £6,000 (2020 £6,000) to the organ fund to provide for the cost of non-routine maintenance of the organ.

The sum transferred to the buildings fund represents an annual contribution from the general fund equivalent to the amount of grants paid as part of the giving programme.

Vestry has created a designated fund "Restoration and Renewals fund" for development projects.



Notes to the accounts (continued)

Year ended 30 September 2021

12. Trustee remuneration, benefits and expenses

No Trustee or member of the vestry received remuneration or benefits in respect of service as trustee.

The Rector, Father John McLuckie, was *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 was engaged on a full-time basis and payment of remuneration is authorised under article 22 of the Constitution. Amounts paid during the financial year comprised stipend and pension contributions of £35,694. As part of his remuneration, the Rector also had occupancy of the Rectory, in respect of which the vestry pays Council Tax and property insurance.

The Rector received reimbursement of expenses incurred in performing pastoral duties. The total amount of expenses reimbursed during the year to the Rector was £705.

No other Trustee or member of the vestry received remuneration or reimbursement of expenses, other than reimbursement of purchases made on behalf of the church.

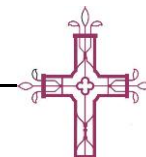
13. Clergy and staff costs and emoluments

	2021	2020
	£	£
Gross stipends and salaries	70,333	58,933
Employer's national insurance contributions	-	2
Cost of pension contributions	13,789	8,175
	84,122	67,110

	Average headcount		Average full time equivalent	
	2021	2020	2021	2020
Clergy	1.58	1.00	2.0	1.0
Music	3.58	4.80	0.93	1.0
Office	1.00	1.00	0.40	0.40
Children's ministry	1.00	1.00	0.27	0.27
Space letting	-	-	-	-
	7.16	7.80	3.60	2.67

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.



Notes to the accounts (continued)

Year ended 30 September 2021

14. Retirement benefits

Pension contributions in respect of stipendiary clergy are paid to the Scottish Episcopal Church Pension Fund which is a non-contributory defined benefit scheme. The church is unable to identify its share of the underlying assets and liabilities of the Fund on a consistent and reasonable basis and so accounts for its contributions as if the scheme were a defined contribution scheme.

The latest valuation at 31 December 2020 showed a surplus of £5.6 million. The contribution rate continued at 32.2%. The next triennial actuarial valuation will take place as at 31 December 2023. No contribution due by the church remained outstanding at 30 September 2021.

15. Activities income and expenditure

	Total income	Total expendi- ture	Net income / (expense)	
			2021	2020
	£	£	£	£
Parish retreats and residential weekends	-	-	-	-
Study groups	-	-	-	-
Newsletter	-	-	-	-
Social activities	-	-	-	-
Parish lunches	-	-	-	(60)
Sunday refreshments	-	-	-	65
OSP Remembers (publication)	-	-	-	-
	-	-	-	5

16. Grants and donations

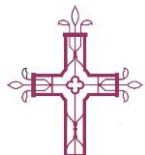
The Church makes grants each year based on 2.5% of the previous year's net income after exceptional items. Included in the accounts are the following grants and donations awarded during the year:

	£
Awarded as part of the giving programme:	2021
2021 Grants to be awarded	4,798
Still to be allocated from 2020	2,246
Giving total	7,044
Other grants awarded:	
National Churches Trust	250
Total grants and donations	7,294

Funds raised for third parties:

Not included in the accounts are the following sums raised by the Congregation for third parties (including Gift Aid relief):

£
-



Notes to the accounts (continued)

Year ended 30 September 2021

17. Tangible assets

	Property improvements £	Plant and ma- chinery £	Office equip- ment £	Total £
Cost				
At 1 October 2020	86,238	46,897	8,659	141,794
Additions/Disposals				
At 30 September 2021	86,238	46,897	8,659	141,794
Accumulated depreciation				
At 1 October 2020	46,657	42,394	7,836	96,887
Charge for year	1,979	1,126	206	3,311
Additions/Disposals				
At 30 September 2021	48,636	43,520	8,042	100,198
Net book value				
At 30 September 2021	37,602	3,377	617	41,596
At 30 September 2020	39,581	4,503	823	44,907

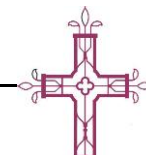
In addition to assets included above the Congregation also owns the church, and the rectory at Lauder House, both in Jeffrey Street, Edinburgh. The original value of these assets and the cost of improvements prior to 1 October 2000 are not available and have not been included because, in the opinion 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 2021 the church and rectory were insured for £20,870,000, which is an estimate of the replacement cost of buildings and all contents owned by the church (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.

18. Investment assets

(a) Investments held to provide a financial return

	Listed secu- rities and unit trusts £	Cash in building society £	Total £
Valuation			
Carrying value at 1 October 2020	475,010	93	475,103
Additions at cost			
Disposals at carrying value	-	-	-
Gain on revaluation	83,871	-	83,871
Carrying value at 30 September 2021	558,881	93	558,974
Historical cost at 30 September 2021	196,573	93	196,666



Notes to the accounts (continued)

Year ended 30 September 2021

188. 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 2021. All investments are held in the United Kingdom.

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

	Carrying Value 2021 £	Carrying value 2020 £
Scottish Episcopal Church Unit Trust Pool	395,933	341,370
AXA Ethical Distribution Fund	28,726	24,556
Henderson Global Care UK Income Fund	27,694	22,925
Liontrust UK Ethical Fund	38,036	29,260
Premier Ethical Fund	41,665	30,497
Rathbone Ethical Bond Fund	26,828	26,403
Nationwide Building Society cash deposit	93	93

(b) Programme-related investments (social investments)

	2021 £	2020 £
Shared Interest Society Ltd – equity capital shown at amount invested	664	664

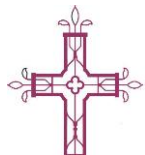
Shared Interest Society Ltd is a UK based co-operative lending society whose object is to provide financial services, especially for production and trade, in a manner reflecting the fundamental principles of the Christian faith, in order to promote wholesome, dignified and sustainable employment for the benefit of people in need, particularly in poor countries.

The Society is incorporated with limited liability under the Co-operative and Community Benefit Societies Act 2014. The entitlement of members to the assets of the Society is limited to repayment of shares, together with interest payable on shares. Net profits may only be distributed as a rebate on charges to customers or applied for charitable purposes.

19. Debtors

	2021 £	2020 £
Gift Aid	6,097	6,638
Prepayments and accrued income	5,694	5,502
Other debtors	580	1,457
	12,371	13,597

All amounts fall due within one year.



Notes to the accounts (continued)

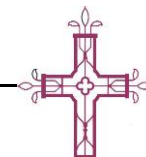
Year ended 30 September 2021

20. Creditors: amounts falling due within one year

	2021	2020
	£	£
Grants awarded still to be paid	7,044	6,792
Accruals and deferred income	3,250	3,114
Other creditors	2,429	2,916
Taxation and social security	933	619
	13,656	13,441

21. Summary of fund movements

	Brought forward	Income	Expenditure	Gains and losses	Transfers	Carried forward
	£	£	£	£	£	£
Endowment fund						
John Steer music fund	42,741	-	-	-	-	42,741
Restricted funds						
Jerusalem Still fund	2,546		224	-	-	2,322
Restoration and Renewal fund	18,526				(11,376)	7,150
Cecilia Cavaye music fund	24,822		11,764			13,058
Reredos restoration fund	4,079					4,079
Stairlift fund	-	39,389	50,765		11,376	-
Accessibility Fund	-	24,060	15,128	-	-	8,932
	49,973	63,449	77,881	-	-	35,541
Unrestricted funds						
<i>Designated funds:</i>						
Buildings fund	43,452					43,452
Memorial fund	187,128					187,128
Organ fund	29,648	-	1,735	-	6,000	33,913
Restoration & Renewal fund	95,000					95,000
	355,228		1,735	-	6,000	359,493
General fund	309,537	198,208	194,292	83,871	-	391,324
	664,765	198,208	196,027	83,871	-	750,817
Total charity funds	757,479	261,657	273,908	83,871	-	829,099



Notes to the accounts (continued)

Year ended 30 September 2021

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 **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 OBE 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 **Restoration and Renewal fund** receive the proceeds of fundraising for development projects. Funds are transferred when required to meet project costs.

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 2019, one half of the costs of liturgical music will be met from the fund.

The **Reredos restoration fund** holds donations received towards the cost of restoration of the high altar reredos.

This work was carried out during October 2015. Consideration is currently being given to appropriate use of the remaining sum.

The **Buildings fund** provides for any required expenditure (capital or revenue) on church properties beyond normal recurring or routine maintenance.

The **Memorial fund** is credited with legacies transferred in accordance with the policy described in note 1(c). 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.

The **Lauder House Repairs Fund** was created for specific donations to repairs to the building.

The **Stairlift Fund** was created in 2020 to raise funds for a stairlift in the Calvary Stair.

The **Accessibility Fund** was created during the Coronavirus lockdown to fund broadcasting church services over the internet.

22. 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 outstand- ing brought forward	Amounts charged during the year	Amounts added/ (released) during the year	Amount outstand- ing carried forward
	£	£	£	£	£
Laurie Halls Repairs and Restoration (est)	100,000	100,000	100,000	-	-
	100,000	100,000	100,000	-	-

The above amounts include Value Added Tax where applicable, for which grants may be available through the Listed Places of Worship grant scheme.

All outstanding amounts are expected to be paid within one year.