



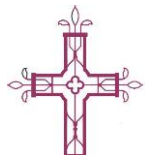
# Report and Accounts for the year ended 30 September 2022

---

## Contents

	<i>page</i>
Reference and administrative details	2
Report of the Vestry (Trustees' report)	3-6
Statement of responsibilities of the Members of the Vestry	7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Notes to the accounts	11-24

---



## 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
	<b>email</b> <a href="mailto:info@osp.org.uk">info@osp.org.uk</a>
	<b>website</b> <a href="http://www.osp.org.uk">http://www.osp.org.uk</a>
THE VESTRY	
	<b>Rector</b> Fr. John McLuckie
	<b>Curate</b> Mtr. Jaime Wright
	<b>Church Wardens</b> <i>Appointed by the rector:</i> Gavin McEwan (appointed 14 January 2020) <i>Elected by the congregation in Annual Meeting:</i> Lana Woolford (appointed December 2021)
	<b>Vestry Clerk</b> Kimberley Moore Ede
	<b>Treasurer</b> Malcolm Macrae (to retire December 2022)
	<b>Lay Representative</b> David Stevens (elected December 2021)
	<b>Alternate Lay Representative</b> Vacancy
	<b>Ordinary Members</b> Janet de Vigne (elected December 2020) Simon Parsons (elected December 2020) Carrie Gooch (elected December 2019, can run for one more term) Guy Johnson (elected December 2020) Bryan Jackson (elected December 2021) Vacancy
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:
	<b>Bishop</b> The Right Reverend John Armes
	<b>Dean</b> The Very Reverend Frances Burberry
	<b>Chancellor</b> Anna Poole KC
	<b>Registrar</b> 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

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



[www.osp.org.uk](http://www.osp.org.uk)



[facebook.com/ospchurch](https://facebook.com/ospchurch)

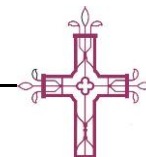


[@oldsaintpauls](https://twitter.com/oldsaintpauls)

Sign up to receive  
our monthly  
e-mail newsletter:



[eepurl.com/b4u1Hr](https://eepurl.com/b4u1Hr)



## Report of the Vestry (Trustees' report) Year ended 30 September 2022

As Trustees of Old Saint Paul's Episcopal Church, the Vestry presents its report and accounts for the year ended 30 September 2022. 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.

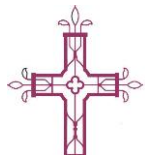
### Achievements and performance

Given the near normality we now enjoy in most areas of our congregational life, it is hard to believe that this annual report includes, once again, a period when we continued to operate under various restrictions brought in to mitigate the effects of the COVID pandemic. More significantly, it is also a time to consider what lasting impacts the pandemic has had on our life together, even as the immediate health threats recede to a large extent, and, above all, to form a vision for our future growth and development.

In terms of the lasting impact of COVID and its restrictions, we continue to enjoy the presence of an extended virtual congregation of people who join us each week via our livestream. This facility also serves as a 'shop window' for people who want to find out more about us. For many, the livestream allows them to remain part of the praying life of the congregation when they cannot be with us in person due to distance or circumstance. Other impacts include a fall in the income we receive from people donating money as they attend services, not least because we continued to face restrictions on numbers for part of this last year. We are also keenly aware of the massive pressures on household budgets faced by most of us, and the impact this has on our congregational income.

Many aspects of our congregational life continue in recognisable ways, though we are very conscious that we should never take them for granted. Our music continues to be a strong, distinctive, and deeply appreciated dimension of our worshipping life. The choir is in very good health and in very good hands. We have also seen the establishment of a Nazareth Community, an online contemplative group and an adult Sunday school, thanks to the energy and wisdom of Fr Gordon Graham. Our work with children, our pastoral care, our significant contributions to the Festival for the first time since lockdown, our many groups of volunteers and our engagement with a host of visitors to the church remain strong dimensions of our regular life. We continue to welcome many new members as well as bidding farewell to those who move from the city. In this past year, we have also lost some dearly beloved members whose lives will continue with us in our memories and in the many ways they enriched our common life.

We have welcomed a new church administrator, Aina Thomson, and offer our sincere gratitude for dedicated and creative work of her predecessor, Simon Lloyd. We have also celebrated Mother Jaime's ordination as a Priest at the Feast of the Conversion of our Patron, St Paul. This was a moment of great joy as we continue to benefit enormously from her ministry among us.



## Looking ahead

As we turn towards our future developments, we continue to explore ways of connecting with the various communities around us – residents, visitors, workers, those who come to the city centre for so many different reasons – and meeting the needs of those who are vulnerable.

Around the building, we have seen the completion of our garden wall, which has transformed that sacred and lovely space and opened up the view of the church from the close. Our biggest challenges over the coming months are the replacement of our old and failing gas heating system and the management of our fuel use in a time of exceptionally high costs. Progress is being made on both fronts as we seek to reduce our carbon output, maintain the comfort of the congregation, and respect the integrity of our beautiful church.

## 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
<b>Income and endowments from:</b>		
Donations and legacies	168.1	2.5
Charitable activities	18.2	-
Other trading activities	25.1	0.1
Investments	11.4	-
Other	-	-
Total income	222.8	2.6
<b>Expenditure on:</b>		
Raising funds	6.1	-
Charitable activities	262.7	21.0
Total expenditure	268.8	21.0
Net operating expenditure	(46.0)	(18.4)
Losses on investments	(106.0)	-
Net movement in funds	(152.0)	(18.4)
Total funds 30 September 2022	598.7	17.2

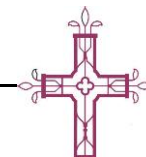
*Restricted funds include endowment funds.*

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 as well as restoration and renewal costs) achieved a net shortfall for the year, before losses on investment assets and transfers between funds, of £46K compared with a surplus of £2.2K in the preceding year. Both this year and last two years saw significant spending on church premises and fabric, £245K in the last two years as a whole and £119k in the period under review. The major premises costs this year were the restoration of the Memorial Garden Wall and various roof works.

Total income from all sources fell to £225.4K from £261.7K. Total expenditure for the year rose to £289.8K up from £273.9K in the prior year. This resulted in total operating losses rising to £64.4K from £12.2K in the prior year.

Total income from donations and legacies fell from £226,450 to £170,606 including a VAT rebate of £9,330 from the DCMS Listed Places of Worship Scheme and a £13,106 grant from Edinburgh World Heritage for the Memorial Garden Wall.

Unrestricted giving by the Congregation, including tax claims, fell from £141,909 to £132,090. The remainder of our income stems principally from letting of space to other groups and organisations £24,829 (up from £13,314) and investment and interest income £11,372 (up from £10,840).



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

Sharp falls in global stock markets has meant that our investments lost value during the year. Two of the funds we held were sold in June, realising £60,659 in order to ensure that the church has adequate liquidity for its foreseeable needs over the next couple of years. The value of these funds at sale had declined by £9,582 since the prior year end. The other investments held declined by £96,443 over the year, meaning the overall investment losses were £106,025.

#### 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 £166.5K (down from £227.9K in 2021). 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.

It is likely that spending on premises and church fabric will continue at elevated levels over the coming year and that the church will need to draw down significantly further on its reserves. Some of the expenditure that was planned for the year just closed, notably work on the organ, will in fact occur in coming year. The replacement of the church's heating system is planned for the coming year and will involve significant expenditure, the amount of which is yet to be determined.

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

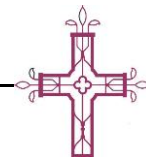
In conclusion, the vestry wishes to thank all members of the Congregation who assist in so many different ways in carrying on the work of the church, without whom nothing would be possible.

ON BEHALF OF THE VESTRY

KIMBERLEY MOORE EDE

Vestry Clerk

2022



## 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*

2022



## 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 2022 which are set out on pages 9 to 24.

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

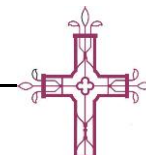
In the course of my examination, no matter has come to my attention

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 Regulations have 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

2022



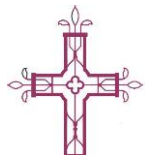


## Statement of financial activities

### Year ended 30 September 2022

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2022	Total funds 2021
		General	Designated				
		£	£	£	£	£	£
<b>Income and endowments from:</b>							
Donations and legacies							
Congregational giving		132,090	-	-	-	132,090	141,909
Other donations and legacies		36,006	-	2,510	-	38,516	84,541
	3	168,096	-	2,510	-	170,606	226,450
Charitable activities	4	18,168	-	-	-	18,168	10,298
Other trading activities	5	25,150	-	117	-	25,267	14,068
Investments	6	11,372	-	-	-	11,372	10,840
<b>Total income</b>		<b>222,786</b>	<b>-</b>	<b>2,627</b>	<b>-</b>	<b>225,413</b>	<b>261,656</b>
<b>Expenditure on:</b>							
Raising funds	7	6,092	-	-	-	6,092	51
<b>Charitable activities</b>							
Clergy	13,14	84,359	-	-	-	84,359	67,515
Worship		13,459	194	13,438	-	27,091	22,989
Premises and fabric		48,910	62,617	7,555	-	119,082	126,350
Office		11,182	-	-	-	11,182	11,840
Children's ministry		5,764	-	-	-	5,764	5,596
Other activities and costs		7,156	-	-	-	7,156	7,826
Diocesan quota		17,616	-	-	-	17,616	18,052
Grants and donations	16	6,024	-	-	-	6,024	7,294
Governance	9,12	5,478	-	-	-	5,478	6,395
		199,948	62,811	20,993	-	283,752	273,857
<b>Total expenditure</b>		<b>206,040</b>	<b>62,811</b>	<b>20,993</b>	<b>-</b>	<b>289,844</b>	<b>273,907</b>
Net operating income / (expenditure)		<b>16,746</b>	<b>(62,811)</b>	<b>(18,366)</b>	<b>-</b>	<b>(64,431)</b>	<b>(12,251)</b>
(Loss) / Gains on investments	10	(106,025)	-	-	-	(106,025)	83,871
Net (expenditure) / income		<b>(89,279)</b>	<b>(62,811)</b>	<b>(18,366)</b>	<b>-</b>	<b>(170,456)</b>	<b>71,620</b>
Transfers between funds	11	(6,000)	6,000	-	-	-	-
<b>Net movement in funds</b>		<b>(95,279)</b>	<b>(56,811)</b>	<b>(18,366)</b>	<b>-</b>	<b>(170,456)</b>	<b>71,620</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		391,324	359,493	35,541	42,741	829,099	757,479
<b>Total funds carried forward</b>		<b>296,045</b>	<b>302,682</b>	<b>17,175</b>	<b>42,741</b>	<b>658,643</b>	<b>829,099</b>

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 24 form an integral part of these accounts.



## Balance Sheet

### 30 September 2022

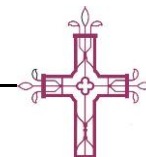
	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
		General	Designated			2022	2021
		£	£	£	£	£	£
<b>Fixed assets</b>							
Tangible assets	17	38,718	-	-	-	38,718	41,597
Investments:							
held for a financial return	18(a)	90,201	302,682	17,175	42,741	452,799	558,975
programme-related (social)	18(b)	664	-	-	-	664	664
		90,865	302,682	17,175	42,741	453,463	559,639
<b>Total fixed assets</b>		129,583	302,682	17,175	42,741	492,181	601,235
<b>Current assets</b>							
Debtors	19	29,889	-	-	-	29,889	12,371
Cash at bank and in hand		157,016	-	-	-	157,016	229,149
		186,905	-	-	-	186,905	241,520
<b>Liabilities</b>							
Creditors: amounts falling due within one year	20	20,443	-	-	-	20,443	13,656
<b>Net current assets</b>		166,462	-	-	-	166,462	227,864
<b>Total net assets</b>		<b>296,045</b>	<b>302,682</b>	<b>17,175</b>	<b>42,741</b>	<b>658,643</b>	<b>829,099</b>
<b>Funds of the charity</b>							
Endowment fund	21	-	-	-	42,741	42,741	42,741
Restricted income funds		-	-	17,175	-	17,175	35,541
<i>Unrestricted funds:</i>							
Designated funds		-	302,682	-	-	302,682	359,493
General fund		296,045	-	-	-	296,045	391,324
<b>Total unrestricted funds</b>		296,045	302,682	-	-	598,727	750,817
<b>Total charity funds</b>		<b>296,045</b>	<b>302,682</b>	<b>17,175</b>	<b>42,741</b>	<b>658,643</b>	<b>829,099</b>

The notes on pages 11 to 24 form an integral part of these accounts.

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

2022

**KIMBERLEY MOORE EDE**  
Vestry Clerk



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 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 post pandemic and other economic factors are considered by Trustees. 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.

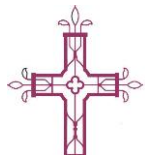
Gifts in kind and donated services and facilities (including the services of volunteers) are not recognised in the Statement of Financial Activities.

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.



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 1. Accounting policies

##### (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.

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.

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.

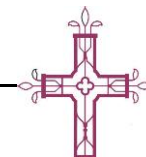
Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

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.



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### (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

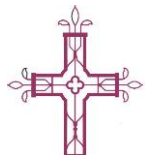
The Scottish Episcopal Church operates a defined benefit non-contributory pension scheme for clergy. The Congregation pays contributions to this multi-employer scheme in respect of its stipendiary clergy. Contributions to the scheme are set at rates designed to spread the cost of pensions over the working 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.

## 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 (2021: 14,730).

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



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 3. Income from donations and legacies

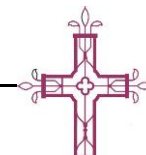
	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2022	Total funds 2021
	General	Designated				
	£	£	£	£	£	£
<b>Congregational giving</b>						
'Open plate' giving	5,020	-	-	-	5,020	7,624
Pledged giving	88,421	-	-	-	88,421	92,768
Payroll giving	14,571	-	-	-	14,571	15,606
Gift Aid claimed on giving	24,078	-	-	-	24,078	25,911
	132,090	-	-	-	132,090	141,909
<b>Other donations and legacies</b>						
Other donations (incl. Gift Aid)	11,069	-	-	-	11,069	64,077
Legacies	2,500	-	2,510	-	5,010	1,000
Grants	22,437	-	-	-	22,437	19,465
	36,006	-	2,510	-	38,516	84,542
	<b>168,096</b>	<b>-</b>	<b>2,510</b>	<b>-</b>	<b>170,606</b>	<b>226,451</b>

#### Fund totals 2021

Congregational giving	141,909	-	-	-	141,909
Other donations and legacies	21,093	-	63,449	-	84,542
	163,002	-	63,449	-	226,451

#### 4. Income from charitable activities

		Unrestricted funds		Restricted funds	Endowment fund	Total funds 2022	Total funds 2021
		General	Designated				
		£	£	£	£	£	£
Activities	15	152	-	-	-	152	-
Diocesan curate grant		18.016	-	-	-	18.016	10,298
		<b>18,168</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,168</b>	<b>10,298</b>
<b>Fund totals 2021</b>		<b>10,298</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,298</b>	



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 5. Income from other trading activities

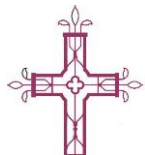
	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2022	Total funds 2021
	General	Designated				
	£	£	£	£	£	£
Fundraising activities	321	-	117	-	438	754
Space letting	24,829	-	-	-	24,829	13,314
	<b>25,150</b>	<b>-</b>	<b>117</b>	<b>-</b>	<b>25,267</b>	<b>14,068</b>
<b>Fund totals 2021</b>	<b>14,068</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,068</b>	

#### 6. Income from investments

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2022	Total funds 2021
	General	Designated				
	£	£	£	£	£	£
Listed securities and unit trusts	11,257	-	-	-	11,257	10,185
Programme-related investments	-	-	-	-	-	-
Interest on cash deposits	115	-	-	-	115	655
	<b>11,372</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,372</b>	<b>10,840</b>
<b>Fund totals 2021</b>	<b>10,840</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,840</b>	

#### 7. Expenditure on raising funds

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2022	Total funds 2021
		General	Designated				
		£	£	£	£	£	£
Donations and legacies		-	-	-	-	-	-
<b>Trading activities</b>							
Fundraising activities		50	-	-	-	50	51
Space letting salaries	13	-	-	-	-	-	-
Space letting cleaning		2,764	-	-	-	2,764	-
Space letting allocated costs		3,278	-	-	-	3,278	-
		<b>6,092</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,092</b>	<b>51</b>
<b>Fund totals 2021</b>		<b>51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51</b>	



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 8. Expenditure on charitable activities

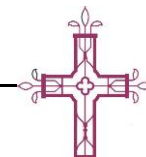
	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2022	Total funds 2021
		General	Designated				
		£	£	£	£	£	£
<b>Clergy</b>							
Stipends and pensions	13	71,013				71,013	55,049
Allowances and training		1,230				1,230	4,444
Housing utilities and insurance		8,834				8,834	7,858
Housing maintenance		3,210				3,210	26
Travelling expenses		72				72	138
		<b>84,359</b>				<b>84,359</b>	<b>67,515</b>
<b>Worship</b>							
Music salaries	13	22,178				22,178	14,067
<sup>1</sup> Other music costs		836	194			1,030	6,629
Contribution from other funds		(13,438)		13,438		-	-
<sup>2</sup> Other worship costs		3,883				3,883	2,293
		<b>13,459</b>	<b>194</b>	<b>13,438</b>	<b>-</b>	<b>27,091</b>	<b>22,989</b>
<b>Premises and fabric</b>							
Utilities		7,366				7,366	4,970
Cleaning		5,869				5,869	7,240
Repairs and maintenance		23,422	62,617	7,555		93,594	100,144
Insurance		11,529				11,529	10,891
Premises and plant depreciation		2,724				2,724	3,105
Allocated to space letting		(2,000)				(2,000)	-
		<b>48,910</b>	<b>62,617</b>	<b>7,555</b>		<b>119,082</b>	<b>126,350</b>
<b>Office</b>							
Salaries	13	10,067				10,067	9,602
Printing and stationery		1,120				1,120	836
Postage and telephone		827				827	1,022
<sup>3</sup> Other office costs		14				14	174
Office equipment depreciation		154				154	206
Allocated to space letting		(1,000)				(1,000)	-
		<b>11,182</b>				<b>11,182</b>	<b>11,840</b>
<b>Children's ministry</b>							
Salaries	13	5,645				5,645	5,405
Other staff costs		-				-	-
Other children's ministry costs		119				119	190
		<b>5,764</b>				<b>5,764</b>	<b>5,596</b>
<i>Carried forward</i>		163,674	62,811	20,993	-	247,478	234,290

<sup>1</sup> Other music costs comprise purchase of music, maintenance of instruments and vesture, fees and subscriptions.

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

<sup>3</sup> Other office costs comprise maintenance of office equipment and miscellaneous expenses.





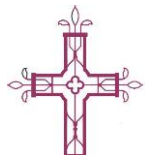
## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 8. Expenditure on charitable activities (continued)

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2022	Total funds 2021
		General	Designated				
		£	£	£	£	£	£
Brought forward		163,674	62,811	20,993	-	247,478	234,290
<b>Other activities and costs</b>							
Activities	15	2,953				2,953	(417)
Advertising and publicity		34				34	540
<sup>4</sup> Legal and professional fees		3,492				3,492	6,672
Bank charges		677				677	483
Other costs		-				-	548
		7,156	-	-	-	7,156	7,826
<b>Total activities directly funded</b>		<b>170,830</b>	<b>62,811</b>	<b>20,993</b>	<b>-</b>	<b>254,634</b>	<b>242,116</b>
<b>Diocesan quota</b>		17,616	-	-	-	17,616	18,052
<b>Grants and donations</b>	16	6,024				6,024	7,294
<b>Governance</b>							
Preparation and External scrutiny of accounts	9	5,478				5,478	6,395
Meeting expenses		-				-	
		5,478	-	-	-	5,478	6,395
<b>Total Charitable Expenditure</b>		<b>199,948</b>	<b>62,811</b>	<b>20,993</b>	<b>-</b>	<b>283,752</b>	<b>273,907</b>
<b>Fund totals 2021:</b>							
Clergy		67,515				67,515	
Worship		9,490	1,735	11,764		22,989	
Premises and fabric		64,465		61,885		126,350	
Office		11,840				11,840	
Children's ministry		5,596				5,596	
Other activities and costs		3,594		4,232		7,826	
Diocesan quota		18,052				18,052	
Grants and donations		7,294				7,294	
Governance		6,395				6,395	
		194,291	1,735	77,881	-	273,907	

<sup>4</sup> 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 2022

#### 9. Independent examiner's remuneration

Fees paid to the independent examiner of £2,250 (2021-£2,040) consist solely of the fee for independent examination of the trustees' report and accounts.

#### 10. Gains and losses on investment assets

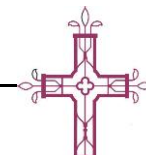
	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
	General	Designated			2022	2021
	£	£	£	£	£	£
Gain on disposals (against original cost)	16,662				16,662	-
Less Revaluation gains previously recognised	(26,244)				(26,244)	-
Gain on disposals recognised in these accounts	(9,582)	-	-	-	(9,582)	-
Unrealised (loss)/gains on revaluation	(96,443)				(96,443)	83,871
	<b>(106,025)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(106,025)</b>	<b>83,871</b>
<i>Fund totals 2021</i>	83,871	-	-	-	83,871	

#### 11. Transfers between funds

	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
	General	Designated			2022	2021
	£	£	£	£	£	£
Transfer to organ fund	(6,000)	6,000	-	-	-	-
	<b>(6,000)</b>	<b>6,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Fund totals 2021</i>	(6,000)	6,000	-	-	-	

Each year the vestry transfers a sum 2022: £6,000 (2021: £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.



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 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

	2022	2021
	£	£
Gross stipends and salaries	89,584	70,333
Employer's national insurance contributions	835	-
Cost of pension contributions	17,649	13,789
	<b>108,068</b>	<b>84,122</b>

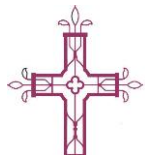
	Average headcount		Average full time equivalent	
	2022	2021	2022	2021
Clergy	1.58	1.58	2.0	2.0
Music	3.58	3.58	0.93	0.93
Office	1.00	1.00	0.40	0.40
Children's ministry	1.00	1.00	0.27	0.27
Space letting	-	-	-	-
	<b>7.16</b>	<b>7.16</b>	<b>3.60</b>	<b>3.60</b>

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.

#### 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.



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 15. Activities income and expenditure

	Total income	Total expenditure	Net income / (expense)	
	£	£	2022 £	2021 £
Social activities	-	419	(419)	-
Parish lunches	142		142	-
Sunday refreshments	10	349	(339)	-
Publications	-	2,116	(2,116)	-
Courses and talks		69	(69)	-
	<b>152</b>	<b>2,953</b>	<b>(2,801)</b>	<b>-</b>

#### 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:

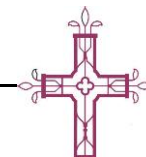
	£
<b>Awarded as part of the giving programme:</b>	<b>2022</b>
2022 Grants to be awarded	5,274
<b>Giving total</b>	<b>5,274</b>
<b>Other grants awarded:</b>	
National Churches Trust	250
<b>Total grants and donations</b>	<b>5,524</b>

A grant of £500 was made to Lana Woolford for the Pakistan Emergency Appeal – People's Warden request.

#### 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):

	£
Scran Academy	339



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 17. Tangible assets

	Property improve- ments £	Plant and machinery £	Office equipment £	Total £
<b>Cost</b>				
At 1 October 2021	86,238	46,897	8,659	141,794
Additions/Disposals				
At 30 September 2022	86,238	46,897	8,659	141,794
<b>Accumulated depreciation</b>				
At 1 October 2021	48,636	43,520	8,042	100,198
Charge for year	1,880	844	154	2879
Additions/Disposals				
At 30 September 2022	50,516	44,364	8,196	103,077
<b>Net book value</b>				
At 30 September 2022	35,722	2,532	463	38,718
At 30 September 2021	37,602	3,377	617	41,596

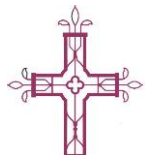
In addition to assets included above the Congregation also owns the church, and the rectory at Lauder House, both in Jeffrey Street, Edinburgh. The original value of these assets and the cost of improvements prior to 1 October 2000 are not available and have not been included because, in the opinion 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 £23,226,038, 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 securities and unit trusts £	Cash in Investment Account £	Total £
<b>Valuation</b>			
Carrying value at 1 October 2021	558,881	93	558,974
Additions at cost	-		
Disposals	(60,808)	60,658	(150)
Unrealised and Realised Losses	(106,025)		(106,025)
<b>Carrying value at 30 September 2022</b>	<b>392,048</b>	<b>60,751</b>	<b>452,799</b>
Historical cost at 30 September 2022	152,427	60,751	213,178



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 18. 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 202. All investments are held in the United Kingdom.

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

	Carrying Value 2022 £	Carrying value 2021 £
Scottish Episcopal Church Unit Trust Pool	322,450	395,933
AXA Ethical Distribution Fund	-	28,726
Henderson Global Care UK Income Fund	22,946	27,694
Liontrust UK Ethical Fund	26,826	38,036
Premier Ethical Fund	-	41,665
Rathbone Ethical Bond Fund	19,826	26,828
Cash held in Investment account	60,751	93

#### (b) Programme-related investments (social investments)

	2022 £	2021 £
Shared Interest Society Ltd – equity capital shown at amount invested	664	664

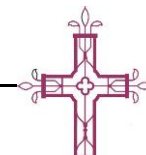
Shared Interest Society Ltd is a UK based co-operative lending society whose object is to provide financial services, especially for production and trade, in a manner reflecting the fundamental principles of the Christian faith, in order to promote wholesome, dignified and sustainable employment for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

	2022 £	2021 £
Gift Aid	6,178	6,097
Prepayments and accrued income	9,062	5,694
Other debtors	14,649	580
	<b>29,889</b>	<b>12,371</b>

All amounts fall due within one year.



## Notes to the accounts (continued)

### Year ended 30 September 2022

#### 20. Creditors: amounts falling due within one year

	2022	2021
	£	£
Grants awarded still to be paid	10,668	7,044
Accruals and deferred income	3,550	3,250
Other creditors	5,362	2,429
Taxation and social security	862	933
	<b>20,443</b>	<b>13,656</b>

#### 21. Summary of fund movements

	Brought forward	Income	Expenditure	Investment Gain/(loss)	Transfers	Carried forward
	£	£	£	£	£	£
<b>Endowment fund</b>						
John Steer music fund	42,741					42,741
<b>Restricted funds</b>						
Jerusalem Still fund	2,322					2,322
Restoration and Renewal fund	7,150		(7,150)		-	-
Cecilia Cavaye music fund	13,058	2,617	(13,438)		-	2,237
Reredos restoration fund	4,079				-	4,079
Accessibility Fund	8,932	10	(405)		-	8,537
	35,541	2,627	(20,993)	-	-	17,175
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Buildings fund	43,452					43,452
Memorial fund	187,128					187,128
Organ fund	33,913		(194)		6,000	39,719
Restoration & Renewal fund	95,000		(62,617)			32,383
	359,493		(62,811)		6,000	302,682
General fund	391,324	222,786	(206,040)	(106,025)	(6,000)	296,045
	750,817	222,786	(268,851)	(106,025)	-	598,727
<b>Total charity funds</b>	829,099	225,413	(289,844)	(106,025)	-	658,643



## Notes to the accounts (continued) Year ended 30 September 2022

### Restricted and Endowment Funds

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

### Designated Funds

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

## 22. Material commitments

At the balance sheet date, the vestry had not made any material expenditure commitments.