



# Report and Accounts for the year ended 30 September 2015

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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](mailto:info@osp.org.uk)  
*Internet:* <http://www.osp.org.uk>

### THE VESTRY

*Rector:* The Reverend Canon Ian Paton  
*Churchwardens: Appointed by the Rector:*  
Jubin Santra  
*Elected by the Congregation in Annual Meeting:*  
Lesley Blackmore  
*Vestry Clerk:* Kimberley Moore Ede  
*Treasurer:* Nigel Cook  
*Lay Representative:* † Victoria Stock  
*Ordinary members:* † Mark Gibson  
Jonathan Ireland  
David McLellan  
† Eleanor Smith  
‡ Nicholas Uglow  
John Walker

**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 Susan Macdonald  
*Chancellor:* Sarah Wolffe, Lady Wolffe (*resigned 31 December 2014*)  
Iain Peebles, Lord Bannatyne (*appointed 1 January 2015*)  
*Registrar:* Robin Morton (*resigned 31 October 2014*)  
Colin Heggie (*appointed 1 November 2014*)

**BANKERS** Reliance Bank Ltd  
Faith House, 23-24 Lovat Lane, London EC3R 8EB

**SOLICITORS** Anderson Strathern LLP  
1 Rutland Court, Edinburgh EH3 8EY

**INVESTMENT BROKERS AND CUSTODIAN NOMINEES** Brewin Dolphin Ltd t/a Stocktrade  
144 Morrison Street, Edinburgh EH3 8BR

**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.

† indicates a trustee whose term of office expires at the 2015 Annual Meeting and is eligible for re-election.

‡ indicates a trustee whose term of office expires at the 2015 Annual Meeting and is not eligible for re-election.



Getting connected:



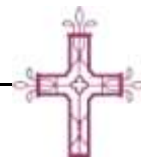
[www.osp.org.uk](http://www.osp.org.uk)



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



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



## Report of the Vestry (Trustees' report) Year ended 30 September 2015

As Trustees of Old Saint Paul's Episcopal Church, the Vestry presents its report and accounts for the year ended 30 September 2015. These have been prepared in accordance with applicable charities law and the requirements of the Statement of Recommended Practice : Accounting and Reporting by Charities (March 2005).

### Reference and administrative details

Reference and administrative details are presented on page 2.

### Structure, governance and management

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

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

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

The obligations and responsibilities of trustees are considered as required by the Vestry. New Vestry members receive 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.

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

### Objectives and activities

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

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

Formal grant making takes place through 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

We continue to provide the weekly and daily round of liturgy through the changing seasons, and seek to maintain our worship space as a place of calm and quiet in a busy city open to all for reflection, prayer and meditation.

One of our more striking features is the ornate Gothic gilded reredos towering above the high altar. Erected in 1896, it includes 41 carved figures, the work of Sebastian Zwink of Oberammergau. Side panels contain two angels adapted from Florentine frescoes.

The ravages of time have, however, taken their toll, evident in cracks and encrusted grime. During the year a large donation was made by a member of the Congregation towards restoration, and further gifts have been added; we are grateful for all these. The work of restoration to the original colour and sparkle began on 1 October, and the reredos will again become a sign of hope and inspiration for our liturgy, and the life and work that flow from it.



## Report of the Vestry (continued) Year ended 30 September 2015

### Achievements and performance (continued)

Other less glamorous works to our fabric are also in the pipeline. The Vestry has agreed to install new handrails providing better support for those who need it at the entrance to the Memorial Chapel, and additional support will be installed to underpin the structural stability of the platform inside the Carrubbers Close entrance.

Also concerning property, we have embarked on consultation with the Congregation concerning the future use and development of our church hall. Many responses were received, and we shall work through these over the coming months to form a detailed proposal for further consideration.

The Vestry has continued to deliberate on the welcome given to new members, and how to encourage the commitment, of both time and money, of all members. Our giving group has produced new leaflets of encouragement, and further proposals are being developed.

The same group also considers suggestions for giving away a portion of the church's income. Again this year, we have supported a variety of organisations both through cash grants and through offering our space free of charge. Details of all this year's grants will be found on page 22.

The fundamental purpose of the Church is to invite everyone to discover God's love through our worship and community life. This means that we try to be a fully inclusive congregation, and to offer pastoral care and support to all. For two years, the Episcopal Church throughout Scotland has been engaged in conversations on same-sex relationships; members of Old Saint Paul's joined with two other congregations in such a conversation in February.

Responding to these conversations, and to the change in Scottish law last December enabling same-sex marriage, in January the Vestry issued a statement of welcome to all couples celebrating their union, and looking to the time when it would become possible for all, regardless of gender, to celebrate their marriage in a religious setting.

In June General Synod, the Episcopal Church's national parliament, voted overwhelmingly to embark on the process of amending Canon Law to make that possible. If this goes forward, the process will be completed in 2017, and it will be possible for all marriages to be celebrated equally by the Church.

The Vestry has continued to support all the different activities of the Church as necessary. All have continued in their customary manner, and further information about various activity groups can be read in the reports which follow.

We have turned our attention to another area calling for justice and equality. A few years ago the Vestry resolved to introduce payment of the Living Wage, but this was not extended to our most visible, and audible, workers, our music scholars who enhance and support the liturgy almost every week of the year. After thorough consideration, the Living Wage was extended to them in April, meaning that all our paid workers now receive at least Living Wage for their efforts.

Finally, Mother Kate Reynolds reached the end of her curacy, leaving us in August to embark on a 5-year posting as Associate Minister with the Church of Scotland in Jerusalem and Tiberias. This is an expression of Kate's desire to return to Israel/Palestine following a visit there last year. We wish her well in this demanding and challenging ministry.

Meanwhile, David Todd, a member of our Congregation, was licensed as Lay Reader on the feast of Corpus Christi. In addition to assisting at Old Saint Paul's, David also works as chaplain to entertainment and leisure in central Edinburgh. More recently, Jenny Wright was ordained deacon on 27 September and begins a 3-year training curacy with us. She is already getting to grips with new responsibilities and experiences. We welcome both.

### Financial review

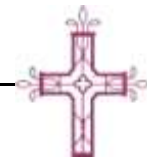
The financial result of the year is summarised as follows:

	<i>Unrestricted funds</i> £'000s	<i>Restricted funds</i> £'000s
Voluntary income	138.1	9.5
Activities for generating funds	23.3	3.8
Investment income	12.0	0.1
<b>Total generated funds</b>	<b>173.4</b>	<b>13.4</b>
Income from charitable activities	18.4	–
<b>Total incoming resources</b>	<b>191.8</b>	<b>13.4</b>
Cost of generating funds	5.9	1.8
Charitable activities	164.3	8.7
Governance costs	1.3	–
<b>Total resources expended</b>	<b>171.5</b>	<b>10.5</b>
Net incoming/(outgoing) resources	20.3	2.9
Transfers between funds	–	–
Investment gains	5.8	–
<b>Net movement for year</b>	<b>26.1</b>	<b>2.9</b>

*Restricted funds include endowment funds.*

The general fund (which meets all normal operating expenses) resulted in a net operating surplus for the year, before transfers and gains on investment assets, of £15,234, compared with £8,837 in the preceding year.

This improvement flows from a small number of significant donations received, a fundraising fair, and lower expenditure on maintenance of premises. None of these can be guaranteed on a recurring basis.



## Report of the Vestry (continued) Year ended 30 September 2015

### Financial review (continued)

The largest portion of our income (72%) comes from giving by the Congregation and other donations. The total of £147.7k received in 2015 included legacy income of £7.9k and restricted purpose donations of £9.5k (mostly for restoration of the high altar reredos).

Unrestricted purpose giving by the Congregation, including tax claims, of £121.5k funded 75% of core recurring expenditure on charitable activities. However, congregational giving is slowly declining, and the Vestry is giving attention to this.

The remainder of our income stems principally from letting of space in our premises to other groups and organisations (£21.5k), investment income (£11.9k), and curate grant from the Diocese (£15.3k).

The largest proportions of expenditure are on our clergy (47% of regular general fund expenditure) and on maintenance and use of premises (22%). The cost of liturgical music increased during the year due to introduction of the Living Wage. The Cavaye music fund continues to support 50% of all liturgical music costs.

In general terms, the Vestry has been able to hold direct operational costs under control. We continue to seek ways of maintaining or improving value, while containing or reducing costs.

Our portfolio of ethical investment holdings has continued to perform well, delivering both capital growth and strong income. We continue to increase diversification and to rebalance the relationship between our holding in the SEC Unit Trust Pool and other funds.

### Financial procedures

Each year the Vestry agrees an operating budget. Reports on performance against budget are circulated regularly to the finance committee and the Vestry. Material budget variances are analysed, and corrective action is taken where possible. A financial procedures system provides for a varying level of approval for expenditure, according to amount and whether it has been budgeted.

### Policy on reserves

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

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 represented exactly 6 months' projected expenditure on an annualised basis.

### Policy on investments

The Vestry has diversified its investment holdings, as detailed in note 15(a). The portfolio is divided between the Unit Trust Pool of the Scottish Episcopal Church and a range of ethical and sustainable investment products. The Vestry's investment policy is, first, to place its surplus funds with products which guarantee ethical and responsible usage, and, secondly, to produce a return on the assets, over the long term, sufficient at least to maintain their real value.

### Plans for future periods

The Vestry aims to continue its support for all current activities, and seeks to improve its income while closely monitoring expenditure for effect and value. We shall continue to develop our thinking on proposals for the use of the church hall.

During 2016 living within our budget will be aided by a reduction in the rate of pension contributions, and increases in Government support through the Employment Allowance and the Gift Aid Small Donations Scheme. Together, these will bring benefit amounting to around £3,000 in a full year.

### 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*  
2 December 2015





## Statement of responsibilities of the Members of the Vestry

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles set out in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- 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 its activities.

The members of the Vestry are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Church and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, 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.

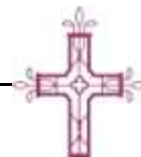
The members of the Vestry are responsible for the maintenance and integrity of the charity and financial information included on the Church's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### ON BEHALF OF THE VESTRY

#### **KIMBERLEY MOORE EDE**

*Vestry Clerk*

2 December 2015



## Committee reports

### Finance Committee

The committee provides support, advice and assistance to the Treasurer in financial management and strategy.

We have continued to meet regularly through the year, when we review monthly financial reports against budget and receive regular updates on stewardship giving. The committee also reviews investment performance, and approved a number of share transactions during the year, which released accumulated surpluses and further diversified the portfolio.

The committee assists the Treasurer in preparing the annual budget for the Vestry and reviews the draft annual report and accounts. We have also considered forthcoming changes in Financial Reporting Standards and the resultant new Statement of Recommended

Practice for Charities. The committee reviews insurance arrangements, and provides advice to the giving group as required.

The committee considers staff remuneration at regular intervals, and this year advised the Vestry on arrangements in respect of music scholars, in particular with respect to Living Wage, which is now the standard for all our workers. We also consulted with the Rector and Director of Music on a review of charges for weddings.

All members of the committee are thanked for their contribution to the committee's work over the year.

**NIGEL COOK**

#### MEMBERSHIP:

Nigel Cook  
Caroline Gooch  
Jonathan Ireland

David McLellan (*Convenor*)  
Lynne Niven  
Canon Ian Paton

Eric Stoddart

### Property Committee

The committee is responsible for maintaining the church's properties, and advising the Vestry on related matters.

We have commissioned some high level work on the church roof which required some attention. This work is part of the ongoing maintenance of the building and was recommended by our architects after the recent quinquennial inspection. Measures implemented in respect of the drains for the toilets in the hall seem to have borne fruit as the problem of blocked drains in the church hall has diminished.

We continue to replace light fittings and bulbs with more efficient and longer lasting LED ones as they are

replaced which should save us money in future. We commenced some redecoration in Laurie Halls as this part of the building is looking rather tired. We also carried out some remedial decoration in the curate's flat in preparation for the arrival of the new curate.

My thanks go to Nicholas Uglow and Tim Blackmore as well as the members of the Congregation who have given up their time to assist in the numerous projects we have undertaken this year.

**JOHN WALKER**

#### MEMBERSHIP:

Tim Blackmore  
Canon Ian Paton

Nicholas Uglow

John Walker (*Convenor*)



## Activity group reports

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

### Choir

[osp.org.uk/index.php/liturgy/choir/](http://osp.org.uk/index.php/liturgy/choir/)

For the last few years, the personnel of the choir has maintained a fair degree of stability, but after the summer various key people moved on to pastures new. We have however been fortunate to gain three new choral scholars: soprano Sally Carr (who in fact had been singing with us before), tenor Kyle Berry (from the USA and doing a Music Masters) and bass Dale McIntyre. Elena Grant continues as alto scholar, and in September we welcomed a new soprano volunteer, Alicia Pettit. We continue to sing a wide range of music, and are constantly adding fresh material to our repertoire, so that we can continue appropriately to enhance the liturgy.

**JOHN KITCHEN**

### Servers

[osp.org.uk/index.php/groups/group/servers/](http://osp.org.uk/index.php/groups/group/servers/)

Another year of devoted service at the altar from all members of the team, with rarely a dull moment. One highlight of the year was surely celebrating Corpus Christi with the Bishop, when he licensed David Todd as Lay Reader. Catherine-Charlotte and Iain left us during the year, and are now supporting Saint John's Cathedral, Hong Kong. In September we combined our first excursion on the Borders railway with a farewell visit to Mother Kate and Justin at their home in Stow, a very different world from the bustle of all that goes on in Jeffrey Street.

**NIGEL COOK**

### Sacristans

[osp.org.uk/index.php/groups/group/sacristans/](http://osp.org.uk/index.php/groups/group/sacristans/)

Our team at the moment consists of Pam, Gene and Pat. Between us we set up the appropriate vestments for Mass each Sunday. We also prepare the chalices for the weekly masses by washing them and setting them up with bread and wine. We have a great team of people who are willing to wash all the linen weekly, and return it looking clean and bright.

We clear up after the 10.30 Mass on a Sunday, and then set up for Evensong. This all takes about 2 hours a week. Training involves buddying up with a member of the team and gradually learning the ropes. There is a lot to learn but we take it at a slow pace.

**PAMELA JOHNSTON**

### Flowers

The team continues behind-the-scenes work to keep flowers in the church as is liturgically appropriate. We were funded by Tern TV to provide flowers for their Christmas programme with the National Youth Choir of Scotland recorded in Old Saint Paul's, and we had a wonderful response from the congregation to our 'Lilies for Easter' appeal, which we hope to repeat next year. We welcomed a new member, Lizz, to the team, which brings us to the grand number of four (with a little help from friends on special occasions!). That said, we would welcome interest from others to join us and help spread the load!

**GINGER FRANKLIN**

### Welcomers

[osp.org.uk/index.php/groups/group/churchwardens/](http://osp.org.uk/index.php/groups/group/churchwardens/)

Everyone is welcome to Old Saint Paul's. We have a wonderful team of volunteers who are available to offer help and support, give advice and answer questions (if possible, and language skills permitting!) Regular members are on duty for two months each year, and there is also a small team who cover holidays and sickness. It is an excellent way to get to know people and to make friends, especially if you are new to Old Saint Paul's. Any member of the Congregation who would like to join the team will be very welcome!

**LESLEY BLACKMORE**

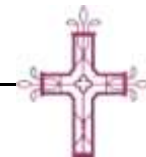
### Children and young people's ministry

[osp.org.uk/index.php/groups/group/childrens\\_ministry/](http://osp.org.uk/index.php/groups/group/childrens_ministry/)

The number of children attending the crèche has increased over the year. A review of the Sunday school lesson structure was carried out: classes start with news time, then that day's story, followed by a response to the story (such as a picture), only after which children may play games. Sessions continue to end with a prayer before Communion. The leader, for that Sunday, has the flexibility to change this programme, particularly if children are involved with the Service, such as leading Intercessions during High Mass.

**PAUL LUGTON**





## Activity group reports (continued)

### Young adults group

[osp.org.uk/index.php/groups/group/young\\_adults/](http://osp.org.uk/index.php/groups/group/young_adults/)

This year the group met roughly every couple of months, usually gathering at Holyrood 9A for a drink and catch-up. Owing to a number of members moving away in recent years, the group has become more transient in nature, and therefore meetings have been arranged on a more flexible basis. For the forthcoming year, there are plans to schedule more regular meetings, for example meeting monthly for a shared meal. Consideration is also being given to holding series of study sessions, for example in Advent. To receive updates on planned meetings, sign up to our mailing list by emailing [youngadults@osp.org.uk](mailto:youngadults@osp.org.uk)

**VICTORIA STOCK, HARRY van der WEIJDE  
and JEANINE BEZUIJEN**

### Children and vulnerable adults protection

As required by the Law and the Church I have ensured that all those who are involved in working with our children and vulnerable adults have successfully completed the PVG process.

In October we held a training evening which provided a better understanding of good safeguarding practices. At this event we were reminded that the whole community here is responsible for the safety and well being of our children and vulnerable adults. I would therefore like to draw attention to the fact that copies of the SEC Code of Good Practice for safeguarding children and young adults, with a list of useful telephone numbers, is on our notice boards.

I would like to thank all those who give so generously of their time and talents while working with our various groups here at Old Saint Paul's. Anyone who would like to get involved in this very rewarding work should please speak to Fr Ian, Paul or myself for more information.

**NORMA WALKER**

### Giving

[osp.org.uk/index.php/about/supporting\\_osp/](http://osp.org.uk/index.php/about/supporting_osp/)

During the year the group organised several events including a Christmas fair and a ceilidh. There was an excellent response to the Volunteering for Lent appeal, with 14 volunteers coming forward. The group produced two leaflets entitled *Welcome to Old Saint Paul's* and *Belonging at Old Saint Paul's*. The former mainly targets newcomers. The latter aims to encourage members to review what they give to God and the Church in terms of time, talent and money. The group also drafted an annual letter to donors to be co-signed by the Rector and Stewardship Recorder. The group is also responsible for making recommendations to the Vestry for grants and this year the Vestry approved grants to be made to Child of Hope and SkatePAL.

**MARK GIBSON**

### Parish lunches

Business as usual, almost! We have continued to provide our usual feasts on relevant feast days each year. During the coming year Old Saint Paul's is hosting the Souper Saturday group, who have temporarily relocated from Saint John's. I am delighted that to accommodate this the lunch team has agreed to commence preparation later in the day. Although we are not feeding the 5,000, preparing lunch for 80-100 people needs a bit of time. I hope and pray that the team will be able to say next year that, like the Windmill Theatre, they never closed!

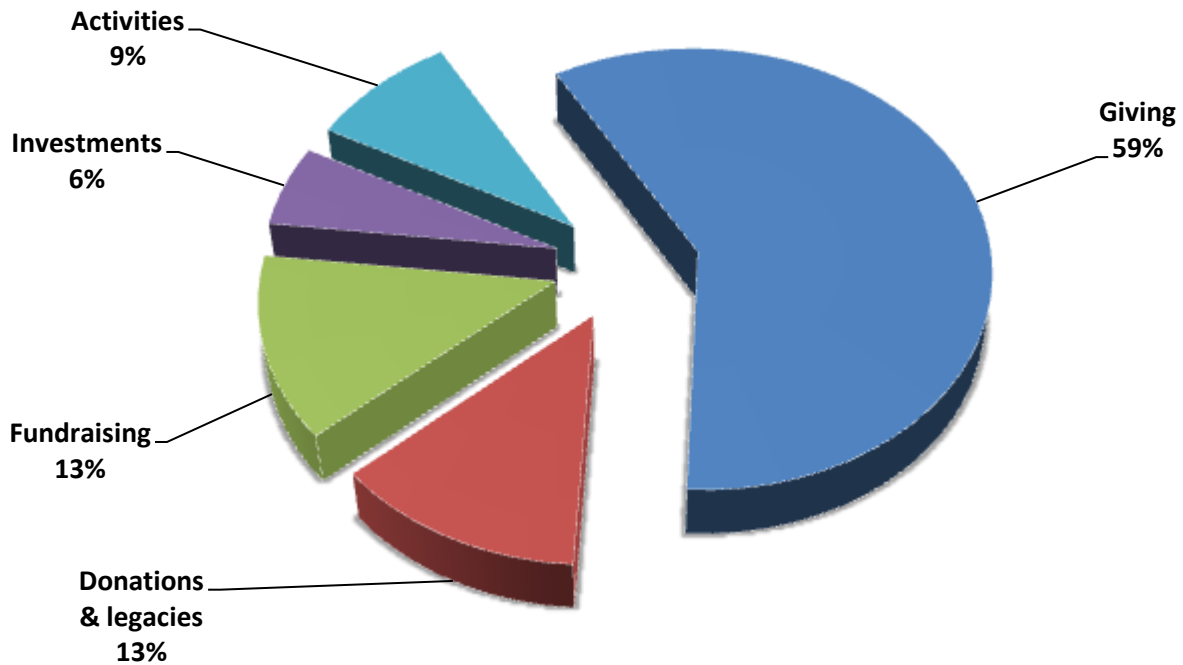
**JAMES CAMPBELL**

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

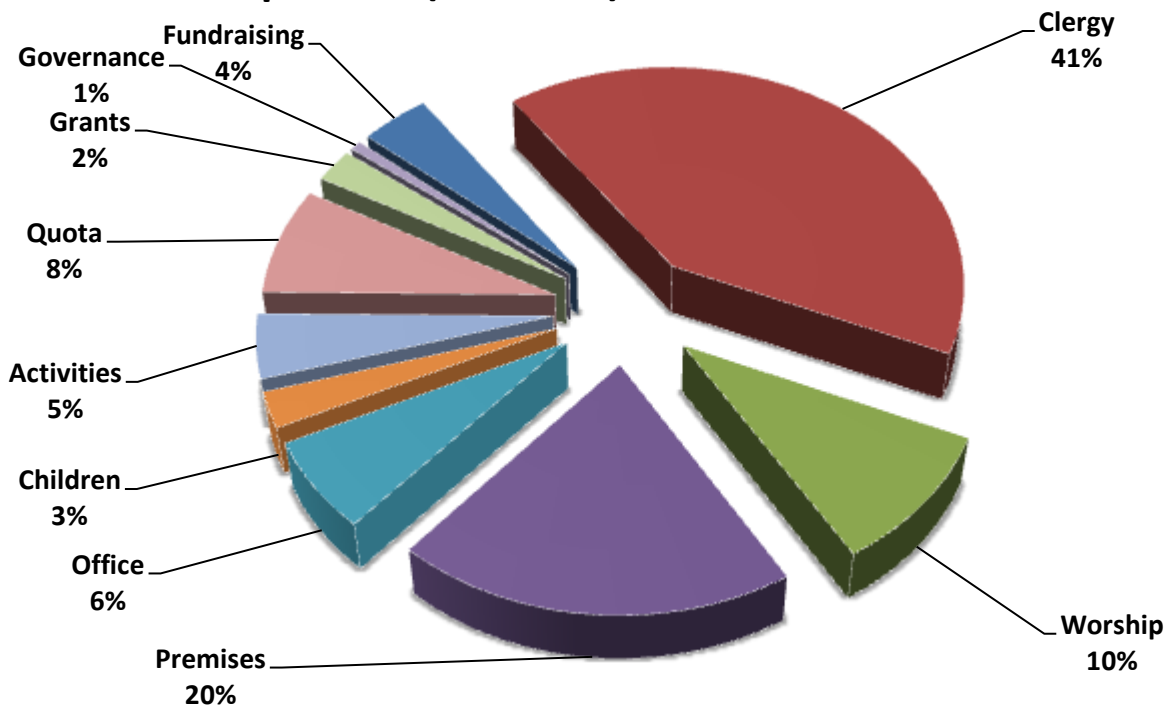


## Summary of accounts Year ended 30 September 2015

### Incoming resources (all funds) 2015

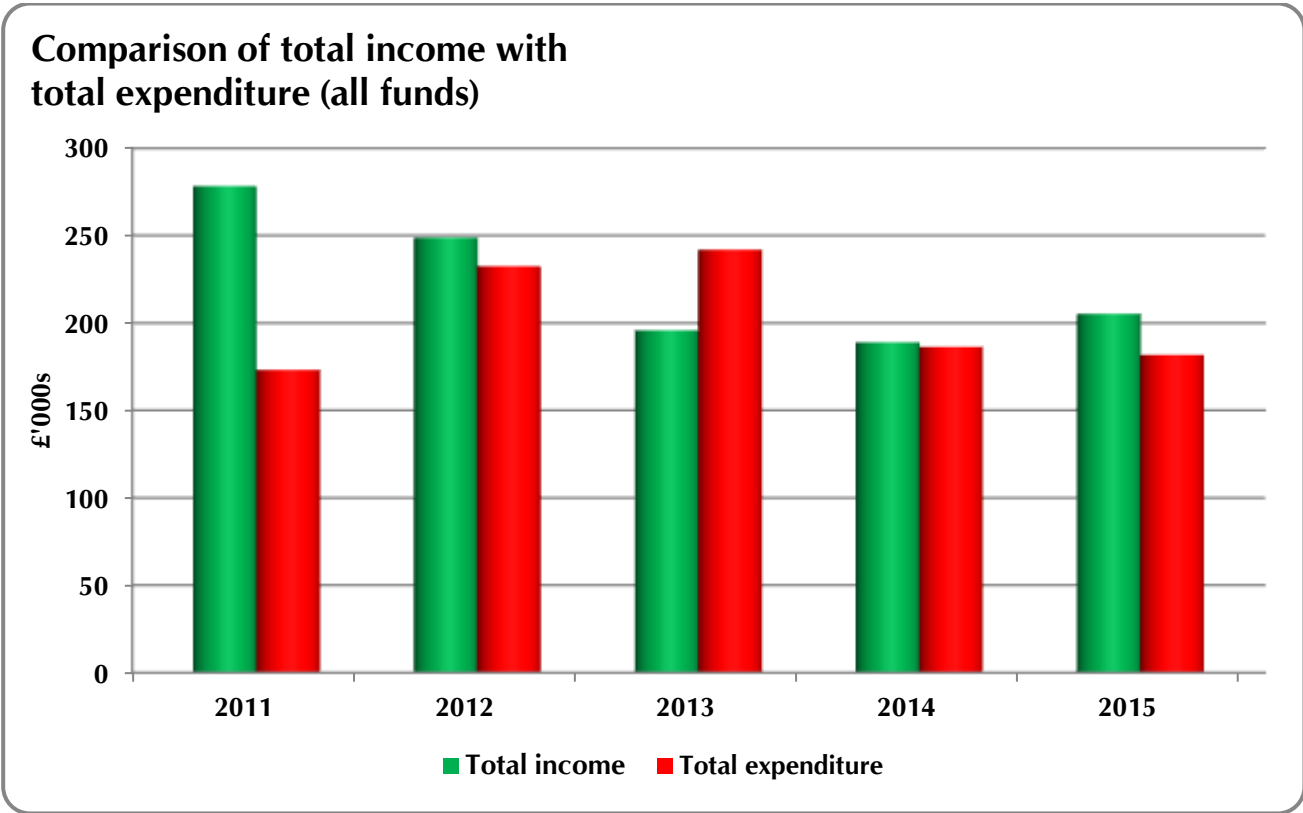
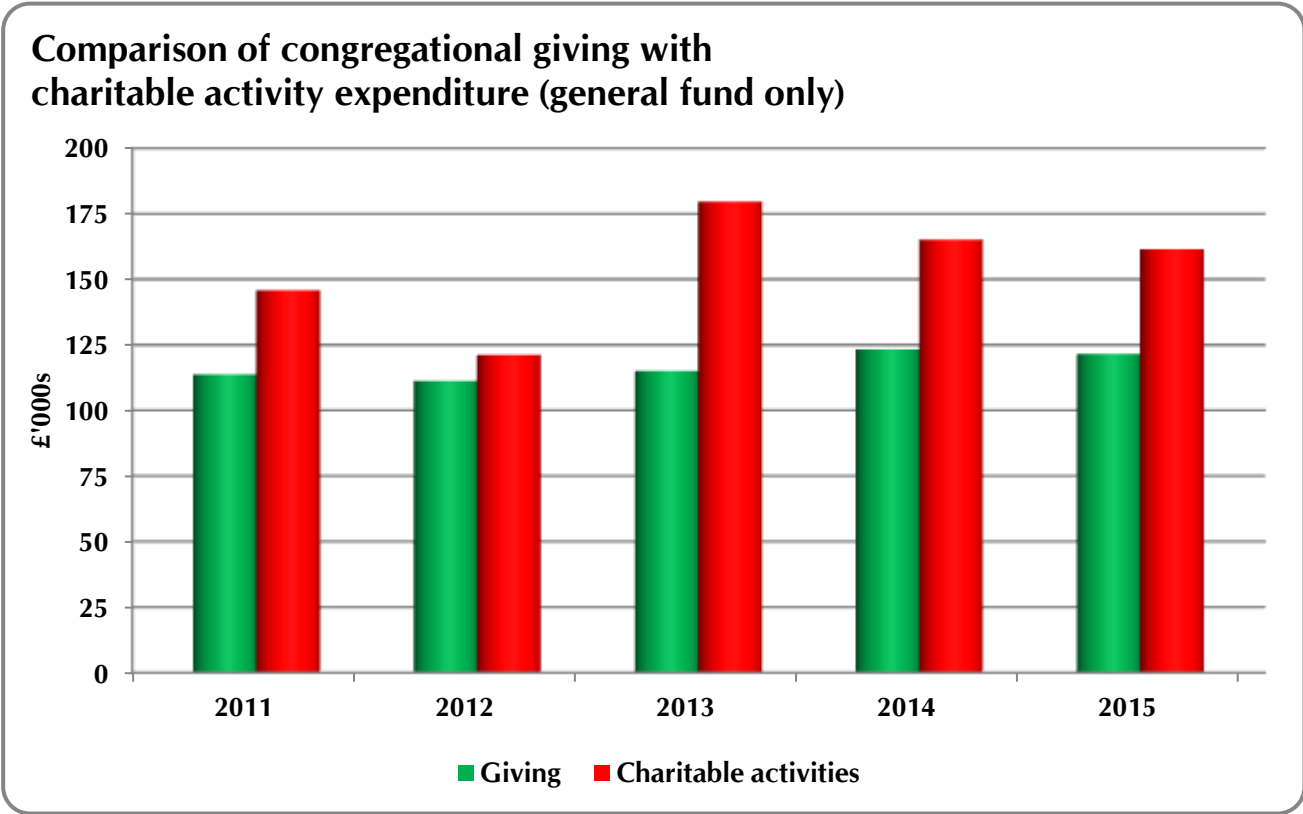


### Resources expended (all funds) 2015





**Summary of accounts (continued)**  
**Year ended 30 September 2015**





## 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 2015 which are set out on pages 13 to 26.

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

### Respective responsibilities of trustees and independent examiner

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

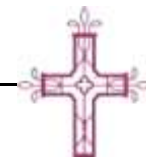
seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

### 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  
4 December 2015



## Statement of financial activities

### Year ended 30 September 2015

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
		General	Designated			2015	2014
		£	£	£	£	£	£
<b>Incoming resources</b>							
<b>Incoming resources from generated funds:</b>							
Voluntary income	2(a)	130,255	7,852	9,543	–	147,650	128,506
Activities for generating funds	2(b)	23,290	–	3,823	–	27,113	28,490
Investment income	2(c)	11,982	28	–	64	12,074	12,035
<b>Total generated funds</b>		<b>165,527</b>	<b>7,880</b>	<b>13,366</b>	<b>64</b>	<b>186,837</b>	<b>169,031</b>
<b>Incoming resources from charitable activities</b>	3	18,378	–	–	–	18,378	19,856
<b>Total incoming resources</b>		<b>183,905</b>	<b>7,880</b>	<b>13,366</b>	<b>64</b>	<b>205,215</b>	<b>188,887</b>
<b>Resources expended</b>							
<b>Costs of generating funds</b>							
	4	5,853	–	1,749	–	7,602	7,555
<b>Charitable activities:</b>							
	5						
Clergy costs		75,278	–	–	–	75,278	78,134
Worship costs		10,824	–	7,119	64	18,007	14,423
Premises and fabric costs		35,146	–	1,555	–	36,701	36,855
Office costs		11,097	–	–	–	11,097	11,910
Children's ministry costs		4,740	–	–	–	4,740	4,835
Other activities and costs		5,759	2,740	–	–	8,499	12,400
Diocesan quota		14,233	–	–	–	14,233	13,650
Grants and donations	13	4,466	–	–	–	4,466	5,002
<b>Total costs of charitable activities</b>		<b>161,543</b>	<b>2,740</b>	<b>8,674</b>	<b>64</b>	<b>173,021</b>	<b>177,209</b>
<b>Governance costs</b>	6	1,275	–	–	–	1,275	1,694
<b>Total resources expended</b>		<b>168,671</b>	<b>2,740</b>	<b>10,423</b>	<b>64</b>	<b>181,898</b>	<b>186,458</b>
<b>Net incoming resources before transfers</b>		<b>15,234</b>	<b>5,140</b>	<b>2,943</b>	<b>–</b>	<b>23,317</b>	<b>2,429</b>
<b>Gross transfers between funds</b>	7	(5,416)	5,416	–	–	–	–
<b>Net incoming resources before other recognised gains and losses</b>		<b>9,818</b>	<b>10,556</b>	<b>2,943</b>	<b>–</b>	<b>23,317</b>	<b>2,429</b>
<b>Other recognised gains and losses:</b>							
Gains on investment assets	8	5,769	–	–	–	5,769	15,385
<b>Net movement in funds</b>		<b>15,587</b>	<b>10,556</b>	<b>2,943</b>	<b>–</b>	<b>29,086</b>	<b>17,814</b>
<b>Reconciliation of funds:</b>							
Total funds at 1 October 2014		351,661	138,719	81,900	41,862	614,142	596,328
<b>Total funds at 30 September 2015</b>	18	<b>367,248</b>	<b>149,275</b>	<b>84,843</b>	<b>41,862</b>	<b>643,228</b>	<b>614,142</b>

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

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



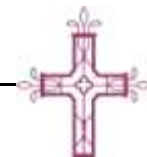
**Balance sheet**  
**30 September 2015**

	<b>Note</b>	<b>£</b>	<b>2015</b> <b>£</b>	<b>£</b>	<b>2014</b> <b>£</b>
<b>Fixed assets</b>					
Tangible assets held for Church use	14		71,324		80,219
Investments:					
Investments held for a financial return	15(a)	399,900		383,522	
Programme-related (social) investments	15(b)	658		655	
			<u>400,558</u>	<u>384,177</u>	
			471,882		464,396
<b>Current assets</b>					
Debtors	16	12,485		11,919	
Cash in building society		50,142		48,916	
Cash at bank and in hand		117,011		100,811	
			<u>179,638</u>	<u>161,646</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	17	8,292		11,900	
			<u>171,346</u>	<u>149,746</u>	
<b>Net current assets</b>					
			<u>643,228</u>	<u>614,142</u>	
<b>Net assets</b>					
<b>Funds</b>					
Endowment fund	18		41,862		41,862
Restricted income funds	18		84,843		81,900
Unrestricted income funds	18		516,523		490,380
			<u>643,228</u>	<u>614,142</u>	
<b>Total charity funds</b>					
			<u>643,228</u>	<u>614,142</u>	

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

**APPROVED FOR ISSUE BY THE MEMBERS OF THE VESTRY (TRUSTEES) ON 2 DECEMBER 2015**  
**AND SIGNED ON THEIR BEHALF BY**

**KIMBERLEY MOORE EDE**  
*Vestry Clerk*



## Notes to the accounts

### Year ended 30 September 2015

#### 1. Accounting policies

##### (a) Basis of preparation

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

##### (b) 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. They thus continue to adopt the going concern basis of accounting in preparing these accounts.

##### (c) Incoming resources

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

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

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

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

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

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

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

##### (d) Resources expended

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

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

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

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

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

##### (e) Taxation

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

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

##### (f) Fund accounting

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

Designated funds comprise unrestricted funds that have been put aside by the Vestry for particular purposes. Individual donations and legacies in excess of £5,000 which have no restriction on their use are added to the memorial fund.

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



## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 1. Accounting policies (continued)

##### (f) Fund accounting (continued)

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

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

The purpose and use of individual funds are set out in note 18.

##### (g) Tangible assets held for use by the Church

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

Since 1 October 2000 all additions and improvements to buildings costing more than £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

##### (h) 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.

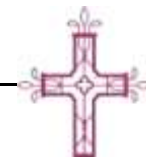
##### (i) Retirement benefits

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

#### 2. Analysis of incoming resources from generated funds

##### (a) Voluntary income

	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
	General	Designated			2015	2014
	£	£	£	£	£	£
<i>Congregational giving:</i>						
'Open plate' giving	11,972	–	–	–	11,972	12,323
Pledged giving	80,442	–	–	–	80,442	80,999
Gift Aid claimed on giving	19,647	–	–	–	19,647	20,289
Payroll giving	9,406	–	–	–	9,406	9,675
<i>Total congregational giving</i>	<b>121,467</b>	–	–	–	<b>121,467</b>	<b>123,286</b>
Legacies received	–	7,852	–	–	7,852	–
Donations (including Gift Aid)	8,788	–	9,543	–	18,331	5,220
	<b>130,255</b>	<b>7,852</b>	<b>9,543</b>	–	<b>147,650</b>	<b>128,506</b>



## Notes to the accounts (continued)

### Year ended 30 September 2015

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

##### (b) Activities for generating funds

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2015	Total funds 2014
	General	Designated				
	£	£	£	£	£	£
Fundraising activities	1,751	–	3,823	–	5,574	6,303
Space letting	21,539	–	–	–	21,539	22,187
	<b>23,290</b>	<b>–</b>	<b>3,823</b>	<b>–</b>	<b>27,113</b>	<b>28,490</b>

##### (c) Investment income

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2015	Total funds 2014
	General	Designated				
	£	£	£	£	£	£
Listed securities and unit trusts	11,856	–	–	–	11,856	11,743
Programme-related investments	3	–	–	–	3	3
Interest on cash deposits	123	28	–	64	215	289
	<b>11,982</b>	<b>28</b>	<b>–</b>	<b>64</b>	<b>12,074</b>	<b>12,035</b>

#### 3. Analysis of incoming resources from charitable activities

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2015	Total funds 2014
		General	Designated				
		£	£	£	£	£	£
Church fees		710	–	–	–	710	520
Activities	12	2,384	–	–	–	2,384	2,978
Central grants		15,284	–	–	–	15,284	16,358
		<b>18,378</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>18,378</b>	<b>19,856</b>

#### 4. Analysis of costs of generating funds

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2015	Total funds 2014
		General	Designated				
		£	£	£	£	£	£
Voluntary income		454	–	–	–	454	30
<i>Activities for generating funds:</i>							
Fundraising activities		(28)	–	1,749	–	1,721	1,970
Space letting salaries	11	2,512	–	–	–	2,512	2,497
Space letting costs		2,915	–	–	–	2,915	3,058
<i>Total generating funds</i>		<b>5,399</b>	<b>–</b>	<b>1,749</b>	<b>–</b>	<b>7,148</b>	<b>7,525</b>
		<b>5,853</b>	<b>–</b>	<b>1,749</b>	<b>–</b>	<b>7,602</b>	<b>7,555</b>



## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 5. Analysis of resources expended on charitable activities

	Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2015	Total funds 2014
		General	Designated				
		£	£	£	£	£	£
<b>Clergy costs</b>							
Stipends and pensions	11	63,977	–	–	–	63,977	65,447
Allowances and training		335	–	–	–	335	406
Housing utilities and insurance		8,431	–	–	–	8,431	8,025
Housing maintenance		1,532	–	–	–	1,532	2,674
Travelling expenses		1,003	–	–	–	1,003	1,582
		75,278	–	–	–	75,278	78,134
<b>Worship costs</b>							
Music salaries	11	12,997	–	–	–	12,997	10,300
<sup>1</sup> Other music costs		1,601	–	–	–	1,601	1,804
Contribution from other funds		(7,183)	–	7,119	64	–	–
<sup>2</sup> Other worship costs		3,409	–	–	–	3,409	2,319
		10,824	–	7,119	64	18,007	14,423
<b>Premises and fabric costs</b>							
Utilities		8,939	–	–	–	8,939	8,698
Cleaning		2,812	–	–	–	2,812	1,952
Repairs and maintenance		7,181	–	1,555	–	8,736	8,153
Insurance		10,603	–	–	–	10,603	10,443
Premises and plant depreciation		7,776	–	–	–	7,776	9,876
Allocated to space letting		(2,165)	–	–	–	(2,165)	(2,267)
		35,146	–	1,555	–	36,701	36,855
<b>Office costs</b>							
Salaries	11	8,126	–	–	–	8,126	8,366
Printing and stationery		1,100	–	–	–	1,100	1,252
Postage and telephone		1,512	–	–	–	1,512	1,558
<sup>3</sup> Other office costs		683	–	–	–	683	243
Office equipment depreciation		1,119	–	–	–	1,119	2,002
Allocated to space letting		(1,443)	–	–	–	(1,443)	(1,511)
		11,097	–	–	–	11,097	11,910
<b>Children's ministry costs</b>							
Salaries	11	4,637	–	–	–	4,637	4,637
Other staff costs		–	–	–	–	–	59
Other children's costs		103	–	–	–	103	139
		4,740	–	–	–	4,740	4,835
<i>Carried forward</i>		137,085	–	8,674	64	145,823	146,157

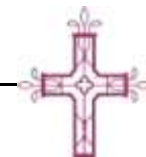
Note continues on following page.

<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 2015

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

Note	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2015	Total funds 2014
	General	Designated				
	£	£	£	£	£	£
<i>Brought forward</i>	137,085	–	8,674	64	145,823	146,157
<b><i>Other activities and costs</i></b>						
Activities	2,809	–	–	–	2,809	2,615
Advertising and publicity	569	–	–	–	569	465
<sup>4</sup> Legal and professional fees	1,182	2,740	–	–	3,922	8,820
Bank charges	274	–	–	–	274	348
Other costs	925	–	–	–	925	152
	5,759	2,740	–	–	8,499	12,400
<b><i>Total directly funded</i></b>	<b>142,844</b>	<b>2,740</b>	<b>8,674</b>	<b>64</b>	<b>154,322</b>	<b>158,557</b>
<b><i>Diocesan quota</i></b>	14,233	–	–	–	14,233	13,650
<b><i>Grants and donations</i></b>	4,466	–	–	–	4,466	5,002
	<b>161,543</b>	<b>2,740</b>	<b>8,674</b>	<b>64</b>	<b>173,021</b>	<b>177,209</b>

#### 6. Analysis of governance costs

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2015	Total funds 2014
	General	Designated				
	£	£	£	£	£	£
External scrutiny of accounts	1,246	–	–	–	1,246	1,250
Meeting expenses	29	–	–	–	29	444
	<b>1,275</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,275</b>	<b>1,694</b>

#### 7. Analysis of transfers between funds

	Unrestricted funds		Restricted funds	Endowment fund	Total funds 2015	Total funds 2014
	General	Designated				
	£	£	£	£	£	£
Transfer to organ fund	(1,200)	1,200	–	–	–	–
Transfer to buildings fund	(4,216)	4,216	–	–	–	–
	<b>(5,416)</b>	<b>5,416</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

Each year the Vestry transfers the sum of £1,200 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 (£4,216).

<sup>4</sup> *Legal and professional fees* were paid to architects and surveyors engaged in connection with property repair and maintenance.



## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 8. Analysis of gains and losses on investment assets

	Unrestricted funds		Restricted funds	Endowment fund	Total funds	
	General	Designated			2015	2014
	£	£	£	£	£	£
Gain on disposals (against original cost)	13,584	–	–	–	13,584	–
Revaluation gains previously recognised	11,811	–	–	–	11,811	–
Gain on disposals recognised in these accounts	1,773	–	–	–	1,773	–
Unrealised gains on revaluation	3,996	–	–	–	3,996	15,385
	<b>5,769</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,769</b>	<b>15,385</b>

#### 9. Trustee remuneration, benefits and expenses

The Rector is *ex officio* a member of the Vestry and therefore a trustee, and receives remuneration, benefits, and reimbursement of expenses in respect of services as a stipendiary cleric in line with scales determined by General Synod of the Scottish Episcopal Church. The Rector is engaged on a full-time basis and payment of remuneration is authorised under article 19 of the Constitution. Amounts paid during the year comprised stipend of £24,570 and pension contributions of £8,575. As part of his remuneration, the Rector also has occupancy of the Rectory, in respect of which the Vestry pays Council Tax and property insurance.

The Rector received reimbursement of expenses incurred. The total amount of expenses reimbursed during the year to the Rector was £583, paid in respect of mileage allowances and other travel expenses.

Two members of the Vestry, Eleanor Smith and Victoria Stock, are members of the church choir, for which they receive no remuneration for normal duties. However, they may receive remuneration for singing at wedding ceremonies. From this source, each received the sum of £25 during the year.

No other member of the Vestry received remuneration or reimbursement of expenses, other than reimbursement of purchases made on behalf of the Church.

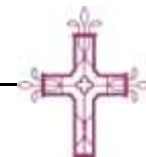
#### 10. Related party transactions

The Financial Reporting Standard for Smaller Entities requires disclosure of material transactions and year-end balances with related parties.

During the year the Church has paid quota amounting to £14,233 (2014–£13,650) to the Diocese of Edinburgh, and received from the Diocese curate grant amounting to £15,284 (2014–£16,358). Both Canon Ian Paton and Nigel Cook are Trustees of the Church and Trustees of the Diocese. The transactions noted are routine transactions between a diocese and its congregations. The amounts concerned are calculated according to established formulae; the formula and the calculations are widely circulated within the Diocese.

A grant of £1,632 has been awarded to SkatePAL SCIO. David McLellan is a Trustee both of the Church and of SkatePAL SCIO. This conflict of interest was noted at all relevant meetings and Mr McLellan took no part in the decision to award the grant.

Apart from the disclosures made in note 9, there were no other related party transactions which require to be disclosed.



## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 11. Clergy and staff costs and emoluments

	2015	2014
	£	£
Gross stipends and salaries	73,628	72,147
Employers' national insurance contributions	2,189	2,284
Cost of pension contributions	16,432	16,816
	<b>92,249</b>	<b>91,247</b>

	Average headcount		Average full time equivalent	
	2015	2014	2015	2014
Clergy	1.92	2.00	1.92	2.00
Music	5.67	5.75	0.96	0.97
Office	1.00	1.00	0.40	0.40
Children's ministry	1.00	1.00	0.27	0.27
Space letting	0.92	1.00	0.15	0.16
	<b>10.51</b>	<b>10.75</b>	<b>3.70</b>	<b>3.80</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.

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

The periodic actuarial valuation of the entire fund as at 31 December 2008 revealed a deficit of £8.8 million. The Pensions Regulator approved a recovery plan, as part of which the contribution rate was increased from 25.3% to 34.9% with effect from 1 January 2010. The valuation as at 31 December 2011 showed that the deficit had fallen to £3 million. However, the cost of future benefits had increased materially, meaning that the reduction of the deficit was taking longer than planned. The increased contribution level was therefore maintained.

With effect from 1 January 2014, pensionable retirement age has been increased to 67, and the annual increase in pensionable salary is capped at the increase in the retail prices index.

The latest valuation as at 31 December 2014 discloses that the past service deficit has been eliminated and that the Fund was in surplus by £1.3 million. As a result of the changes introduced on 1 January 2014, the cost of future benefit accrual has been reduced and the contribution rate will be reduced to 32.2% of pensionable stipend with effect from 1 January 2016.

There were no unpaid contributions outstanding at 30 September 2015 payable by the Vestry.



## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 12. Activities income and expenditure

	Incoming resources	Resources expended	Net inc/(exp) 2015	Net inc/(exp) 2014
	£	£	£	£
Young adults group (formerly Halfway House)	–	–	–	(75)
Parish retreats and residential weekends	–	85	(85)	(60)
Pastoral group	–	–	–	(32)
Newsletter	–	636	(636)	(719)
Social activities	511	928	(417)	(155)
Parish lunches	916	416	500	514
Sunday refreshments	957	208	749	411
The Pity of War (Festival Fringe performances)	–	–	–	479
OSP Remembers 1914 (publication)	–	536	(536)	–
	<b>2,384</b>	<b>2,809</b>	<b>(425)</b>	<b>363</b>

#### 13. Grants and donations

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

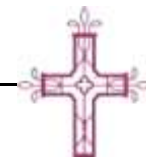
	£
<b>From the general fund as part of the giving programme:</b>	
Child of Hope <i>A Christian charity providing social impact for slum children and their families in Eastern Uganda through education, healthcare and welfare</i>	1,890
Crisis Skylight <i>* a national charity for single homeless people, meeting the cost of premises hire for films presentation</i>	612
SkatePAL SCIO <i>an organisation providing confidence-building recreational activities for young people in Palestine</i>	1,632
Souper Saturday <i>* an organisation providing a weekly opportunity for nourishment and social interaction for homeless people (currently hosted by Old Saint Paul's during development work at its usual venue, the Church of Saint John the Evangelist)</i>	82
<b>Giving total</b>	<b>4,216</b>
Other grants from the general fund (total)	250
<b>Total grants and donations</b>	<b>4,466</b>

\* Crisis Skylight and Souper Saturday are provided with the use of our premises free of charge. For the purpose of the accounts this has been valued at the estimated cost to the Church. Had the premises been provided at full letting rate, the charge made would have been £2,776.

#### 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):

	£
Bishop of Edinburgh's Lent appeal	615
Christian Aid Scotland (Christian Aid week)	346
Crisis (collection at Christmas carol service)	498
Waverley Care (collection at Advent carol service)	265



## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 14. Tangible fixed assets held for Church use

	Property improve- ments £	Plant and ma- chinery £	Office equipment £	Total £
<b>Asset cost</b>				
Balance at 1 October 2014 and 30 September 2015	84,673	75,568	12,889	173,130
<b>Accumulated depreciation</b>				
Balance at 1 October 2014	32,703	52,145	8,063	92,911
Charge for year	2,387	5,389	1,119	8,895
Balance at 30 September 2015	35,090	57,534	9,182	101,806
<b>Net book value</b>				
At 30 September 2015	<b>49,583</b>	<b>18,034</b>	<b>3,707</b>	<b>71,324</b>
At 30 September 2014	51,970	23,423	4,826	80,219

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 2015 the church and rectory were insured for £17,074,856, 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.

#### 15. Investment assets

##### (a) Investments held to provide a financial return

	Listed se- curities and unit trusts £	Cash in building society £	Total £
<b>Valuation</b>			
Carrying value at 1 October 2014	341,660	41,862	383,522
Additions at cost	50,048	–	50,048
Disposals at carrying value	(37,666)	–	(37,666)
Gain on revaluation	3,996	–	3,996
<b>Carrying value at 30 September 2015</b>	<b>358,038</b>	<b>41,862</b>	<b>399,900</b>
Historical cost at 30 September 2015	246,951	41,862	288,813

Note continues on following page.





## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 15. 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 2015. All investments are held in the United Kingdom.

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

	<b>Carrying value 2015</b>
	£
Scottish Episcopal Church Unit Trust Pool	180,107
AXA Ethical Distribution Fund	30,360
Eden Tree Investment Management ( <i>formerly Ecclesiastical</i> ) Amity UK Income Fund	23,857
Henderson Global Care UK Income Fund	24,849
Kames Ethical Cautious Managed Fund	25,762
Legal & General Ethical Trust	24,983
Premier Asset Management Ethical Fund	23,367
Rathbone Ethical Bond	24,753
Nationwide Building Society cash deposit	41,862

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

	<b>2015</b>	<b>2014</b>
	£	£
Shared Interest Society Ltd – equity capital shown at amount invested	658	655

Shared Interest Society Ltd is a UK based co-operative lending society that aims to reduce world poverty by providing fair and just financial services. It uses the pooled savings of its members to facilitate fair trade all over the world. The entitlement of members to the assets of the Society is limited to repayment of shares, together with interest payable on shares. The Society is incorporated with limited liability under the Co-operative and Community Benefit Societies Act 2014. Net profits may only be distributed as a rebate on charges to customers or applied for educational or charitable purposes.

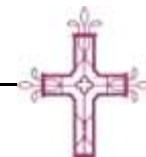
#### 16. Debtors

	<b>2015</b>	<b>2014</b>
	£	£
Gift aid receivable	5,471	5,456
Other debtors	1,466	1,273
Prepayments and accrued income	5,548	5,190
	<b>12,485</b>	<b>11,919</b>

All amounts fall due within one year.

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

	<b>2015</b>	<b>2014</b>
	£	£
Grants awarded	1,632	2,899
Other creditors	438	656
Taxation and social security	673	1,150
Accruals and deferred income	5,549	7,195
	<b>8,292</b>	<b>11,900</b>



## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 18. Summary of fund movements

	Brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Carried forward £
<b>Endowment fund</b>						
John Steer music fund	41,862	64	64	–	–	<b>41,862</b>
<b>Restricted funds</b>						
Jerusalem Still fund	2,546	–	–	–	–	<b>2,546</b>
Restoration and renewal fund	5,335	4,073	3,304	–	–	<b>6,104</b>
Cecilia Cavaye music fund	74,019	–	7,119	–	–	<b>66,900</b>
Reredos restoration fund	–	9,293	–	–	–	<b>9,293</b>
	<b>81,900</b>	<b>13,366</b>	<b>10,423</b>	<b>–</b>	<b>–</b>	<b>84,843</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Buildings fund	36,317	–	2,740	4,216	–	<b>37,793</b>
Memorial fund	84,276	7,852	–	–	–	<b>92,128</b>
Organ fund	18,126	28	–	1,200	–	<b>19,354</b>
	<b>138,719</b>	<b>7,880</b>	<b>2,740</b>	<b>5,416</b>	<b>–</b>	<b>149,275</b>
General fund	351,661	183,905	168,671	(5,416)	5,769	<b>367,248</b>
	<b>490,380</b>	<b>191,785</b>	<b>171,411</b>	<b>–</b>	<b>5,769</b>	<b>516,523</b>
<b>Total charity funds</b>	<b>614,142</b>	<b>205,215</b>	<b>181,898</b>	<b>–</b>	<b>5,769</b>	<b>643,228</b>

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** receives 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 is being carried out during October 2015.

The **Buildings fund** provides for any required expenditure (capital or revenue) on Church properties beyond normal recurring or routine maintenance. Since 2010, a sum, equivalent to the amount paid through the giving programme, has been transferred each year from the general fund to augment the fund.

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



## Notes to the accounts (continued)

### Year ended 30 September 2015

#### 19. Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Endowment fund	Total funds
	General	Designated			
	£	£	£	£	£
Tangible assets	71,324	–	–	–	71,324
Investment assets	197,122	92,128	69,446	41,862	400,558
Net current assets	98,802	57,147	15,397	–	171,346
<b>Fund balances</b>	<b>367,248</b>	<b>149,275</b>	<b>84,843</b>	<b>41,862</b>	<b>643,228</b>

#### 20. Material commitments

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

	Total amount committed	Amount outstanding brought forward	Amounts charged during the year	Amounts added/ (released) during the year	Amount outstanding carried forward
	£	£	£	£	£
Jeffrey Street entrance renewal project	143,000	1,000	1,555	555	–
Roof maintenance	8,448	–	–	–	8,448
High altar reredos restoration	11,424	–	–	–	11,424
Memorial chapel entrance handrails	5,778	–	882	–	4,896
Carrubbers Close entrance structural support	14,380	–	2,740	–	11,640

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

All outstanding amounts are payable within one year.