



Scottish Episcopal Church  
**The Diocese of Edinburgh**

Covering the City of Edinburgh, the Borders, Falkirk and the Lothians

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**Area Council Convenors  
Church Treasurers  
copy by email to: Rectors/Priests-in-Charge**

December 2018

Dear Convenor/Treasurer

**Quota 2019**

I am writing to inform you of the quota payments which will be due next year, following approval of the 2019 budget at the recent autumn Synod. I attach a table which shows the amounts due from each Area Council, and from each individual congregation.

**The 2019 Budget**

All those attending Synod received details of the Diocesan budget for 2019. Any Treasurer who has not seen these papers can obtain a copy from Simon Filsell at the Diocesan Office.

Synod approved a total budgeted expenditure in 2019 of £828,650, an increase of 5.25% on 2018. However, much of the increase is earmarked for mission projects and will be funded in the main by unspent reserves in the St Hilda's Fund. Planned General Fund expenditure – covering the day to day work of the Diocese, its contributions to the wider Scottish Episcopal Church, and routine Diocesan running costs – has been constrained to increase by only 0.8% over the 2018 budget.

However, as you will be aware, St Thomas's Church – in previous year a significant contributor to Diocesan finances – has expressed its intention to leave the Scottish Episcopal Church. This will result in a reduction in Diocesan income of at least £10,000, equivalent to an additional 2% increase in quota. In recognition of this, and of the value of continuing the current and planned level of Diocesan mission work, Synod approved a 5% increase in quota. In spite of this increase, the Diocese is still budgeting a deficit on its General Fund in 2019 of £12,500, and will be looking at ways of returning the Fund to surplus in future years.

**Allocation of quota to Charges and Area Councils**

As in previous years, the total amount of quota has been allocated to Charges pro-rata on the basis of Quota Assessable Income (QAI) averaged over the past three years, weighted in favour of more recent years. As a result, individual congregations will find their quota in 2019 has changed by more or less than the overall 5% increase, depending on whether their QAI has risen or fallen.

Standing Committee is aware that some congregations may find difficulty in coping with an increase in quota, as well as other cost increases. Such difficulties may be capable of resolution in the first instance within Area Councils, whose role includes considering the reallocation of quota to congregations in their area. It would be helpful if Area Councils could continue to take the lead in ensuring that quota is fully paid in their area.

## **Methods of payment**

During 2015 we introduced a direct debit payment facility; many Charges now utilise this facility for the payment of quota. If you do not use it yet, please consider taking it up. Direct debiting has worked well in the Diocese, and it spares Charge Treasurers from the need to update payments. Once the requisite form (enclosed if relevant) has been signed and returned, all necessary actions are taken by the Diocese on your behalf (and we notify Treasurers when a change occurs).

For Charges who still pay by standing order, I should be grateful if your current SO instruction is amended to take effect from 1 January 2019. Quota is normally paid through the calendar year in either 10 or 12 instalments. If you intend to pay by any other means, please let me know so that I can manage the Diocesan cash-flows effectively.

## **Finance schedule and accounts**

As noted above, the Quota requested from Charges is based on QAI – the adjusted income, as notified by Charge Treasurers in the Finance Schedule, and checked by Diocesan officials against Charge accounts.

The Finance Schedule for 2018 has already been circulated (on 13 November) with a request that it be completed and returned to the Diocesan Office by 31 December along with your Charge accounts for 2017/18. I am pleased to see in the latest issue of The Communicant that a number of Charges have already submitted them. The completed Schedule will be used to assess quota for 2019.

## **And finally...**

We are fortunate in the Diocese of Edinburgh to be part of a relatively large diocese that benefits from economies of scale. The 2019 quota payable by each congregation is 10.85% of its average QAI. This is still much less than the sums levied by the other six dioceses, where quota as a percentage of QAI can be anything between 25% more and twice as much as the equivalent rate in Edinburgh Diocese.

I will be happy to discuss and answer any points of detail should you wish to get in touch.

I am emailing a copy of this letter to the Rector/Priest in Charge for information.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Ian A S Lawson', with a long horizontal flourish extending to the right.

**Ian A S Lawson BSc CA**  
Diocesan Treasurer