



## **Diocese of Edinburgh Scottish Episcopal Church**

**Scottish Charity Number SC001214**

### **Report and Accounts for the Year ended 31 December 2020**

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## Reference and administrative details

<b>NAME OF CHARITY</b>	Diocese of Edinburgh Scottish Episcopal Church (Edinburgh Diocesan Synod)
<b>SCOTTISH CHARITY NUMBER</b>	SC001214
<b>PRINCIPAL ADDRESS</b>	Edinburgh Diocesan Office 21A Grosvenor Crescent Edinburgh EH12 5EL  <i>Email:</i> office@edinburgh.anglican.org <i>Internet:</i> <a href="http://www.edinburgh.anglican.org">www.edinburgh.anglican.org</a>
<b>STANDING COMMITTEE (TRUSTEES)</b>	For the purposes of charities law, the members of the Standing Committee are the Charity Trustees of the Diocese. As at the date of this report, the Trustees and members of the Standing Committee were:  <i>Ex officio:</i> The Right Rev. Dr John Armes (Convenor) The Very Rev. Frances Burberry (Dean) Godfrey Robson (Diocesan Secretary) Ian Lawson (Treasurer) Ms Pippa Snell (Registrar) The Rev. Dr. Sophia Marriage (Convenor, Mission and Ministry Committee)  <i>Appointed by Synod:</i> Ms Victoria Stock The Rev. Rosie Addis The Rev. David Dixon ( <i>appointed 9 March 2021</i> )  The Rev. Malcolm Round and Mr Neil Stewart also served as trustees during the year until retiring on 9 March 2021.
<b>CUSTODIAN TRUSTEES</b>	The following were Custodian Trustees for the Diocese in respect of heritable and moveable property:  The Right Rev. Dr John Armes (Bishop) The Very Rev. Frances Burberry (Dean) The Hon Lady Poole (Chancellor) Ms Pippa Snell (Registrar)
<b>SECRETARY</b>	Mr Godfrey Robson
<b>TREASURER</b>	Mr Ian Lawson
<b>ADMINISTRATOR</b>	Mr Simon Filsell
<b>BANKERS</b>	Reliance Bank Ltd Faith House, 23-24 Lovat Lane, London EC3R 8EB
<b>SOLICITORS</b>	Murray Snell LLP Excel House, 30 Semple Street, Edinburgh EH3 8BL
<b>AUDITORS</b>	Chiene + Tait LLP Chartered Accountants and Statutory Auditor 61 Dublin Street, Edinburgh EH3 6NL

## **Report of the Standing Committee (Trustees' report)**

### **Year ended 31 December 2020**

As Trustees of the Diocese of Edinburgh, the Standing Committee presents its report and the audited accounts of the Diocese for the year ended 31 December 2020. These have been prepared in accordance with applicable charities law and the requirements of "Accounting and Reporting by Charities: 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) (effective 1 January 2019)".

#### **Objectives and activities**

The primary charitable purpose of the Diocese is the advancement of religion and to provide public benefit. The main activities of the Diocese are the provision of spiritual, pastoral, administrative and financial support to its Charges (or local congregations) and their members in carrying out the ongoing mission of the Christian Church.

These activities are pursued through:

- training and leadership in mission and ministry;
- conferences, retreats and educational events;
- support for youth and children's activities;
- grants to Charges to support mission activity;
- access to central administrative facilities.

#### **Achievements and performance**

In a year in which churches have been significantly affected by Government restrictions imposed in response to the coronavirus pandemic, the Diocese has continued to support the clergy and congregations within its boundaries. Staff have been able to work from home, with meetings and communications largely being held on online platforms.

Even so, as degrees of lockdown persisted through the year, Standing Committee decided to put on hold plans to recruit a new Mission and Ministry Co-ordinator. The post of Bishop's Enabler of Mission had been made redundant in April 2020, and the proposed Co-ordinator role represented a change of focus, away from centralised mission activities and towards assisting clergy with mission opportunities in their local areas. But, with clergy fully occupied in dealing with the pandemic, Standing Committee deferred the recruitment process. Instead, and in recognition of the stresses caused by Covid, the Bishop appointed Rev'd Jane MacLaren in November 2020, on a part-time basis and a one-year contract, to support the calling and well-being of diocesan clergy.

Many congregations have been affected by lost income as a result of the restricted use of church buildings. Church cash collections and hall letting income were particularly affected. The Diocese held consultations with Charges during the year, primarily through their treasurers, to determine whether they had sufficient resources to withstand these losses. Where necessary, the Diocese made arrangements to defer collection of quota income. With additional funding from the Scottish Episcopal Church General Synod, the Diocese was able to announce in October that total 2021 quota would be 10% less than in 2020. At the same time, an appeal was made to those congregations not so badly affected by Coronavirus to forgo their reduction in quota, and to donate it during 2021 to a Relief Fund which would provide financial assistance to congregations without the same level of resources.

The St Hilda's Fund continued to support the two new groupings of charges in the Borders, as well as subsidising the training cost of ordinands placed with congregations under the Mixed Mode scheme.

The Diocesan Property Committee completed the repairs and refurbishment of the former church property in Craigmillar, and a new lease was signed in November with the local community organisation Craigmillar Now. Standing Committee regards the redevelopment as being predominantly a charitable activity, in that the lease provides for a chaplaincy office within the property, and the Diocese is represented on the tenant's trustee board. Accordingly, it is no longer treated in the accounts as a fundraising activity.

A full review of the activities of the year is given in the reports to Synod of the various committees, which are available from the Diocesan Office.

## Report of the Standing Committee (continued)

### Financial review

#### *Sources of funding*

The Diocese's main source of funding remains quota paid by Charges within the Diocese. Despite the income losses suffered by Charges, 96% of quota was received in the year, with 3.2% being converted to a two-year loan. A strong performance from the Scottish Episcopal Church Unit Trust Pool saw distributions increase by 4.5%. Grant income (excluding curate grants, which are paid directly to the relevant Charges) was more or less unchanged. However, as a result of curtailed activities, income from events and printing were significantly reduced.

Excluding curate grants, diocesan income fell by about £20,000 compared with 2019 due to curtailed events and services for which charges are made, such as the Clergy Conference and printing services.

#### *Review of the financial position*

Significant savings were made in the year, in comparison with both 2019 and the original budget drawn up before Coronavirus struck. The General Fund recorded its first surplus since 2015: £34.2k compared with a budget deficit of £45k. The main savings were in mission and ministries staff costs, and in events moving online (like the Clergy Conference) or being postponed (like the Lambeth Conference).

The St Hilda's Fund for Mission continued to utilise past accumulated reserves in assisting the establishment of two Borders groupings, resulting in an excess of expenditure in designated funds. Restricted Funds showed a surplus as grants were held back in the expectation of greater need in 2021 for Covid recovery funding.

A significant benefit in the year was the rise in the value of the Diocese's investment in the SEC Unit Trust Pool which increased by 36% in a year in which the FTSE 100 index fell by 15%.

The resulting financial position of the Diocese is shown in the Balance Sheet on page 11. Total funds at 31 December 2020 amounted to £6.72m, an increase of £1.5m over the year, of which £44k was net operating income and the rest gains in the value of investments.

#### *Policy on investments*

The Diocese retains all its securities investments in the Scottish Episcopal Church Unit Trust Pool (UTP). The investment policy of the UTP, which accords with that of the Standing Committee, is to earn a return on the assets, over the long term, sufficient at least to maintain the real value of the distribution to unit holders. The UTP Investment Committee recognises its responsibilities to optimise investment returns whilst striving to meet reasonable ethical investment expectations. It aims to invest in companies that will not only successfully develop their business financially in the interests of shareholders, but also demonstrate responsible employment and good corporate governance practices, are conscientious regarding environmental performance and human rights, and act with sensitivity to the communities in which they operate.

The Investment Committee has also adopted strict "negative" criteria as a significant element of the ethical investment policy. No direct investment will be made in companies whose main business is in any of the following restricted categories: armaments, gambling, tobacco and pornography. The Committee is committed to seeking to identify companies whose operational activities give rise to ethical concerns, and will positively engage with, and if deemed appropriate, disinvest from such companies whose securities are held within the investment portfolio.

#### *Principal risks and uncertainties*

The Standing Committee continues to review risks, uncertainties and mitigating measures, including at this time the uncertainties surrounding coronavirus and its effect on income. The principal risks are:

- dependency on income from Charges – this is managed through monitoring of receipts; review of Charges' annual accounts; and regular pastoral contact with Charges.
- reliance on investment performance – all funds are with the Scottish Episcopal Church UTP, a low-risk product with a focus on maintaining distributions. Its performance and risk profile are kept under review.
- security of assets and systems – the diocesan office is protected against fire and intrusion, data backups are held off-site, and the Diocese is working towards developing a disaster recovery plan.
- the potential loss of key personnel – the Diocese continues in its aim of ensuring that critical tasks are capable of being performed by more than one Diocesan official, or through the use of external agencies.

## **Report of the Standing Committee (continued)**

### **Financial review (continued)**

#### *Policy on reserves*

Restricted reserves, arising from endowments or from grants or gifts for specific purposes, are invested as appropriate and utilised only in accordance with the wishes of the donor or the purposes for which the fund was raised.

Designated reserves consist of three types:

- Past sums granted to or earmarked by the Diocese with the intention that they be invested to generate income to further the general activities of the Diocese. Because the income may be used for general purposes these reserves are not treated as 'restricted'.
- Funds used to purchase or improve the Episcopal residence. This fund is equal to the carrying value in tangible fixed assets of land and buildings.
- Sums arising from exceptional income such as the sale of church properties, and earmarked by the Standing Committee for special purposes within the Diocese.

Remaining reserves – in the General Fund - are available to meet the day-to-day operations of the Diocese. These reserves are required to meet a number of important obligations, which include payment of stipends and salaries to central and diocesan personnel, maintenance of the diocesan office and its facilities, and support of diocesan Charges in their mission.

Accordingly, Standing Committee considers it necessary to retain a sum in the General Fund sufficient to provide working capital to cover day-to-day expenditure and to enable its responsibilities to be discharged in the event of any significant interruption or reduction in its income, so as to enable the Diocese to maintain its current level of activities for a reasonable period until replacement funding can be obtained. In line with other charitable bodies of similar size and level of financial commitment, the Standing Committee seeks to maintain a minimum of 3 months' average annual expenditure in freely available reserves.

At 31 December 2020 the minimum requirement of 3 months budgeted general fund expenditure amounted to £138k (2019: £166k). Freely available reserves at the same date (general fund excluding tangible assets) amounted to £174k (2019: £115k). This represents 16 weeks' expenditure (2019: 6 weeks). The improved position is the result of both the operating surplus and the unrealised gain in investments, coupled with a reduced budget for 2021.

### **Plans for future periods**

As churches prepare for life after Covid, the Diocese will support Charges seeking financial assistance for plans and projects to aid recovery and to make the most of the new technologies utilised during lockdown. Grant funding for this purpose is available at both Diocesan and Provincial level, and the Diocese will be active in encouraging Charges to make good use of these funds.

Standing Committee hopes to be able to present proposals to the October Synod for further investment in ministry and mission support, building on the twelve-month contract of the Mission Coordinator which will come to an end in November 2021.

The Diocese will continue to examine strategies for reducing support costs so as to deliver good value to the Charges that fund it.

### **Structure, governance and management**

The Diocese is an unincorporated association, governed by a Constitution (the 'Administrative Scheme'), and subject to Canon Law of the Scottish Episcopal Church and Resolutions of its General Synod.

Founded in 1633, the Diocese is one of seven dioceses of the Scottish Episcopal Church, part of the Anglican Communion. The Diocese covers an area comprising Edinburgh, the Lothians, Scottish Borders and Falkirk. The Bishop of Edinburgh is chief pastor to over 50 Charges, or local congregations, within this area. Congregational Charges within the Diocese are separate registered charities, and their transactions do not form part of these accounts. Charges in the Diocese are grouped into seven areas. Each has an Area Council, comprised of the lay representative and clergy representative and one other lay person for each Charge in the area. The councils further the work of the Church in their area and act as a channel of communication between the congregations and Synod in both directions. Area Councils are required by the Constitution to meet at least three times each year.

## **Report of the Standing Committee (continued)**

### **Structure, governance and management (continued)**

The principal governing body of the Diocese is Diocesan Synod, which meets at least once each year to receive reports, appoint committees and officials, and transact any other business referred to it. Its membership comprises: the Bishop; all instituted, licensed or commissioned clergy in the Diocese; a Lay Representative elected by each Charge; diocesan officials; and members of the laity licensed to a specific duty within the Diocese.

Between meetings of Synod, the Standing Committee acts as Executive Committee of the Diocese. It is responsible for managing and safeguarding the assets of the Diocese. It implements Synod decisions, supervises diocesan committees and communications between them, and considers business raised by Charges within the Diocese. It is required by the Constitution to meet at least three times each year.

For the purposes of charities law, the members of the Standing Committee are the Trustees of the Diocese; all are appointed or elected from within the Diocese and its Charges. The Convenor of the Standing Committee is the Bishop, who is elected by representatives of Charges in the Diocese. The Vice convenor is a lay person appointed by the Standing Committee from within its membership. Two clerical and two lay members are elected by the Diocesan Synod. The elected members have a four-year term of office. The Dean, Registrar, Secretary, Treasurer, and Convenors of the Mission and Ministry Committee and the Finance and Management Committee are members ex officio. The Standing Committee has power to fill ad interim vacancies occurring between meetings of Synod.

The names of the current Trustees at the date of this report are shown on page 2, together with their dates of appointment if after 1 January 2020. Also serving during the year were Rev'd Malcolm Round and Mr Neil Stewart, who both retired as trustees on 9 March 2021. New members of the Standing Committee are provided with an induction pack and receive relevant support for their role on appointment.

The remuneration of personnel is determined on the basis of a simple three-grade scale compiled during the year by the Diocese's Personnel Committee and approved by the Standing Committee. The scale is consistent with scales established by the General Synod of the Scottish Episcopal Church.

The Standing Committee has two pendant committees. The Mission and Ministry Committee exists to encourage, accompany and resource local congregations and individuals on their journey of faith. Its remit also includes ministerial development. The Finance and Management Committee is concerned with the administration and day-to-day finances of the Diocese. It is responsible for the preparation of budgets and cash flows, the setting of quota levels from Charges, and the preparation of the annual accounts. Each committee has a number of subsidiary committees reporting to it.

**Reference and administrative details - see page 2.**

### **Appreciation**

The members of the Standing Committee would like to thank all those who contribute their time, energy and money so generously to ensure that the Diocese can continue to provide a central support and common link point to all the Charges within the Diocese.

### **ON BEHALF OF THE TRUSTEES**

**✉ John Edenburgh**  
**The Right Rev. Dr John Armes**  
*Convenor, Standing Committee*  
20 May 2021

## Statement of responsibilities of the Members of the Standing Committee

The Members of the Standing Committee, as charity trustees, are responsible for preparing the Annual Report and the Accounts in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The law applicable to charities in Scotland requires the members of the Standing Committee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Diocese and of its income and expenditure for that period. In preparing these accounts members of the Standing Committee are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles 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 departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Diocese will continue in operation.

The members of the Standing Committee are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Diocese 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 Administrative Scheme for Edinburgh Diocesan Synod.

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

The members of the Standing Committee are responsible for the maintenance and integrity of the charity and financial information included on the diocesan website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

## Independent auditor's report to the Standing Committee



### Opinion

We have audited the accounts of the Diocese of Edinburgh Scottish Episcopal Church for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Diocese of Edinburgh's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### Basis for opinion/

## Independent auditor's report to the Standing Committee (continued)

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Diocese of Edinburgh in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Diocese of Edinburgh's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report of the Standing Committee, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the information given in the Report of the Standing Committee is inconsistent in any material aspect with the accounts.

### Responsibilities of Standing Committee

As explained more fully in the Statement of Responsibilities of the Members of the Standing Committee (as charity trustees), the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing/

## Independent auditor's report to the Standing Committee (continued)

### Responsibilities of Standing Committee (continued)

In preparing the accounts, the trustees are responsible for assessing the Diocese of Edinburgh's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- A review of manual adjustments made in coming to the accounts would identify any unusual adjustments.
- Through gaining a detailed understanding of the business and operations this allowed for identification of irregularities.
- Analytical review of figures against expectation in order to assess movements which may be caused by irregularities or fraud.
- Specific consideration was given to transactions with related parties.
- Fixed assets were suitably tested for potential impairment.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the accounts or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the accounts, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Standing Committee as the charity's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**CHIENE + TAIT LLP**  
*Chartered Accountants and Statutory Auditor*  
61 Dublin Street  
Edinburgh EH3 6NL

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Statement of Financial Activities**

Year ended 31 December 2020

	Note	Unrestricted Funds			Total Funds	
		General Fund	Designated Funds	Restricted Funds	2020	2019
		£	£	£	£	£
<b><i>Income from</i></b>						
<b>Donations and legacies</b>	3	19,464	1,000	2,860	23,324	35,084
<b>Charitable activities</b>						
Quota receiveable from Charges		528,128	-	-	528,128	524,655
General Synod grant funding		-	-	76,691	76,691	88,814
Other grants and funding		-	-	17,600	17,600	17,120
Other charitable activities	3	118	-	-	118	6,597
		528,246	-	94,291	622,537	637,186
<b>Trading activities</b>	3	10,095	-	-	10,095	16,698
<b>Investment income</b>	3	62,693	43,067	5,911	111,671	108,699
<b>Total income</b>		<b>620,498</b>	<b>44,067</b>	<b>103,062</b>	<b>767,627</b>	<b>797,667</b>
<b><i>Expenditure on:</i></b>						
<b>Raising funds</b>	9	-	-	-	-	-
<b>Charitable activities</b>						
Quota payable to General Synod		280,278	-	-	280,278	276,926
Mission and ministry activities		40,552	-	40,897	81,449	118,295
Grants and bursaries	4	4,324	52,075	32,919	89,318	126,411
Information and communications		15,826	-	-	15,826	15,817
Diocesan clergy		65,987	-	11,440	77,427	86,801
Diocesan office costs		152,304	-	-	152,304	148,536
Governance		26,986	-	-	26,986	21,127
		586,257	52,075	85,256	723,588	793,913
<b>Total expenditure</b>		<b>586,257</b>	<b>52,075</b>	<b>85,256</b>	<b>723,588</b>	<b>793,913</b>
<b>Net operating income/(expenditure)</b>		<b>34,241</b>	<b>(8,008)</b>	<b>17,806</b>	<b>44,039</b>	<b>3,754</b>
Gains/(losses) on investment assets		24,609	1,355,356	77,634	1,457,599	688,383
<b>Net income/expenditure</b>		<b>58,850</b>	<b>1,347,348</b>	<b>95,440</b>	<b>1,501,638</b>	<b>692,137</b>
Transfers between funds		(3,000)	3,000	-	-	-
<b>Net movement in funds</b>		<b>55,850</b>	<b>1,350,348</b>	<b>95,440</b>	<b>1,501,638</b>	<b>692,137</b>
<b><i>Reconciliation of funds</i></b>						
<b>Total funds at 1 January 2020</b>		<b>124,855</b>	<b>4,812,445</b>	<b>285,442</b>	<b>5,222,742</b>	<b>4,530,605</b>
<b>Total funds at 31 December 2020</b>		<b>180,705</b>	<b>6,162,793</b>	<b>380,882</b>	<b>6,724,380</b>	<b>5,222,742</b>

All income and expenditure derive from continuing activities.

All income, gains, expenditure and losses recognised in the period are included above.

Comparative information for all fund values presented above is given in note 14.

The notes on pages 13 to 22 form part of these accounts

## Balance Sheet

As at 31 December 2020

	<i>Note</i>	2020 £	2020 £	2019 £
<b>Fixed assets</b>				
Tangible assets	8		934,096	937,631
Investments	9		5,480,263	4,094,828
			<u>6,414,359</u>	<u>5,032,459</u>
<b>Current assets</b>				
Debtors	10	149,954		87,494
Cash at bank and in hand		<u>222,371</u>		<u>165,282</u>
		<u>372,325</u>		<u>252,776</u>
<b>Liabilities</b>				
Creditors: amounts falling due within one year	11	<u>62,304</u>		<u>62,493</u>
<b>Net current assets</b>			<u>310,021</u>	<u>190,283</u>
<b>Total net assets</b>			<u>6,724,380</u>	<u>5,222,742</u>
 <b>Diocesan funds</b>	 12			
Restricted funds			380,882	285,442
Unrestricted funds				
Designated funds			6,162,793	4,812,445
General fund			<u>180,705</u>	<u>124,855</u>
<b>Total funds</b>			<u>6,724,380</u>	<u>5,222,742</u>

**APPROVED FOR ISSUE BY THE STANDING COMMITTEE (TRUSTEES) ON 20 May 2021  
AND SIGNED ON THEIR BEHALF BY**

**✉ John Edenburgh**  
**The Right Rev. Dr John Armes**  
*Convenor, Standing Committee*

**Statement of cash flows****Year ended 31 December 2020**

	Note	2020	2019
		£	£
<b><i>Cash flows from operating activities</i></b>			
Net cash used in operating activities	13	(122,909)	(73,276)
<b><i>Cash flows from investing activities</i></b>			
Dividends, interest and rents from investments		107,833	108,699
Proceeds on disposal of investments		72,164	-
Net cash provided by investing activities		<u>179,997</u>	<u>108,699</u>
<b><i>Change in cash and cash equivalents in the year</i></b>		57,089	35,423
<b><i>Cash and cash equivalents</i></b>			
At 1 January 2020		<u>165,282</u>	<u>129,859</u>
At 31 December 2020		<u><u>222,371</u></u>	<u><u>165,282</u></u>
<b><i>Analysis of cash and cash equivalents</i></b>			
Cash at bank and in hand		<u><u>222,371</u></u>	<u><u>165,282</u></u>

Accounting Standards require the Cash Flow Statement to be accompanied by an 'Analysis of Changes in Net Debt'. 'Net Debt' means debt finance less cash. The Diocese had no debt finance during 2020 and therefore its net debt is simply the negative of its cash balances. Accordingly, the change in net debt is apparent from the Statement of Cash Flows above.

## Notes to the accounts

### Year ended 31 December 2020

#### 1. Accounting policies

##### a) General information and basis of preparation of accounts

The Diocese of Edinburgh, whose registered office is at 21A Grosvenor Crescent, Edinburgh, EH12 5EL, is an unincorporated charity registered in Scotland and constitutes a public benefit entity as defined by FRS 102. These accounts have been prepared under the historical cost convention, as modified by the revaluation of investment assets, and in accordance with:

- the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS 102, and
- the Charities Accounts (Scotland) Regulations 2006 (as amended).

##### b) Going concern

The accounts have been prepared on a going concern basis. The members of the Standing Committee have assessed the ability of the Diocese to continue as a going concern and, notwithstanding the adverse effect that the coronavirus pandemic may have on its income, have reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for at least 12 months from the date of approving the accounts. 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 Standing Committee to further any of the purposes of the Diocese, including to supplement expenditure from restricted funds. Standing Committee may choose to set aside part of the unrestricted funds as a designated fund for a particular future project or commitment.

Restricted funds can lawfully only be used for the purpose specified by the donor or resulting from the terms of an appeal. Some restricted funds may be capital funds in that only the income of the fund may be expended to further the objectives of the Diocese.

Details concerning the main funds of the Diocese are given in note 12.

##### d) Recognition of income

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

##### e) Recognition of expenditure

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

Costs of investment management and costs incurred on commercially let property, if any, are separately shown as *Expenditure on raising funds*. All other costs are shown as *Expenditure on charitable activities*, comprising costs directly incurred in undertaking the charitable objectives of the Diocese together with stipend support costs and grants awarded to congregations and individuals. Expenditure relating to the social investment property has been reclassified as expenditure on charitable activities because the primary purpose of the property is not to raise funds (see notes 1(k) and 9).

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

Governance costs represent the costs associated with general running of the Diocese as opposed to costs associated with charitable activities. These include external scrutiny, legal advice, Synod and committee meetings, amounts paid to diocesan officials, 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

The Diocese has one sole activity, namely the mission and ministry of the Christian Church. Therefore, support costs (including governance) are presented as an additional component of expenditure on charitable activities without apportionment to specific projects.

## Notes to the accounts

### Year ended 31 December 2020

#### 1. Accounting policies (continued)

##### g) Leases

Rentals paid under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged as an expense on a straight line basis over the period of the lease, even if the payments are not made on such a basis.

##### h) Taxation

The Diocese is a registered Scottish charity and therefore exempt from tax on income and gains applied to charitable purposes. Basic rate UK income tax is recoverable in respect of gift-aided donations. The Diocese is not registered for Value Added Tax and is therefore unable to reclaim VAT incurred on costs. Expenditure is shown in the Accounts gross, including irrecoverable VAT.

##### i) Tangible fixed assets

*Heritable property* is valued at cost to the Diocese. The Standing Committee considers that the cost of carrying out a professional valuation to include properties in the accounts at valuation would be disproportionate to any additional benefit derived by users of these accounts. The properties are not depreciated in the accounts as residual value is deemed sufficiently high that any depreciation would be immaterial.

*Fittings* are written off to revenue in the year of acquisition.

*Equipment* with a purchase price greater than £2,000 is capitalised and depreciated over its assessed useful economic life on a straight-line basis. Other equipment is written off to revenue in the year of acquisition.

##### j) Financial instruments

The Diocese carries only basic financial assets and liabilities. These may comprise investments in securities, amounts receivable and payable, and cash deposited with banks. Financial assets and liabilities are initially valued 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.

##### k) Investment assets

The Diocese owns one social investment property: a former church building, St Andrew's, Niddrie, which is leased to a community arts group. The Diocese intends to continue to use this asset to support community and social projects in the area. This asset is recorded in the accounts with a notional value of £100.

Investments in securities and unit trusts are recorded at market valuation.

##### l) 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 and are recognised in the statement of financial activities based on market valuation at the year end.

##### m) Retirement benefits

The Scottish Episcopal Church operates a defined benefit non-contributory pension scheme. The Diocese pays contributions to this multi-employer scheme in respect of its stipendiary clergy and administrative staff. Contributions to the scheme are set at rates designed to spread the cost of pensions over the working lives of its members, 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 the charge for the year is disclosed in note 5.

## Notes to the accounts

### Year ended 31 December 2020

#### 2. Related party transactions

The nature of the Diocese requires that it has many financial transactions with the General Synod of the Scottish Episcopal Church and with Charges in the Diocese. Members of the Diocesan Standing Committee are connected with their respective local church congregations and certain members are also members of Boards and Committees of the General Synod, therefore these bodies are related parties under FRS 102, and transactions with them are “related party transactions”. The governance procedures of the Diocese and of General Synod require that members of all Boards and Committees declare their interest in any grant or loan application prior to its discussion by the Board or Committee.

As regards General Synod, the Diocese pays quota to and receives grants from General Synod. The Diocese also rents office space from General Synod at a cost of £20,189 per annum (2019: £20,189). As regards local congregations, the Diocese receives quota from and pays grants to individual congregations. A central payroll bureau service and use of central office facilities are offered to congregations, for which nominal charges are made. Balances due by and to congregations in respect of quota and the payroll bureau service are included within Debtors and Creditors.

FRS 102 requires disclosure of material related party transactions and year end balances with related parties. In the case of the accounts of the Diocese, these are for the most part separately disclosed in the statement of financial activities, the balance sheet or in the notes to the accounts. To reduce the volume of information given, FRS 102 permits aggregation of transactions of a similar nature. This practice has been followed in relation to quota from local congregations, and transactions with Charges in respect of the payroll bureau service.

The total amount of unconditional donations received from trustees or other related parties was £1,320 (2019: £1,320).

During the year, a donation of £1,000 was received from Miss Frances Jane R Langlands Trust. Three of the four trustees of this trust- The Right Rev'd John Armes, The Very Rev'd Rev Frances Burberry and Ms Anna Poole – were also Trustees of the Diocese of Edinburgh. The grant was given in furtherance of the Trust's specific purpose and has been treated as restricted in the Statement of Financial Activities.

#### 3. Additional information on income

*Donations and legacies* in the General Fund comprise a grant of £15,835 (2019: £18,981) from Allchurches Trust and other donations. The amount in Designated Funds is the donation referred to in note 2 from the Langlands Trust which was given for use in the St Hilda's Fund. Restricted Funds income comprises grants received for the support of clergy in need.

*Other charitable activities* income comprises charges for attendance at conferences and courses.

*Trading activities* consist of the provision of printing and payroll administration services to congregations within the Diocese and others.

*Investments* - income in the General Fund includes rental from an investment property of £666 (2019: £750), and interest on cash deposits of £364 (2019: £295). All other investment income totalling £110,642 (2019: £107,654) derives from holdings in the Scottish Episcopal Church Unit Trust Pool and is allocated to funds as follows:

	2020	2019
	£	£
General Fund	61,664	60,475
Designated funds	43,067	41,523
Restricted funds	5,911	5,656
	<hr/> <u>110,642</u>	<hr/> <u>107,654</u>

**Notes to the accounts (continued)****Year ended 31 December 2020****4. Grant making activities**

	<b>General Fund</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>2020</b>	<b>2019</b>
	£	£	£	£	£
<b>Grants to congregations</b>					
Provincial curate grants	-	-	17,954	17,954	31,959
Stipend support	921	32,250	-	33,171	40,543
Walker Trust cathedral grant	-	-	12,500	12,500	12,001
Other	668	19,825	2,364	22,857	41,909
Grants or bursaries to individuals	2,735	-	101	2,836	-
	<b>4,324</b>	<b>52,075</b>	<b>32,919</b>	<b>89,318</b>	<b>126,412</b>

**5. Staff costs and key management personnel**

		<b>2020</b>	<b>2019</b>
		£	£
<b>Staff costs</b>			
Gross stipends and salaries		134,561	150,724
Social security costs		7,185	9,396
Employer's contributions to defined benefit pension scheme		37,891	43,520
		<b>179,637</b>	<b>203,640</b>

	<b>Average headcount</b>		<b>Full time equivalent</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>Average number of employees in year</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
Clergy (Bishop)	1.0	1.0	1.0	1.0
Mission and ministry	1.3	2.5	1.0	1.9
Administration and communications	3.7	4.0	2.6	2.6
	<b>6.0</b>	<b>7.5</b>	<b>4.6</b>	<b>5.5</b>

No employee received emoluments greater than £60,000 in either year.

**Key management personnel**

The Diocese considers its key management personnel to comprise the members of the Standing Committee. No Trustee or member of the Standing Committee received remuneration or benefits in respect of service as trustee. The following members of the Standing Committee received remuneration in respect of other service to the Diocese:

The Right Rev. Dr John Armes	Stipend as Bishop £40,500; pension contributions £8,694
Mr Ian Lawson	Payment for services as Diocesan Treasurer £6,000
Ms Pippa Snell	Payment for services as Diocesan Registrar £6,000

Remuneration paid to the Bishop conforms to scales determined by the General Synod of the Scottish Episcopal Church. Remuneration for service as Bishop also includes the benefit of rent-free residential accommodation, in respect of which the Diocese pays Council Tax.

No expenses were paid to trustees during either year.

No other trustee received remuneration in any respect, nor reimbursement of expenses in respect of performance of duties as trustee.

**Notes to the Accounts (continued)**  
**Year ended 31 December 2020**

**5. Staff costs and key management personnel (continued)**

***Retirement benefits***

All employees of the Diocese are eligible to join the Scottish Episcopal Church Pension Fund which is a non contributory defined benefit scheme. The Diocese 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.

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

The latest valuation as at 31 December 2014 disclosed 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 was reduced to 32.2% of pensionable remuneration with effect from 1 January 2016.

At 31 December 2020 contributions totalling £489 (2019: £nil) were payable by the Diocese.

**6. Operating lease rental expenditure and commitments**

Diocesan office expenditure includes the following payments of operating lease rentals:

	<b>2020</b>	<b>2019</b>
	£	£
Amounts payable in respect of:		
Hire of plant and machinery	2,232	2,232
Other operating leases	39,169	39,169
	<hr/>	<hr/>
	41,401	41,401
<hr/>		

At 31 December 2020 the total future minimum lease payments in respect of non-cancellable operating leases were as follows:

	£
Amounts payable:	
Not later than one year	25,948
Later than one year and not later than five years	29,117
Later than five years	-
	<hr/>
	55,065
<hr/>	

In addition, the Diocese has a contingent liability in respect of a lease entered into with City of Edinburgh Council in October 2008 for the rental of office property on behalf of St Mungo's Balerno. All rentals under the lease are paid by St Mungo's which also holds a property reserve comprised of cash and investments in security for the Diocese. The potential liability for future rentals at 31 December 2020 up to the next break-point in the lease was £74,250 (2019: £101,250). No provision has been made in the accounts for this contingency because the likelihood of any liability arising is remote.

**7. Auditors' remuneration**

Net operating income is stated after charging £3,900 (2019: £3,789) in respect of auditing services. No other fees were paid or payable to the auditors for any other services to the Diocese (2019: £nil).

**Notes to the accounts (continued)**  
**Year ended 31 December 2020**

**8. Tangible fixed assets**

	Land & Buildings	Office Equipment	Total
	£	£	£
<b><i>Cost</i></b>			
At 1 January and 31 December 2020	927,799	23,935	<b>951,734</b>
<b><i>Accumulated depreciation</i></b>			
At 1 January 2020	-	14,103	<b>14,103</b>
Charge for year	-	3,535	<b>3,535</b>
At 31 December 2020	-	17,638	<b>17,638</b>
<b><i>Net Book Value</i></b>			
At 31 December 2020	<b>927,799</b>	<b>6,297</b>	<b>934,096</b>
At 31 December 2019	927,799	9,832	937,631

The Diocese owns the Bishop's residence which is shown here at historic cost and is not depreciated. No impairment provision has been made in the accounts as the Standing Committee believes that the value of the property is in excess of the book value.

**9. Investment assets**

	Social investment	SEC Unit Trust	
	property	Pool	Total
	£	£	£
<b><i>Cost or valuation</i></b>			
Carrying value at 1 January 2020	100	4,094,728	4,094,828
Disposal proceeds		(72,164)	(72,164)
Unrealised gain on revaluation	-	1,457,598	1,457,598
Carrying value at 31 December 2020	<b>100</b>	<b>5,480,162</b>	<b>5,480,262</b>

The social investment property is the former St Andrew's Church, Craigmillar. It was leased to a community arts group until August 2019 after which it fell vacant. The Diocese incurred costs of securing and maintaining the property from then to November 2020 when it was leased to a new community group. The Diocese has representation on the board of the community group and has use of an office in the property for the purposes of furthering its mission in that part of Edinburgh. Because the primary purpose of holding the property is not the generation of rental income, repair and maintenance costs of £14,355 (2019: £7,049) have been classified in the Statement of Financial Activities as mission and ministry activities. In previous years, costs associated with the property were disclosed as fundraising costs, and so the 2019 comparatives have been restated. The property remains included in the accounts at a notional value of £100.

All other investments are held in the Scottish Episcopal Church Unit Trust Pool and are shown at market valuation. The diocese's investment policy is set out in the Trustees' Report. The analysis of the unrealised gain on revaluation between funds is shown in note 12.

**Notes to the accounts (continued)****Year ended 31 December 2020****10. Debtors**

	<b>2020</b>	<b>2019</b>
	£	£
<b><i>Due within one year</i></b>		
Accrued investment income	60,090	56,252
Unpaid quota due by Charges	20,598	3,117
Amounts due by Charges for stipends and salaries	2,464	1,570
Other debtors and prepayments	40,047	26,555
	<hr/>	<hr/>
	123,199	87,494
<b><i>Due after more than one year</i></b>		
Other debtors and prepayments	26,755	-
	<hr/>	<hr/>
	149,954	87,494

After the year end, unpaid quota of £17,493 was converted to an interest free loan repayable in 2023.

**11. Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	£	£
<b>Grants awarded but not yet paid</b>		
Cash held on behalf of related Trust Funds	5,000	6,444
Accruals and deferred income	2,819	2,838
Taxation and social security	27,054	15,909
Other creditors	11,612	25,351
	<hr/>	<hr/>
	15,819	11,951
	<hr/>	<hr/>
	<b>62,304</b>	<b>62,493</b>

***Lent appeal***

Sums raised in the Bishop's annual Lent Appeal and paid over to beneficiaries are not shown in the statement of financial activities as they are collected by the Diocese on behalf of nominated recipients.

During 2020 £10,187 was contributed to the appeal by congregations in the diocese. Payments of £3,125 were made to each of Open Door Edinburgh and Project Embabazi. Amounts collected but not yet paid to recipients totalling £2,937 (2019: £722) are included in other creditors and were paid after the year-end. The corresponding asset is included within cash at bank in the balance sheet.

***Trust funds***

Included within creditors is the sum of £2,819 (2019: £2,838) relating to five small trusts with purposes related to the Scottish Episcopal Church. The diocesan property trustees comprise the trustees of the trusts concerned, which are administered by the Diocese. The corresponding asset is a designated Trusts Bank Account included within cash at bank in the balance sheet.

**12. Funds and summary of fund movements**

<b><i>Analysis of net assets between funds</i></b>	<b>General Fund</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
	£	£	£	£
Tangible fixed assets	6,297	927,799	-	934,096
Investments	74,575	5,112,922	292,766	5,480,263
Net current assets	99,833	122,072	88,116	310,021
	<hr/>	<hr/>	<hr/>	<hr/>
	180,705	6,162,793	380,882	6,724,380

A comparative table for 2019 is at note 14 (c)

**Notes to the Accounts (continued)**  
**Year ended 31 December 2020**

**12. Funds and summary of fund movements (continued)**

*Summary of movements in significant funds*

	<b>Brought forward</b>	<b>Net operating income/(expense)</b>		<b>Gains/(losses)</b>	<b>Transfers</b>	<b>Carried forward</b>
		<b>£</b>	<b>£</b>			
<b><i>Restricted Funds</i></b>						
Bishop's discretionary fund	136,028	2,635	40,306	-	-	178,969
Pitcairn Library fund	23,387	463	6,087	-	-	29,937
Funds for specific Charges	69,536	1,644	21,597	-	-	92,777
Walker Bursary Fund	44,225	4,737	8,380	-	-	57,342
Other restricted funds	12,266	8,326	1,265	-	-	21,856
	<b>285,442</b>	<b>17,806</b>	<b>77,634</b>	-	-	<b>380,882</b>
<b><i>Unrestricted funds</i></b>						
<b><i>Designated capital funds</i></b>						
Home mission funds	2,173,231	-	784,247	-	-	2,957,478
Overseas mission funds	15,263	-	5,508	-	-	20,771
Episcopal residence fund	927,799	-	-	-	-	927,799
<b><i>Designated revenue funds</i></b>						
Diocesan projects funds	1,696,152	(8,008)	565,601	3,000	2,256,745	
	<b>4,812,445</b>	<b>(8,008)</b>	<b>1,355,356</b>	<b>3,000</b>	<b>6,162,793</b>	
<b><i>General Fund</i></b>						
	124,855	34,241	24,609	(3,000)	180,705	
	<b>4,937,300</b>	<b>26,233</b>	<b>1,379,965</b>	-	<b>6,343,498</b>	
<b>Total funds</b>	<b>5,222,742</b>	<b>44,039</b>	<b>1,457,599</b>	-	<b>6,724,380</b>	

A comparative table for 2019 is included at Note 14(d).

***Restricted Funds***

The Bishop's discretionary fund provides grants for the benefit of individual diocesan clergy and also assists other beneficiaries and projects. The Pitcairn Library Fund is held for the improvement of the Cathedral library.

Funds for the benefit of specific Charges relate to the Charges at Livingston and Rosslyn.

The Walker bursary fund receives grants from the Walker Trust to provide bursaries for theological education.

Other restricted funds represent a number of small disparate funds.

***Unrestricted funds***

Home and overseas mission funds hold investments which provide income to support the mission and activities of the Diocese. The related investment income is therefore treated as unrestricted in the Statement of Financial Activities.

The Episcopal residence fund represents the net book value of the Episcopal residence.

Designated revenue funds can only be used to assist the Diocese, and Charges within it, with mission projects (the St Hilda's Fund), buildings maintenance (the St Andrew's Fund), and in cases of financial hardship. The transfer of £3,000 from General Fund to Project Funds is designed to build up a reserve to fund the cost of the Lambeth Conference in 2022.

**Notes to the Accounts (continued)**  
**Year ended 31 December 2020**

**13. Reconciliation of net income to net cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	£	£
Net income for the reporting period (as shown in the Statement of Financial Activities)	1,501,638	692,137
Adjustments for non cash transactions and investing or financing activities		
Add back depreciation charges	3,535	4,787
Deduct gains on investment assets	(1,457,599)	(688,383)
Deduct dividends, interest and rents from investments	(111,671)	(108,699)
	<u>(1,565,735)</u>	<u>(792,295)</u>
Changes in non-cash balances		
Decrease in debtors (excluding accrued interest)	(58,623)	55,930
(Decrease)/increase in creditors	(189)	(29,048)
	<u>(58,812)</u>	<u>26,882</u>
<b>Net cash used in operating activities</b>	<b><u>(122,909)</u></b>	<b><u>(73,276)</u></b>

**14. Fund information in respect of comparative figures**

<i>(a) Income and expenditure - 2019</i>	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>2019</b>
	<b>Fund</b>	<b>Funds</b>	<b>Funds</b>	<b>Total</b>
<b>Income - 2019</b>				
Income from donations and legacies	24,750	6,000	4,334	35,084
Quota due by charges	512,401	12,254	-	524,655
General Synod grant funding	-	-	88,814	88,814
Other grants and funding	-	-	17,120	17,120
Other charitable activities	6,597	-	-	6,597
Charges for printing, payroll etc	16,698	-	-	16,698
Income from investments	61,520	41,523	5,656	108,699
	<b>621,966</b>	<b>59,777</b>	<b>115,924</b>	<b>797,667</b>
<b>Expenditure - 2019</b>				
Costs of raising funds	-	-	-	-
Quota paid to General Synod	276,926	-	-	276,926
Mission and ministry activities	82,205	-	36,090	118,295
Grants and bursaries	7,221	53,137	66,053	126,411
Information and communications	15,817	-	-	15,817
Diocesan clergy	75,641	-	11,160	86,801
Diocesan office costs	148,536	-	-	148,536
Governance	21,127	-	-	21,127
	<b>627,473</b>	<b>53,137</b>	<b>113,303</b>	<b>793,913</b>
<b>Net operating income/(expenditure) - 2019</b>	<b>(5,507)</b>	<b>6,640</b>	<b>2,621</b>	<b>3,754</b>
<b>Gains on investment assets - 2019</b>	<b>18,786</b>	<b>633,430</b>	<b>36,167</b>	<b>688,382</b>
<b>Net movement in funds - 2019</b>	<b>13,279</b>	<b>640,070</b>	<b>38,788</b>	<b>692,136</b>

**Notes to the accounts (continued)**  
**Year ended 31 December 2020**

**14. Fund information in respect of comparative figures (cont'd)**

<i>(b) Movement in funds - 2019</i>	<i>General</i>	<i>Designated</i>	<i>Restricted</i>	<i>2019</i>
	<i>Fund</i>	<i>Funds</i>	<i>Funds</i>	<i>Total</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Net movement in funds - 2019	13,279	640,070	38,788	692,137
Funds brought forward at 1 January 2019	111,576	4,172,375	246,654	4,530,605
Total Funds at 31 December 2019	124,855	4,812,445	285,442	5,222,742

*(c) Analysis of net assets between funds - 2019*

Tangible fixed assets	9,832	927,799	-	937,631
Investments	111,848	3,767,848	215,132	4,094,828
Net current assets	3,175	116,798	70,310	190,283
	124,855	4,812,445	285,442	5,222,742

*(d) Summary of movements in significant funds - 2019*

	<i>Brought forward</i>	<i>Net operating income/ (expense)</i>		
		<i>Gains/ (losses)</i>		<i>Carried forward</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
<b><i>Restricted Funds</i></b>				
Bishop's discretionary fund	118,272	(1,021)	18,777	136,028
Pitcairn Library fund	20,108	443	2,836	23,387
Funds for the benefit of specific Charges	57,903	1,573	10,061	69,537
Walker Bursary Fund	37,717	2,605	3,904	44,225
Other restricted funds	12,654	(979)	589	12,265
	246,654	2,621	36,167	285,442
<b><i>Unrestricted funds</i></b>				
<b><i>Designated capital funds</i></b>				
Home mission funds	1,807,879	-	365,352	2,173,231
Overseas mission funds	12,697	-	2,566	15,263
Episcopal residence fund	927,799	-	-	927,799
<b><i>Designated revenue funds</i></b>				
Diocesan projects funds	1,424,000	6,640	265,513	1,696,152
	4,172,375	6,640	633,430	4,812,445
<b><i>General Fund</i></b>				
	111,576	(5,507)	18,786	124,855
	4,283,951	1,132	652,217	4,937,300
<b>Total funds</b>	<b>4,530,605</b>	<b>3,754</b>	<b>688,384</b>	<b>5,222,742</b>

An explanation of the purposes and restrictions relating to funds is given in Note 12.