

St Peter's Church, Lutton Place, Edinburgh
Annual Report and Accounts for the year ended 30 June 2024

SCO 17358

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St Peter's Church, Lutton Place, Edinburgh

Reference and Administrative Information

Charity Name and Address St Peter's Church
16 Lutton Place
Edinburgh
EH8 9PE

Scottish Charity Number SC017358

Charity Trustees

Hon. Treasurer

Hon. Secretary

Lay Representatives

Ministry Team

Bankers

Bank of Scotland
51 South Clerk Street
Edinburgh EH8 9PP

Independent Examiner

Trustees Annual Report

Year ended 30 June 2024

As the Charity Trustees of St Peter's Church, the Vestry presents its report and accounts for the year ended 30 June 2024. These have been prepared in accordance with the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS102).

Structure, governance, and management

St Peter's is an unincorporated association, governed by Constitution dated 17th November 1862 and subsequently amended by Deeds of Constitution, most recently on 10th January 2016. For the purposes of charities law, the members of the Vestry are the Charity Trustees of the Church. St Peter's is a member 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 are subject to the Canon Law of the Scottish Episcopal Church.

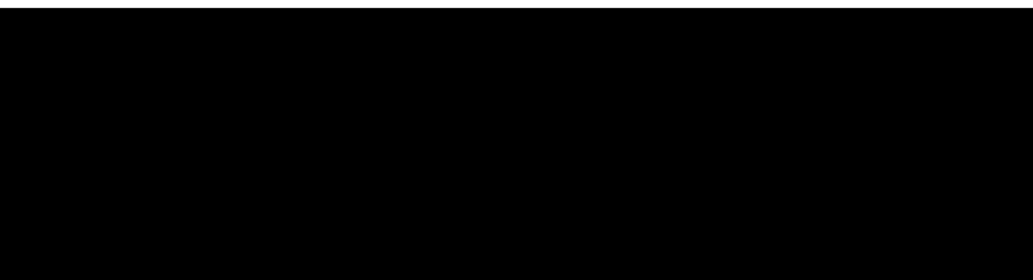
The members of the Vestry normally hold office for three years and are elected at the Annual General Meeting. The Lay Representative, who represents St Peter's at Diocesan Synod, and Alternate Lay Representative, are elected annually at the Annual General Meeting. The Vestry Secretary and Treasurer are appointed by the Vestry. The Rector is appointed by a special committee consisting of the Vestry and five Constituent Members of the Congregation appointed at a Special Meeting of the Congregation, and by the Bishop of the Diocese.

Objectives and activities

The objective of St Peter's Church is to advance the mission of the Christian Church, through worship, service and fellowship. The principal activities of the Church are public worship and the spiritual development of its members. In carrying out its objective, the Vestry depends upon the contribution of volunteers from the Congregation who participate in worship, serve on sub-committees and in many pastoral and social activities. These contributions are highly valued, and members of the congregation are encouraged to participate. Funds are collected and passed on to charitable causes that provide benefits to disadvantaged individuals and communities in Scotland, the rest of the United Kingdom and overseas.

Staffing

During the year 2023-2024, St Peter's employed the following staff.



Hall redevelopment

The roof over the main hall was renewed this year.

Financial Review

General fund unrestricted income was £210,527 (2023 £184,166) from voluntary income, grant, rent and investment income. Total unrestricted expenditure was £182,236 (2023 £188,528), generating an operating surplus of £28,291 (2023 -£4,362).

Restricted income, being grants and donations for a specific purpose, amounted to £26,125 (2023 £15,698). Mainly two grants to help pay for a new roof over the church hall.

2024 has seen the value of our investments continue to stabilise. Our investment property in Hope Park Crescent is valued at market value and this value is estimated to have increased by £15,249 in the year, based on price trends issued by the Edinburgh Solicitors Property Centre.

Our General Fund increased during the year to £559,482 (2023 £504,058). The building fund reduced to £61,254 (2023 £92,372).

In 2025 we aim to continue to consolidate our financial situation, rebuild reserves for the next big capital project and keep St Peter's assets in good order for Christian outreach.

Investments and reserves

The investments are funds managed by [REDACTED]. Investments are made through investment and unit trusts providing a broad spread of mainly equity holdings. The Investment Property is a flat in Hope Park Crescent, Edinburgh which was formerly used to accommodate the curate.

It is the policy to hold cash on deposit to cover known commitments and to avoid being forced to make sales when markets are low. Accordingly, Bank balances at 30 June 2024 amounted to £173,209 to allow us to manage cashflow. The bulk of these funds were in an Instant Access Deposit Account and Fixed Term Interest Account. The Finance Committee will decide whether to now move more cash into investments.

Risk Management

The principal risks faced by St Peter's are the receipt of congregational giving and unanticipated costs required to maintain the Church and Hall. Periodic stewardship campaigns are run to encourage congregational members to review their giving.

We maintain an active church and hall maintenance programme and undertake a full structural review of all our properties every five years. The dry rot in the church roof is limited in area and needs to be addressed with specialist joiners. A number of detailed findings are being addressed by an ongoing maintenance programme led by the Buildings & Works Committee.

Stipends and salaries are reviewed by the Vestry at the beginning of every year and were increased in January 2024. Energy costs for a large building continue to be a risk.

Reserves policy

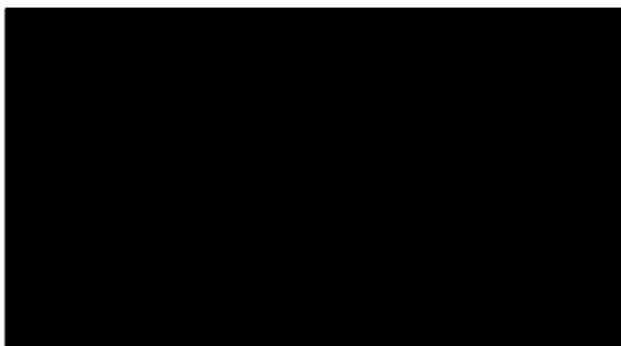
St Peter's has considered the reserves required and has considered its current and future liabilities. The Trustees aim to maintain free reserves at a level which equates to approximately twelve months of charitable expenditure together with an appropriate sum to cover any unanticipated building repair. The Trustees therefore consider that reserves should be held at around £200,000 (plus or minus 10%) plus the value of any property assets owned by the Church. They believe that such a level will provide sufficient funds to maintain the mission of the Church.

The General Fund at 30 June 2024 amounted to £559,482 (2023 £504,048), of which £312,679 (2023 £297,637) is held in the Investment Property, leaving £150,204 (2023 £138,085). This is in line with the policy detailed above.

Conclusion

This formal financial report is to be read alongside additional reports on the Church Year from the Rector and groups associated with St Peter's, which will also be presented to the AGM.

BY ORDER OF THE VESTRY



Independent Examiner's Report to the Vestry of St Peter's Episcopal Church, Lutton Place, Edinburgh

I report on the accounts of the charity for the year ended 30 June 2024, which are set out on pages 7 to 15.

Respective responsibilities of Trustees and Examiner

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, as amended. The charity Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts 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.

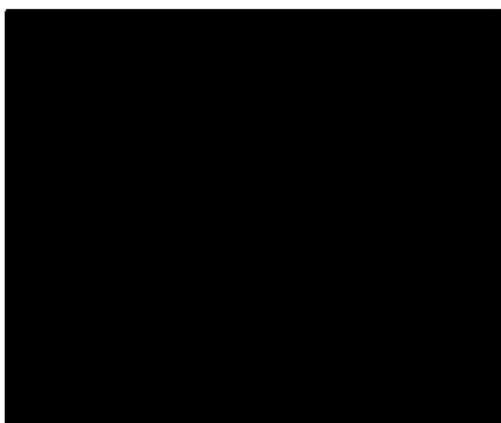
Basis of Independent Examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006, as amended. An examination includes a review of the accounting records kept by the charity 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 Sections 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, as amended, and
 - To prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations, as amended, have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



ST PETER'S EPISCOPAL CHURCH, LUTTON PLACE, EDINBURGH
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2024

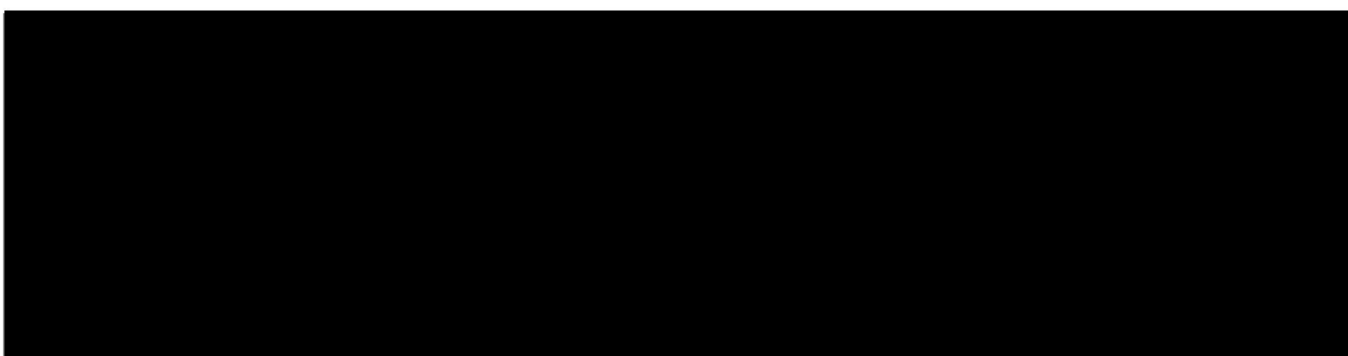
	Notes	2024				2023
		Unrestricted		Restricted Funds	All Funds Total	All Funds Total
		General Fund	Designated Building Fund			
		£	£	£	£	£
<i>Income from donations and legacies</i>						
Congregational giving		117,142			117,142	107,012
Donations				625	625	2,664
Legacies		0	0	0	0	0
<i>Income from trading activities</i>						
Rent from hall, church & tower		62,382			62,382	48,564
<i>Investment Income</i>						
Rental property		24,297			24,297	22,671
Dividends and interest income		4,190			4,190	1,897
<i>Income from charitable activities - Grants</i>						
Grants	5	2,352		25,500	27,852	16,033
Other income		164			164	1,023
Total Income		210,527		26,125	236,652	199,864
<i>Expenditure on:</i>						
<i>Fundraising</i>						
<i>Charitable activities</i>						
Salaries, pensions and national insurance	4	92,343		625	92,968	100,923
Worship and ministry		7,696			7,696	8,354
Quota	14	15,941			15,941	15,089
Governance, Admin & sundry	15	5,017		244	5,261	4163
Fabric costs		52,702	31,118	25,500	109,320	197,371
<i>Rental property costs</i>	10	8,537			8,537	19,826
Total Expenditure		182,236	31,118	26,369	239,723	345,726
Net Income / (Deficit) before gains on Investments		28,291	-31,118	-244	-3,071	-145,862
Net gain (loss) on investment assets	9	27,143	0	0	27,143	22,832
Net movement in funds		55,434	-31,118	-244	24,072	-123,030
Fund balances at 1st July 2023		504,048	92,372	244	596,664	719,694
Fund balances at 30th June 2024		559,482	61,254	0	620,736	596,664

The notes on pages 8 to 15 form part of these accounts.

ST PETER'S EPISCOPAL CHURCH, LUTTON PLACE, EDINBURGH
BALANCE SHEET AS AT 30 JUNE 2024

	2024	2023
	£	£
Fixed Assets		
Tangible assets (note 8)	4	4
Investment property (note 9)	312,679	297,637
Investments (note 9)	<u>150,204</u>	<u>138,085</u>
Total Fixed Assets	462,887	435,726
Current Assets		
Debtors (note 11)	7,434	31,052
Cash at Bank	<u>173,209</u>	<u>155,804</u>
Total Current Assets	180,643	186,856
Liabilities:		
Creditors: amounts falling due within one year (note 12)	(22,794)	(25,918)
Net Current Assets	157,849	160,938
NET ASSETS	620,736	596,664
Represented by:		
Unrestricted Funds:		
General Fund	559,482	504,048
Building Fund	61,254	92,372
Restricted Funds:	0	244
TOTAL FUNDS	620,736	596,664

Approved by the Vestry 9th October 2024 and signed on their behalf by: -



The notes on pages 9 to 15 form part of these accounts

ST PETER'S EPISCOPAL CHURCH, LUTTON PLACE, EDINBURGH

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

a) Basis of preparation of accounts

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Church constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

b) Fund accounting

There are two main classes of charitable funds: unrestricted funds, which can be spent or applied at the discretion of the trustees to further any of the charity's purposes; and restricted funds, which can only be used for specific charitable purposes. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Trustees may choose to set aside a part of the unrestricted funds to be used for a particular project or commitment. By earmarking funds in this way, the trustees set up a designated fund that remains part of the unrestricted funds of the charity. St Peter's has one Designated Fund to support funding of various Building Projects. Further explanation of this fund can be found at note 3 to these financial statements.

During the year, two grants and one donation were received with restrictions on their use. This restricted income was expended in full within the financial year, as was a partially expended grant brought forward from 2023.

c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Donations are recognised when the Church has been notified in writing of both the amount and settlement date. Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Hall rental income is recognised when invoiced. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

The Church receives substantial benefit from the time given to support its activities by its members. This benefit is not included as income in the accounts but includes:

- acting as Trustees through membership of the Vestry
- participation in worship and mission
- assisting with catering, property maintenance, garden maintenance, administration and other tasks required to support the Church.

d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. VAT, not being recoverable, is charged against the expenditure heading for which it was incurred.

e) Investment management costs

The costs of generating funds consist of maintenance and other costs associated with the Church's investment property.

f) Tangible fixed assets and depreciation

Heritable properties are shown at cost and expenditure on properties is not capitalised. Depreciation is not provided on heritable properties. The heritable properties have useful lives in excess of fifty years. No depreciation has been provided against the book value of heritable properties as, in the opinion of the Vestry, due to the long useful economic lives of the properties and their high residual values, any depreciation charge and resultant accumulated depreciation are immaterial. In the opinion of the Vestry, no impairment of the carrying values has occurred during the year. Expenditure on other tangible fixed assets is charged to revenue as incurred.

g) Investment property

The investment property is shown at estimated fair value. Fair value is estimated based on the price of similar properties sold on the open market and price changes published by the Edinburgh Solicitors Property Centre. An independent valuation has not been obtained and the Trustees do not consider that the cost of obtaining such a valuation is warranted.

h) Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Church does not acquire put options, derivatives, or other complex financial instruments.

i) Cash at bank

Cash at bank comprises funds held with The Bank of Scotland including instant access savings and, during the year, a six month fixed term savings account.

j) Gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired after the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Related party transactions and Trustees' expenses and remuneration

Except for the Rector, the Trustees all gave freely their time and expertise without any form of remuneration or other benefit in cash or kind. Expenses paid to Trustees (not incl Rector) in the year amounted to £1,206 (2023 £95). Rector's expenses came to £1,663 (2023 £1,989) comprising the reimbursement of computer and internet costs, £888 (2023 £638), ministry costs, £636 (2023 £1,001), other costs £139 (2023 £351).

The Rector, [REDACTED] is *ex officio* a member of the Vestry and a Trustee and receives stipend calculated with reference to standard stipend set by the General Synod of the Scottish Episcopal Church. In addition, the Rector is provided with living accommodation at the Church's expense in the Rectory located at Brights Crescent, Edinburgh.

The aggregate amount of donations received from Trustees during the year was £12,570 (2023 £13,302).

3 Funds

The Building Fund is a Designated Fund which has been established to fund the refurbishment of the Hall and extended to include refurbishment projects in the Rectory and Investment Property.

Restricted funds received in the year comprise grants totalling £25,500 to support the new hall roof (2023 £15,073 to support rectory refurbishment) and £625 to support an Organ Scholarship (2023 £625).

4 Clergy and Staff costs and emoluments

	2024	2023
	£	£
Gross Stipends and Salaries	81,025	89,113
Employer's National Insurance Contributions	0	1,510
All Pension Contributions (staff and employee)	11,318	10,300
	92,343	100,923
	2024	2023
Average number of employees during the year	6	6
Average number of employees during the year (full time equivalent)	3	3

No employee received emoluments over £60,000.

Information regarding stipendiary members of the clergy, who are technically not employees but office holders, is included above.

The Rector is a member of the Scottish Episcopal Church Pension Fund which is a non-contributory defined benefit scheme with benefits based on final pensionable salary. St Peter's Episcopal Church is unable to identify its share of the underlying assets and liabilities of the fund on a consistent and reasonable basis and so accounts for its contributions as if the scheme was a defined contribution scheme. The contribution rate for the year under review was 32.2%. These rates were based on the recommendations of the fund's Actuary following the periodic valuation of the fund as at 31 December 2020 which indicated a surplus of £5.6 million. There were no contributions outstanding at 30 June 2024 in relation to the St Peter's Episcopal Church's member of the Fund.

Three employees (2023 two employees) are members of a workplace pension scheme which St Peter's has established with NEST Corporation.

Pension costs paid by St Peter's were as follows:	2024	2023
	£	£
SEC Pension Fund	10,238	9,360
NEST Corporation	1,080	940
	11,318	10,300

5 Grants

	2024 £	2023 £
Grant income was as follows:		
Unrestricted		
Diocesan Stipend Support Grant	960	960
Interfaith Edinburgh craft group	392	-
Others	1,000	-
Restricted		
Diocese of Edinburgh	0	15,073
Valencia Communities Fund	22,500	0
Benefact Trust	3,000	0
	<u>27,852</u>	<u>16,033</u>

6 Support costs

Support costs which include the salary of the Administrator and Development Officer, office costs, etc. have not been separately identified as the Trustees consider there to be only one charitable activity, the worship of God and furtherance of God's mission. Support costs relate wholly to that activity.

7 Collections paid over to charities

During the year special collections were made for a number of charities. Two amounts collected but not remitted in in previous years were carried forward to 2023/24. These collections are not reflected as income or expenditure in the accounts. The details of amounts received, remitted and carried forward are as shown in the table below.

	Collections of previous years	Received 2023-24	Remitted 2023-24	Cf & remitted 2024-
				25
Christian Aid	151	205	-	356
Edinburgh City Mission	800	1,154	1914	40
Poppy Scotland	45	107	152	-
Mercy Ships	-	674	-	674
Newington Foodbank	174	1,557	174	1,557
Bishop's Lent Appeal	245	0	245	-
Sunflower Scotland	276	0	276	-
	1,691	3,697	2,761	2,627

	Collections c/f from 2021-22	Received 2022-23	Remitted 2022-23	c/f to be remitted in 2023-24
Edinburgh City Mission		800		800
Poppy Scotland		45		45
Newington Foodbank		174		174
Hadeel Fund		742	(742)	
Sunflower Scotland		787	(511)	276
Mercy Ships		671	(671)	
Christian Aid	161	56	(66)	151
Bishop's Lent Appeal	34	211		245
	195	3,486	(1,990)	1,691

8 Tangible Fixed Assets

All properties are owned by St Peter's Episcopal Church. Heritable properties consist of:

The Church, Church Hall and Lodge at Lutton Place, Edinburgh

The Rectory at Brights Crescent, Edinburgh

These properties are each valued at a nominal £1 each. Expenditure for these properties is classed as maintenance and as such has not been capitalised.

On 1 July 2024, the Rectory was insured for a total of £1.2 million and the Church, Church Hall, and Lodge for a total of £19.9 million, which are estimates of the replacement cost of the buildings and all contents owned by the Church. 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.

9 Investments

	Investments £	Investment Property £	Total £
At 30 June 2023	138,085	297,637	435,722
Net gain (loss) on revaluation at 30 June 2024	12,119	15,042	27,143
Balance at 30 June 2024	150,204	312,679	462,883

The net gain (loss) on investment assets is made up as follows:

	2024 £	2023 £
Unrealised gain (loss) on investments	12,119	3,988
Realised gain on investments	0	3,595
Unrealised gain (loss) on investment property	15,042	15,249
	27,143	22,832

St Peter's Episcopal Church's investments are managed and held by Baillie Gifford & Co. The market value, distribution and movement in holdings of the investments during the year to 30 June 2024 were as follows;

Investment holding	1 Jul 2023 £	Gain/(loss) £	30 Jun 2024 £
Baillie Gifford Managed Fund Net B Income	58,226	4,452	62,678
BG UK & Balanced Funds ICVC Global Equity Income Fund	40,102	4,023	44,126
BG Investment Funds II ICVC Sustainable Growth Fund	39,756	3,644	43,400
	138,085	12,119	150,204

10 Rental Property

The investment property is a flat at Hope Park Crescent, Edinburgh, formerly used as curate's accommodation and now tenanted. The original purchase price was £65,000 but this has been revalued to open market value estimated at £312,679 (2023 £297,637).

	£
Gross rent	24,297
Managing agent commission	1,758
Insurance	640
Repairs and maintenance	4,102
Refurbishment	2,037
Total costs	8,537
Net	15,760

11 Debtors

	2024	2023
	£	£
Gift Aid	1,251	23,050
Trading activities	2,368	2,267
Rental property	2,720	2,720
Building Grant	0	2,500
Other debtors and prepayments	1,095	515
	7,434	31,052

12 Creditors falling due within one year

	2023	2023
	£	£
Trading activities – deferred income	9,949	5,763
Rental property deposits	2,720	2,720
Council tax & water charges	312	0
Fabric	6,708	6,108
Admin	275	243
Quota	0	7,621
Worship & ministry	2,830	2,838
Donations & legacies	0	625
	22,794	25,918

13 Reconciliation of movement in funds

2023/24	Balance at 30 June 2023	Incoming Resources	Resources Expended	Investment Gain/loss	Balance at 30 June 2024
Unrestricted Funds	£	£	£	£	£
General Fund	504,048	210,527	182,236	27,143	559,482
Designated Building Fund	92,372	-	31,118	-	61,254
Restricted Funds	244	26,125	26,369	-	0
Total Funds	596,664	236,652	239,723	27,143	620,736

2022/23	Balance at 30 June 2022	Incoming Resources	Resources Expended	Investment Gain/loss	Balance at 30 June 2023
Unrestricted Funds	£	£	£	£	£
General Fund	485,578	184,166	188,528	22,832	504,048
Designated Building Fund	233,626	-	141,254	-	92,372
Restricted Funds	490	15,698	15,944	-	244
Total Funds	719,694	199,864	345,726	22,832	596,664

14 Net Assets analysed by Fund

	2024			
	Unrestricted Funds		Restricted	
	General	Designated	Funds	Total
	£	£	£	£
Fixed Assets	4	-	-	4
Investments	462,883	-	-	462,883
Current Assets	119,389	61,254	-	180,643
Current Liabilities	(22,794)	-	-	(22,794)
	559,482	61,254		620,736

	2023			
	Unrestricted Funds		Restricted	
	General	Designated	Funds	Total
	£	£	£	£
Fixed Assets	4	-	-	4
Investments	435,722	-	-	435,722
Current Assets	94,240	92,372	244	186,856
Current Liabilities	(25,918)	-	-	(25,918)
	504,048	92,372	244	596,664

15 Quota

Quota is paid by St Peter's Episcopal Church to the Diocese of Edinburgh to support the work of the Diocese and of the Scottish Episcopal Church as a whole.

16 Governance costs

Independent Examiner's fee Nil (2023: Nil)