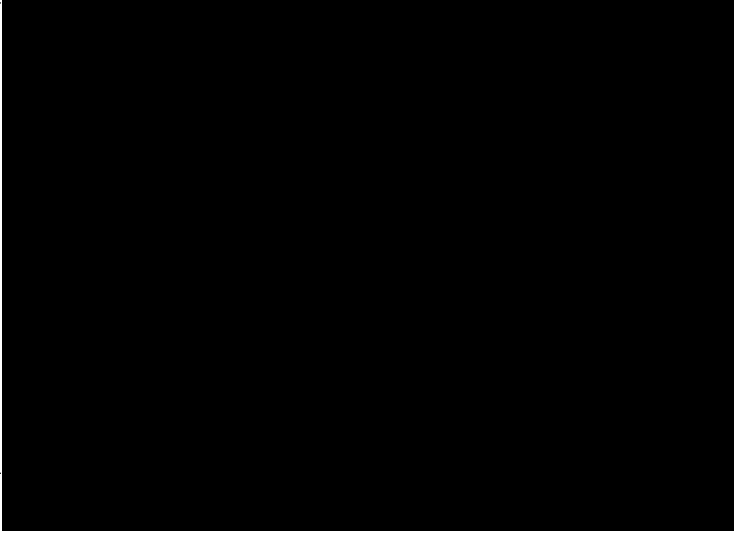


Episcopal Church of the
Good Shepherd, Murrayfield



Report and Financial Statements
for the year ended
30 September 2024

Reference and administrative information

Charity Name	Episcopal Church of the Good Shepherd, Murrayfield
Principal address	13a Murrayfield Avenue, Edinburgh Edinburgh EH12 6AU
Website	https://www.goodshepherdmurrayfield.org.uk
Registered Charity number	SC000357
Trustees as at the date of this report. (See page 3 under 'Vestry membership' for changes in trustees during the year.)	
Independent Examiner	
Bankers	Bank of Scotland Virgin Bank

REPORT OF THE VESTRY (TRUSTEES' REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2024

The trustees are pleased to present their report together with the financial statements and independent examiner's report for the year to 30 September 2024.

1. Structure, governance and management

The Church is an unincorporated association governed by a Constitution and managed by the Vestry. As a member congregation of the Diocese of Edinburgh in the Scottish Episcopal Church, it is also governed by Canon law of the Scottish Episcopal Church. The Church is a registered charity and, for the purposes of Charity Law, the members of the Vestry are its Trustees.

Vestry membership

Ex officio members of the Vestry include the Rector, appointed by the Vestry (in consultation with the Bishop of the Diocese), and the Rector's Churchwarden, appointed by the Rector. Other Vestry members are elected by the congregation in annual meeting, or failing that may be co-opted by the Vestry. The Lay Representative and People's Churchwarden are annual appointments; two other ordinary members retire each year, but may be re-elected. There is no formal induction programme, but ongoing guidance is given to ensure that Vestry members are familiar with the Church's values and aims; and with their responsibilities as the trustees of a charity.

The Rector and the Lay Representative represent the Congregation at Diocesan Synod.

The current members of the Vestry are listed on page 2. There were no changes to vestry membership during the year ended 30 September 2024 or to date.

Administrative structure

The Vestry is responsible for managing and safeguarding the assets of the Church and assisting the Rector in matters affecting the spiritual welfare of the congregation. It is also responsible for looking after the finances of the church, for keeping proper accounting records and ensuring that the annual accounts are prepared in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. New members are elected to the Vestry at Annual General Meetings via a nomination procedure that is well advertised to the congregation.

The Vestry conducts its business through regular advertised meetings and through the Finance, Property and Social Committees that report to it. The Vestry, at its regular meetings, considers any risks facing the Church, particularly in connection with potential changes in operations, and establishes procedures to mitigate risks that are identified. Quinquennial property reviews are carried out to give assurance in relation to property risks.

2. Reference and administrative information

Reference and administrative details are presented on page 2.

3. Objectives and activities

The primary charitable purpose of the Church is the advancement of religion and to provide public benefit. The Vestry's objectives are to advance the mission of the Christian Church, through worship, service, and fellowship. These objectives are met through mission and pastoral activities.

The principal activities of the church are public worship in word, sacrament and prayer; Christian education; charitable work and fund-raising for local, national and international needs; and social meetings.

4. Achievements and performance

Please see the Rector's Report on pages 5 and 6.

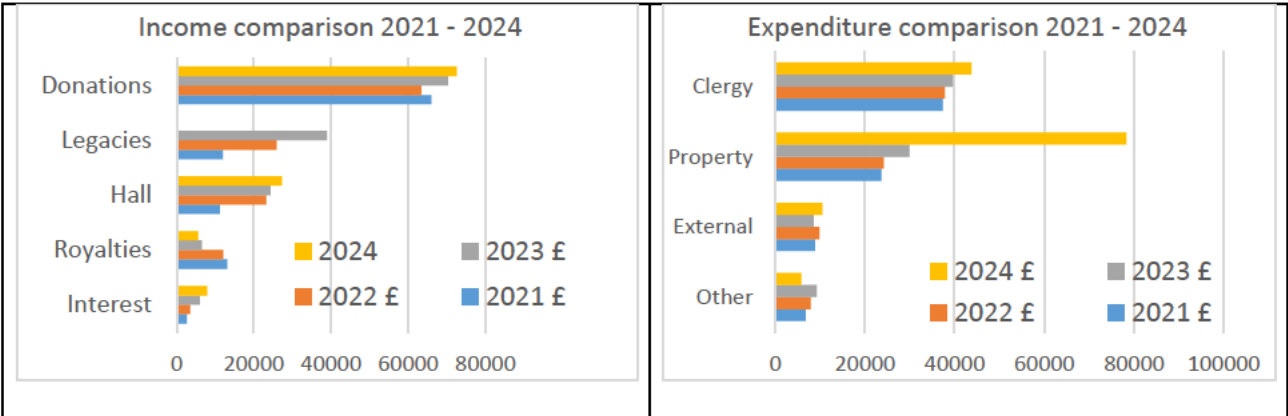
Trustees’ Report (continued)

5. Financial review

The year to 30 September 2024 saw significant expenditure on property – double glazing the rectory at a cost of £48,000. In a year without legacies, the Church would have recorded a drop in funds of £23,000 as a result. However, a rise in investment values reduced this to just £3,000. The reduction in cash balances was only £700, thanks to getting fully up to date with gift aid claims.

Income

Adjusting for timing differences on gift aid receipts and hall rentals, the underlying income trend over the past four years is shown in the chart below. Regular giving rose by 10%, helped by a generous response to a renewal of giving appeal in May 2024, and by the addition of new standing orders. Hall income benefited from inflation linking, but also from a doubling of income from one-off events. Royalty income, from literary rights bequeathed to the church by the author Lucilla Andrews, continues to fall off now all her work has been published in e-book format, but at a much slower rate than expected.



Expenditure

Inflation-linked increases in stipend over two years have had a bigger effect on 2024 as the SEC’s transitional stipend support came to an end in December 2023. The new Rectory windows were the biggest contributor to high property costs. Utility costs also remain high, though a new three-year contract signed in March 2024 has brought the unit cost down from four times its pre-March-2023 level to a mere 2.8 times. The ‘External’ category comprises quota payable to the Diocese plus any charitable donations made from church funds (ie not from collections). The ‘other’ category combines worship, pastoral, outreach, and administration costs.

Investments

Long term funds are invested in the Unit Trust Pool (“UTP”) of the Scottish Episcopal Church. The investment objective of the UTP, which accords with that of the Vestry, 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 Provincial Investment Committee who manage the UTP have determined an ethical investment policy which stresses certain 'positive' ethical criteria, as well as certain strict 'negative' criteria that include no direct investment in companies whose main business is in restricted categories such as armaments, gambling or tobacco.

Reserves policy

The Vestry aims to maintain an amount in general reserves equal to the net book value of tangible fixed assets plus at least one year’s anticipated future expenditure. Currently this target is well exceeded, but the vestry is conscious of the need to spend on significant projects in the short-to-medium term so as to secure a sustainable future for the activities and presence of the Good Shepherd in Murrayfield in the decades to come.

6. Future plans

The Vestry aims to continue the present level of service provision in terms of worship, pastoral care and community support.

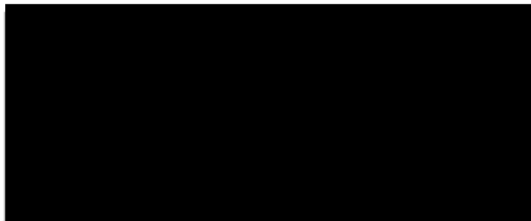
A major area of focus in 2024/25 will be the completion of the project begun last year to make the church more welcoming and to increase its use by community groups. Following the reinstallation of a sink in the choir vestry in 2023, a skilled craftsman has now been commissioned to build new oak storage units for the back of the church. These have been sensitively designed to match existing furnishings and to be sympathetic to the church's architectural heritage.

Having completed work in 2023/24 on improving the Rectory's energy efficiency, the vestry will turn its attention over the coming year to putting into effect other actions recommended in the recent quinquennial property review for the repair and maintenance of the church and hall, and to make further moves towards carbon neutrality.

7. Conclusion

The vestry is hugely grateful to Rev'd Canon Dean Fostekew, our Rector, for his hard work and commitment to the Good Shepherd; to Rev'd Russell Duncan and Rev'd David Warnes for supporting him in his ministry; and to all our members for their continued and continual support and prayers.

Approved by the Vestry on 11 November 2024 and signed on their behalf by:



 Secretary

Rector's Report on the year to 30 September 2024

It was good to celebrate 125 years of use of the building we love back on Good Shepherd Sunday. I have always thought the fact that the building was never completed (as to the original Lorimer design) is quite important as it speaks of the provisionality of human plans. As it is, our building is welcoming to all who come through its doors, a place of prayer and sanctuary in which to worship God. We have been delighted that a number of new members have joined us this year, all of whom have spoken of the genuinely warm welcome they received.

We have also seen the addition of two extra AA groups using the church building, which has become as much loved by their members as ours. The Congregation sponsors these groups as part of our community outreach. AA groups now meet four times a week and sometimes the meeting is shared on zoom around the world too, thanks to our new and improved WiFi facilities. Our church building has also been used for other meetings, organ recitals, a concert, and as a polling station, all increasing the community usage. New oak cupboards, now being built by a skilled craftsman to be in keeping with the church interior, will provide extra storage and easier refreshment serving to cater for this increasing usage. Meanwhile, our hall has been well used by a Montessori Nursery, by Murrayfield Memorial Table Tennis Club and by others for dance classes and private parties.

Rector's Report (continued)

We also have a beautiful, much loved and well-used garden, greatly enjoyed by neighbours and local residents. The Porch Chapel continues to be a source of sanctuary and prayer for many outside church opening hours, as evidenced by comments and prayer requests left on the pin-board. I believe we can honestly say that we are a community church. Not everyone attends services, but more people than we realise come in and pray, or just breathe more easily in the peacefulness of the garden.

Care of the buildings and grounds is always an on-going concern. This year saw the Quinquennial Report published, listing various things we will need to do in the coming months and years to keep the fabric in good order, both in terms of general maintenance and reducing carbon emissions. New double-glazed windows were put into the Rectory earlier this year, and the difference was immediate.

We are blessed by those who minister amongst us, especially the [REDACTED] and the [REDACTED]. They have also been ably joined by [REDACTED] (Lay Reader) and the [REDACTED]. It is an invaluable gift that we have such able preachers who give us a variety of different ways in which to hear the Word of God. Our worship has also been enhanced beyond measure by our dedicated Choir and Director of Music. What a wonderful variety of music we enjoy!

Murrayfield Churches Together

We have continued to contribute to the wider community at home and overseas in partnership with Murrayfield Parish Church and Saughtonhall URC, through Murrayfield Churches Together. MCT continues to support Ecludare and in August we were delighted to welcome back Esther Wonjoni, its founder, when she was in Europe for a conference. The Murrayfield Club for dementia sufferers and their carers has run without hindrance for most of the past year and is usually full to capacity. Its weekly Memory Lane Café, held at Saughtonhall URC on Friday mornings, continues to be very popular. The Café enables the Club to fulfil its brief in raising awareness of dementia and combatting social isolation of the elderly in the local community.

Worship at Murrayfield House Nursing Home, led by members of the Good Shepherd, offers Evensong twice a month on the first and third Wednesdays at 2pm. For younger ages, our partner churches in MCT facilitate Messy Church each month. The MCT Faith Study Group continues to meet and grow as it explores a wide variety of theological topics. Over the year we have worshipped jointly with our partner churches for Advent Sunday Carols, the Week of Prayer for Christian Unity, Christian Aid Week, the World Day of Prayer, and on the Sunday in August when Esther came to visit.

Conclusion

How good it is that we continue witnessing to Christ in this bit of the Kingdom we call Murrayfield, and I thank all who do so many things, often behind the scenes, to ensure that the Good Shepherd remains the caring community it is. It shows that our forebears were right to ask for a church presence here, and that God wants us to be here as well. Long may that be the reality!



Rector

Independent Examiner's Report to the trustees of The Church of the Good Shepherd, Murrayfield

I report on the accounts of the charity for the year ended 30 September 2024 which are set out on pages 8 to 12.

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) (d) 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 report

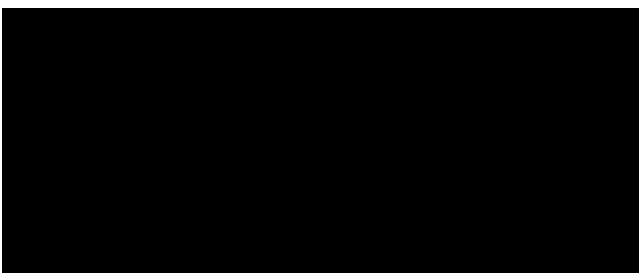
My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration 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 section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed



Fellow of the Association of Chartered Certified Accountants



12 November 2024

Statement of Receipts and Payments

for the year ended 30 September 2024

	note	General Fund	Designated Funds	Restricted Funds	2024 Total	2023 Total
		Unrestricted	Unrestricted	Restricted		
		£	£	£	£	£
RECEIPTS						
Voluntary income						
Donations		59,916	-	3,398	63,314	59,503
Gift Aid	10	35,317	-	1,404	36,721	11,444
Legacies		-	-	-	-	39,000
		95,233	-	4,802	100,035	109,947
Grant - Transitional Stipend Support	6	480	-	-	480	1,440
Receipts from charitable activities		-	-	-	-	263
Receipts from fundraising activities		-	-	-	-	-
Hall rentals		26,581	-	-	26,581	20,590
Organ recitals		-	-	934	934	-
Receipts from investments						
Interest		7,966	-	-	7,966	6,035
Literary rights		5,637	-	-	5,637	6,486
		13,603	-	-	13,603	12,521
TOTAL RECEIPTS		135,897	-	5,736	141,633	144,761
PAYMENTS						
Costs of fundraising activities		10,776	-	740	11,516	11,246
Charitable activities						
Quota and other church subs	4	10,055	-	-	10,055	7,949
Charitable donations	5	471	-	3,471	3,942	1,755
Clergy costs	6	44,230	-	-	44,230	41,091
Worship expenses		2,920	-	-	2,920	6,261
Pastoral support and outreach		1,517	-	-	1,517	1,430
Member activities		-	-	-	-	-
Property costs	7	66,627	-	167	66,794	23,566
Support costs		1,375	-	-	1,375	1,544
		127,195	-	3,638	130,833	83,596
TOTAL PAYMENTS		137,971	-	4,378	142,349	94,842
Net receipts/(payments)		(2,074)	-	1,358	(716)	49,919
<i>Net receipts/(payments) 2023</i>		19,902	29,000	1,017	49,919	

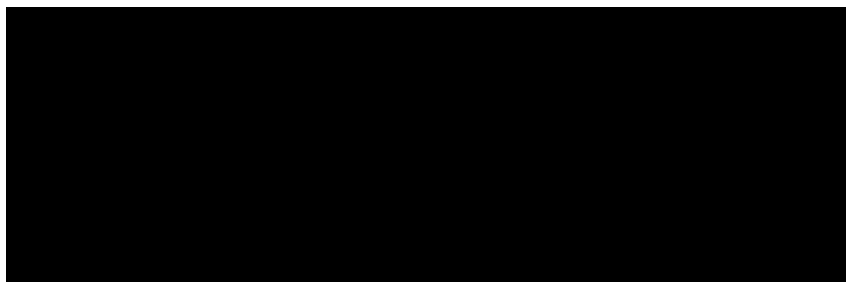
The notes on pages 10 to 12 form an integral part of these financial statements

Statement of Balances

As at 30 September 2024

		General Fund	Designated Funds	Restricted Funds	2024 Total	2023 Total
		Unrestricted	Unrestricted	Restricted		
	note	£	£	£	£	£
Cash at bank and in hand	8					
At 30 September 2023		90,121	54,557	6,160	150,838	100,919
Net receipts/(payments)		(2,074)	-	1,358	(716)	49,919
Transfer	12	(3,713)	3,713	-	-	-
At 30 September 2024		84,334	58,270	7,518	150,122	150,838
Other assets and liabilities						
Fixed assets	3	-	-	-	-	1,358
Investments - Unit Trust Pool	9	152,162	-	-	152,162	132,043
Debtors	10	10,666	-	-	10,666	31,047
Creditors	11	(525)	-	-	(525)	-
Total funds	13	246,637	58,270	7,518	312,425	315,286
	<i>At 30 September 2023</i>	<i>254,067</i>	<i>54,557</i>	<i>6,662</i>	<i>315,286</i>	

Approved by the Vestry and signed on their behalf:



11 November 2024

The notes on pages 10 to 12 form an integral part of these financial statements

Notes to the accounts for the year ended 30 September 2024

1. Basis of preparation of accounts

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

2. Funds

Unrestricted funds are those that may be used at the discretion of the Vestry in furtherance of the Church's objectives. The General Fund is unrestricted and maintained for the day-to-day running of the Church.

Designated Funds are also unrestricted but have been set aside by the Vestry for particular purposes. In recent years, the Vestry has credited legacy receipts to a designated fund for improving the amenity and energy efficiency of our buildings.

Restricted funds may only be used for specific purposes. Restrictions arise when specified by the donor or in fund-raising appeal literature. The purposes of current restricted funds are shown in note 13.

3. Property and fixed assets

All the heritable property of the church, comprising the church building, the hall and the rectory, are vested in the Bishop of Edinburgh, together with the Dean, Chancellor and Registrar of the Diocese (*ex officio*), who hold the properties in trust for the congregation. During the year, the three properties had to be registered under the Land Reform (Scotland) Act 2016 which came into effect in April 2024. They are separately listed in the new Register of Controlled Interests in Land in the names of the four Diocesan trustees as legal owners and three representative members of the vestry as 'associate owners', because the Vestry has effective control of the properties.

Given the nature of the property ownership, the Vestry believes it highly unlikely that the proceeds of any future sale would flow to the Good Shepherd and they have accordingly been excluded from the Statement of Balances. The original cost of heritable property is unknown, and no market valuation has been sought as, in the opinion of the vestry, the cost of doing so would outweigh any benefit.

The church also owns a small triptych by Phoebe Traquair, which has been on loan to the National Museum of Scotland for many years. It was valued at £25,000 in 2003, but the Church has no intention to sell and its current value is unknown, so no value has been placed upon it in the Statement of Balances.

Fixed assets that are shown in the Statement of Balances comprise hall improvements made in 2014, and are carried at cost less depreciation at 10% per annum. They are now fully depreciated.

4. Quota

Quota is the amount paid to the Diocese of Edinburgh to help meet the costs of the Diocese and the Scottish Episcopal Church. These costs include the provision of pastoral support by the Bishop and Dean, and grants to support the ministry of less well funded congregations.

5. Payments to charities

Payments to charities (see also note 12) represent (a) restricted donations to the church in response to collections or appeals for specific charities, including related gift aid; and (b) any sums authorised by the vestry to be paid from church funds. They exclude cash collections for charities where the cash donated is passed directly to the charity concerned. These amounts, which are often not counted before being passed on, cannot be quantified and are excluded from the accounts.

6. Trustee remuneration, benefits and expenses

The Rector, [REDACTED], is *ex officio* a member of the Vestry and therefore a trustee. He receives remuneration, benefits, and reimbursement of expenses in respect of services as a stipendiary cleric in line with scales determined by General Synod of the Scottish Episcopal Church. Payment of remuneration is authorised under article 22 of the Constitution.

Notes to the accounts (continued)

6 Trustee remuneration, benefits and expenses (continued)

Amounts paid to the Rector during the year comprised stipend of £32,391 (2023 – £29,835) and pension contributions of £10,430 (2023 – £9,607). Travel, training and subsistence expenses refunded amounted to £754 (2022 – £1,161). A temporary stipend support grant of £480 (2023 – £1,440) was received from the Diocese of Edinburgh to help compensate for the effect of high inflation upon the level of standard stipend fixed for the calendar year 2023.

██████████, Director of Music, is a member of the Vestry. During the year, he received organist's fees totalling £1,381 (2023 - £1,970), with a further £440 due but unpaid at 30 September 2024.

No other member of the vestry received any remuneration or reimbursement of expenses during the year or previous year, other than reimbursement of purchases made on behalf of the church.

7. Analysis of property management costs

	Church and garden	Hall	Rectory	TOTAL	2023
	£	£	£	£	£
Heat and light	4,469	4,494	-	8,963	9,310
Insurance	2,100	1,250	1,231	4,581	3,993
Council tax	-	-	3,710	3,710	3,582
Cleaning and consumables	2,164	3,452	-	5,616	4,992
Welcoming project	-	-	-	-	6,287
Maintenance	2,790	1,580	50,330	54,700	5,745
	11,523	10,776	55,271	77,570	33,909
Allocated to hall rental costs	-	10,776	-	10,776	10,343
	11,523	-	55,271	66,794	23,566
2023	16,815	-	6,751	23,566	

8. Cash balances

	2024	2023
	£	£
Bank of Scotland current account	1,401	28,718
Bank of Scotland instant access savings	23,453	
Bank of Scotland 32 day notice account	124,967	121,818
Virgin	4	4
Cash floats	298	298
	150,123	150,838

9. Investments

Investments consist of units in the Scottish Episcopal Church Unit Trust Pool.

	Number of units	Cost	Value/cost per unit	2024	2023
		£	£	£	£
Scottish Episcopal Church Unit Trust Pool					
At 1 October 2022	4988	109,749	26.4722	132,043	125,224
Valuation change		-		20,119	6,819
At 30 September 2023	4988	109,749	30.5057	152,162	132,043

10. Debtors

	General Fund £	Designated Funds £	Restricted Funds £	2024 Total £	2023 Total £
Gift aid recoverable	886	-	-	886	21,277
Hall rentals due	2,766	-	-	2,766	2,093
Prepayments (insurance)	3,703	-	-	3,703	3,228
Royalty income due (estimated)	900	-	-	900	900
Utilities paid in advance	2,411	-	-	2,411	3,548
	<u>10,666</u>	<u>-</u>	<u>-</u>	<u>10,666</u>	<u>31,046</u>

Gift aid recovered in the year comprised £21,277 recognised as recoverable at 30 September 2023, a further £2,251 relating to earlier years and £13,193 in relation to 2023/24 (total £36,721), leaving only £886 still receivable at the end of the year.

11. Creditors

The only creditor at the year-end was a quarterly organist's fee of £440 plus expenses of £85. There were no creditors as at 30 September 2023.

12. Designated Funds

The vestry has decided to designate recent legacies towards the cost of building improvements and refurbishment. The transfer from General Funds to Designated Funds at 30 September 2024 represents a legacy of £10,000 received in 2020/21 net of costs of £6,287 incurred in 2022/23 on installing kitchen facilities in the choir vestry. These items were originally dealt with in the General Fund.

13. Restricted Funds

	Start of year £	Receipts £	Payments £	Transfers £	End of year £
Accumulated net receipts					
Music Fund	4,884	1,167	740	-	5,311
Charities Fund	715	3,521	3,471	-	765
Retreats Fund	39	-	-	-	39
Furnishings Fund	250	-	-	-	250
Garden fund	272	1,048	167	-	1,153
Total receipts	6,160	5,736	4,378	-	7,517
Gift aid receivable	502	(502)	-	-	-
Total Funds	<u>6,662</u>	<u>5,234</u>	<u>4,378</u>	<u>-</u>	<u>7,517</u>