

Charity registration number SC016813 (Scotland)

DIOCESE OF BRECHIN
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2024

DIOCESE OF BRECHIN

LEGAL AND ADMINISTRATIVE INFORMATION

Diocesan Council



Charity number (Scotland) SC016813

Principal address



Auditor

Bird Simpson & Co
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Dundee
DD1 4EB

Bankers

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DIOCESE OF BRECHIN

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DIOCESE OF BRECHIN

DIOCESAN COUNCIL'S REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2024

The Diocesan Council present their report and financial statements for the year ended 30 November 2024.

For the purposes of Scottish Charity Law, the members of the Diocesan Council are charitable trustees of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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 objectives of the Diocese are to support and promote the mission and ministry of the Scottish Episcopal Church in the historical area of the Diocese of Brechin, covering the City of Dundee, Carse of Gowrie, most of Angus, the Mearns and southern Aberdeenshire. This is achieved by the provision of spiritual, clerical and financial support to the Scottish Episcopal Charges throughout the Diocese, the administering of Provincial grants, encouraging and supporting mission work and the development of training for ordained and lay leaders. To assist in these objectives, the Diocesan strategy, revised in October 2023, has the following areas of focus:

- Healthy Churches: Diocesan help for charges to carry out local work on mission and ministry and to support (financially and in other ways) ordained leadership as they lead in mission and ministry and development towards flourishing and sustainable patterns of ministry in all charges;
- Healthy Environment: Diocesan support for the national project for the Scottish Episcopal Church to work towards achieving Carbon Net Zero by 2030;
- Healthy Leaders: Diocesan Support for all ordained and lay leaders with an emphasis on vocation, training and wellbeing.

Achievements and performance

The Diocesan Council oversaw the activities of the Diocese during the period from December 2023 to the end of November 2024. The Council's objectives were in providing support to mission and ministry through its Charges across the region. This is principally through financial support to ministry and by funding and supporting the Bishop in their ministry in the Diocese. The Council therefore managed Diocesan internal affairs, including administration of grants and funds, overseeing Diocesan and Provincial communications, supporting the three-way US-African-Scottish Anglican Communion companionship link and control of Diocesan properties.

Other Diocesan Bodies: The Diocesan Buildings Committee continued to meet virtually and also in person to consider applications for changes to church buildings under Canon 35. This statutory function was chaired by the Dean and the Diocesan Secretary. At Provincial level, a full Net Zero Team was appointed in April 2024 with the key task of helping the S.E.C. deliver on its commitment to Net Zero by 2030. Each Diocese has been allocated a named member of the Net Zero Team as a direct point of contact and a number of visits and initiatives have taken place during the year in regard to progressing work across the Diocesan property estate.

In the past year the Bishop has again carried out a programme of visitations around the Diocese, especially at main worship on Sunday mornings. Almost every charge shared worship with the Bishop this year. The Bishop and other officers also met with several Vestries to discuss vision and planning for churches in their life.

Support to charges, which had been framed in terms of 'Healthy Churches', remains a major element of Diocesan achievement in the past year. Some charges or groups of charges that had been classified since 2022 as 'transitional ministry' posts, came to the end of their planned and budgeted transitional period and therefore required attention in terms of follow-on ministry. After review, one supported transitional ministry grouping was ended whilst extended Diocesan support for another two transitional ministry groupings were approved by Diocesan Council.

DIOCESE OF BRECHIN

DIOCESAN COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

A summary of Diocesan ministry support this year is as follows:

- Financial support from 1st July 2024 for on-going ministry at St Ninian's, Dundee following the appointment of a shared Priest with St Mary Magdalene's, Dundee;
- Financial support and oversight for St Luke's Dundee/the Dundee Centre of Mission, a partnership between the Diocese of Brechin and Church Army, providing social action and fresh expressions of Church in Dundee City;
- Financial support for on-going ministry in St Mary's, Arbroath and St Peter's, Auchmithie;
- Financial support for a 'transitional priest' for All Soul's, Invergowrie was provided until the conclusion of the arrangement on 31st July 2024;
- Financial support for a 'transitional priest' for Carnoustie & Monifieth was provided until July 2024 and then changed to an open-ended arrangement with on going Diocesan support;
- Financial support for a 'transitional priest' for Stonehaven & Muchalls to January 2025;
- Employment of a Diocesan 'Children and Youth Officer' on an initial three-year fixed term contract to April 2025;
- Financial support for a 'transitional priest' for St Martin's, Dundee was provided until 31st July 2024 and then concluded with the appointment of the Priest as Interim Rector of St. Paul's Cathedral, Dundee;

Financial support for these ministries is shared between Provincial Ministry and Mission Support Grants (MMSG), some appropriately restricted funding, an element of unrestricted Diocesan income and, for the 'Transitional Ministries' and the Children and Youth Officer, the use of the mission and ministry designated 'Mobus Fund' and 'St John's' funds from the closure and sale of the Diocesan Centre. The planned use of capital from these funds virtually drew to a close during the year given the outcomes previously mentioned. Where the transitional ministries have now been extended, Diocesan Council has approved the use of Diocesan reserves in order to provide continued support to the Charges involved whilst funding for the Child and Youth Officer post was moved to unrestricted general Diocesan funds

In terms of a 'Healthy Environment', the Diocese continues to work alongside the Provincial Net Zero Team in order to achieve progress towards reaching Carbon Net Zero by 2030. This is a particularly challenging target in both a practical and financial sense given the age profile of much of the property estate across the Diocese. A particular focus within the Net Zero strategy is the energy performance criteria for Rectories with the Net Zero Action plan setting a target of 35% of Rectories to achieve an EPC rating of at least 'C' by 2025 rising to 75% by 2028. An audit of Rectories within the Diocese identified that of the nine occupied houses, 5 (56%) were graded at 'C' whilst two properties were graded at 'D' and a further two at grade 'E'. Despite the fact that a Green Rectory Fund has been created and jointly funded by the Province and the Dioceses, it is likely that the sums available will be insufficient to meet the costs of moving these four properties up to the required standard. Charges are therefore being encouraged that, where possible, consideration is given to selling such properties and replacing them with more modern energy efficient houses

In terms of the 'Healthy Leaders' element of the Diocesan strategy, support continues to be provided by the Diocese in order to assist ministers in their mission and ministry. During the year a number of Charges signed up to participate in the 'Healthy Healing Hubs' project which aims to help churches engage in a ministry of healing as part of a holistic approach to ministry. Financial assistance was also made available to allow clergy to participate in a variety of programmes and events designed to support their individual well-being.

In terms of wider communication across the Diocese, the Bishop and his PA have continued to deliver a weekly bulletin of news, upcoming events and other resources and information. After careful consideration the long-standing three-times-per-year Diocesan paper magazine, Grapevine, was brought to a close. The Diocese is grateful to the [REDACTED] for his long-term commitment and efforts in producing the magazine. Whilst the Diocese has, for a number of years, had its own website, there was a recognition that the time had arrived to consider a revamp in terms of both content and structure. A number of options were considered during the year with a number of website designers invited to offer their suggestions for remodelling. Plans have progressed well and it is hoped that a new and more flexible website will be up and running in the early part of 2025.

DIOCESE OF BRECHIN

DIOCESAN COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

An extensive area of work that was undertaken during the year was in meeting the requirements of the Scottish Government's Register of Persons Holding a Controlled Interest in Land (RCI) initiative. Whilst it had initially been hoped that churches would be exempt from participation in the Register this proved not to be the case and accordingly the Diocese were required to register all church property, including halls and rectories, in order to comply with the legislation. Given the need to ensure accuracy of the information submitted together with the practical requirement of actually submitting the information, it was necessary for the Diocese to have this work undertaken by solicitors on their behalf. Given the extent of properties across the Diocesan estate, this was an extremely large project with very tight timescales involved. After consideration, Diocesan Council approved that the legal costs of the work should be met from Diocesan reserves as opposed to asking each individual Charge to meet the cost. During the course of the year, the total outlay for this work was in excess of £30,000

In February 2024 Diocesan Council was approached by the Trustee's of St Margaret's Care Home in Dundee with a request to consider the advancement of a loan of up to £100,000 in order to assist with the orderly wind down of the home which the Trustee's had decided to close. Given the close connection between the Diocese and the home, Diocesan Council agreed to the request with interest being paid on demand or when the home was sold. This matter was concluded in late July 2024 when the original loan together with the interest due, was repaid to the Diocese.

Financial review

The financial position of the Diocese is shown in the accompanying financial statements. Including net gains on investments held, the general fund has produced a surplus of £25,455 in the year. A small surplus had been approved for the year by both Diocesan Synod and Diocesan Council, and the actual surplus achieved is a result of underspends in a number of areas such as Training & Clergy Support and an extended vacancy period at St Ninian's Church in Dundee. It is also due to the continued increases in the dividends paid by the SEC Unit Trust Pool. The designated and restricted funds of the Diocese also showed net surplus amounts after taking into account the net gains on investments.

Regular updated financial management reports for unrestricted and designated spend against budget are routinely provided to each meeting of Diocesan Council. This close oversight of spending allows identification of any areas of budget that may be performing outwith the plan thus permitting early intervention in order to suitably address any areas of concern.

The underlying financial situation, excluding exceptional items, is one where the costs of maintaining the Diocesan staff and supporting Ministry and Mission in the Diocese exceeds grants received from the General Synod Office, investment income and quota received from Diocesan Charges. Diocesan Synod, by approving annual budgets and quota assessments, supports the use of Diocesan cash and also, prudently, reserves to maintain the support work of the Diocese of Brechin.

The reserves of the Diocese as reported in these financial statements have increased in value during the course of the year, even with the use of designated reserves, with the increase in the value of the Diocese's UTP holdings. During the course of the year the unit prices within the UTP continued on a generally positive trend with unit prices moving from £27.5265 at the end of November 2023 to £32.1454 as at the end of November 2024. This has allowed the distribution rates to be similarly increased during the year thus leading to increased income for the Diocese.

Reserves policy

The reserves of the Diocese as reported in these financial statements have increased this year with the increase in value of the Diocese's UTP holdings. Diocesan Council considers that the reserves represented by unrestricted funds not designated for specific use are adequate to maintain the Diocese's current activities for a reasonable period. It is the Council's policy to maintain that adequacy. Diocesan Council can prudently use reserves (cash and investment) to support mission and ministry projects subject to the condition (approved at an Autumn Synod in 2019) that each project must:

- be for a fixed period of time;
- have measurable outcomes;
- be supported financially by local charges as well as the Diocese;
- be outlined in a written agreement which is communicated to Diocesan Synod and followed up by annual progress reports;

DIOCESE OF BRECHIN

DIOCESAN COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

Investment policy

The investment powers of the Diocese are governed by Canon Law (SEC Digest of Resolutions Item 7.1.4). The policy is to adopt a medium risk strategy based on obtaining a balanced return from income and capital over the medium term.

Plans for future periods

The top priority into the future will be to continue the work to support congregations in their mission and ministry as they face the many pressures that continue to be felt in the churches. Whilst the extreme challenges of the pandemic have now eased, the on going increases in the general cost of living presents continuing challenges for a number of churches.

Supporting the Bishop and other Diocesan Officers in their ministry as they deliver activities in the Diocese will remain a high priority for funding and governance. The Bishop, in common with all SEC Bishops, also gives significant time to Provincial structures and activities, part of the mutual support that Dioceses give to the national church.

Whilst the Diocesan Strategy of 'Healthy Churches', 'Healthy Environment' and 'Healthy Leaders' will remain the focus for internal Diocesan activities, the most significant area of work during the year ahead is the consideration around the structure of Mission and Ministry within the Diocese. This work will not only focus on the levels of financial support that may be required going forward but also on the patterns of actual clergy deployment. In particular, a number of vacancies have arisen, or are likely to arise, across the various Charges within Dundee City and Diocesan Council have already considered a number of draft papers offering various permutations of ministry that could be provided. Whilst the practical applications of any plan will be an important consideration, there is also a need to be aware of the sensitivities involved for both individuals and wider congregations alike. In recognition of that, Diocesan Council are minded to consult widely on the issues involved and to take the necessary time in order to achieve the most effective and accepted outcome.

Structure, governance and management

The Diocese is one of seven Dioceses of the Scottish Episcopal Church and is governed by the Canons of the Scottish Episcopal Church. The Diocesan Synod is the principal governing body of the Diocese, within the powers and limitations of the Canons.

In terms of the Constitution of the Diocesan Synod, adopted on the 7th March 2020, the Diocese has up to twelve charity trustees. These are the Bishop, the Dean, the Diocesan Secretary, the Diocesan Treasurer and four clergy and four laity elected by Diocesan Synod.

The Diocesan Council, as the board of trustees, administers the strategic direction and life of the Diocese on behalf of Diocesan Synod in all matters of mission and ministry, finance and property, and such matters sent to the Diocese by the General Synod. The Diocesan Buildings Committee is pendant to the Diocesan Council and operates under Canon 35 in matters of consent for alterations to church buildings in the Diocese.

The Diocesan Property Trustees who served from 1st December 2023 to 30th November 2024 were:

The Bishop, [REDACTED]

The Chancellor, [REDACTED]

The Registrar, [REDACTED]

The Dean, [REDACTED]

The Bishop is elected by the eligible clergy and lay representatives of the Diocese in accordance with Canon 4 of the Canons of the Scottish Episcopal Church. The Dean is appointed by the Bishop and holds office according to Canon 43. The Chancellor is appointed by the Bishop according to Canon 61 resolution 4. The Registrar is appointed by the Bishop according to Canon 61 resolution 5.

DIOCESE OF BRECHIN

DIOCESAN COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

The Diocesan Constitution defines the Charity Trustees of the Diocese as the members of Diocesan Council. The Charity Trustees who therefore served from 1st December 2023 to 30th November 2024 were:

The Bishop, [REDACTED]
The Dean, [REDACTED]
Diocesan Secretary, [REDACTED]
Diocesan Treasurer, [REDACTED]

Elected clergy representatives:

[REDACTED]

Elected lay representatives:

[REDACTED]

As before, the Bishop is elected by the eligible clergy and lay representatives of the Diocese in accordance with Canon 4 of the Canons of the Scottish Episcopal Church. The Dean is appointed by the Bishop and holds office according to Canon 43. The Diocesan Secretary and Treasurer are appointed annually by the Diocesan Synod. The clergy and lay representatives on Diocesan Council are elected by Diocesan Synod to three-year terms, renewable once, by Diocesan Synod, in accordance with the Constitution of the Diocese of Brechin.

Statement of Diocesan Council's responsibilities

The Diocesan Council are responsible for preparing the Diocesan Council's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Diocesan Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Diocesan Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Diocesan Council are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIOCESE OF BRECHIN

DIOCESAN COUNCIL'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

The Diocesan Council's report was approved by the Diocesan Council.

[REDACTED]

The Bishop, [REDACTED]
Diocesan Council

3 June 2025

DIOCESE OF BRECHIN

INDEPENDENT AUDITOR'S REPORT

TO THE DIOCESAN COUNCIL OF DIOCESE OF BRECHIN

Opinion

We have audited the financial statements of Diocese of Brechin (the 'charity') for the year ended 30 November 2024 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including 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 financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 November 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements, we have concluded that the Diocesan Council's use of the going concern basis of accounting in the preparation of the financial statements 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Diocesan Council 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 other than the financial statements and our auditor's report thereon. The Diocesan Council are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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:

- the information given in the financial statements is inconsistent in any material respect with the Diocesan Council's report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DIOCESE OF BRECHIN

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE DIOCESAN COUNCIL OF DIOCESE OF BRECHIN

Responsibilities of Diocesan Council

As explained more fully in the statement of Diocesan Council's responsibilities, the Diocesan Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Diocesan Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Diocesan Council are responsible for assessing the charity'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 Diocesan Council either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

At the planning stage, we assess the risk of material misstatement and any such irregularities and design audit procedures tailored to these risks which will be followed to ensure that we are capable of meeting our responsibilities in this area.

Factors relevant to our assessment, which have a positive impact on the capability of our procedures to detect such irregularities, are the size of the entity, the complexity of the entity's operations and our understanding of their regulatory and control environments.

The staff working on this audit assignment have been fully briefed in relation to the charity's activities, including the regulatory regime in which they operate.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

DIOCESE OF BRECHIN

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE DIOCESAN COUNCIL OF DIOCESE OF BRECHIN

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors .
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to 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.

[REDACTED]

[REDACTED]

For and on behalf of Bird Simpson & Co., Statutory Auditor
Chartered Accountants
144 Nethergate
Dundee
DD1 4EB
3 June 2025

Bird Simpson & Co. is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DIOCESE OF BRECHIN

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2024

Current financial year		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes					
Income from:						
Donations and legacies	3	141,424	-	60,408	201,832	221,637
Investments	4	16,913	24,487	32,950	74,350	60,474
Total income		158,337	24,487	93,358	276,182	282,111
Expenditure on:						
Charitable activities	5	200,503	52,433	68,923	321,859	317,904
Loss on disposal of tangible fixed asset	10	-	-	-	-	1,016
Total expenditure		200,503	52,433	68,923	321,859	318,920
Net gains on investments	11	67,621	128,610	172,990	369,221	76,578
Net movement in funds	7	25,455	100,664	197,425	323,544	39,769
Fund balances at 1 December 2023		365,210	1,587,736	1,079,328	3,032,274	2,992,505
Fund balances at 30 November 2024		390,665	1,688,400	1,276,753	3,355,818	3,032,274

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DIOCESE OF BRECHIN

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2024

Prior financial year		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
Income from:					
Donations and legacies	3	143,770	-	77,867	221,637
Investments	4	15,349	14,597	30,528	60,474
Total income		159,119	14,597	108,395	282,111
Expenditure on:					
Charitable activities	5	155,607	67,455	94,842	317,904
Loss on disposal of tangible fixed asset	10	-	1,016	-	1,016
Total expenditure		155,607	68,471	94,842	318,920
Net gains on investments	11	16,521	22,726	37,331	76,578
Net income/(expenditure)		20,033	(31,148)	50,884	39,769
Transfers between funds		11,262	(11,262)	-	-
Net movement in funds	7	31,295	(42,410)	50,884	39,769
Fund balances at 1 December 2022		333,915	1,630,146	1,028,444	2,992,505
Fund balances at 30 November 2023		365,210	1,587,736	1,079,328	3,032,274

DIOCESE OF BRECHIN


BALANCE SHEET

AS AT 30 NOVEMBER 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		784,723		784,935
Investments	14		2,589,191		2,260,102
			<u>3,373,914</u>		<u>3,045,037</u>
Current assets					
Debtors	15	6,629		12,416	
Cash at bank and in hand		111,268		99,452	
		<u>117,897</u>		<u>111,868</u>	
Creditors: amounts falling due within one year	16	<u>(135,654)</u>		<u>(124,292)</u>	
Net current liabilities			<u>(17,757)</u>		<u>(12,424)</u>
Total assets less current liabilities			3,356,157		3,032,613
Creditors: amounts falling due after more than one year	17		<u>(339)</u>		<u>(339)</u>
Net assets			<u>3,355,818</u>		<u>3,032,274</u>
The funds of the charity					
Restricted income funds	18		1,276,753		1,079,328
Unrestricted funds - general			390,665		365,210
Unrestricted funds - designated	19		1,688,400		1,587,736
			<u>3,355,818</u>		<u>3,032,274</u>

The financial statements were approved by the Diocesan Council on 3 June 2025



The Bishop, 
Diocesan Council

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2024

1 Accounting policies

Charity information

Diocese of Bechin is registered with the Scottish Charity Regulator (OSCR)

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Diocesan Council have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Diocesan Council continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Diocesan Council in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Diocesan Council for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Donations, legacies and similar income are accounted for when the Diocese becomes entitled to the income and a reliable estimate of the amount to be received can be made. Gift Aid recoverable is accounted for on an accrual basis.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is included on an accrual basis and is recognised when there is a legal obligation to pay for expenditure. Irrecoverable VAT is included in the related expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Nil
Fixtures and fittings	20% RB

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Diocesan Council are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

3 Donations and legacies

	Unrestricted funds general 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £
Quota Assessments	119,947	-	119,947	119,946	-	119,946
Grants	-	60,408	60,408	-	77,867	77,867
Endowment income	16,200	-	16,200	14,260	-	14,260
Grants received	5,277	-	5,277	9,564	-	9,564
	<u>141,424</u>	<u>60,408</u>	<u>201,832</u>	<u>143,770</u>	<u>77,867</u>	<u>221,637</u>
Grants receivable for core activities						
Mission and Ministry Support Grant	-	51,908	51,908	-	49,342	49,342
Transitional Stipend Assistance Grant	-	8,500	8,500	-	22,525	22,525
Stipend Assistance	-	-	-	-	6,000	6,000
	<u>-</u>	<u>60,408</u>	<u>60,408</u>	<u>-</u>	<u>77,867</u>	<u>77,867</u>

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2024

4 Investments

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
Rental income	3,000	-	-	3,000	3,000	-	-	3,000
Income from UTP and Troy fund investments	12,737	24,487	32,950	70,174	11,785	14,597	30,528	56,910
Interest receivable	1,176	-	-	1,176	564	-	-	564
	16,913	24,487	32,950	74,350	15,349	14,597	30,528	60,474

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

5 Charitable activities

	Charitable activities	Charitable activities
	2024 £	2023 £
Staff costs	104,376	96,189
Depreciation and impairment	212	266
Ministry	4,792	6,540
Communication	-	1,425
Sundry payments	2,426	15,323
Quota to General Synod	46,761	44,577
Bishop's expenses	12,858	7,387
Grants	100,790	135,583
Rental expenses	1,276	624
	<u>273,491</u>	<u>307,914</u>
Share of support costs (see note 6)	3,409	4,490
Share of governance costs (see note 6)	44,959	5,500
	<u>321,859</u>	<u>317,904</u>
Analysis by fund		
Unrestricted funds - general	200,503	155,607
Unrestricted funds - designated	52,433	67,455
Restricted funds	68,923	94,842
	<u>321,859</u>	<u>317,904</u>

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

6 Support costs

	Support costs £	Governance costs £	2024 Support costs £	Governance costs £	2023 £
Accountancy and Bookkeeping	1,020	-	1,020	1,638	1,638
Office costs	2,389	-	2,389	2,852	2,852
Audit fees	-	10,410	10,410	-	-
Accountancy	-	4,328	4,328	-	-
Legal and professional	-	30,221	30,221	-	-
Independent examiners fee	-	-	-	5,500	5,500
	<u>3,409</u>	<u>44,959</u>	<u>48,368</u>	<u>5,500</u>	<u>9,990</u>
Analysed between Charitable activities	<u>3,409</u>	<u>44,959</u>	<u>48,368</u>	<u>5,500</u>	<u>9,990</u>

7 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	10,410	-
Depreciation of owned tangible fixed assets	212	266
Loss on disposal of tangible fixed assets	-	1,016
	<u>10,622</u>	<u>1,282</u>

8 Diocesan Council

████████████████████ is a Trustee of Diocese of Brechin. In the year he received a Stipend of £49,184 (2023:£45,518) and pension contributions of £10,558 (2023:£9,771). He also received travelling and telephone expenses of £1,932 (2023:£2,471), and manse expenses of £10,925 (2023:£4,917).

9 Employees

The average monthly number of employees during the year was:

2024 Number	2023 Number
<u>3</u>	<u>3</u>

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

9	Employees	(Continued)	
	Employment costs	2024 £	2023 £
	Wages and salaries	83,211	76,484
	Other pension costs	21,165	19,705
		<u>104,376</u>	<u>96,189</u>

There were no employees whose annual remuneration was more than £60,000.

10	Loss on disposal of tangible fixed asset	Total £ 2024	Unrestricted funds designated 2023
	Net loss on disposal of tangible fixed assets	-	1,016
		<u>-</u>	<u>1,016</u>

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2024

11 Gains and losses on investments

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
Gains/(losses) arising on:								
Revaluation of investments	67,621	125,676	172,990	366,287	16,521	22,577	37,331	76,429
Sale of investments	-	2,934	-	2,934	-	149	-	149
	67,621	128,610	172,990	369,221	16,521	22,726	37,331	76,578

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 December 2023	783,873	10,208	794,081
At 30 November 2024	783,873	10,208	794,081
Depreciation and impairment			
At 1 December 2023	-	9,146	9,146
Depreciation charged in the year	-	212	212
At 30 November 2024	-	9,358	9,358
Carrying amount			
At 30 November 2024	783,873	850	784,723
At 30 November 2023	783,873	1,062	784,935

The valuation of the properties were made as at 30th November 2021 by J&E Shepherd, Chartered Surveyors, on an open market basis. 3 Martin Place, Stonehaven was purchased on 14th June 2021, at a cost of £278,873. One property was sold in last years accounting year.

14 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 December 2023	2,260,102
Additions	49,869
Valuation changes	366,286
Disposals	(87,066)
At 30 November 2024	2,589,191
Carrying amount	
At 30 November 2024	2,589,191
At 30 November 2023	2,260,102

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

14 Fixed asset investments

(Continued)

The majority of the investments are held in the Scottish Episcopal Church Unit Trust Pool. The Unit Trust Pool was established by the Investment Committee of the General Synod to bring together the disparate investments of the various funds of the General Synod, the Dioceses and the individual congregations of the Church to enable these to be managed professionally. The Unit Trust Pool is therefore purely an investment vehicle of the Scottish Episcopal Church. Most of the investments in the Unit Trust Pool relate to UK investments.

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors quota	1,553	395
Other debtors	2,432	9,377
Managed funds	2,644	2,644
	<u>6,629</u>	<u>12,416</u>

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	4,612	6,199
Stipend support	4,417	8,161
Managed funds	39,429	39,429
Other creditors and accruals	87,196	70,503
	<u>135,654</u>	<u>124,292</u>

17 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Catterline loan	<u>339</u>	<u>339</u>

The Diocese has come to an arrangement with the Catterline church in the summer of 2022 and has repaid some of this sum early.

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 December 2023	Incoming resources	Resources expended	Gains and losses	At 30 November 2024
	£	£	£	£	£
Dean Thom Memorial Fund	349,907	11,715	(750)	62,194	423,066
Bishop Forbes Convalescents Fund	183,229	5,694	-	30,231	219,154
Urban Priority Area Fund No. 1	259,697	7,727	(6,872)	41,025	301,577
Murray Scarlett Glenesk Fund	77,814	1,827	(893)	7,753	86,501
Home Mortification	208,681	5,987	-	31,787	246,455
Stipend Support	-	51,908	(51,908)	-	-
Transitional Stipend Assistance	-	8,500	(8,500)	-	-
	<u>1,079,328</u>	<u>93,358</u>	<u>(68,923)</u>	<u>172,990</u>	<u>1,276,753</u>

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

18 Restricted funds

(Continued)

Previous year:

	At 1 December 2022	Incoming resources	Resources expended	Gains and losses	At 30 November 2023
	£	£	£	£	£
Dean Thom Memorial Fund	331,673	10,839	(7,800)	15,195	349,907
Bishop Forbes Convalescents Fund	170,574	5,269	-	7,386	183,229
Urban Priority Area Fund No. 1	249,674	7,150	(7,150)	10,023	259,697
Murray Scarlett Glenesk Fund	81,149	1,730	(2,025)	(3,040)	77,814
Home Mortification	195,374	5,540	-	7,767	208,681
Stipend Support	-	49,342	(49,342)	-	-
Transitional Stipend Assistance	-	22,525	(22,525)	-	-
Stipend Assistance	-	6,000	(6,000)	-	-
	<u>1,028,444</u>	<u>108,395</u>	<u>(94,842)</u>	<u>37,331</u>	<u>1,079,328</u>

Dean Thom Memorial Fund - Support for those training for ministry. Used in Diocesan funding.

Bishop Forbes Convalescents Fund - Support for convalescence and means of helping people to return to employment in difficult circumstances. Can be applied for.

Urban Priority Area Fund No.1 - Support for work in areas of high indices of multiple deprivation. Used in Diocesan funding.

Murray Scarlett Glenesk Fund - To assist young people and adults to attend St Drostan's Lodge, Tarfside. Can be applied for.

Home Mortification - Support for people who may be in need of social and welfare facilities, especially unmarried mothers and their children. Can be applied for.

Stipend Support (MMSG Grant) - Support provided by the Province for mission and ministry within a Diocese. Used in Diocesan funding.

Transitional Stipend Allowance - Support provided by the Province to off-set stipend increases in January 2023.

Stipend Assistance - Support provided by Bishop Discretionary Fund towards R. Campbell Stipend.

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

19 Unrestricted funds - designated

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 December 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 30 November 2024
	£	£	£	£	£	£
Capital Account	134,431	-	-	-	-	134,431
Stonehaven rectory fund (formerly clergy residence fund)	246,565	-	-	-	-	246,565
Episcopal endowment fund	429,687	6,175	(130)	-	31,827	467,559
Home mission fund	13,632	-	-	-	-	13,632
Bishops ministry fund	178,100	4,979	-	-	26,434	209,513
Property reserve	43,844	-	-	-	-	43,844
Property revaluation reserve	123,651	-	-	-	-	123,651
St John the Baptist fund	91,789	2,458	(49,401)	-	13,048	57,894
Mobus fund	-	529	(2,902)	-	2,373	-
Invergowrie housing fund	326,037	10,346	-	-	54,928	391,311
	<u>1,587,736</u>	<u>24,487</u>	<u>(52,433)</u>	<u>-</u>	<u>128,610</u>	<u>1,688,400</u>

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

19 Unrestricted funds - designated

(Continued)

Previous year:	At 1 December 2022 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 30 November 2023 £
Capital Account	134,431	-	-	-	-	134,431
Stonehaven rectory fund (formerly clergy residence fund)	246,565	-	-	-	-	246,565
Episcopal endowment fund	420,358	6,655	-	(6,655)	9,329	429,687
Home mission fund	13,632	-	-	-	-	13,632
Bishops ministry fund	171,641	4,607	-	(4,607)	6,459	178,100
Property reserve	43,844	-	-	-	-	43,844
Property revaluation reserve	448,651	-	-	(325,000)	-	123,651
St John the Baptist fund	132,051	2,274	(45,724)	-	3,188	91,789
Mobus fund	18,973	1,061	(21,232)	-	1,198	-
Invergowrie housing fund	-	-	(1,515)	325,000	2,552	326,037
	<u>1,630,146</u>	<u>14,597</u>	<u>(68,471)</u>	<u>(11,262)</u>	<u>22,726</u>	<u>1,587,736</u>

Capital Account -

Stonehaven Rectory Fund (formerly Clergy Residence Fund) - Funds used to buy new rectory in Stonehaven, redesignated from the Clergy Residence Fund.

Episcopal Endowment Fund - Historic fund to support the costs of the Bishop.

Home Mission Fund - Historic mission fund.

Bishop Ministry Fund - Historic fund to support the costs of the Bishop.

Property Reserve -

Property Revaluation Reserve - Changes in the value of Diocesan properties.

St John the Baptist Fund - Designated by Council for mission and ministry projects.

Mobus Fund - Designated by Council for mission and ministry projects.

Invergowrie Housing Fund - Fund established by the sale of the property known as Carsemhor in Invergowrie. To be used for housing or other future ministry in the area.

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2024

20 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
	2024	2024	2024	2024	2023	2023	2023	2023
	£	£	£	£	£	£	£	£
Fund balances at 30 November 2024 are represented by:								
Tangible assets	414,507	370,216	-	784,723	414,719	370,216	-	784,935
Investments	523,564	861,098	1,204,529	2,589,191	450,633	788,895	1,020,574	2,260,102
Current assets/(liabilities)	(547,406)	457,086	72,563	(17,757)	(499,803)	428,625	58,754	(12,424)
Long term liabilities	-	-	(339)	(339)	(339)	-	-	(339)
	<u>390,665</u>	<u>1,688,400</u>	<u>1,276,753</u>	<u>3,355,818</u>	<u>365,210</u>	<u>1,587,736</u>	<u>1,079,328</u>	<u>3,032,274</u>

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

21 Events after the reporting date

There are no significant events after the reporting date that require to be disclosed.

22 Related party transactions

The remuneration of key management personnel, who are also trustees, is as follows.

	2024 £	2023 £
Aggregate compensation	60,553	56,079

During the year the charity entered into the following transactions with related parties:

Quota was assessed on various charges and details are as follows - with the Trustees noted - the charge they are also trustees of - the quota assessed for the year- and the amount prepaid or outstanding at the year end:

- [REDACTED], The Diocesan Secretary [REDACTED], The Diocesan Treasurer [REDACTED] and The [REDACTED] - The Cathedral, Dundee - £30,995 - £995 outstanding
- [REDACTED] - St Mary Magdalene's Church, Dundee and St Ninian's Church, Dundee - St Mary Magdalene's - £10,652 - £865 prepaid; St Ninian's - £3,707
- [REDACTED] St Ternan's Church, Muchalls and St. James Church, Stonehaven - St Ternan's - £3,935 - St James £6,502 - £6.20 prepaid
- [REDACTED] - St Mary & St Peter Church, Montrose - £6,034 - £226 outstanding
- [REDACTED] - St Martins Church, Dundee and The Cathedral, Dundee - St Martins - £3,179 - Nil - The Cathedral £30,995 - £995 outstanding
- [REDACTED] St St Mary's, Broughty Ferry - £10,400 - £442 prepaid
- [REDACTED] Holy Trinity, Monifieth - £4,079 - £557 prepaid
- [REDACTED] - St James Church, Stonehaven £6,502 - £6.20 prepaid
- [REDACTED] St Ternan's Church, Muchalls - £3,935

St Luke's received £16,527 of stipend support in the year.

The loan that was advanced to St Margarets Residential Home last year was repaid in full, with interest, in July 2024.

23 Quota

DIOCESE OF BRECHIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2024

23 Quota

(Continued)

	2024	2023
	£	£
Quota receivable from Churches	119,947	119,946
Paid to General Synod	46,761	44,577
	<hr/> 73,186	<hr/> 75,369

Summary of Quotas

Quota due for 2024 are as follows:

Arbroath, St. Mary's	5,686	5,810
Auchmithie, St. Peter's	60	117
Brechin, St. Andrew's	3,923	4,851
Broughty Ferry, St. Mary's	10,400	10,082
Carnoustie, Holy Rood	3,587	4,164
Catterline, St. Philip's	444	331
Drumlithie, St. John the Baptist	852	781
Drumtochty, St. Palladius	444	342
Dundee - The Cathedral	30,995	31,853
St. Luke's	4,546	3,567
St. Margaret's	2,735	2,846
St. Martin's	3,179	3,426
St. Mary Magdalene's	10,652	10,383
St. Ninian's	3,707	3,043
St. Salvador's	5,638	6,751
Fasque, St. Andrew's	768	599
Glencarse, All Saints	5,398	4,269
Inverbervie, St. David of Scotland	1,308	1,206
Invergowrie, All Souls	3,947	4,187
Laurencekirk, St. Laurence's	1,128	1,127
Monifieth, Holy Trinity	4,079	4,103
Montrose, St. Mary and St. Peter's	6,034	6,144
Muchalls, St. Ternan's	3,935	3,471
Stonehaven, St. James	6,502	6,493
	<hr/> 119,947	<hr/> 119,946

Note: Outstanding/(prepaid) at 30 November (2,672) (8,666)

24 Retirement benefit schemes

The Scottish Episcopal Church operates a defined benefit scheme of which two employees of the Diocese are members. The last actuarial valuation was carried out on 31st December 2023, but it is not possible to disclose the charity's share of the total scheme assets nor the outstanding liability.

The Diocese's contributions will reduce from 32.2% of standard stipend and salary to 22% with effect from 1 January 2025. The pensionable salary increased by 7.8% to £32,988 with effect from 1 January 2024 to 31 December 2024. It will then be further increased by 4% to £34,308 with effect from 1 January 2025 and will run until 31 December 2025.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2024

25 Stipend support

The Diocese assisted various churches support their stipendiary ministry throughout the year by way of ministry support.

These charges were supported by a restricted GSO Mission and Ministry Support Grant (MMSG) of £51,227, the UPA No. 1 Fund income of £6,872 and a percentage contribution from the Transitional Stipend Assistance Grant (TSAG) of £8,500 received by the Diocese.

In addition, a number of charges that were included within the Transitional Ministry programme, were further supported through the use of the Mobus/St John the Baptist designated funds.

The total levels of support provided together with the source of funding is as show below:-

CHARGE(S)	MMSG	UPA	TSAG	Mobus / St John the Baptist Funds	Total Support
St Luke's, Dundee	£16,527		£ 765		£17,292
St Mary's, Arbroath	£16,008		£ 765		£16,773
St Martin's, Dundee	£ 2,942		£ 765	£ 4,548	£ 8,255
St Mary Magdelene's St Ninian's, Dundee		£ 6,872	£ 765		£ 7,637
All Soul's, Invergowrie St Salvador's, Dundee	£ 4,391		£ 765	£ 6,787	£11,943
Monifeth/Carnoustie	£ 4,940		£ 765	£ 7,642	£13,347
Muchalls/Stonehaven	£ 6,419		£ 765	£ 9,928	£17,112
Totals	£51,227	£6,872	£ 5,355	£28,905	£92,359

26 Assets held on behalf of others

The Diocese is custodian of the following units of the SEC Unit Trust pool:

- 568 units - Catterline Endowment Fund - value £18,259
- 422 units -- Gladys Forsyth Grant Bequest - value £13,565
- 614 units - Lord Clinton Bequest Fund - value £19,737
- 9,563 units - St Andrews Fasque Fabric Fund - value £307,406

The Trustees are currently attempting to determine the beneficial owner of these assets and allocate ownership to them within the SEC Unit Trust pool.

Included in creditors are sums totalling £28,565 (2023 - £22,089) representing accumulated dividends less expenditure for the above funds / bequests. The majority of the managed funds creditor of £39,429 is due to the Albert Gladstone Fasque - again the Trustees are trying to trace this organisation to make payment.

The Diocese is also custodian of 6 bank accounts for some bequests totalling £14,237 (2023 - £14,065). Again the Trustees are attempting to determine the beneficial owner of these assets and pass the funds to them.

The Bishop is currently in the process of creating a separate charity to house the 11,315 (2023 - 11,497) units of the SEC Unit Trust pool belonging to the Bishop's Discretionary Fund - value £363,725 (2023 £316,472).