

**SCOTTISH EPISCOPAL CHURCH DIOCESE OF
GLASGOW AND GALLOWAY
REPORT AND ACCOUNTS
FOR THE YEAR ENDED
30 NOVEMBER 2014**

Charity Number SC013925

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

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SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

REFERENCE AND ADMINISTRATION DETAILS

Registered charity name	Scottish Episcopal Church Diocese of Glasgow and Galloway
Charity number	SC013925
	Diocese of Glasgow and Galloway Diocesan Office 5 St Vincent Place Glasgow G1 2DH
Diocesan council	The Rt Revd Dr Gregor Duncan (Bishop of Glasgow & Galloway) The Very Revd Ian Barcroft (Dean) Revd Canon Shelley Marsh (Synod Clerk) The Very Revd Kelvin Holdsworth (Provost) Revd Canon Dr Anne Tomlinson (Retired 31 July 2014) (Ministry Development Officer) Dr T J Lillie (Retired 31 July 2014) (Diocesan Treasurer) Mr Robert Burgon (Appointed 1 November 2014) (Diocesan Treasurer) Mr C Zochowski (Diocesan Secretary) Rev Canon David Bayne Dr Paul Wilson (Retired 31 May 2014) Mr Alan Rumble (Appointed 1 August 2014) Rev Peter Douglas (Retired 30 April 2014) Rev Martin Sofield (Appointed 1 April 2014) Mrs Betty Matheson Rev Paul Fletcher Dr Richard Evans Rev Andrew Richardson Mr Kennedy Fraser Rev David McCarthy (Retired 31 August 2014) Canon Rev James Milne (Appointed 1 Sept 2014) Dr D Simmons (Appointed 1 January 2014) Rev Drew Sheridan (Retired 30 Sept 2014) Mrs Margaret Hanley (Retired 30 Sept 2014) Rev Tom Wilson (Appointed 1 October 2014) Mrs C Lovett (Appointed 1 October 2014) Rev Paul Romano (Retired 30 Sept 2014) Rev Mgt McTernan (Appointed 1 November 2014) Ms Jennifer Whelan

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

REFERENCE AND ADMINISTRATION DETAILS *(continued)*

Trustees for the charity	The following are trustees for the Diocese in respect of heritable and moveable property: The Rt Revd Dr Gregor Duncan (Bishop of Glasgow & Galloway) The Very Revd Ian Barcroft (Dean) Revd Canon Shelley Marsh (Synod Clerk) Lord R G McEwan (Chancellor) Mr David Ballantine (Registrar)
Other diocesan appointments	Mr Elliot Glen-Esk (Surveyor) Mrs R Cadie of ARP Lorimer Ltd (Architect)
Auditor	SRG LLP Chartered Accountants & Statutory Auditor 4th Floor Turnberry House 175 West George Street Glasgow G2 2LB
Investment adviser	Speirs & Jeffrey Limited George House 50 George Square Glasgow G2 1EH
Bankers	The Royal Bank of Scotland 10 Gordon Street Glasgow G1 3PL
Office manager	Mrs Jean Graham

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

REPORT OF THE DIOCESAN COUNCIL

YEAR ENDED 30 NOVEMBER 2014

The Diocesan Council present their report and the report and accounts of the charity for the year ended 30 November 2014.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of reference and administration details on pages 1 to 2 of the report and accounts.

THE DIOCESAN COUNCIL

The Diocesan Council who served the charity during the period are as listed on page 1 of the report.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

REPORT OF THE DIOCESAN COUNCIL *(continued)*

YEAR ENDED 30 NOVEMBER 2014

The Glasgow and Galloway Diocese of the Scottish Episcopal Church was founded in 1837.

The Council is pleased to present the annual accounts for the United Diocese of Glasgow and Galloway for the year ended 30th November 2014. This annual report and accounts presents a summary of our financial activities during the year and gives an overview of the general activities which have taken place in the life of our diocese in the past year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Diocese is an unincorporated association, subject to the Code of Canons of the Scottish Episcopal Church and to a constitution adopted in 2005, and amended in 2011 and 2012. The Diocese is governed by a Synod meeting annually, who appoint diocesan officials and a Diocesan Council to execute its decisions and manage the Diocese according to the Code of Canons. For the purposes of charities law, the members of the Diocesan Council together with the Diocesan Officials accountable to the Diocesan Council, are the Charity Trustees of the Church.

The Charitable Objective of the Diocese is "the advancement of religion", and to this end it offers resources, funding, support and expertise to charges to enable them to carry out their mission effectively, and monitors attendance, mission activity, and child and vulnerable adults protection compliance.

The Canons require the Diocesan Synod to supervise all church properties, capital funds, payment of charges stipends salaries and insurance premiums, and maintenance of and adherence to church constitutions.

Apart from the Bishop, members of the Diocesan Council are elected by the seven Regions of the Diocese in Regional Council annual meetings, and the officials are appointed annually by the Synod. The Synod Clerk is elected by the clergy of the Diocese, and the Provost and the Dean are appointed by the Bishop. The Bishop is elected by an Electoral Synod, broadly congruent with the Diocesan Synod. The Synod consists of a) all clergy meeting certain criteria, and b) a Lay member elected by each charge in the Diocese.

The members of Diocesan Council receive sufficient information to enable them to carry out their duties effectively, and can call upon specialised legal, financial, and canonical advice when they require it. Certain responsibilities are delegated to the officials, who nevertheless have to give an account of their decisions to the Diocesan Council.

As a constituent of the Scottish Episcopal Church, the Diocese has an obligation to contribute to the costs of the Province through payment of an annual 'quota'. This amount is approved by the General Synod. In turn, the Diocese obtains its income by levying a quota on each charge, as approved by the Diocesan Synod, and by careful stewardship of its own funds.

Risk Management

The Bishop's Staff Group keeps under review the main financial and operating risks which the Diocese faces and confirms that systems and procedures are in place and are considered to be robust. In recognition that the financial standing of the Diocese depends to a large extent on the financial viability of the individual congregations, priority is given on a continuous basis to working and supporting Vestries whose accounts were in deficit for two or more years.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

REPORT OF THE DIOCESAN COUNCIL *(continued)*

YEAR ENDED 30 NOVEMBER 2014

OBJECTIVES AND ACTIVITIES

We have referred to the guidance contained in the Charity Regulator's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The Diocese is responsible for the costs of the Bishopric and payment of Quota to the Province. The Diocese also provides support to some charges for the costs of local ministry, property grants and support for mission activity through Development Teams which includes education, training, outreach and the promotion of ecumenical relations. A large number of volunteers are engaged in these activities but the main thrust for mission and ministry is through local congregations.

ACHIEVEMENTS AND PERFORMANCE

The principal focus of the year was the continued development of the Growth Strategy and its adoption and implementation by Regions and Charges. This will be a 3 to 5 year process of embedding the 7 Strands of Growth - Worship and Liturgy, Prayer & Spirituality, Learning & Discipleship, Children & Young People, Welcome Integration & Numerical Growth, Missional Leadership, and Imaginative Outreach into Communities, into diocesan structures.

During the year, the Charity Trustees:

- Approved loans and grants to various charges to enable them to meet their obligations and objectives
- Received regular reports from the Dean and the Bishop on the filling of clerical vacancies, and on their scheduled visitations to charges
- Received regular reports from each region on mission activities
- Received regular reports from the Diocesan Treasurer on financial developments, and variances from budget
- Received reports on the implementation of the Diocesan Growth Strategy
- Monitored relationships with other dioceses of the Anglican Communion
- Received regular reports on the state, maintenance and proposals for church property, including disabled access to and facilities in church property
- Ensured that vacancies for diocesan representatives on other bodies were filled, if necessary on a temporary basis until the next election
- Continued the development of the diocesan website
- Received regular reports from the Diocesan Ministry Development Officer
- Budgeted for and advertised for a new Canon Missioner to succeed the Ministry Development Officer
- Supported the Bishop's Lenten Appeal, which raised £13,982 for Yorkhill Children's Charity
- Arranged the annual Diocesan Synod, and for representation on, and reports to and from the General Synod

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

REPORT OF THE DIOCESAN COUNCIL *(continued)*

YEAR ENDED 30 NOVEMBER 2014

FINANCIAL REVIEW

The General Fund Income and Expenditure account shows a surplus of £373,070. Transferred assets amounting to £487,651 from land and buildings of former congregations at Girvan and Glasgow (Knightswood) provided a major injection of funds. Outside of this, the operating deficit on the General Fund was £114,581 against a budgeted deficit of £215,563. Income received from the congregational quota and rents was ahead of expectation while underspend variances were experienced in Support for Ministry, Regional Growth Strategy Support, and Planned Projects although these benefits were offset to some extent by the necessity of a higher Grant spending.

The main source of revenue to the General Fund is from quota paid by the Charges and the Diocesan Council is grateful to congregational Vestries all of whom strive to meet their quota in full even when, in some cases, their own financial position can be fragile.

Reserves Policy

The largest part of Diocesan funds is committed to specific purposes and the Diocesan Council is of the view that the financial position is sound and that the reserves held are adequate. In forming this view the Diocesan Council has had regard to the future anticipated expenditure requirements of the Diocese while being mindful of some of the unanticipated expenditure requirements that have arisen in the past and that may accordingly arise in the future.

Property

The care of diocesan, church and ancillary buildings is supervised by a Property Committee convened by the Dean, and advised by the Diocesan Architect and Diocesan Surveyor.

PLANS FOR FUTURE PERIODS

The top priority for the future continues to be to develop and implement the "Growth Strategy" for the Diocese which the Bishop pledged at his consecration.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

REPORT OF THE DIOCESAN COUNCIL *(continued)*

YEAR ENDED 30 NOVEMBER 2014

AUDITOR

SRG LLP will be proposed for re-appointment as auditor for the ensuing year.

Diocese of Glasgow and Galloway
Diocesan Office
5 St Vincent Place
Glasgow
G1 2DH

Signed on behalf of the
Diocesan Council

The Right Reverend Dr G Duncan
Bishop

31 January 2015

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

STATEMENT OF RESPONSIBILITIES OF THE DIOCESAN COUNCIL

YEAR ENDED 30 NOVEMBER 2014

The diocesan council are responsible for preparing the Report of the Diocesan Council and the report and accounts in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Diocesan Council to prepare report and accounts 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 period. In preparing these report and accounts, 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 accounting estimates that are reasonable and prudent;
- prepare the report and accounts 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the report and accounts comply with the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

INDEPENDENT AUDITOR'S REPORT TO THE DIOCESAN COUNCIL OF SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

YEAR ENDED 30 NOVEMBER 2014

We have audited the report and accounts of Scottish Episcopal Church Diocese of Glasgow and Galloway for the year ended 30 November 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's diocesan council, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charity's diocesan council 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 diocesan council as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIOCESAN COUNCIL AND AUDITOR

As explained more fully in the Statement of responsibilities of the Diocesan Council, the Diocesan Council are responsible for the preparation of report and accounts which give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the report and accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE REPORT AND ACCOUNTS

An audit involves obtaining evidence about the amounts and disclosures in the report and accounts sufficient to give reasonable assurance that the report and accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the diocesan council; and the overall presentation of the report and accounts. In addition, we read all the financial and non-financial information in the Report of the Diocesan Council to identify material inconsistencies with the audited report and accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

INDEPENDENT AUDITOR'S REPORT TO THE DIOCESAN COUNCIL OF SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY (continued)

YEAR ENDED 30 NOVEMBER 2014

OPINION ON REPORT AND ACCOUNTS

In our opinion the report and accounts:

- give a true and fair view of the state of the charity's affairs as at 30 November 2014 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 requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

4th Floor
Turnberry House
175 West George Street
Glasgow
G2 2LB

SRG LLP
Chartered Accountants
& Statutory Auditor

31 January 2015

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

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 30 NOVEMBER 2014

	Note	Restricted Funds £	Endowment Funds £	Total Funds 2014 £	Total Funds 2013 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	3	951,844	–	951,844	442,489
Investment income	4	156,368	–	156,368	152,282
Incoming resources from charitable activities	5	49,291	5,699	54,990	39,739
Other incoming resources	6	14,434	–	14,434	200,587
TOTAL INCOMING RESOURCES		1,171,937	5,699	1,177,636	835,097
RESOURCES EXPENDED					
Charitable activities	7	(755,780)	(8,501)	(764,281)	(642,754)
Governance costs	8	(11,774)	–	(11,774)	(10,259)
TOTAL RESOURCES EXPENDED		(767,554)	(8,501)	(776,055)	(653,013)
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES					
	9	404,383	(2,802)	401,581	182,084
OTHER RECOGNISED GAINS AND LOSSES					
Gains on investment assets		45,904	4,959	50,863	512,933
NET MOVEMENT IN FUNDS RECONCILIATION OF FUNDS		450,287	2,157	452,444	695,017
Total funds brought forward		6,134,794	165,027	6,299,821	5,604,802
TOTAL FUNDS CARRIED FORWARD		6,585,081	167,184	6,752,265	6,299,819

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 13 to 24 form part of these report and accounts.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

BALANCE SHEET

30 NOVEMBER 2014

	Note	2014		2013
		£	£	£
FIXED ASSETS				
Tangible assets	12		1,853,603	1,375,081
Investments	13		4,545,376	4,442,439
			6,398,979	5,817,520
CURRENT ASSETS				
Debtors	14	205,425		233,995
Cash at bank and in hand		308,458		347,968
		513,883		581,963
CREDITORS: Amounts falling due within one year	15	(160,598)		(99,662)
NET CURRENT ASSETS			353,285	482,301
TOTAL ASSETS LESS CURRENT LIABILITIES			6,752,264	6,299,821
FUNDS				
Endowment funds	16		167,185	165,027
Restricted income funds	17		6,585,079	6,134,794
TOTAL FUNDS			6,752,264	6,299,821

These report and accounts were approved by the Diocesan Council and authorised for issue on the 31 January 2015 and are signed on their behalf by:

The Right Reverend Dr G D Duncan
Bishop

Mr R Burgon
Diocesan Treasurer

The notes on pages 13 to 24 form part of these report and accounts.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES

Basis of accounting

The report and accounts have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Donations, legacies and similar income

Donations, legacies and similar income are accounted for when receivable and are credited to the relevant fund.

Grants

Grants approved but not taken up at the year end are accrued in the accounts.

Investment income

Income from investments including tax recoverable is recognised in the year in which it is due and repayable.

Income and expenditure

The normal recurring income and expenditure of the diocese is credited/(debited) to the relevant revenue fund. Substantial non-recurring items of income and expenditure are credited/(debited) to the relevant capital fund.

Expenditure

Grants are made to charges within the Diocese, to further the work of the Church. A small number of grants are made to individuals to help fund their studies or for the relief of poverty.

Fixed assets

All fixed assets are initially recorded at cost.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Pension provision

All employees are eligible to join the Scottish Episcopal Church Pension Fund which is a non contributory defined benefit scheme with benefits based on final pensionable salary. The majority of employees are members of the Fund and others employed by the Scottish Episcopal Church are also members. The Diocese is unable to identify its share of the underlying assets and liabilities of the Fund on a consistent and reasonable basis therefore accounts for its contributions as if the scheme was a defined contribution scheme. The contribution rate for the year ended 30 November 2013 was 34.9% based on the recommendation of the Fund's Actuary following the last valuation of the Fund.

The last actuarial valuation of the fund was at 31 December 2011 and the estimated deficit at that stage was of the order of £3,000,000. Following upon this valuation it is expected that the shortfall will be addressed by a continuation of the current rate of contribution paid by the Church, namely 34.9% per annum of Pensionable Salary/Standard Stipend. Contributions paid by the Diocese in the year ended 30 November 2013 amounted to £43,132 (2011 - £41,672) and there are no contributions outstanding as at 30 November 2013.

Depreciation

Depreciation is provided on tangible fixed assets at the following rates:

Office Equipment - 20% Straight Line

Motor Vehicles - 25% Straight Line

No depreciation is provided on heritable property. It is the policy of the Diocese to maintain the property it owns to such a standard that the property will have an infinite useful life.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Property

The properties, of which the diocesan trustees consider themselves the beneficial owners, are stated at the cost, or the trustees valuation, on acquisition by the Diocese.

The Diocese has, over its life, obtained title to various properties for no financial consideration. Some of these properties are used in the work of the Diocese whilst others are let to third parties. The insurance value of all properties beneficially owned by the Diocese is £5,579,278.

The Diocese holds ultimate title to Church properties which are used by individual congregations. However, it does not regard itself to be the beneficial owner of them but merely holding them in trust for, in the first instance, the specific congregations, and then for the benefit of the Diocese within the wider Scottish Episcopal Church. These properties are used by congregations of the Diocese and each respective Charge is responsible for the insurance, maintenance and upkeep of the property. Each Charge must abide by Canon Law in respect of the property to ensure it is kept decent, clean and in good repair. Each Vestry shall make provision for the adequate protection and insurance of all Church fabric and property. Given these foregoing factors these properties are not reflected in the accounts.

Related party transactions

Given the nature of the Diocese and the functions that the Trustees and Diocesan Officials invariably discharge with individual congregations and with the Province it is not considered feasible or appropriate to quantify transactions with related parties. Where the Diocese does have transactions with its Charges or Trustees or Diocesan Officials these are all conducted within the terms of Canon Law or on a normal commercial basis.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

2. NATURE AND PURPOSE OF THE MAJOR FUNDS

General Fund

To maintain and develop the ministry of the Scottish Episcopal Church in the Diocese of Glasgow and Galloway.

The Gordon Fund

Represents monies donated to the Diocese and invested in the names of the Diocesan Trustees. Income arising thereon is applied towards or to supplement the Stipends of any of the rectors and curates serving the Diocese.

Bishop's Discretionary Fund (Stanton Bequest)

To be used at the discretion of the Bishop for clerical exigencies.

Bishop Goldie Memorial Fund

To assist the training of students for the ministry within the Diocese of Glasgow and Galloway.

Congregational Fund

Represents the free proceeds from the realisation of Charges' assets. These monies are held in the fund pending utilisation by the Charges.

St George's Fund

Set up on 2007 from the proceeds of the sale of St George's Church and funds held on behalf of the East End, split two thirds and one third respectively, the Diocesan share of the income from this fund will be used for ministry support. The East End share of the income is remitted directly to the charge.

The West Bequest

The trust income may be applied only in providing or augmenting the stipend of a priest, or towards the stipend for a lay preacher, or for providing occasional preachers to assist in the provision of regular services in St. Ninian's Church for the benefit of members of the Episcopal Church in Scotland in Portpatrick and district.

Drumchapel Legacy Fund

Represents monies from a legacy which has to be used for the benefit of the Drumchapel Mission of Holy Cross.

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

3. VOLUNTARY INCOME

	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Legacies			
Drumchapel Legacy	–	–	33,965
The West Bequest	35,138	35,138	–
Gifts			
Donated Assets Received	487,651	487,651	–
Grants receivable			
Provincial Grants	86,970	86,970	76,052
Congregational Quota			
Congregational Quota	342,085	342,085	332,472
	<u>951,844</u>	<u>951,844</u>	<u>442,489</u>

4. INVESTMENT INCOME

	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Income from UK listed investments	152,738	152,738	147,687
Bank interest receivable	3,630	3,630	4,595
	<u>156,368</u>	<u>156,368</u>	<u>152,282</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds £	Endowment Funds £	Total Funds 2014 £	Total Funds 2013 £
Property income	35,485	–	35,485	22,988
Charity income for Disbursement	13,806	–	13,806	11,261
Congregational Funds received	–	315	315	238
Bishop's Discretionary Fund	–	5,384	5,384	5,252
	<u>49,291</u>	<u>5,699</u>	<u>54,990</u>	<u>39,739</u>

6. OTHER INCOMING RESOURCES

	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Sundry income	14,434	14,434	12,944
Gain on disposal of property	–	–	187,643
	<u>14,434</u>	<u>14,434</u>	<u>200,587</u>

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

7. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Restricted Funds	Endowment Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£
Support for Ministry	142,163	–	142,163	131,950
Grants awarded	144,835	–	144,835	29,710
Provincial quota	148,436	–	148,436	146,415
Episcopal ministry and administration	97,043	–	97,043	98,255
Action Groups	69,727	–	69,727	34,955
Other property expenses	38,814	–	38,814	38,687
Charitable income disbursed	17,632	–	17,632	14,700
Congregational funds released	–	–	–	33,965
Support costs	63,913	–	63,913	70,327
Sundry	1,741	–	1,741	3,334
Diocesan Office Bearers	19,414	–	19,414	8,688
Synods, conferences and meetings	12,062	–	12,062	17,222
Bishop's Discretionary funds released	–	8,501	8,501	14,396
Bishop Goldie Funds Released	–	–	–	150
	<u>755,780</u>	<u>8,501</u>	<u>764,281</u>	<u>642,754</u>

8. GOVERNANCE COSTS

	Restricted Funds	Total Funds 2014	Total Funds 2013
	£	£	£
Audit fees	<u>11,774</u>	<u>11,774</u>	<u>10,259</u>

9. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2014	2013
	£	£
Staff pension contributions	49,722	43,132
Auditors' remuneration:		
- audit of the financial statements	<u>11,775</u>	<u>10,259</u>

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2014 £	2013 £
Wages and salaries	138,215	144,705
Social security costs	14,250	12,059
Other pension costs	49,722	43,132
	<u>202,187</u>	<u>199,896</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2014 No	2013 No
Number of administrative staff	<u>4</u>	<u>4</u>

No employee received remuneration of more than £60,000 during the year (2013 - Nil).

11. EXPENSES PAID TO DIOCESAN OFFICE BEARERS

Diocesan Office Bearers are entitled to receive an honorarium and reimbursement of necessarily incurred travel expenses. Remuneration of £4,100 was paid to the Diocesan Treasurer, £5,679 was paid to the Diocesan Secretary and £911 was paid to the Synod Clerk for expenses.

12. TANGIBLE FIXED ASSETS

	Brought forward 1 Dec 13 £	Additions £	Carried forward 30 Nov 14 £
COST			
Heritable property	1,146,242	20,000	1,166,242
Equipment, Fixtures & Fittings	36,451	482	36,933
Investment Property	224,264	460,100	684,364
	<u>1,406,957</u>	<u>480,582</u>	<u>1,887,539</u>
	Brought forward 1 Dec 13 £	Charges £	Carried forward 30 Nov 14 £
DEPRECIATION			
Heritable property	-	-	-
Equipment, Fixtures & Fittings	(31,876)	(2,060)	(33,936)
Investment Property	-	-	-
	<u>(31,876)</u>	<u>(2,060)</u>	<u>(33,936)</u>

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

12. TANGIBLE FIXED ASSETS *(continued)*

	Brought forward 1 Dec 13 £	Carried forward 30 Nov 14 £
NET BOOK VALUE		
Heritable property	1,146,242	1,166,242
Equipment, Fixtures & Fittings	4,575	2,997
Investment Property	224,264	684,364
	<u>1,375,081</u>	<u>1,853,603</u>

13. INVESTMENTS

Movement in market value

	2014 £	2013 £
Market value at 1 Dec 13	4,442,438	3,992,928
Acquisitions at cost	551,814	364,207
Disposals at opening book value	(468,647)	(403,481)
Net gains on revaluations in the year ended 30 November 2014	19,771	488,785
Market value at 30 Nov 14	<u>4,545,376</u>	<u>4,442,439</u>
Historical cost at 30 Nov 14	<u>3,483,990</u>	<u>2,776,060</u>

Analysis of investments at 30 Nov 14 between funds

	Restricted Funds £	Endowment Funds £	Total Funds 2014 £	Total Funds 2013 £
Listed investments				
Investments - Endowment Funds	-	61,497	61,497	56,538
Investments - Designated Funds	4,483,879	-	4,483,879	4,351,489
	<u>4,483,879</u>	<u>61,497</u>	<u>4,545,376</u>	<u>4,408,027</u>
Other investments				
Investments - West Bequest	-	-	-	34,412
	<u>4,483,879</u>	<u>61,497</u>	<u>4,545,376</u>	<u>4,442,439</u>

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

14. DEBTORS

	2014 £	2013 £
Trade debtors	32,814	24,143
Other debtors	172,611	209,852
	<u>205,425</u>	<u>233,995</u>

15. CREDITORS: Amounts falling due within one year

	2014 £	2013 £
The West Bequest	–	35,136
Other creditors	160,598	64,526
	<u>160,598</u>	<u>99,662</u>

16. ENDOWMENT FUNDS

	Balance at 1 Dec 13 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 30 Nov 14 £
Permanent endowments					
Congregational Funds	101,998	315	–	–	102,313
Bishops Discretionary Fund	<u>63,029</u>	<u>5,384</u>	<u>(8,500)</u>	<u>4,959</u>	<u>64,872</u>
	<u>165,027</u>	<u>5,699</u>	<u>(8,500)</u>	<u>4,959</u>	<u>167,185</u>

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

NOTES TO THE REPORT AND ACCOUNTS

YEAR ENDED 30 NOVEMBER 2014

17. RESTRICTED INCOME FUNDS

	Balance at 1 Dec 2013 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 30 Nov 2014 £
General Fund	4,176,169	21,162	–	10,079	4,207,410
Charitable income for disbursement Fund	4,181	13,806	(17,632)	–	355
The Gordon Fund	625,285	4,058	–	1,933	631,276
The St George's Fund	707,108	4,981	–	2,374	714,463
Bishop Goldie Memorial Fund	59,192	400	–	190	59,782
Provincial Conference Fund	5,586	–	–	–	5,586
St George's Vestry Fund	3,649	–	–	–	3,649
General Fund Revenue Reserve	508,314	373,070	–	–	881,384
Bishop Goldie Fund Revenue Reserve	10,058	–	–	–	10,058
Drumchapel Legacy Fund	35,252	246	–	117	35,615
The West Bequest	–	35,384	–	117	35,501
	<u>6,134,794</u>	<u>453,107</u>	<u>(17,632)</u>	<u>14,810</u>	<u>6,585,079</u>

SCOTTISH EPISCOPAL CHURCH DIOCESE OF GLASGOW AND GALLOWAY

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YEAR ENDED 30 NOVEMBER 2014

18. INVESTMENTS VALUATION AS AT 30 NOVEMBER 2014

Holding	Name of Stock	Cost £	Value £
48,350	Aberdeen Asian Income Fund	65,918	99,359
35,000	Alliance Trust	104,320	167,790
8,700	Bankers Investment Trust	21,903	50,612
60,000	British Assets Trust	83,099	83,100
41,250	Dunedin Smaller Cos IT	42,486	76,725
9,800	Finsbury Growth & Income Trust	31,846	53,410
75,500	Marlborough Multi Cap Income P Inc	104,304	112,578
33,750	Henderson Far East Income Ltd	91,484	111,375
24,000	Henderson Global Trust	46,684	93,840
25,850	Law Debenture	73,782	135,713
18,850	Murray Income Trust	81,969	148,444
10,500	Murray International Trust	85,760	113,190
43,000	Newton Global Higher Income W Inc	47,697	50,422
16,450	Perpetual Income & Growth IT	39,827	65,981
77,829	Sarasin Intl Equity Inc P Inc	83,648	96,508
747	Veritas Global Equity Income D	121,698	123,679
18,000	Witan	50,150	135,810
7,800	Amlin	34,874	34,726
16,000	HSBC Holdings	115,137	101,920
66,400	Polar Cap Global Financials Tst	68,230	67,064
2,750	Schroders Vtg	26,279	74,113
8,500	St James Place	30,972	67,490
27,350	Standard Life	53,435	115,964
115,000	UK Commercial Property Trust	90,998	99,245
8,000	Diageo	41,186	158,480
3,000	Reckitt Benckiser Group	23,115	157,650
12,900	Tate & Lyle	84,613	77,852
4,450	Unilever	58,379	120,417
7,300	GlaxoSmithKline	70,102	108,405
6,600	Worldwide Healthcare Trust	41,510	114,708
6,200	Greene King	51,062	47,771
3,500	Pearson	20,528	43,085
46,200	Vodafone Group	77,549	108,085
8,300	Polar Capital Technology Trust	39,807	47,310
21,000	Centrica	63,144	59,766
8,000	National Grid	36,507	74,400
7,940	SSE	73,669	130,216
8,000	Experian	27,878	81,040
3,544	Travis Perkins	28,887	64,040
3,500	BG Group	41,166	31,507
17,500	BP	91,668	73,535
9,065	Royal Dutch Shell B	94,505	201,515
1,875	Total SA	66,093	67,147
8,000	BHP Billiton	21,530	121,360
38,500	BlackRock Commodities Income IT	53,333	38,115

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4,772	Johnson Matthey	50,493	158,717
4,000	Rio Tinto	46,403	119,700
		<u>2,799,627</u>	<u>4,483,879</u>

There is one non-UK investment held at the year end which is a holding of 1,875 shares in Total SA with a current market value of £67,147 and there are no material investments in any one company.