

Maxwell Mearns Castle Parish Church

Year ended 31 December 2019

CONGREGATIONAL ACCOUNTS

Congregation Number: 160874

Scottish Charity Number: SC017317

Maxwell Mearns Castle Parish Church
Year ended 31 December 2019
Trustees Annual Report

The trustees present the annual report and financial statements for Maxwell Mearns Castle Parish Church for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out on pages 13 and 14 of the accounts and comply with the General Assembly Regulations for Congregational Finance, 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 published on 16 July 2014.

Objectives and Activities

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in its polity. It exists to glorify God and to work for the advancement of Christ's Kingdom throughout the world. As a national Church, it acknowledges a distinctive call and duty to bring the ordinances of religion to the people in every parish of Scotland through a territorial ministry. It co-operates with other Churches in various ecumenical bodies in Scotland and beyond. Maxwell Mearns Castle Parish Church holds services of worship alongside other activities. An update is given below.

The Aim of Maxwell Mearns Castle Church

Our aim as a congregation of Christ's people is to "glorify God and enjoy him forever"! Our desire is to "make" disciples of Jesus Christ and to be mature disciples of Jesus. We share in the incredible privilege of worshipping our Triune God together each week with our lips in praise and with our lives daily. We delight to see older and younger from our community come into a saving faith in Jesus Christ and finding the blessing of walking by His light and love.

Financial Health

The financial statements in this report presents a snapshot of a healthy year for Maxwell Mearns Castle Church. With significant financial legacies received in recent years the Board took a significant decision in 2018 and 2019 to invest in our ongoing work with young people (employing a youth worker and family worker) the facilitating of missions through the wider Christian community and the upgrading of our premises to ensure our suite of buildings is fit for purpose.

The consequence of these decisions was a planned deficit for the financial year and a planned reduction of our financial reserves. The Board has decided to continue this trajectory into 2020 however beyond that continued investment in these areas will require a significant increase in income from our members to support this valuable work in the advancement of Christ's Kingdom.

Congregational Life

As reported each year we were saddened by the death of some of our more senior members. However, the congregation is in good heart and we remain steady in numbers.

Worship: We worship each Sunday morning and fortnightly in the evening. We also worship mid-week. About 170 attend morning worship and about 30-40 in the evening. Messy Church is becoming an established part of our outreach. We held several Messy Church events in the year and the plan is to increase this in 2020. We increased our number of home-groups to five with about 65 members in total. In addition, some of the congregation meet

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informally for bible study. We shared well-attended services at Easter with other local congregations. Christmas worship was also well attended with a good number at our early Christmas Eve service and 90 at a lovely Christmas Day gathering. We continue to worship monthly with the residents of our local Care Home.

Outreach: We were delighted to complete two Alpha courses which ran simultaneously (a Youth Alpha and a normal Alpha). Apart from many intangible benefits, two mature members of the congregation re-professed faith. The congregation was blessed to witness the profession of three youths, two of whom were baptised and another youth took the opportunity to recommit himself to the Lord.

Prayer: Prayer retains an emphasis within the congregation. A small group continues to meet for prayer before worship each Sunday and two people are appointed to pray after worship with anyone who so wishes. The Kirk Session elders continue to pray in triplets. Around twenty folk meet to pray and praise God at the Wednesday evening gathering, "The Pulse". The Prayer Chain remains an active way to pray immediately for those who encounter serious situations and need urgent prayer support. We are grateful to one of our congregation for organizing this.

Pastoral: The Pastoral Care Team continues to provide additional care alongside the elders and minister. The monthly group (Tom's Club) for those with learning difficulties continues. The Castle Coffee Club: Elderly folk from our congregation and community continue to enjoy tea/talk/coffee/cake on a Tuesday afternoon. The Gospel talk is much appreciated. Drivers collect and return each participant. This has now been successfully run for several years. We are indebted to the team of leaders and helpers.

The Praise Band/AV: We are blessed with a group of gifted but also committed musicians and helpers in AV.

Young People's Work: A considerable number of our congregation give themselves sacrificially to this work! They are ably assisted by our youth worker who completed his first whole year. This work was also assisted by our part-time Children and Family worker who continues to develop a ministry amongst pre-school children and their families. She has now replaced the minister on a team of chaplains to a local primary school. **Youth Work:** The Minister continues as Chaplain at Mearns Castle High School (assisted by youth workers from Maxwell Mearns Castle Church and Eaglesham Parish Church).

Toddlers: The Monday Toddlers continue in strength. Due to reduced numbers, the Tuesday group has been temporarily suspended. The Toddlers continue to meet on Wed and Thursday with a good atmosphere amongst carers and mums/family members. **Playgroup:** Castle Playgroup continues successfully with the constant need now of four days. There is no less enthusiasm by the parents of children involved but numbers have reduced slightly due to external factors. We completed another wonderfully enjoyed annual Fun Day which again attracted many guests who enjoyed the fun provided an Art for Easter Competition. **Crèche:** Crèche on Sunday mornings continues each week with small numbers being looked after. **Rainbows, Brownies and Guides:** Although these groups are not under the Kirk Session they are led by our Children and Family Worker. It is good to have the girls join the congregation in worship from time to time. **Holiday Clubs:** We conducted three summer clubs again this year. Our annual Holiday

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Club was wonderfully led and run with towards 100 primary-school-aged children registered. The family worker ran a very successful under-5 club simultaneously where parents were encouraged to remain with their children. This year we again sent a team each evening to Torglen Parish Church where a further club was held. Alongside the adult leaders again nearly 20 teenagers assisted with their own special activities also. **Scripture Union:** We continue strong links with SU and many children attended summer camps and mid-year Megamix events locally.

Ecumenical Relations

We continue to accept opportunities to share in events with the local Baptist Church and Independent Evangelical Churches. The minister also accepts occasional opportunities to preach outside the denomination. An elder attends the local Peace and Justice Forum. The minister meets regularly with the Mearns Church of Scotland ministers to pray and share.

Outreach partners

We continue to support our missionaries in prayer and financially (Bryson and May Arthur in South Africa and the work of ECRAD in Malawi). We extend financial and prayerful support to missionaries in Japan and a singer/songwriter from the congregation in the USA. The congregation supports the ministry of Blythwood Care (over 6000 shoe boxes which were dispatched at Christmas under the auspices of the Blythwood Shoe Box initiative). Teams continue to volunteer in supporting the work of Lodging House Mission on occasional Saturdays. The relationship with ERGC remains strong and we supply space to store food and toiletries. We have also partnered in financing the personal needs of many in our community. This partnership has created the opportunity to extend pastoral care to the contacts made. Our Christian Support Fund is being well used to this end.

Leadership

In keeping with biblical principles and our formal church polity, our congregational life is overseen by "elders" and a "Board" delegated to look after the financial and physical aspects of our congregational life. We are blessed with two gifted and united leadership teams. After considerable prayer and discernment, two new elders were ordained. And we were saddened to lose one of our long-serving elders to retirement. The Chairman of the Board leads in an outstanding manner as does the new Treasurer who, along with the finance committee and the Congregational Board maintain and improve our suite of buildings. It is an increasing burden on the Congregational Board to find members willing and able to undertake the tasks of, Health & Safety, Health & Hygiene, Fire Regulations, OSCR requirements, GDPR et al.

Property

Our Property Convenor excellently renews and refreshes the premises to make them fit for purpose. Several issues concerning fire safety had to be attended to. A considerable part of the carpark was re-laid making the premises easier to approach. A sanctuary project began during the year with a view to its completion in 2020. At an approximate cost of £40,000, it is anticipated about 75% of that amount will be found in new gifts for this work. We continue to make our energy use more efficient (replacement boilers, lighting on sensors and a more efficient heating system in the sanctuary). The manse remains in reasonable condition.

Financial review

The Congregation remains committed to the cause of Christ's Kingdom and blessed with substantial legacies received in recent years.

Restricted Funds

A number of restricted funds are in place relating to specific projects. These are listed below. Details of income and expenditure relating to these funds, together with information on their purposes, are given in notes 13,15 and 16. The funds are:

- Missionary Fund
- Local Outreach Fund
- Christian Support Fund
- Sanctuary Improvement Fund (new in 2019)
- Fixed Assets Capital Reserve

There has been continued desire to finance mission and so the Missionary Fund attracted and dispersed £7,500, with a further £10,280 gifted from our bequest fund to mission partners in South Africa and Japan. Four additional offerings in the year were collected resulting in a further £5,200 given to other charities. The Local Outreach Fund was the set aside in 2018 to support the creation of a part time family worker post for 3yrs. Working closely with East Renfrewshire Good Causes our Christian Community Support Fund continued to aid local families in their time of financial need and dispersed £1,962 during the year. These disbursements are in addition to the £96,000 required by the Church of Scotland (in part to support more needy ministries) and supported through our General Fund.

Unrestricted Funds

In the last 5 years, the Congregation has received just over £282,000 in legacies (£19,162 in the past 12 months) and this has enabled the Congregation to substantially repair and upgrade our Church facilities. At the same time, in addition to direct giving from the Missionary Fund, the Congregational Board has chosen to support missionary partners with around £37,000 over this period and also employ, train and develop a new youth worker in the last 18 months (£27k pa including training support).

General Fund

In the year to December 2019 the General Fund recorded a deficit of £20,484, which was £17,000 higher than budget with income down around £2,300 and expenditure up £14,700 which includes the write off of £8,700 of costs previously expected to be recovered from the General Trustees in relation to the Castle.

Although there has been an encouraging switch to more regular standing order and giving through payroll the average weekly giving has reduced overall by 8% in the last 5 years and the generosity of substantial legacies has masked this decline. This is most likely as a result of the substantial legacies received from members who have passed away boosting cash reserves and reducing the need for members to annually review their giving and perhaps more significantly strategically redirecting their offerings to other Christian works outside The Church of Scotland. Whilst

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there are still sufficient unrestricted reserves left the Congregational Board is conscious that it needs to look to maintain a sufficient reserve for unexpected events and cannot rely on legacies as in the past.

Expenditure included £8,700 of essential repairs to the Castle which were incurred in previous years and had been expected to be recovered from the General Trustees but as is noted later in this report has now had to be written off. In addition, on-going general maintenance costs were £2,500 higher than budget along with local out-reach and youth work training and expenses which were £2,300 higher than budget.

Bequests Fund

This fund was set up to identify the legacies given to the church historically and was unrestricted in its use. The funds have been used to date to support the upgrading of our church facilities, missionary partners and our youth worker costs. During the year the Congregation received £19,162 from two legacies and gave £10,280 to our missionary partners, supported part of the youth worker's salary and invested £33,935 in major upgrades to the church facilities.

Unrestricted Reserves Policy

Reserves are held to provide sufficient working capital to cover the ongoing obligations of the Church, including payments to central funds of the Church of Scotland to support other congregations, staff costs (now including our youth worker), property maintenance and other running costs. The Board took a significant decision in 2018 and 2019 to invest in our ongoing work with young people (employing a youth worker and family worker) the facilitating of missions through the wider Christian community and the upgrading of our premises to ensure our suite of buildings is fit for purpose.

The consequence of these decisions was a planned deficit for the financial year and a planned reduction of our financial reserves. The Board has decided to continue this trajectory into 2020 however beyond that continued investment in these areas will require a significant increase in income from our members to support this valuable work in the advancement of Christ's Kingdom. As a result of the General Fund deficit, it was agreed by the Congregational Board to transfer the balance of the unrestricted bequests fund to the general reserves so that not only can the board see clearly what reserves it has, but it can focus on building income and reducing expenditure in order to establish a reasonable level of reserves for the future that is not dependant on legacies.

At the end of the period, the Congregation had unrestricted reserves of £83,795, made up of the General Fund reserves (which now includes the balance of the bequests fund) of £74,909 and the Playgroup Fund reserves of £8,885.

The total bank and cash balances at 31 December 2019 were £95,183. The main contributors to this are the items mentioned above namely the legacies received in recent years, and surpluses of income over expenditure in prior years. A breakdown of assets and liabilities between restricted and unrestricted funds is given in note 11.

Risk Management: The principal risks facing the charity are as follows:

Premises: The Church sanctuary and halls complex are around 46 years old and consequently require ongoing maintenance. To minimise the risks involved property maintenance requirements are reported and discussed at every meeting of the Congregational Board.

Mearns Castle: The Church property which the charity uses are vested in the Church of Scotland General Trustees. The Church grounds also contain Mearns Castle. Mearns Castle is attached to the Sanctuary and is a 15th Century building Grade A Listed "At Risk." The Kirk Session and Congregational Board continue to explore methods of mitigating the risk to the Congregation of the Castle and in August 2019 a meeting took place with representatives from the General Trustees and Glasgow Presbytery to discuss the way forward for Mearns Castle following concerns over the risk to the congregation and general public from the effects of deterioration of the Castle fabric. Details of this are contained in Note 14 to these accounts.

In November 2019, the General Trustees wrote declining to assist towards the £8,700 cost of urgent repairs to the Castle stairwell and removal of unstable corbels undertaken by MMCC congregation on the basis that the congregation has sufficient funds to pay for the repairs. Up to this point the costs had been expected to be recovered from the General Trustees and were included as a debtor in the accounts. These costs have now been recognised in our fabric repairs and maintenance costs for the year to 31 December 2019.

Structure, Governance and Management

The congregation is a registered charity, number SC017317, and is administered in accordance with the terms of the Model Deed of Constitution approved by the General Assembly of the Church of Scotland in 1994, and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland. Members of the Kirk Session and the Congregational Board are the charity trustees. The Kirk Session members are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery. The Congregational Board is appointed from within the congregation and members of the congregation are invited to nominate individuals who are believed to have the skills and commitment to contribute to the management affairs of the Church, to become members of the Board. Board members are then appointed at the Stated Annual Meeting and serve for a period of three years, after which they must seek re-election at the next Stated Annual Meeting. The Congregational Board is chaired by the Chairman of the Board and normally meets eight times in a year. The Kirk Session which normally also meets eight times a year is responsible for spiritual affairs within the church. The members of the Kirk Session are also members of the Congregational Board.

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Reference and Administrative Information

Trustees

The trustees who served during the year and up to the date of signing the accounts were as follows:

<i>Members of the Kirk Session</i>		<i>Members of the Congregational Board</i>	
C Amery-Behr	D Merriman	B Adkins	G Leonard
S Anderson	W Macvicar	B Bell	C MacRae
W Bell	A McDougall	C Bell	Y McMillan
A Cooper <i>retired 1 June 19</i>	D McDougall <i>joined 8 Dec 19</i>	A Best	N Mowat
M Cooper	A McLellan	M Brown	S Pryce <i>joined 19 May 19</i>
I Forgie	S McLellan	T Brown	A Smith
J Geddes	J McNicol	S Bruce	K Steven <i>retired 19 May 19</i>
A Halliday	M McNicol	K Campbell	K Taggart
M Halliday	M McNicol	M Dale <i>retired 19 May 19</i>	S Urquhart <i>joined 19 May 19</i>
Rev Dr S Kirkland	C McPhail	P Fisher	B Waugh <i>joined 19 May 19</i>
G Lipsett	P Siviter	L Hamilton	
A Little	E Smith* <i>joined 8 Dec 19</i>		
S Martin	M Weatherill		

* E Smith was also a member of the Congregational Board throughout the period of these accounts

Principal Office Bearers

Treasurer: Ian Forgie CA

Charity Registration Number: SC017317
Congregation Reference Number: 160874

E Napier CA
83 Hillend Road
Clarkston
G76 7XT

Clydesdale Bank PLC, The Avenue, Newton Mearns

Trustees: Responsibilities in Relation to the Financial Statements

The charity trustees are responsible for preparing a trustees' annual report and 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 charity trustees to prepare financial statements for each year which show 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 the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which 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 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information on the congregation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf



A Little

Session Clerk

10 March 2020

Independent Examiner's Report to the Trustees of Maxwell Mearns Castle Parish Church

I report on the accounts of the charity for the year ended 31 December 2019 which are set out on pages 11 to 23.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity trustees consider that the audit requirement of Regulation 10 (1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended), and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended) have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



E Napier CA
83 Hillend Road
Clarkston

10 March 2020

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Financial Statements and Notes

Statement of Financial Activities		Unrestricted	Restricted		
Year ended 31 December 2019	Note	Funds	Funds	Total	Total
		2019	2019	2019	2018
		£	£	£	£
Income and endowments from :					
Donations and legacies	1	177,982	8,687	186,669	171,468
Charitable activities	2	18,780	-	18,780	25,801
Other trading activities	3	11,572	-	11,572	9,286
Investment income	4	793	-	793	292
Total income		209,127	8,687	217,814	206,847
Expenditure on :					
Raising funds	5	67	-	67	119
Charitable activities	5	265,030	19,330	284,360	288,578
Total expenditure		265,097	19,330	284,427	288,697
Net income / (expenditure) before gains and losses on investments		(55,970)	(10,643)	(66,613)	(81,850)
Net gains / (losses) on investments		-	-	-	-
Net income / (expenditure)		(55,970)	(10,643)	(66,613)	(81,850)
Transfers between Funds	13	-	-	-	-
Net movement in funds		(55,970)	(10,643)	(66,613)	(81,850)
Reconciliation of funds :					
Total funds brought forward		139,765	165,156	304,921	386,771
Movement		(55,970)	(10,643)	(66,613)	(81,850)
Total funds carried forward	13	83,795	154,513	238,308	304,921

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Balance Sheet

At 31 December 2019	Note	2019 £	2019 £	2018 £	2018 £
Fixed Assets					
Tangible assets	8		137,000		140,500
Total Fixed Assets			<u>137,000</u>		<u>140,500</u>
Current Assets					
Debtors	9	11,823		16,745	
Cash at bank and in hand		95,334		150,866	
Total current assets			<u>107,157</u>		<u>167,611</u>
Liabilities					
Creditors falling due within one year	10	5,849		3,190	
Net Current Assets			101,308		164,421
Net Assets			<u>238,308</u>		<u>304,921</u>
The funds of the charity					
Restricted income funds		154,513		165,156	
Unrestricted income funds		83,795		139,765	
Total charity funds	13		<u>238,308</u>		<u>304,921</u>

17 February 2020

The accounts were approved by the ~~Kirk Session~~ and Congregational Board on ~~10 March~~ 2020 and signed on their behalf by:



A Little

Session Clerk



I Forgie CA

Treasurer

Accounting Policies

The principal accounting policies, which have been applied consistently in the current and preceding year in dealing with items which are considered material to the accounts, are set out below.

Basis of preparation

The financial statements have been prepared 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 (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity meets the definition of a public benefit entity under FRS102.

Fund accounting

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the items, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102) the general volunteer time of congregation members is not recognised. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market. A corresponding amount is then recognised as expenditure in the period of receipt.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the interest paid or payable by the Bank.

Accounting Policies (continued)

Fixed Assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church and Halls, vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets. Expenditure incurred on the repair and maintenance of these assets is charged as expenditure in the Statement of Financial Activities in the period in which the liability arises.

The Manse is recorded in the financial statements as the deeds are held in the names of the office bearers of Maxwell Mearns Castle Parish Church.

All tangible fixed assets having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Items costing less than £10,000 are not considered to be capital expenditure and so are charged as resources expended during the period.

No depreciation is provided on the Manse as both any depreciation charge and accumulated depreciation are not considered material because the asset has a very long useful life and the estimated residual value is greater than the carrying value of the asset. The Manse is subject to an annual impairment review.

Investments

Fixed asset investments are stated at market value at the balance sheet date. Unrealised gains and losses represent the difference between the market value at the beginning and end of the financial year or, if purchased in the year, the difference between cost and market value at the end of the year. Realised gains and losses represent the difference between the proceeds on disposal and the market value at the start of the year or cost if purchased in the year.

Taxation

Maxwell Mearns Castle Parish Church is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is not registered for VAT and resources expended therefore include irrecoverable VAT.

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Financial Statements and Notes

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
1. Donations and Legacies						
Offerings	128,367	6,130	134,497	132,180	6,180	138,360
Tax recovered on Gift Aid	29,237	1,957	31,194	27,422	1,640	29,062
Legacies	19,162	-	19,162	-	-	-
Other Donations	1,216	600	1,816	3,746	300	4,046
	<u>177,982</u>	<u>8,687</u>	<u>186,669</u>	<u>163,348</u>	<u>8,120</u>	<u>171,468</u>
2. Income from charitable activities						
Income - Regular (Church Organisations)	1,881	-	1,881	1,796	-	1,796
Income - PlayGroup	15,822	-	15,822	17,389	-	17,389
Income - Youth activities	877	-	877	6,416	-	6,416
Income - Weddings and funerals	200	-	200	200	-	200
Income - Special Events	-	-	-	-	-	-
	<u>18,780</u>	<u>-</u>	<u>18,780</u>	<u>25,801</u>	<u>-</u>	<u>25,801</u>
3. Income from other trading activities						
Income - Hire of Church Buildings	11,572	-	11,572	9,286	-	9,286
	<u>11,572</u>	<u>-</u>	<u>11,572</u>	<u>9,286</u>	<u>-</u>	<u>9,286</u>
4. Investment Income						
Interest Received	793	-	793	292	-	292
	<u>793</u>	<u>-</u>	<u>793</u>	<u>292</u>	<u>-</u>	<u>292</u>
5. Analysis of Expenditure						
Raising funds						
Offering envelopes	67	-	67	119	-	119
Charitable activities						
Ministries and Mission Allocation	96,272	-	96,272	94,946	-	94,946
Presbytery Dues	5,340	-	5,340	5,378	-	5,378
Minister's Expenses	2,570	-	2,570	1,147	-	1,147
Pulpit Supply & Locum	378	-	378	599	-	599
Employment Costs	53,985	5,794	59,779	43,811	1,656	45,467
Other staff costs	1,344	-	1,344	478	-	478
Training & Seminars	3,912	215	4,127	1,994	-	1,994
Fabric repairs and maintenance	47,299	-	47,299	65,180	-	65,180
Ground maintenance	913	-	913	1,207	-	1,207
Depreciation	-	3,500	3,500	-	3,500	3,500
Council Tax	5,009	-	5,009	4,912	-	4,912
Water charges	1,841	-	1,841	1,794	-	1,794
Heat and light	12,033	-	12,033	12,471	-	12,471
Insurance	5,321	-	5,321	4,860	-	4,860
Local Outreach	4,581	2,236	6,817	10,545	3,286	13,831
Office Costs	2,720	85	2,805	2,612	-	2,612
Telephones	1,693	-	1,693	911	-	911
General expenses	5,993	-	5,993	8,180	129	8,051
Distributions to Missions	10,280	7,500	17,780	-	19,240	19,240
Youth Work expenses	3,546	-	3,546	-	-	-
	<u>265,030</u>	<u>19,330</u>	<u>284,360</u>	<u>261,025</u>	<u>27,553</u>	<u>288,578</u>
	<u>265,097</u>	<u>19,330</u>	<u>284,427</u>	<u>261,144</u>	<u>27,553</u>	<u>288,697</u>

Support costs have not been separately identified as the trustees consider there is only one charitable activity. Therefore, support costs relate wholly to that activity and have not been separately identified.

	2019 £	2018 £
6. Staff costs and numbers		
Salaries	58,729	44,956
Social security costs	-	7
Pension costs	1,050	504
Total	<u>59,779</u>	<u>45,467</u>

The average number of employees during the year, calculated on the basis of a headcount, was as follows :

Ministerial support	1.0	1.0
Youth ministry	1.0	1.0
Outreach Ministry	1.0	1.0
Playgroup ministry	3.0	3.0
Premises maintenance	1.0	1.0
	<u>7.0</u>	<u>7.0</u>

No employee had employee benefits in excess of £60,000 (2018 nil). All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pensions and housing and loan fund. Ministers' stipends are paid in accordance with the national stipend scale, which is related to years of service. For the year under review the minimum stipend was £27,585 and the maximum stipend (in the 5th and subsequent years) was £33,899.

7. Trustee Remuneration and Related Party Transactions

During the year five trustees or persons connected to the trustees received reimbursement of expenses totalling £9,736 as follows:

Mr Charles Amery-Behr was reimbursed £3,680 in respect of purchases made on behalf of the Congregational Board. Mr Sandy Leonard provided electrical services for which his company was paid £4,446. Mr Sandy Leonard is the husband of Mrs Gloria Leonard who is a member of the Congregational Board. Mrs Susan Little was reimbursed £259 for Hizkidz expenses. Mrs Susan Little is the wife of Mr Andrew Little who is the Session Clerk. Mr Andrew Smith was reimbursed coffee club expenses of £132. Rev Dr Scott Kirkland (Minister) was reimbursed expenses of £1,219 relating to the purchase of Christian material.

In addition, Mrs Susan Amery-Behr received remuneration in respect of her position as the Church Secretary totalling £5,736. Mrs Amery-Behr is the wife of Mr Charles Amery-Behr who is a member of the Kirk Session.

The Trustees contributed offerings of £67,230 to the Church funds during the year.

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8. Tangible Fixed Assets

	Buildings	Plant and	Total
	£	Equipment	£
		£	
Cost			
At 1 January 2019	130,000	17,500	147,500
Additions	-	-	-
Disposals	-	-	-
At 31 December 2019	<u>130,000</u>	<u>17,500</u>	<u>147,500</u>
Depreciation			
At 1 January 2019	-	7,000	7,000
Charge for year	-	3,500	3,500
Disposals	-	-	-
At 31 December 2019	<u>-</u>	<u>10,500</u>	<u>10,500</u>
Net Book Value			
At 31 December 2019	<u>130,000</u>	<u>7,000</u>	<u>137,000</u>
At 1 January 2019	<u>130,000</u>	<u>10,500</u>	<u>140,500</u>

The buildings consist of the Manse. The trustees have carried out an impairment review based on quoted selling prices of similar local properties, and have concluded that the net realisable value of the property is greater than its net book value.

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9. Debtors

	2019	2018
	£	£
Gift Aid Tax Refund Due	9,144	6,917
Trade Debtors	602	-
Prepayments & accrued income	757	1,128
Other debtors	1,320	8,700
	<u>11,823</u>	<u>16,745</u>

10. Creditors

	2019	2018
	£	£
Accruals	4,842	1,977
Other	1,007	1,213
	<u>5,849</u>	<u>3,190</u>

11. Analysis of Net Assets Among Funds

	General	Designated	Restricted	Total
	£	£	£	£
Fixed Assets			137,000	137,000
Current Assets	80,757	8,887	17,513	107,157
Current Liabilities	(5,849)			(5,849)
Net assets at 31 December 2019	<u>74,908</u>	<u>8,887</u>	<u>154,513</u>	<u>238,308</u>

12. Volunteers

In common with all congregations of the Church of Scotland the congregation benefits from the contribution made by volunteers who give their time and talents willingly for the benefit of the Church. The areas of congregational life which rely on the contribution of volunteers are many and varied and much of the activity would be unable to continue were it not for the commitment shown.

13. Movements in Funds

	At 1 January				
	2019	Income Transfers		Expenditure	Total
	£	£	£	£	£
Restricted Funds					
Fixed Assets Capital Reserve	140,500	-	-	(3,500)	137,000
Missionary Fund	2,199	7,749	-	(7,585)	2,363
Local Outreach	18,191	-	-	(6,283)	11,908
Christian Support Fund	4,266	-	-	(1,962)	2,304
Sanctuary Improvement Fund	-	938	-	-	938
	165,156	8,687	-	(19,330)	154,513
Unrestricted Funds					
General Fund	7,039	174,143	88,354	(194,628)	74,908
Bequests	123,575	19,162	(88,322)	(54,415)	-
Playgroup	9,119	15,822	-	(16,054)	8,887
Youth Activities	1	-	(1)	-	-
HizKidz	31	-	(31)	-	-
	139,765	209,127	0	(265,097)	83,795
Total Funds	304,921	217,814	0	(284,427)	238,308

Purposes of Restricted Funds

- **Fixed Assets Capital Reserve** - reflects the original purchase cost of the manse, and cost less depreciation of plant and equipment.
- **Missionary Fund** - the purpose of this fund is to enable members to contribute to the financial needs of individuals or agencies involved in mission activity (including training) where those individuals or agencies are known personally and supported by members in prayer.
- **Local Outreach** - this fund was established to support local outreach initiatives.
- **Christian Support Fund** - this fund has been established to support those locally in financial need.
- **Sanctuary Improvement Fund** – this fund was established to enable members to contribute to the improvement of the sanctuary with specific fund-raising activities and capture the costs of such expenditure

Purposes of Designated Funds

- **Bequests** - this reflects various large legacies given to the church historically and was unrestricted in its use. The funds have been used to date to support the upgrading of our church facilities, missionary partners and our youth worker costs. The Congregational Board required to transfer the balance of this fund at the year to meet the deficit in the General Fund and provide clarity in expenditure and a focus on maintaining adequate general reserves.
- **Playgroup** - this covers fees and fundraising income received less the running costs incurred.
- **Hizkidz** - As this is not a separately managed fund the balance has been transferred to the General Fund at the year end.
- **Youth Activities** - As this is not a separately managed fund the balance has been transferred to the General Fund at the year end.

14. Contingent Liability

As noted on page 6, the Church property which the charity uses are vested in the Church of Scotland General Trustees. The church grounds also contain Mearns Castle Mearns Castle which is attached to the Sanctuary and is a 15th Century building Grade A Listed "At Risk."

In August 2019 a meeting took place with representatives from the General Trustees and Glasgow Presbytery to discuss the way forward for Mearns Castle following concerns over the risk to the congregation and general public from the effects of deterioration of the Castle fabric.

It was agreed that it be cleaned out, the pigeons removed and the windows sealed up to prevent any further ingress of birdlife and the principle of regular inspections of the Castle exterior by suitably qualified personnel was discussed. The General Trustees, however, have made it clear that they are unable to assist with funding this work and, as we have funds available, expect our congregation to use our funds for this work.

Given the financial implications contained within this year's accounts and the fact that any proposed inspections of the Castle will have additional ongoing costs associated with them, the small committee who consider the issues of the Castle on behalf of the Congregation are looking to consider other options which will be presented to the Congregation Board in due course.

In the meantime, the Congregational Board has agreed that we proceed with the cleaning out of the Castle and sealing of the windows and this work is imminent.

15 Missionary Fund - Distribution to Missions

Personal gifts to the Church (including gift aid) for use in its wider Mission work were disbursed as follows:

	2019 £	2018 £
Africa Word & B & M Arthur	3,700	3,450
A & S Alexander	500	500
H & D Berisha	300	300
C Morris	250	500
D & J Swan	1,250	1,000
Glasgow City Mission	250	-
Lodging House Mission	1,250	-
Navigators UK	-	-
Union Church, Manila:	-	500
R Dodds:	-	500
R Gamble:	-	250
	-	750
	7,500	7,750

Transfers to the Fund from Unrestricted Funds were also authorised by the trustees for disbursement by the Fund to the congregation's Missionary Partners and others as follows:

	£	
Africa Word & B & M Arthur:	4,000	4,000
Navigators:	5,280	5,280
Scripture Union Scotland:	1,000	2,210
	10,280	11,490
	17,780	19,240

Retiring Collections for third parties (not part of church income)

	2019 £	2018 £
UCCF	1,322	-
SOLAS	1,600	-
ECRAD	1,320	-
STOMP Concert	1,000	-
Womens' Day of Prayer	-	179
MAF	-	143
Lodging House Mission	-	110
Heart to Heart	-	1,213
	5,242	1,645

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16 Restricted Funds									
FIXED					FIXED				
ASSET		MISSIONS		LOCAL		CHRISTIAN		SANCTUARY	
FUND		FUND		OUTREACH		SUPPORT		IMPROVEMENT	
£		£		£		£		£	
INCOME		2019		2018		TOTAL		TOTAL	
Donations and Legacies		8,687		8,120		-		-	
Transfers from Unrestricted funds		0		11,490		5,000		-	
TOTAL INCOME		8,687		19,610		5,000		24,610	
EXPENDITURE									
Distributions to Missions		7,500		19,240		-		-	
Donations to Others		0		-		-		-	
Employment Costs		5,794		-		1,656		-	
Training & Seminars		215		-		-		-	
Office Costs		85		-		-		-	
General expenses		0		(129)		-		-	
Depreciation		3,500		-		-		-	
Local Outreach		2,236		-		-		-	
TOTAL EXPENDITURE		19,330		19,111		3,286		27,553	
Balance at 1 January		165,156		1,700		2,552		168,099	
Excess Income/(Expenditure)		(10,643)		499		(1,656)		(2,943)	
Balance at 31 December		154,513		2,199		4,266		165,156	

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17 Unrestricted Funds	GENERAL			YOUTH			2019			GENERAL			YOUTH			2018		
	FUND	BEQUESTS	PLAYGROUP	ACTIVITIES	HIZKIDZ	TOTAL	FUND	BEQUESTS	PLAYGROUP	ACTIVITIES	HIZKIDZ	TOTAL	FUND	BEQUESTS	PLAYGROUP	ACTIVITIES	HIZKIDZ	TOTAL
INCOME	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Donations and Legacies	158,820	19,162	-	-	-	177,982	163,348	-	-	-	-	163,348	-	-	-	-	-	163,348
Income from charitable activities	2,958	-	15,822	-	-	18,780	1,996	-	17,389	6,416	-	25,801	-	-	-	-	-	25,801
Income from other trading activities	11,572	-	-	-	-	11,572	9,286	-	-	-	-	9,286	-	-	-	-	-	9,286
Investment Income	793	-	-	-	-	793	292	-	-	-	-	292	-	-	-	-	-	292
TOTAL INCOME	174,143	19,162	15,822	-	-	209,127	174,922	-	17,389	6,416	-	198,727	-	-	-	-	-	198,727

EXPENDITURE

Raising funds																		
Offering envelopes	67	-	-	-	-	67	119	-	-	-	-	119	-	-	-	-	-	119
Charitable activities																		
Ministries and Mission Allocation	96,272	-	-	-	-	96,272	94,946	-	-	-	-	94,946	-	-	-	-	-	94,946
Presbytery Dues	5,340	-	-	-	-	5,340	5,378	-	-	-	-	5,378	-	-	-	-	-	5,378
Minister's Expenses	2,570	-	-	-	-	2,570	1,147	-	-	-	-	1,147	-	-	-	-	-	1,147
Pulpit Supply & Locum	378	-	-	-	-	378	599	-	-	-	-	599	-	-	-	-	-	599
Employment Costs	30,746	10,200	13,039	-	-	53,985	28,574	-	15,237	-	-	43,811	-	-	-	-	-	43,811
Other staff costs	101	-	1,243	-	-	1,344	478	-	-	-	-	478	-	-	-	-	-	478
Training & Seminars	3,912	-	-	-	-	3,912	1,994	-	-	-	-	1,994	-	-	-	-	-	1,994
Fabric repairs and maintenance	13,364	33,935	-	-	-	47,299	2,180	63,000	-	-	-	65,180	-	-	-	-	-	65,180
Ground maintenance	913	-	-	-	-	913	1,207	-	-	-	-	1,207	-	-	-	-	-	1,207
Council Tax	5,009	-	-	-	-	5,009	4,912	-	-	-	-	4,912	-	-	-	-	-	4,912
Water charges	1,841	-	-	-	-	1,841	1,794	-	-	-	-	1,794	-	-	-	-	-	1,794
Heat and light	12,033	-	-	-	-	12,033	12,471	-	-	-	-	12,471	-	-	-	-	-	12,471
Insurance	5,321	-	-	-	-	5,321	4,860	-	-	-	-	4,860	-	-	-	-	-	4,860
Local Outreach	2,809	-	1,772	-	-	4,581	6,018	-	-	4,210	317	10,545	-	-	-	-	-	10,545
Office Costs	2,720	-	-	-	-	2,720	2,612	-	-	-	-	2,612	-	-	-	-	-	2,612
Telephones	1,693	-	-	-	-	1,693	911	-	-	-	-	911	-	-	-	-	-	911
General expenses	5,993	-	-	-	-	5,993	5,210	-	1,916	1,054	-	8,180	-	-	-	-	-	8,180
Distributions to Missions	-	10,280	-	-	-	10,280	-	-	-	-	-	-	-	-	-	-	-	-
Youth Work expenses	3,546	-	-	-	-	3,546	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE	194,628	54,415	16,054	-	-	265,097	175,410	63,000	17,153	5,264	317	261,144	-	-	-	-	-	261,144

Opening Balance	7,039	123,575	9,119	1	31	139,765	3,121	203,065	8,883	3,255	348	218,672	-	-	-	-	-	-
Excess Income/(Expenditure)	(20,485)	(35,253)	(232)	-	-	(55,970)	(488)	(63,000)	236	1,152	(317)	(62,417)	-	-	-	-	-	-
Sub Total	(13,446)	88,322	8,887	1	31	83,795	2,633	140,065	9,119	4,407	31	156,255	-	-	-	-	-	-
Interfund Transfer	88,354	(88,322)	-	(1)	(31)	-	4,406	(16,490)	-	(4,406)	-	(16,490)	-	-	-	-	-	-
Closing Balance	74,908	-	8,887	-	-	83,795	7,039	123,575	9,119	1	31	139,765	-	-	-	-	-	-