

Meldrum and Bourtie Parish Church of Scotland

STATEMENT OF ACCOUNTS

ACCRUED (2015 SORP COMPLIANT) ACCOUNTS

**FOR THE YEAR ENDED
31ST DECEMBER 2021**

Congregation No: 331983

Scottish Charity No: SC 015960

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report Year ended 31 December 2021

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2021

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to 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 (FRS102) published on 16 July 2014 (effective 1st. January 2015).

Objectives and Activities

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in 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.

Due to the ongoing Coronavirus pandemic all 'in person' activities continued to be disrupted and although regular Sunday morning services resumed in Meldrum, continuing restrictions on capacity, face coverings, etc. meant that attendances still fell well below that prior to the pandemic. Our church hall re-opened to all groups in August 2021, although two groups, the Guild and SWRI, chose not to take up their time slots mainly due to the Covid restrictions and strict cleaning requirements that all groups who use the hall need to adhere to.

Many of our regular services held in Meldrum and Bourtie such as our Sunday evening services, Bible studies, prayer meetings and youth activities, Sunday School, Messy Church etc. haven't yet resumed. However, with the return of our minister (back from maternity leave) we hope to have a full programme up and running in early 2022.

Other whole community events, Halloween Crafts and Treats, our Christmas Tree project and Open Day, organised and managed by the Church, created a lot of interest in the community and were well attended. The Christmas Tree project involved inviting local businesses, groups, schools and societies to contribute and display an interesting/quirky decorated Christmas tree in our church buildings and there were fourteen exhibits. During our Open Day all the trees were on display and people were invited to vote to determine the most popular.

Over the year we have continued to focus on helping our local community, a team of volunteers from our membership offered their services to help with shopping, collecting prescriptions etc. and helping groups such as the British Legion and Aberdeenshire foodbank.

Our pastoral Care team and Flower committee have remained active throughout the year and have managed to keep in touch with people in our parish, members, or not, delivering flowers to those who have been bereaved or were ill and/or housebound. We introduced a voucher scheme to help all families who suffered loss of power to their homes by storm damage enabling them to purchase food from local stores and restaurants. We intend to maintain this scheme throughout the coming year. Our minister, Rev. Alisa McDonald and other members of the church also offered their home facilities, showers etc to those who suffered prolonged power loss due to the extreme weather conditions.

We continue to improve our online presence via our website, Facebook page and Youtube channel

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report Year ended 31 December 2021

Achievements and Performance Cont'd

Many of our activities, including worship services, continued to be disrupted due to the ongoing Coronavirus pandemic. Online worship replaced 'in person' worship at the start of the year. As many of our regular worshippers were still apprehensive about attending services, we continued to record most services, some audio only but mostly video recorded and posted on Facebook, on our Youtube channel and on the website.

Average Attendance per Service/Meeting	<u>2021</u>	<u>2020</u>
<u>In person:</u>		
Weekly Worship - Churches (Jan - Mar)	24	60
Weekly Worship – Churches (through to Dec)	32	34
Sheltered Housing / Care Homes	0	22
Bible Study Group (Jan - Mar)	0	12
The Guild	26	38
Sunday School – Children/Helpers (Jan – Mar)	0	16/4
Average viewing figures per Service/Meeting	<u>2021</u>	<u>2020</u>
<u>Online:</u>		
Weekly Worship	85	197.4
Weekly reflection (issued via email Mar – Aug)	n/a	108
Bible Study Group	n/a	14
Advent devotionals & Carol of the day	n/a	87.2

YouTube & Facebook average viewing figures taken from the analytics available.

19 Funerals were conducted during the year (2020– 17) of which 12 were members (2020 -12).

2 Baptisms were conducted during the year (2020- Nil).

1 Wedding service took place during the year (2020- Nil).

Financial Review

The Covid 19 pandemic continues to have a considerable effect on the finances during the year covered by this report due to the factors outlined previously.

The offerings for the year ended 31st December 2021 (with comparable figures for 2020) are made up as follows:

	<u>2021</u>	<u>2020</u>
	£	£
WFO Scheme (Non Gift Aided)	840	1,208
Gift Aid Offerings	32,390	33,976
Ordinary offerings via plate and 6-monthly envelopes	6,079	5,659
Donations	1,075	3,256
Legacies	-	-

Of the above donations, £1,075 was unrestricted (2020 - £3016) and £0 was restricted (2020 - £240).

Tax recovered on Gift Aided contributions was £8,750 (2020 - £9,045).

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report Year ended 31 December 2021

Financial Review Cont'd

Of a total membership of 332 (incl. 4 adherents), 188 members now gift aid their offerings. This represents 56.6% of the membership including adherents.

The number of members and adherents who give by standing order is now 176. 32 members give through weekly freewill offering envelopes and 23 by other identifiable methods. The balance give through the open plate, or do not give. A total of 236 members donated by identifiable methods during 2021. This represents 71.1% of the membership.

Overall, the annual incoming resources fell from £85,579 in 2020 to £77,033 in 2021 while expenditure fell from £110,492 in 2020 to £74,575 in 2021.

We continued to take advantage of the Corona Virus Job Retention scheme with one employee being furloughed from the start of the year until the scheme ended at the end of June.

Investment Policy and Performance

The trustee's policy for investments is that all investments should be held in one or more of the following:

The Church of Scotland Investors Trust
Government Stocks (Gilts), or
Bank Fixed Term Deposits

The Church of Scotland Investors Trust has three funds for Growth, Income and Deposits.

The Growth Fund is very largely equity based and is intended for long-term investment. The fund is operated on a unitised basis and aims to provide capital growth. Units can be purchased or sold monthly. Income is distributed gross in May and November. The Growth Fund is professionally managed by Newton Investment Management Limited based in London.

In the 12 months to 31st December 2021, the Growth Fund performance was +14.9% against a benchmark of +16.2%

The Income Fund is intended for medium term investment and aims to provide immediate high income with funds invested predominately in fixed-interest securities and operated on a unitised basis.

As with the Growth Fund, units can be bought or sold monthly with income distributed gross in March and September.

The Income Fund is professionally managed by Royal London Asset Management, based in London.

In the 12 months to 31st December 2021, the Income Fund performance was +0.88% against a benchmark of -3.55%.

The Deposit Fund is intended for short-term investment and aims to provide a high rate of interest. Deposits are repayable on demand, with interest calculated quarterly in arrears, paid gross in May and November. The fund is invested mainly in short-term loans to banks and building societies. The Deposit Fund is professionally managed by Thomas Miller Investment Limited, based in London and Edinburgh.

The Deposit Fund interest rates are set quarterly and are currently set at 0.15% The average rate during 2021 was 0.08% The average rate during 2020 was 0.85%.

Further details of the Church of Scotland Investors Trust can be found on the Church of Scotland website.

No bank fixed term deposits are currently held. Due to the drop in bank interest rates, the amounts held in bank accounts has been reduced as much as practicable and the money placed with the Investors Trust Deposit Fund.

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report Year ended 31 December 2020

Investment Policy and Performance Cont'd

The markets have been impacted by the global pandemic and remain volatile. However, the unit values of our holding in the Investors Trust have held up well. At the end of 2021, the values of the units in the various funds were as follows:

	<u>31/12/21</u>	<u>31/12/2020</u>	<u>Percentage Change</u>	<u>Projected Return</u>
COSIT – Income fund	£ 12.48	£ 12.71	-1.81	40 ppu
COSIT - Growth Fund	£ 6.04	£ 5.37	+12.48	11 ppu
Deposit Fund Interest Rate	0.08% average	0.54%	-85.19	

Details of the unrealised gains (losses) can be found in the Statement of Financial Activities and the Balance Sheet which form part of this report.

Risk Management

The principal risks facing the charity have been identified as follows:

The church membership has an ageing profile and there is a general decline in the numbers of younger people wishing to join the church. This is not unique to our organisation but is evident across the country. At a local level, this has a potential impact on the level of donations being received and the potential for the charity income to be adversely affected.

The trustees have adopted a policy for stewardship which runs on a 3-year rotation cycle based on time, talents and money to try and minimise the impact of the above. In addition, we are looking at new methods of attracting younger members to become involved with the church. Due to the Covid pandemic over the past two years, there has been no stewardship campaign.

2021 has proved to be another challenging year financially with income being reduced due to the Covid pandemic. Our planned Stewardship campaign aimed at raising regular contributions had again to be postponed, this along with other income sources, such as funeral donations and donations for the use of our hall being denied to us has impacted our reserves and will have to be addressed when the restrictions on our activities are lifted.

The glebe lands, which are vested in the General Trustees of the Church of Scotland and are not included in these accounts, have been re-marketed and provisionally sold to another developer, again subject to planning consent. The planning consent has been granted and we await the developer concluding matters with the General Trustees.

During 2016, a new manse was purchased as the existing manse was due to be sold along with the glebe lands. This new manse was funded by a loan from the General Trustees and will be repaid from the proceeds of the sale of the glebe. A further short-term loan of £50,000, repayable from the sale of the glebe, was granted by the General Trustees to assist with professional fees associated with the new church development.

The above-mentioned loans are not included in the balance sheet but are noted as a contingent liability (See Note 12).

There are financial risks associated with the investments administered by the trustees. Values of investments are subject to market forces and the value may go up or down. The trustees consider that, by adopting the policies outlined in the Investment Policy and Performance section above and the regular performance monitoring of the funds in which the monies are invested by the trustees of the Church of Scotland Investors Trust, the risks are acceptable.

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) Year ended 31 December 2020

Reserves Policy

The charity trustees have considered the reserves required and have taken into account their current and future liabilities. It is the Trustees' policy to hold reserves of approximately 12 months expenditure including designated funds. At the year end the Church held unrestricted funds of £187,307 of which £703 had been designated for fabric. The remaining balance of £186,604 represents about 30 months expenditure which, while higher than the policy, is primarily intended to be used as part of the funding for a refurbished church and a community building. See Note 15 for details of the unrestricted funds.

The church also held £303,918 of restricted funds which have been provided for the purposes specified in Note 15.

The Barbara Thomson and Sylvester Thomson Legacies held under Endowment Funds may be utilised to assist financing a high-cost capital project in the foreseeable future – See Note 15.

Structure, Governance and Management

Members of the Kirk Session 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 Kirk Session meets approximately eight times in the year and, in addition to its responsibility for spiritual affairs within the church, is responsible for secular matters such as approval of proposals put forward by the various "Task Force" groups which are formed and disbanded as required. These "Task Forces" can include non-trustee members and report back to Session. This has been found to be a practical method of overcoming a reduced eldership.

The congregation is a registered charity, number SC015960 and is administered in accordance with the terms of the Deed of Constitution (Unitary Form) and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

Reference and Administrative Information

Charity Name:	Meldrum & Bourtie Parish Church of Scotland
Charity Registration Number	SC 015960
Congregational Reference Number	331983
Contact Address	William Paterson Ceardach, Whiteford Road, Pitcaple, Inverurie, AB51 5EB

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) Year ended 31 December 2021

Structure, Governance and Management (Cont'd)

Trustees

The following persons acted as trustees who served during the year and up to the date of the signing of the accounts.

Kirk Session (alphabetical by surname)

Eileen Arthur (retired 28/11/21)	Rev. Alisa McDonald (01/01/21-09/01/21) and (24/08/21 to year end)
Sheila Bousefield	Anne McLean
Elizabeth Buchan	Jean Mitchell
Elainé Buck	Eileen Oliver (resigned 12/05/21)
Rev Mary Cranfield IM (10/01/21 – 23/8/21)	William Paterson
William Dalzell	Patricia Patrone
Irene Dunbar	Brian Reid
Elaine Falconer	Isobel Reid
Margaret Green	Sheila Simpson
Rosemay Lawie	Graham Smith
Andrew McCartney	Mhairi Watt

Principal Office-bearers

Minister:	Rev. Alisa McDonald (Returned from Maternity leave 24/08/21)
Interim Moderator:	Rev Mary Cranfield (from 10/01/2021 to 23/08/21)
Session Clerk:	William Dalzell
Church Treasurer:	William Paterson

Independent Examiner

Richard Christie C.A.
Partner
James Milne
Chartered Accountants
5 Bon Accord Square
ABERDEEN AB11 6XZ

Bankers

Clydesdale Bank plc
Oldmeldrum Branch
26 West High Street
INVERURIE AB51 3SL

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.

Meldrum and Bourtie Parish Church of Scotland

**Trustees' Annual Report (Cont'd)
Year ended 31 December 2021**

Structure, Governance and Management Cont'd.

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 2015 (FRS 102).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards 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 to 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,


W. Dalzell
Session Clerk

Date 9 Feb 2022

Meldrum and Bourtie Parish Church of Scotland

**Trustees' Annual Report (Cont'd)
Year ended 31 December 2021**

**Independent Examiner's Report to the Trustees of Meldrum & Bourtie Parish Church
Year ended 31 December 2021**

I report on the accounts of the charity for the year ended 31st December 2021 which are set out on pages 10 to 25

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.

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 2006 Accounts Regulations.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention: -

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed



Date:

29/3/22

Richard Christie CA
Partner
James Milne
Chartered Accountants
5 Bon Accord Square
ABERDEEN
AB11 6XZ

Meldrum and Bourtie Parish Church of Scotland

**Statement of Financial Activities
Year ended 31 December 2021**

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total 2020 £
Income and endowments from:									
Donations and legacies	1	49,207	-	-	49,207	53,241	240	-	53,481
Charitable activities	2	1,905	499	-	2,404	1,901	149	-	2,050
Other trading activities	3	67	-	-	67	69	-	-	69
Investments	4	8,014	14,229	1,206	23,449	9,875	16,919	1,380	28,174
Other	5&7	1,906	-	-	1,906	1,805	-	-	1,805
Total income		61,099	14,728	1,206	77,033	66,891	17,308	1,380	85,579
Expenditure on:									
Raising funds	6	58	-	-	58	57	-	-	57
Charitable activities		66,430	7,982	105	74,517	9,597	14,411	107	110,435
Other		-	-	-	-	-	-	-	-
Total expenditure		66,488	7,982	105	74,575	95,974	14,411	107	110,492
Net income/(expenditure) before gains and losses on investments		(5,389)	6,746	1,101	2,458	(29,083)	2,897	1,273	(24,913)
Net gains/(losses) on investments		(2,389)	6,038	127	3,776	2,180	(168)	3,894	5,906
Net income/(expenditure)		(7,778)	12,784	1,228	6,234	(26,903)	2,729	5,167	(19,007)
Transfers between Funds		854	84	(938)	-	1,739	(665)	(1,074)	-
Net movement in funds		(6,924)	12,868	290	6,234	(25,164)	2,064	4,093	(19,007)
Reconciliation of funds:		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total funds brought forward		354,231	291,050	426,036	1,071,317	379,395	288,986	421,943	1,090,324
Total Funds Carried Forward		347,307	303,918	426,326	1,077,551	354,231	291,050	426,036	1,071,317

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd)


Balance Sheet as at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed Assets					
Tangible Assets	9	160,000		160,000	
Investments	10	782,189		778,413	
Total Fixed Assets			<u>942,189</u>		<u>938,413</u>
Current Assets					
Debtors	11	2,815		2,706	
Bank and Cash		<u>133,684</u>		<u>130,788</u>	
Total Current Assets		136,499		133,494	
Liabilities					
Creditors falling due within one year	12	<u>(1,137)</u>		(590)	
Net Current Assets			<u>135,362</u>		<u>132,904</u>
Creditors falling due after one year			-		-
Net Assets			<u>1,077,551</u>		<u>1,071,317</u>
The Funds of the Charity					
Unrestricted Funds	15				
General Funds		3,870		5,290	
Designated Funds		183,437		188,941	
Building Funds		<u>160,000</u>		<u>160,000</u>	
			347,307		354,231
Restricted Funds			303,918		291,050
Endowment Funds			<u>426,326</u>		<u>426,036</u>
Total Funds			<u>1,077,551</u>		<u>1,071,317</u>

The accounts were approved by the Kirk Session on 9/2/22

For and on behalf of the Kirk Session

 Session Clerk

 Treasurer

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) Year ended 31 December 2021

Accounting Policies

The principal accounting policies, which are considered material to the accounts, are set out below.

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value.

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 Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and 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 constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The financial statements are prepared in sterling, which is the functional currency of the charity.

Reconciliation with previously Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, a restatement of comparative items was needed.

As the 2020 accounts were prepared using the policies required by FRS 102 and the Charities SORP FRS 102 then the trustees consider that no further restatement is required for 2021.

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.

Endowment funds are funds which have been given on the condition that the original capital sum is not reduced, but the income therefrom is used for the purpose defined in accordance with the 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.

Incoming resources

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 item, 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 (FRS 102) 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.

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) **Year ended 31 December 2021**

Accounting Policies (Cont'd)

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.

Fixed Assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Churches, and manses, 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 resources expended in the Statement of Financial Activities in the period in which the liability arises.

The buildings included in the balance sheet consist solely of the Church Hall in Albert Road, Oldmeldrum.

All tangible fixed assets costing in excess of £5,000 having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised at cost. Buildings have not been depreciated as the trustees are of the opinion that any depreciation would be immaterial. This judgement is based on the opinion that the value of the church hall is mainly in the value of the site rather than the building itself and hence any depreciation would be minimal.

Investments

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

Realised gains and losses represent the difference between the proceeds on disposal and the fair value at the start of the year or cost if purchased in the year.

In accordance with the Charities SORP (FRS 102), all investment gains and losses are reflected in the Statement of Financial Activities as part of the net income/expenditure for the year.

Resources Expended

Expenditure is recognised on an accruals basis as the liability is incurred.

Taxation

Meldrum and Bourtie 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 input VAT.

Meldrum & Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) Notes forming part of the financial statements

For the year ended 31 December 2021	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total 2020 £
1. Donations and Legacies								
Offerings	39,310	-	-	39,310	40,844	-	-	40,844
Tax recovered on Gift Aid	8,750	-	-	8,750	9,045	-	-	9,045
Legacies	-	-	-	-	-	-	-	-
Value of donated goods	-	-	-	-	-	-	-	-
Donations	1,075	-	-	1,075	3,016	240	-	3,256
Other	72	-	-	72	336	-	-	336
	<u>49,207</u>	<u>-</u>	<u>-</u>	<u>49,207</u>	<u>53,241</u>	<u>240</u>	<u>-</u>	<u>53,481</u>
2. Income from charitable activities								
Weddings and Funerals	445	-	-	445	1,045	-	-	1,045
Use of Premises	960	-	-	960	358	-	-	358
Fund Raising Activities	500	-	-	500	500	-	-	500
Other Miscellaneous Income	-	-	-	-	(2)	-	-	(2)
Guild Income	-	499	-	499	-	82	-	82
Traidcraft	-	-	-	-	-	18	-	18
Young Peoples' Ministry	-	-	-	-	-	49	-	49
	<u>1,905</u>	<u>499</u>	<u>-</u>	<u>2,404</u>	<u>1,901</u>	<u>149</u>	<u>-</u>	<u>2,050</u>
3. Income from other trading activities								
Wayleave	67	-	-	67	69	-	-	69
	<u>67</u>	<u>-</u>	<u>-</u>	<u>67</u>	<u>69</u>	<u>-</u>	<u>-</u>	<u>69</u>
4. Investment Income								
Deposit interest	57	27	8	92	407	173	54	634
Dividends received	7,957	14,202	1,198	23,357	9,449	16,732	1,323	27,504
Bank Interest	-	-	-	-	19	14	3	36
	<u>8,014</u>	<u>14,229</u>	<u>1,206</u>	<u>23,449</u>	<u>9,875</u>	<u>16,919</u>	<u>1,380</u>	<u>28,174</u>
5. Other Income								
Endowment	1,378	-	-	1,378	1,805	-	-	1,805
Grant from 3 rd Parties See Note 7	528	-	-	528	-	-	-	-
	<u>1,906</u>	<u>-</u>	<u>-</u>	<u>1,906</u>	<u>1,805</u>	<u>-</u>	<u>-</u>	<u>1,805</u>
	<u>61,099</u>	<u>14,728</u>	<u>1,206</u>	<u>77,033</u>	<u>66,891</u>	<u>17,308</u>	<u>1,380</u>	<u>85,579</u>

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) Notes forming part of the financial statements

For the year ended 31 December 2021		Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total 2020 £
6. Analysis of Expenditure									
Cost of Generating Funds	58				58	57			57
Offering Envelopes									
Stewardship Campaign Expenses									
Total Cost of Generating Funds		58			58	57			57
Charitable Activities									
Ministries & Mission Allocation	39,102				39,102	41,288			41,288
Minister's Telephone	479				479	80			80
Minister's Expenses	1,396				1,396				
Presbytery Dues	283				283	172			172
Pulpit Supply	207				207	(15)			(15)
Vacancy Costs	(456)				(456)	10,600			10,600
Other salary costs	4,526				4,526	3,935			3,935
Fabric Repairs & Maintenance	5,323				5,323	22,589			22,589
Council Tax	3,835				3,835	853			853
Insurance and Utilities	6,268				6,268	7,677			7,677
Examination of Accounts	768				768	768			768
Extraordinary Covid Expenses	825				825	1,776			1,776
Other Expenses	3,874				3,874	6,194			6,194
Charitable Donations			5,086	105	5,191		11,549	107	11,656
Guild Expenses			2,896		2,896		2,812		2,812
Young People's Ministry Expenses							50		50
Traidcraft (brought in 2013)									
Total Charitable Activities		66,430	7,982	105	74,517	95,917	14,411	107	110,435
Other									
Church Development Project Fees									
Total		66,488	7,982	105	74,575	95,974	14,411	107	110,492

Support costs have not been separately identified as the Trustees consider there is only one charitable activity. Details of donations are provided at Note 16

Meldrum and Bourtie Parish Church of Scotland
Trustees' Annual Report (Cont'd)
Notes forming part of the financial statements
for the year ended 31 December 2021

	2021	2020
	£	£
7. Staff costs and numbers		
Salaries and wages	4,526	3,935
Social security costs	-	-
 Total	4,526	3,935

Staff costs in 2020 were shown net of grants received under the Corona Virus Job Retention Scheme (2020 £784). In current year the grants are shown separately as income of £528 and the staff costs are shown gross.

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

	2021	2020
	Number	Number
Ministerial support	1	2
Music staff	1	1
Premises maintenance	1	1
 A locum minister was used during minister's maternity leave.	3	4

No employee had employee benefits in excess of £60,000 (2020 - 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, pension 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 £28,700 and the maximum stipend (in the fifth and subsequent years) £35,269

8. Trustee Remuneration and Related Party Transactions

During the year one trustee received reimbursement of expenses incurred totalling £5,583 (2019 - £853) in respect of travel expenses, telephone and Council Tax.

No trustee or a person related to a trustee had any personal interest in any contract or transaction entered into by the charity during the year.

During the year a total of £6,929 was donated to the charity by the trustees (2020- £6,981).

9. Tangible Fixed Assets

	Buildings	Office Equipment	Total
Cost			
At 1 January 2021	160,000	-	160,000
Additions	-	-	-
Disposals	-	-	-
At 31 December 2021	160,000	-	160,000

Meldrum and Bourtie Parish Church of Scotland
Trustees' Annual Report (Cont'd)

Notes forming part of the financial statements
for the year ended 31 December 2021

There are no tangible fixed assets capitalized other than buildings.
 Buildings are not depreciated as per the accounting policy.

Net Book Value	Buildings	Office Equipment	Total
At 31 st December 2020	160,000	-	160,000
At 31st December 2021	160,000	-	160,000

10. Investments

	2021	2020
	£	£
Fair value at 31 December 2020	778,413	772,507
Investments added during 2021 at cost	-	-
Investments realized	-	-
Realized gain / (loss) on disposal of investments	-	-
Unrealized gain / (loss) on investments	3,776	5,906
Fair value at 31 December 2021	782,189	778,413
 Investments at cost	 692,338	 692,338

The following investments are held:

Church of Scotland Investors Trust – Income Fund	51,407 Units
Church of Scotland Investors Trust – Growth Fund	23,283 Units

11. Debtors

	2021	2020
	£	£
Gift Aid Tax Refund Due	2,470	2,706
Other	345	-
	2,815	2,706

12. Creditors

	2021	2020
	£	£
Accruals	1,137	518
Deferred Income Accrual, paid in 2020 relating to 2021	-	72
	1,137	590

There is a contingent liability to the General Trustees in respect of an interest free loan of £50,000, repayable from the sale of the glebe.

There is a contingent liability of £548,750, due to the general Trustees in respect of a loan made to the charity to enable the purchase of a new manse, which is to be repaid from the sale of the glebe and the original manse.

These liabilities will revert to the charity if the proposed sale of the glebe does not complete. Interest payments on the manse loan from 31st March 2018 are included in the sums above. From 1st April 2018, the interest is being allowed to accrue against sale proceeds.

Meldrum and Bourtie Parish Church of Scotland

**Trustees' Annual Report (Cont'd)
Year ended 31 December 2021**

**Notes forming part of the financial Statements
for the year ending 31st December 2021**

13. Analysis of Net Assets Among Funds	General		Designated		Restricted		Endowment		Total	
	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £
Fixed Assets	-	160,000	-	160,000	-	-	-	-	160,000	-
Investments	-	129,605	236,344	131,993	416,240	230,307	416,113	416,113	782,189	778,413
Net Current Assets	3,870	53,832	67,574	56,948	10,086	60,743	10,086	9,923	135,362	132,904
Net Assets at 31 Dec. 2021	3,870	343,437	303,918	348,941	426,326	291,050	426,036	426,036	1,077,551	1,071,317

14. 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.

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd)
Year ended 31 December 2021

Notes forming part of the financial Statements
for the year ending 31st December 2021

15. Movement in Funds

	At 1 st January 2021		Income 2021		Expenditure 2021		Transfer 2021		At 31 st December 2021		At 1 st January 2020		Income 2020		Expenditure 2020		Transfer 2020		At 31 st December 2020	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Scroggie Cruickshank Legacy	9,901	262	-	(262)	9,901	296	-	(296)	9,901	9,901	9,901	296	-	(296)	9,901	-	(296)	9,901	9,901	9,901
Barbara Thomson Legacy	11,396	307	-	(307)	11,396	347	-	(347)	11,396	11,396	11,396	347	-	(347)	11,396	-	(347)	11,396	11,396	11,396
Invested Funds	145	150	(105)	(45)	145	166	(107)	(59)	145	145	166	(107)	(107)	(59)	145	(107)	(59)	145	145	145
Invested Funds	19,595	324	-	(324)	19,595	372	-	(372)	19,595	19,595	372	372	-	(372)	19,595	-	(372)	19,595	19,595	19,595
Tocher Bequest	9,583	163	-	-	9,384	199	-	-	9,583	9,384	199	199	-	-	9,583	-	-	9,583	9,583	9,583
Sylvester Thomson Church Purposes - Capital	109,521	-	-	-	109,521	-	-	-	109,521	109,521	-	-	-	-	109,521	-	-	109,521	109,521	109,521
Sylvester Thomson Benevolent Purposes - Capital	219,053	-	-	-	219,053	-	-	-	219,053	219,053	-	-	-	-	219,053	-	-	219,053	219,053	219,053
	379,194	1,206	(105)	(938)	378,995	1,380	(107)	(1,074)	379,357	378,995	1,380	(107)	(107)	(1,074)	379,194	(107)	(1,074)	379,194	379,194	379,194
Unrealized Gain/(Loss) of Value of Assets	47,091	127	-	-	47,218	3,894	-	-	47,218	43,197	3,894	-	-	-	47,091	-	-	47,091	47,091	47,091
Realized Loss on Disposal of Asset	(249)	-	-	-	(249)	-	-	-	(249)	(249)	-	(249)	-	-	(249)	-	-	(249)	(249)	(249)
	426,036	1,333	(105)	(938)	426,326	5,274	(107)	(1,074)	426,326	421,943	5,274	(107)	(107)	(1,074)	426,036	(107)	(1,074)	426,036	426,036	426,036

Meldrum and Bourtie Parish Church of Scotland

Notes forming part of the financial Statements
for the year ending 31st December 2021

15. Movement in Funds Cont'd

15. <u>Restricted Funds</u>	At 1 st	Income	Expenditure	Transfer	At 31 st	At 1 st	Income	Expenditure	Transfer	At 31 st
	January 2021 £	2021 £	2021 £	2021 £	December 2021 £	January 2020 £	2020 £	2020 £	2020 £	December 2020 £
Sylvester Thomson Income Fund – Deserving Causes	172,865	12,452	(5,086)	-	180,231	169,651	15,104	(11,287)	(603)	172,865
New Church Development Loan Fund	5,070	-	-	-	5,070	5,070	-	-	-	5,070
Organ Fund	49,600	954	-	-	50,554	48,454	1,146	-	-	49,600
Guild	41,412	1,322	(2,896)	-	39,838	43,495	991	(3,074)	-	41,412
Traidcraft	-	-	-	-	-	137	18	-	(155)	-
Sunday Club	284	-	-	84	368	192	49	(50)	93	284
	269,231	14,728	(7,982)	84	276,061	266,999	17,308	(14,411)	(665)	269,231
Unrealized Gain/(Loss) of Value of Assets	21,819	6,038	-	-	27,857	21,987	(168)	-	-	21,819
	291,050	20,766	(7,982)	84	303,918	288,986	17,140	(14,411)	(665)	291,050

Meldrum and Bourtie Parish Church of Scotland

Notes forming part of the financial Statements
for the year ending 31st December 2021

15. Movement in Funds Cont'd

	At 1 st January 2021		Income 2021		Expenditure 2021		Transfer 2021		At 31 st December 2021		At 1 st January 2020		Income 2020		Expenditure 2020		Transfer 2020		At 31 st December 2020	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
General Fund	3,174	52,371	(60,207)	6,854	2,192	9,621	56,129	(71,115)	8,539	3,174										
Opening Debtors	2,706	109	-	-	2,815	3,165	(459)	-	-	2,706										
Opening Creditors	(590)	(547)	-	-	(1,137)	(920)	330	-	-	(590)										
Total General Fund	5,290	51,933	(60,207)	6,854	3,870	11,866	56,000	(71,115)	8,539	5,290										
Fabric Fund	516	1,152	(5,465)	4,500	703	1,366	1,016	(22,866)	21,000	516										
Opening Debtors (Fabric Fund)	-	-	-	-	-	-	-	-	-	-										
Total Fabric Fund	516	1,152	(5,465)	4,500	703	1,366	1,016	(22,866)	21,000	516										
Reserve Fund	52,540	52	-	-	52,592	52,200	340	-	-	52,540										
Miss F. Forbes Legacy	60,032	2,182	(354)	(1,000)	60,860	64,132	2,598	(1,898)	(4,800)	60,032										
New Church Development Fund	(1,651)	-	-	-	(1,651)	(1,556)	-	(95)	-	(1,651)										
Sylvester Thomson Income Fund – Church Purposes	59,696	5,780	(462)	(9,500)	55,514	75,759	6,937	-	(23,000)	59,696										
Total Designated Funds	171,133	9,166	(6,281)	(6,000)	168,018	191,901	10,891	(24,859)	(6,800)	171,133										
Gain / (Loss) in Value of Assets	17,808	(2,389)	-	-	15,419	15,628	2,180	-	-	17,808										
Buildings	188,941	6,777	(6,281)	(6,000)	183,437	207,529	13,071	(24,859)	(6,800)	188,941										
Total Unrestricted Funds	354,231	58,710	(66,488)	854	347,307	379,395	69,071	(95,974)	1,739	354,231										
Total Endowment Funds from p 19	426,036	1,333	(105)	(938)	426,326	421,943	5,274	(107)	(1074)	426,036										
Total Restricted Funds from p 20	291,050	20,766	(7,982)	84	303,918	288,986	17,140	(14,411)	(665)	291,050										
Total All Funds	1,071,317	80,809	(74,575)	-	1,077,551	1,090,324	91,485	(110,492)	-	1,071,317										

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) Year ended 31 December 2021

Notes forming part of the financial Statements for the year ending 31st December 2021

15. Purposes of Endowment Funds

Scroggie Cruickshank Legacies -	Income from this fund is used for church purposes.
Barbara Thomson Legacy -	Income from this fund is used for church purposes. An option may be exercised in the future for the use of the capital for a specific project.
Invested Funds -	Income from this fund is used for church purposes, young peoples' ministry, ministry expenses and benevolent purposes.
Tocher Bequest -	Income from this fund is used for benevolent purposes.
Sylvester Thomson Legacy Church Purposes – Capital Account	Currently the capital is invested, and the income held available for general church purposes. An option may be exercised in the future for the use of the capital for a specific project.
Sylvester Thomson Legacy Deserving causes – Capital Account	Currently the capital is invested, and the income held available for any deserving local causes as determined by the Kirk Session. An option may be exercised in the future for the use of the capital for a specific project.

15 Purposes of Restricted Funds

Sylvester Thomson Legacy Deserving Causes – Income Fund	This fund is the income from the capital fund of the same name and is used for local deserving causes as determined by the Kirk Session.
New Church Development Loan Fund	This fund was established in 2016 to track the costs relating to professional fees. It was initially funded by a loan from the General Trustees which restricted the use to which the loan could be applied.
Guild	This fund is used for Guild purposes and is controlled by the Guild.
Sunday Club	This fund is used to fund the children and young persons' ministry work and is funded by money set aside by the trustees and a share of the income from the invested funds.
Traidcraft	This fund was used as the operating account for the Traidcraft group. Initially funded by the trustees from Kirk Session funds, the balance was transferred back to the general fund on the group ceasing to operate during 2020.
Organ Fund	This fund was established during 2018 following receipt of a generous legacy from the estate of late Hilda Webster for the purpose of maintaining and possible future replacement of the church organ(s).

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) Year ended 31 December 2021

Notes forming part of the financial Statements for the year ending 31st December 2021

15. Purposes of Designated Funds

Designated funds are determined by the Kirk Session at their discretion as they may see fit from time to time and are not unrestricted by legal definition. The designated status can be changed at the discretion of the Kirk Session.

Fabric Fund	The trustees have set aside funds for the maintenance of church properties. It is also funded by fundraising events.
General Reserve Fund	This is a general fund held in reserve to supplement any other congregational funds as required.
Miss F. Forbes Legacy	The income from the invested capital in this fund is accumulated in the fund and the capital and revenue may be used at the discretion of the trustees.
New Church Development Fund	This fund was also established during 2016 and is used to track other revenue and costs for the project which are not restricted by the Loan Fund
Sylvester Thomson Legacy Church Purposes – Income fund	This fund is the income from the capital account of the same name and is used for general church purposes.

Meldrum and Bourtie Parish Church of Scotland

Trustees' Annual Report (Cont'd) Year ended 31 December 2021

Notes forming part of the financial Statements for the year ending 31st December 2021

16. Charitable Donations

The following charitable donations were made from the various funds and are shown in these accounts.

	<u>2021</u>	<u>2020</u>
	£	£
Meldrum Amenities Action Group	200	100
Meldrum Academy Parent Council	90	90
Local Benevolent Donations via Minister	-	1,000
Donation to Inverurie Food Bank	2,400	2,100
Scottish Bible Society	200	200
Wider Distribution of Kirk News	900	400
Easter & Christmas Gifts to Care Homes & Housebound	290	380
Retiral Presentation to Presbytery Treasurer	-	-
Donation to Scottish Churches Trust	50	50
Cleaning Headstone	458	-
Donation to Meldrum Paths Group	-	500
Food Vouchers	120	-
Donations to Royal British Legion Oldmeldrum	-	5,240
Advent Bag Printing for wider distribution	-	1,227
Flowers for bereaved	378	107
	<hr/> 5,086	<hr/> 11,394
From Organisations		
Scottish Charity Air Ambulance	-	262
	<hr/> 5,086	<hr/> 11,656

17. Collections for Third Parties

The following are in addition to the above but are not shown in the accounts as they were raised for specific purposes and not for the charity.

Unfortunately, due to the restriction of the pandemic, Christian Aid week activities had to be cancelled in 2021, however a collection taken during May and a retiring collection at the Harvest Thanksgiving service resulted in the sum of £607.48 being collected on behalf of Christian Aid.

A presentation collection for the retiring Interim Moderator resulted in a sum of £260.20 being presented.

Due to the Covid restrictions our usual Christmas services had to be cancelled so the Christmas service offerings which are usually donated to charity were not collected this year.

APPENDIX

FUNDS HELD ON BEHALF OF THE CONGREGATION BY THE CHURCH OF SCOTLAND GENERAL TRUSTEES

	2021 £	2020 £
<u>CAPITAL ACCOUNT</u>		
Credit Balances held at 31 December at cost	<u>622</u>	<u>622</u>
Market Value of Balances at 31 December	<u>1,033</u>	<u>977</u>
<u>REVENUE ACCOUNT</u>		
Credit Balance at 31 December	<u>140</u>	<u>122</u>
<u>TEMPORARY ACCOUNT</u>		
Credit Balance at 31 December	<u>(1,053)</u>	<u>(1,049)</u>