

## Meldrum & Bourtie Parish Church of Scotland

### **Trustees' Annual Report Year ended 31st December 2015**

The trustees present their annual report and financial statements of the charity for the year ended 31st December 2015.

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 published on 16 July 2014

### **Objectives and Activities**

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in policy. 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 of every parish of Scotland through a territorial ministry. It co-operates with other churches in various ecumenical bodies in Scotland and beyond.

Services of worship at Meldrum and Bourtie Parish Church comprise regular weekly worship, a "Power Praise" evening service every two weeks, and monthly worship at Sheltered Housing and Residential Care Home establishments.

Services are held on the first and third Sunday of each month at Bourtie Kirk. An annual bereavement service is also held.

Youth activities comprise Creche, Messy Church, monthly Primary School Chaplaincy and monthly Academy Chaplaincy.

Other activities include the Guild, Chaplaincy to the local Royal British Legion, Bible Study Group, Christian Education classes, a Puppet Ministry and training. The church also operates a Fairtrade Group to promote the sale of fairtrade goods.

During 2015, a Flower Festival, a Curry night, a Burns Supper and a golf day were held as social events.

A singing group known as the Wednesday Wailers meets weekly.

The church also operates a Fairtrade Group to promote fairtrade goods.

### **Achievements and Performance**

Attendances at the various activities listed in the foregoing section have in some cases reduced and in others have increased and are as follows:

#### AVERAGE ATTENDANCE PER SERVICE / MEETING

	<u>2015</u>	<u>2014</u>
Weekly Worship-	50	55
Power Praise-	8	8
Mid-Week Service-	4	6
Sheltered Housing / Care Home-	40	35
Sunday Club-	-	10
Creche-	3	3
Holiday Club-	-	15
The Guild-	25	20
Alternative Service-	-	10
Messy Church - Helpers/Children/Parents	8/20/6	8/10/5

Sunday Club and Holiday Club have largely been replaced by Messy Church. The Alternative Service has ceased due to lack of support.

## Meldrum & Bourtie Parish Church of Scotland

### **Trustees' Annual Report (Cont'd)** **Year ended 31st December 2015**

#### **Financial Review**

The offerings for the year ended 31st December 2015 (with comparable figures for 2014) are made up as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
WFO Scheme (Non Gift Aided)	<u>1,917</u>	<u>1,864</u>
Gift Aid Offerings	42,287	43,119
Ordinary Offerings via plate and 6-monthly envelopes	7,951	8,165
Donations	1,257	442

Tax recovered on gift aided contributions was £11,761 (2014 - £13,233). This is due to a large increase last year and to the ability for us to claim for 4 prior years for new gift aid donors. This resulted last year in a larger than normal claim therefore the decrease was not unexpected.

Of a total membership of 419 (plus 7 adherents), 282 members now gift aid their offerings. This represents 66% of the membership including adherents.

The number of members who give by standing order is now 225. 52 members give through weekly freewill offering envelopes and the balance give using the six-monthly envelopes or through the open plate.

#### **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 Dec 2015, the growth fund performance was +5.62% against a benchmark of +2.91%.

The Income Fund is intended for medium term investment and aims to provide immediate high income with funds invested predominantly 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 Dec 2015, the Income fund performance was +2.11% against a benchmark of +0.57%

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 0.65%.

The average rate during 2015 was 0.63%

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

The holdings of 3.5% War stock were redeemed at par during 2015. No bank fixed term deposits are currently held.

The unit value of the Income Fund investments shows a 2.8% decline over the past 12 months while the unit value of the Growth Fund advanced by 8.1%.

## **Meldrum & Bourtie Parish Church of Scotland**

### **Trustees' Annual Report (Cont'd) Year ended 31st December 2015**

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 aging 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, such as Messy Church and Alpha Courses.

The trustees also have a vision of a new church and community centre to be built in the heart of the village in order to provide much needed leisure and community facilities. It is intended that these facilities will form a focal hub and lead to greater community involvement with the church. Work is ongoing on this project and some progress has been made. The glebe lands, which are vested in the General Trustees of the Church of Scotland and are not included in these accounts, have provisionally been sold to a developer subject to planning consent and the funds released from the sale of the land is intended to fully finance the new development subject to the approval of the General Trustees.

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.

#### **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 £229,136 of which £10,865 had been designated for fabric. The remaining balance of £218,271 represents about 27 months expenditure which, while higher than the policy is primarily intended to be used as part of the funding for a new church and community building. See Note 15 for the details of the unrestricted funds.

The Church also held £138,584 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**

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.

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.

## Meldrum & Bourtie Parish Church of Scotland

### **Trustees' Annual Report (Cont'd)** **Year ended 31st December 2015**

#### **Structure, Governance and Management (Cont'd)**

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 working (Focus) groups i.e. Finance, Property and Fabric, Pastoral Care, Worship and Outreach and Communication.

#### **Reference and Administration Information**

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

#### **Trustees**

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

#### **Kirk Session:** (alphabetical by surname)

Alex Allan	Alison Milton (resigned 14/10/15)
Eileen Arthur	Jean Mitchell
Sheila Bousefield (ordained 1 Nov 2015)	William Paterson
James Bruce	Patricia Patrone
Elizabeth Buchan (ordained 1 Nov 2015)	Ian Peddie
Elaine Buck	Brian Reid
William Dalzell	Isobel Reid
Mary Dow	Winnifred Reid
Irene Dunbar	Ruth Richardson
Elaine Falconer	Sheila Simpson
Margaret Green	Graham Smith
Andrew Gunn	Gordon Stephen
Alison Jaffrey	James Walker
Rosemay Lawie	Ray Walker
Andrew McCartney	Mhairi Watt
Anne McLean	Shona Wilson (resigned 02/01/15)

#### **Principal Office-bearers**

<b>Minister</b>	Rev. Alison Jaffrey
<b>Session Clerk</b>	William Dalzell
<b>Church Treasurer</b>	William Paterson

#### **Independent Examiner**

Graeme Fraser FCCA  
on behalf of  
Johnston Carmichael  
Bishop's Court  
29 Albyn Place  
ABERDEEN, AB10 1YL

#### **Bankers**

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

## Meldrum & Bourtie Parish Church of Scotland

### **Trustees' Annual Report (Cont'd) Year ended 31st December 2015**

#### **Trustees' Responsibilities in Relation to 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 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:

- (a) select suitable accounting policies and then apply them consistently;
- (b) observe the methods and principles in the applicable Charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (d) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements, and
- (e) 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:

**Meldrum & Bourtie Parish Church of Scotland**

**Independent Examiner's Report to the Trustees of Meldrum and Bourtie Parish Church  
Year Ended 31 December 2015**

I report on the accounts of the charity for the year ended 31 December 2015 which are set out on pages 7 to 18.

This report is made to the charity's trustees, as a body, in accordance with the terms of engagement. My work has been undertaken to enable me to undertake an independent examination of the charity's accounts on behalf of the trustees and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees, as a body, for my work or for this report.

**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 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:
  - (a) to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
  - (b) 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.

Graeme Fraser FCCA  
for and on behalf of  
Johnston Carmichael  
Bishop's Court  
29 Albyn Place  
ABERDEEN  
AB10 1YL

**Meldrum & Bourtie Parish Church of Scotland**

**Statement of Financial Activities**

**Year Ended 31st December 2015**

	Note	Unrestricted Funds 2015	Restricted Funds 2015	Endowment Funds 2015	Total 2015	Total 2014
<b><u>Income</u></b>						
<b>Income and endowments from:</b>						
Donations and legacies	1	65,669	-	-	65,669	68,102
Charitable Activities	2	7,600	3,089	-	10,689	9,098
Other trading activities	3	55	-	-	55	55
Investments	4	10,229	14,755	1,802	26,786	26,476
Other	5	1,086	-	-	1,086	2,445
<b>Total Income</b>		<b>84,639</b>	<b>17,844</b>	<b>1,802</b>	<b>104,285</b>	<b>106,176</b>
<b><u>Expenditure</u></b>						
<b>Expenditure on:</b>						
Raising Funds	6	93	-	-	93	136
Charitable Activities		81,171	13,552	1,439	96,162	94,569
<b>Total Resources Expended</b>		<b>81,264</b>	<b>13,552</b>	<b>1,439</b>	<b>96,255</b>	<b>94,705</b>
Net Gains/(Losses) on investments		(3,323)	(3,989)	(9,340)	(16,652)	36,835
Net Income/Expenditure		52	303	(8,977)	(8,622)	48,306
Transfers between Funds		652	646	(1,298)	-	-
Net Movement in funds		704	949	(10,275)	(8,622)	48,306
<b>Total Funds brought forward</b>		<b>388,432</b>	<b>137,635</b>	<b>388,643</b>	<b>914,710</b>	<b>866,404</b>
<b>Total Funds carried forward</b>		<b>389,136</b>	<b>138,584</b>	<b>378,368</b>	<b>906,088</b>	<b>914,710</b>

**Meldrum & Bourtie Parish Church of Scotland**

**Balance Sheet**

**As at 31 December 2015**

		<b>2015</b>		<b>2014</b>	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	9		160,000		160,000
Investments	10		<u>618,090</u>		<u>607,546</u>
			<u>778,090</u>		<u>767,546</u>
<b>Current Assets</b>					
Debtors	11	3,460		3,686	
Bank and Cash		<u>125,163</u>		<u>143,478</u>	
			<u>128,623</u>		<u>147,164</u>
<b>Total Current Assets</b>			<u>128,623</u>		<u>147,164</u>
<b>Liabilities</b>	12				
Creditors falling due within one year		<u>(625)</u>		<u>-</u>	
<b>Net Current Assets</b>			<u>127,998</u>		<u>147,164</u>
Creditors falling due after one year			-		-
<b>Net Assets</b>			<u>906,088</u>		<u>914,710</u>
<b>Unrestricted Funds</b>					
General Funds	15	20,770		28,170	
Designated Funds		208,366		200,262	
Building Funds		<u>160,000</u>		<u>160,000</u>	
			389,136		388,432
<b>Restricted Funds</b>	15		138,584		137,635
<b>Endowment Funds</b>			378,368		388,643
<b>Total Funds</b>	15		<u>906,088</u>		<u>914,710</u>

The accounts were approved by the Kirk Session on \_\_\_\_\_  
 For and on behalf of the Kirk Session

\_\_\_\_\_  
 \_\_\_\_\_

Session Clerk

Treasurer



**Meldrum & Bourtie Parish Church of Scotland**

**Statement of Cash Flows**  
**Year Ended 31 December 2015**

	Note	Total Funds 2015	Total Funds 2014
Net Cash Used in Operating activities	16	<u>(17,905)</u>	<u>(15,106)</u>
<b>Cash Flows from investing activities</b>			
Interest and dividends		26,786	26,476
Purchase of investments		(32,496)	(59,994)
Proceeds from sale of investments		5,300	-
<b>Net cash provided by investing activities</b>		<u>(18,315)</u>	<u>(48,624)</u>
<b>Cash Flows from financing activities</b>			
<b>Net cash provided by financing activities</b>		<u>-</u>	<u>-</u>
<b>Change in cash and cash equivalents in the year</b>		(18,315)	(48,624)
Cash and cash equivalents brought forward		<u>143,478</u>	<u>192,102</u>
<b>Cash and cash equivalents carried forward</b>		<u>125,163</u>	<u>143,478</u>

## Meldrum & Bourtie Parish Church of Scotland

### Year Ended 31 December 2015

#### **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 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 Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16th July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity has adopted SORP (FRS102) in the current year.

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.

#### **Reconciliation with previous 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. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

<b>Reconciliation of Reported Net Income</b>	£
Net Income/(expenditure) as previously stated	8030
Adjustment for gains/(losses) on investments now treated as a component of net income	(16,652)
2015 net income/(expenditure) as stated	<u>(8,622)</u>

#### **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 there from 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.

## **Meldrum & Bourtie Parish Church of Scotland**

### **Year Ended 31 December 2015**

#### **Accounting Policies (continued)**

##### **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 the 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.

##### **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 manse, 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.

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. Buildings have not been depreciated as the trustees are of the opinion that any depreciation would be immaterial.

##### **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 the end of the financial year or, if purchased within 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.

##### **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**

**Notes forming part of the financial statements  
for the year ended 31 December 2015**

	Unrestricted Funds 2015	Restricted Funds 2015	Endowment Funds 2015	Total 2015	Total 2014
<b>1 Donations and Legacies</b>					
Offerings	52,155	-	-	52,155	53,149
Tax Recovered on Gift Aid	11,761	-	-	11,761	13,233
Legacies	-	-	-	-	-
Value of Donated Goods	-	-	-	-	-
Donations	1,257	-	-	1,257	1,267
Other	496	-	-	496	453
	<u>65,669</u>	<u>-</u>	<u>-</u>	<u>65,669</u>	<u>68,102</u>

Income from donations and legacies was £65,669 (2014 - £68,102) all of which was unrestricted (2014 - £68,102) 2014 figures have been adjusted to take account of the changes made to categories and to provide directly comparable figures.

**2 Income from Charitable Activities**

Weddings and Funerals	2,480	-	-	2,480	3,195
Use of Premises	2,403	-	-	2,403	1,903
Fund Raising Activities	2,717	-	-	2,717	1,374
Guild Income	-	1,956	-	1,956	1,537
Traidcraft	-	1,040	-	1,040	1,089
Young Peoples Ministry	-	93	-	93	-
	<u>7,600</u>	<u>3,089</u>	<u>-</u>	<u>10,689</u>	<u>9,098</u>

Income from charitable activities was £10,689 (2014 - £9,098) of which £7,600 was unrestricted (2014 - £6,472) and £3,089 was restricted (2014 - £2,626) 2014 figures have been adjusted to take account of the changes made to categories and to provide directly comparable figures.

**3 Income from Other Trading Activities**

Rent Received					
Wayleave	55	-	-	55	55
	<u>55</u>	<u>-</u>	<u>-</u>	<u>55</u>	<u>55</u>

**4 Investment Income**

Term Deposit Interest	166	-	-	166	252
Dividends Received	9,946	14,720	1,766	26,432	26,026
Bank Interest	117	35	36	188	198
	<u>10,229</u>	<u>14,755</u>	<u>1,802</u>	<u>26,786</u>	<u>26,476</u>

Total investment income was £26,786 (2014 - £26,476) of which £10,229 was unrestricted (2014 - £10,428), £14,755 was restricted (2014 - £14,244) and £1,802 was endowment (2014 - £1,804)

**5 Other Income**

Endowment Income	1,086	-	-	1,086	2,445
	<u>1,086</u>	<u>-</u>	<u>-</u>	<u>1,086</u>	<u>2,445</u>
	<u>84,639</u>	<u>17,844</u>	<u>1,802</u>	<u>104,285</u>	<u>106,176</u>

**Meldrum & Bourtie Parish Church of Scotland**

**Notes forming part of the financial statements**  
**for the year ended 31 December 2015**

	Unrestricted Funds 2015	Restricted Funds 2015	Endowment Funds 2015	Total 2015	Total 2014
<b>6 Analysis of Expenditure</b>					
Cost of Generating Funds					
Offering Envelopes	93	-	-	93	136
	<u>93</u>	<u>-</u>	<u>-</u>	<u>93</u>	<u>136</u>
<b>Charitable Activities</b>					
Ministry & Mission Allocation	48,049			48,049	45,855
Minister's Expenses	1,652			1,652	1,925
Presbytery Dues	575			575	611
Pulpit Supply	334			334	369
Other Salary Costs	6,019			6,019	6,292
Fabric Repairs and Maintenance	1,049			1,049	15,602
Council Tax	(2,347)			(2,347)	2,585
Other Building Costs	9,419			9,419	9,518
Examination of accounts	1,680			1,680	1,776
Other Expenses	5,074			5,074	3,572
Donations	-	10,234	1,439	11,673	2,422
Guild Expenses	-	1,681	-	1,681	1,467
Young People's Ministry Expenses	-	304	-	304	347
Traidcraft (brought in 2013)	-	1,333	-	1,333	949
Church Development Project	9,667	-	-	9,667	1,279
	<u>81,171</u>	<u>13,552</u>	<u>1,439</u>	<u>96,162</u>	<u>94,569</u>
<b>Total</b>	<u>81,264</u>	<u>13,552</u>	<u>1,439</u>	<u>96,255</u>	<u>94,705</u>

Support costs have not been separately identified as the trustees consider there is only one charitable activity.

Expenditure on charitable activities was £96,255 (2014 - £94,705) of which £81,264 was unrestricted (2014 - £89,520), £13,552 was restricted (2014 - £4,872) and £1,439 was endowment (2014 - £313).

2014 figures have been adjusted to take account of the changes made to categories and to provide directly comparable figures.

Council Tax expenditure is negative due to a large refund obtained during 2015.

Governance costs which were previously reported separately are now included in Charitable Activities expenditure under "Examination of accounts"

**Meldrum & Bourtie Parish Church of Scotland**

**Notes forming part of the financial statements  
for the year ended 31 December 2015**

<b>7 Staff Costs and numbers</b>	<b>2015 £</b>	<b>2014 £</b>
Salaries & Wages	6,019	6,292
Social Security Costs	-	-
<b>Total</b>	<b>6,019</b>	<b>6,292</b>

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

	<b>2015 Number</b>	<b>2014 Number</b>
Ministerial Support	2	2
Music Staff	2	3
Premises maintenance	1	-
	<b>5</b>	<b>5</b>

No employee had employee benefits in excess of £60,000 (2014 - nil)  
All Church of Scotland congregations contribute to the National Stipend Fund which bears the cost 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 £26,119 and the maximum stipend (in the fifth and subsequent years of service) was £32,098

**8 Trustee Remuneration and Related Party Transactions**

During the year 1 trustee received reimbursement of £3,928 (2014 - £4,511) in respect of travel expenses and Council Tax

In addition Mr W. Paterson who is a member of the Kirk Session received £42 in travel expenses.

In addition, the following received payments for services provided during the year

	<b>2015 £</b>	<b>2014 £</b>
Jean Mitchell Member of Kirk Session Pulpit Supply	250	235

During the year a total of £10,316 was donated to the congregation by the trustees.

**9 Tangible Fixed Assets**

	<b>Buildings £</b>	<b>Office Equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2015	160,000	-	160,000
Additions	-	-	-
Disposals	-	-	-
At 31 December 2015	<b>160,000</b>	<b>-</b>	<b>160,000</b>

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

**Net Book Value**

At 31 December 2014	160,000	-	160,000
At 31 December 2015	<b>160,000</b>	<b>-</b>	<b>160,000</b>

**Meldrum & Bourtie Parish Church of Scotland**

**Notes forming part of the financial statements**  
**for the year ended 31 December 2015**

**10 Investments**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Fair Value 31 December 2014	<u>607,546</u>	<u>510,717</u>
Investments added during 2015 at cost	32,496	59,994
Investments realised 2015	(5,300)	-
Realised gain (loss) on disposal of investment	(30)	-
Unrealised gain (loss) on investments	(16,622)	36,835
Fair Value 31 December 2015	<u><u>618,090</u></u>	<u><u>607,546</u></u>
Investments at Cost	<u><u>612,655</u></u>	<u><u>583,492</u></u>

The following investments are held

£3,830.78	8.75% Treasury Stock 2017
50385 units	Church of Scotland Investors Trust Income Fund
9067 units	Church of Scotland Investors Trust Growth Fund

The previously held War Stock 3.5% was redeemed at par during 2015

**11 Debtors**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Gift Aid Tax Refund Due	<u>3,380</u>	<u>3,686</u>
Accrued Income	80	-
	<u><u>3,460</u></u>	<u><u>3,686</u></u>

**12 Creditors**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Accruals	<u>625</u>	-
	<u><u>625</u></u>	<u><u>-</u></u>

**13 Analysis of Net Assets Among Funds**

	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	-	160,000	-	-	160,000
Investments	-	118,389	130,849	368,852	618,090
Net Current Assets	20,770	89,977	7,735	9,516	127,998
<b>Net Assets at 31 December 2015</b>	<u><u>20,770</u></u>	<u><u>368,366</u></u>	<u><u>138,584</u></u>	<u><u>378,368</u></u>	<u><u>906,088</u></u>

**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 & Bourtie Parish Church of Scotland**

**Notes forming part of the financial statements  
for the year ended 31 December 2015**

**15 Movement in Funds**

<u>Endowment Funds</u>	At 1st January 2015 £	Income £	Expenditure £	Transfers £	At 31st December 2015 £
Scroggie Cruickshank Legacy	9,901	367	-	(367)	9,901
Barbara Thomson Legacy	11,396	431	-	(431)	11,396
Invested Funds	912	382	(339)	(43)	912
Invested Funds	18,828	457	-	(457)	18,828
Tocher Bequest	9,345	165	(1,100)	-	8,410
Sylvester Thompson Church Purposes - Capital	109,521	-	-	-	109,521
Sylvester Thompson Benevolent Purposes - Capital	219,053	-	-	-	219,053
	<u>378,956</u>	<u>1,802</u>	<u>(1,439)</u>	<u>(1,298)</u>	<u>378,021</u>
Unrealised Gain/(Loss) of Value of Assets	9,687	-	(9,310)	-	377
Realised Loss on disposal of investment	-	-	(30)	-	(30)
	<u>388,643</u>	<u>1,802</u>	<u>(10,779)</u>	<u>(1,298)</u>	<u>378,368</u>
 <b>Restricted Funds</b>					
Sylvester Thompson Income Fund - Deserving Causes	128,280	14,755	(10,234)	(40)	132,761
Guild	1,493	1,956	(1,681)	-	1,768
Traidcraft	734	1,040	(1,333)	-	441
Sunday Club	287	93	(304)	686	762
	<u>130,794</u>	<u>17,844</u>	<u>(13,552)</u>	<u>646</u>	<u>135,732</u>
Gain/(Loss) in Value of assets	6,841	-	(3,989)	-	2,852
	<u>137,635</u>	<u>17,844</u>	<u>(17,541)</u>	<u>646</u>	<u>138,584</u>
 <b>Unrestricted Funds</b>					
General Fund	14,966	71,172	(68,735)	612	18,015
Debtors	3,686	-	(306)	-	3,380
Creditors	-	-	(625)	-	(625)
<b>Total General Fund</b>	<u>18,652</u>	<u>71,172</u>	<u>(69,666)</u>	<u>612</u>	<u>20,770</u>
Fabric Fund	9,518	3,158	(1,931)	40	10,785
Debtors (Fabric Fund)	-	80	-	-	80
	<u>9,518</u>	<u>3,238</u>	<u>(1,931)</u>	<u>40</u>	<u>10,865</u>
Reserve Fund	53,250	215	-	-	53,465
Miss F. Forbes	70,230	2,747	(9,667)	-	63,310
Sylvester Thompson Income Fund - Church Purposes	69,255	7,267	-	-	76,522
<b>Total Designated Funds</b>	<u>202,253</u>	<u>13,467</u>	<u>(11,598)</u>	<u>40</u>	<u>204,162</u>
Gain/(Loss) in Value of Assets	7,527	-	(3,323)	-	4,204
	<u>209,780</u>	<u>13,467</u>	<u>(14,921)</u>	<u>40</u>	<u>208,366</u>
<b>Buildings</b>	160,000	-	-	-	160,000
	<u>388,432</u>	<u>84,639</u>	<u>(84,587)</u>	<u>652</u>	<u>389,136</u>
	<u>914,710</u>	<u>104,285</u>	<u>(112,907)</u>	<u>-</u>	<u>906,088</u>



## Meldrum & Bourtie Parish Church of Scotland

### Notes forming part of the financial statements for the year ended 31 December 2015

#### 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.

#### 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.
Guild	This fund is used for Guild purposes.
Sunday Club	This fund is used for the childrens' and young ministries work and is funded by funds set aside by the trustees.
Traidcraft	This fund is used as the operating account for the Traidcraft Group and was originally funded by the trustees. Any income as a result of trading is donated to the Fairtrade Exchange. Fundraising income is donated to the Missionary Partners

#### Purposes of Unrestricted Funds

Fabric Fund -	The trustees have set aside funds for the maintenance of church properties. It is also funded from 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 this fund is accumulated in the fund and the capital and revenue may be used at the discretion of the trustees.
Sylvester Thomson Legacy Church Purposes - Income Fund	This fund is the income from the capital fund of the same name and is used for general church purposes.

## Meldrum & Bourtie Parish Church of Scotland

### Notes forming part of the financial statements for the year ended 31 December 2015

#### **16 Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2015</b> <b>£</b>	<b>2014</b> <b>£</b>
Net movement in funds	(8,622)	48,306
Add back depreciation charge	-	-
Deduct interest income	(26,786)	(26,476)
Deduct gains/addback losses on investments	16,652	(36,835)
Decrease (Increase) in debtors	226	(101)
Increase (Decrease) in creditors	625	
	<hr/>	<hr/>
Net cash used in operating activities	(17,905)	(15,106)

#### **17 Collections for Third Parties**

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

	<b>2015</b> <b>£</b>	<b>2014</b> <b>£</b>
Meldrum Amenities Improvement Group	96	96
Meldrum Academy Parent Council	90	90
Local Benevolent Donations via Minister	8,990	500
Donation to Missionary Partners work in Malawi	1,000	-
Donation to Scottish Bible Society	100	-
Easter & Christmas Gifts to Homes	249	281
Wider Distribution of Kirk News	988	988
Tuning of Piano at Wyverie Court	60	-
Donation to Oldmeldrum Guides	100	-
	<hr/>	<hr/>
	11,673	1,955

#### **From Organisations**

ARI Roof Garden Appeal	335	-
World Mission for Missionary Partners	-	348
Traidcraft Exchange	300	-
	<hr/>	<hr/>
	635	348

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.

The church members were actively involved in Christian Aid week and in the Seed Box appeal for small change. This resulted in a total of £7,676 being sent to Christian Aid.

A retiring offering from the Harvest Thanksgiving service combined with the proceeds from a Soup and Sweet lunch and other donations resulted in a total of £1,362 being sent to assist in the work of our mission partners in Malawi.

Retiring offerings at Christmas services resulted in £403 being sent to World Mission for the Al Shurook School in Bethlehem and a further £403 being sent to the ARI Roof Garden Appeal.

**Meldrum & Bourtie Parish Church of Scotland**

**Appendix**

Funds held on behalf of the congregation by the Church of Scotland General Trustees

<b><u>Capital Account</u></b>	<b>2015</b> £	<b>2014</b> £
Consolidated Fabric Fund Held at 31st December at cost	<u>622</u>	<u>622</u>
Consolidated Fabric Fund Market Value at 31st December	<u>840</u>	<u>827</u>
 <b><u>Revenue Account</u></b>		
Consolidated Fabric Fund - Revenue	<u>1,087</u>	<u>1,046</u>

