



**LOCHRANZA & PIRNMILL CHURCH OF SCOTLAND**

Congregational Ref. No. 120673

Scottish Charities Registration No. – SC009377

**CONGREGATIONAL ACCOUNTS**  
**FOR YEAR TO 31<sup>st</sup> DECEMBER 2021**

## **Reference and Administrative Information**

Charity Name: Lochranza & Pirnmill Church of Scotland

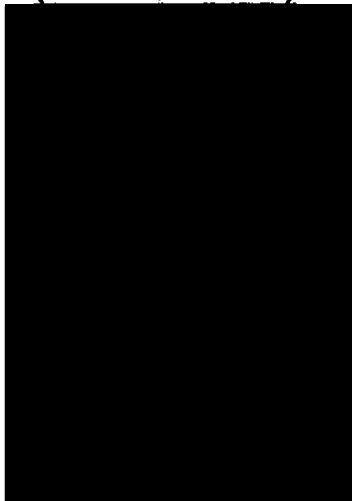
Charity Registration Number: SCO09377

Congregation Reference Number 120673

Contact Address: Crossaig, Lochranza, Isle of Arran  
KA27 8HL

### **Trustees:**

**(Kirk Session)**



**(Congregational Board)**



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

Interim Minister: -----

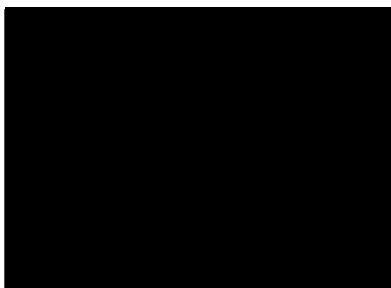
Interim Moderator-----

Session Clerk: -----

Deputy Session Clerk: ---

Clerk to the Board: -----

Church Treasurer: -----



### **Independent Examiners:**

Margaret Somerfield, Wee Meadow Cottage, Pirnmill

### **Bankers:**

The Royal Bank of Scotland, Brodick, Isle of Arran KA27 8AL  
Brodick Branch ----- Sort Code 83 16 37

# **Lochranza & Pirnmill Church of Scotland**

(Congregation Ref 120673)

## **Trustee Annual Report for year ended 31st December 2021**

### **Structure, Governance & Management**

#### **Governing Document**

The Church is administered in accordance with the terms of the *Model Deed of Constitution*.

#### **Recruitment and appointment of Trustees**

All members of the Kirk Session and Congregational Board are the Charity Trustees.

The Kirk Session members are the Elders of The Church and are selected by the congregation from those of its members, 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 The Presbytery. The Congregational Board members are appointed from within the congregation and members of the congregation are invited to nominate individuals, who are considered to have the skills and commitment to contribute to the management affairs of the Church.

Members are then appointed at the *stated annual meeting* and serve for a period of three years, after which they must stand down or seek re-election at the next *stated annual meeting*.

#### **Organisational Structure**

The Congregational Board is responsible for the general management of the Church affairs and meets at least four times each year. The Kirk Session, which is responsible for the spiritual affairs of The Church, also meets at least four times each year. Meetings of both The Congregational Board and The Kirk Session are chaired by The Minister.

#### **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 people in every parish of Scotland, through a territorial ministry. It co-operates with other Churches in various ecumenical bodies throughout Scotland and beyond.

The Church in Lochranza & Pirnmill exists principally to provide worship facilities and pastoral support for the local community. Being in a rural area, with two villages, eight miles apart, the small congregation retains two worship centres, one in Lochranza St. Bride's Church and the other in Pirnmill. As a result of the original Pirnmill Church being closed in 1994, the local members now worship in Pirnmill Free Church Hall, which is leased under a bi-annual, rent free agreement. During the Summer months, separate services are held in each village but in Winter months only one service is held each Sunday, at alternate venues. Initially, this arrangement was only on a trial basis but having proved satisfactory, it has now

been adopted as regular policy. However because of Covid-19 regulations, most worship has taken place in Lochranza Church this year as it is far more spacious.

Geographic and demographic conditions preclude easy formation of local activity groups, such as youth organisations. Sunday school meetings were being run for the very few youngsters in the parish but these have dropped off through families moving away and general lack of support. It is hoped, however, that Sunday School activity can be revived.

There is a pro-active pastoral, community support group and independent organisations, in the form of F.O.L.K. (Friends of Lochranza Kirk) which are always busy, fundraising through sales of work and coffee mornings etc.

## **Achievements & Performance**

The Lochranza & Pirnmill congregation is linked with four other island churches, which, together form "The North Arran Parish" and close co-operation under common ministerial leadership has proved beneficial to all. Our pastoral care and community support group has been pro-active throughout the year providing care, prayer and support, both spiritual and practical for any member of the community who may be in need as a result of sickness, bereavement or any other problem.

The ladies of the congregation continue to serve tea and coffee after the Sunday services. This has proved to be popular with regular worshipers and holiday visitors alike and provides an opportunity for further fellowship.

For visitors to Lochranza church who sign the visitors book (with their address) during the year we send a church Christmas card with greetings and wishes for a peaceful and joyous New Year from our congregation.

Although impacted to quite a large extent by Covid, we have however been able to hold church services this year. We have also, inevitably, been unable to do any fund raising this year. I have circulated our church members who still feel unable to attend church asking them to give their 'missed offerings' into the Treasurer either by envelope or by Bank transfer. We do plan to do some fund raising later this year and have made tentative plans for a Church fete in the summer and a photographic exhibition entitled 'The Children of Palestine'.

Having lost our Minister, Rev. [REDACTED] who demitted [REDACTED] charge in September last year, we are very grateful for the appointment of our Interim Minister, [REDACTED] who not only organises pulpit supply for the whole island but also takes services every Sunday and is our tower of strength throughout this difficult time. We also have a new Interim Moderator, [REDACTED] who has been very helpful to me personally and has conducted several services in Lochranza despite the dreadful weather causing ferry disruptions for his journeys to the island.

We look forward to the appointment of a new Minister in the not too distant future.

Our Church and Community Newsletter is distributed quarterly to every house in Lochranza and Pirnmill including holiday homes and features articles by the Interim Moderator, Interim

Minister, local community groups and the children of the local Primary school. This has proved to be a great success and, we believe, an excellent outreach element. We hope this year depending on Covid 19 restrictions to restart our Friends of Lochranza & Pirnmill Kirk Group (F.O.L.K.) with various talks.

All this formed the basis of our own local stewardship programme, concentrating especially on outreach, in an attempt to promote attendance with a consequent increase of contributions. It is my intention as Session Clerk to ask our Elders to try and increase our Communicants and adherents this year.

The congregation is also affiliated by membership to Arran Churches Together and Arran Youth Foundation. The congregation continues to support various charities including Erskine House, Mary's Meals and the Arran Food Bank.

 - Session Clerk

### **Financial Review**

The Church accounts for 2021 have again shown a significant loss this year partly due to the coronavirus restrictions causing fewer and more restrictive services thus fewer open plate offerings but also due to the passing of members who were frequent attenders and givers. Unfortunately our membership consists almost solely of the older generation with no younger people coming in to replace them. Once again due to Covid we were unable to do any fund this past year. Also as services were a bit sporadic for part of the year with all the restrictions, I did not claim back any gift aid. This means that there will be a reasonable amount to get back this coming year hopefully.

Fund raising activities are vital to help increase our income and pay our contribution for the new manse we are building in the linked parish of Brodick, Corrie, Shiskine, Lochranza and Pirnmill. However it looks as though hopefully we will be able to do something this summer to help augment our funds. Fortunately our own Church building is reasonably sound and well presented. Although we are a comparatively small congregation, we are a committed congregation, committed to our church and its wider mission and we have the confidence that one way or another, we will continue the work of this Church in our community.

### **Reserves Policy**

Whilst it is not the policy of The Church to hoard funds without purpose, it is necessary to maintain sensible reserves and it is the policy of our Trustees to husband reserves wherever possible. The fabric fund revenue account is now being used to pay for our contribution towards the new manse and with the current situation we have also had to draw on it this year to pay electricity bills and building insurance in order to maintain our cash flow.

By the time the new manse is paid for we will have used over half of these funds with no hope of adding to them in any significant way. Our annual interest will decrease noticeably with the drop in capital and we could go through the rest of the funds fairly quickly with electricity costs soaring.

## **Statement of Trustees Responsibilities**

In addition to their respective responsibilities, in connection with the spiritual affairs and general management of The Church, the members of the Kirk Session and Congregational Board, as Trustees, have a responsibility to prepare and maintain proper accounting records, which at any given time, must reflect the financial position of The Church. The Trustees must also ensure that financial statements are prepared which give sufficient detail to enable an appreciation of the transactions of The Church during the financial year. This must be done to ensure compliance with:-

*"The Church and Trustee investment (Scotland) Act 2005",  
"The Charities Accounts (Scotland) Regulations 2006" and  
"The regulations anent Congregational Finance"*

as approved by the General Assembly of The Church of Scotland in 2007. Recording and presentation of financial details may be devolved to an appointed Congregational Treasurer but responsibility for ensuring accuracy of the information, remains with the Trustees, who may appoint an auditor or independent examiner. The Trustees also have a responsibility to safeguard the assets of The Church and must take reasonable steps for the detection and prevention of any fraud or other irregularities.

This and accompanying pages, comprising Trustees Annual Report for the year ended 31<sup>st</sup> December 2021, are approved by the Trustees and signed on their behalf.

 (Session Clerk)

Date 25 / 3 / 22

 (Congregational Treasurer)

Date 25 - 3 - 22

# Report of Independent Examiners

## Respective Responsibilities of Trustees and Examiners

The Charity Trustees consider that an independent examination is needed, under section 44(1)c of the "*Charities and Trustees Investment (Scotland) Act 2005*" It is our responsibility to examine the accounts under this section of the act and to state if particular matters have come to our attention.

### Basis of Independent Examiner's Statement

An examination includes a review of the accounting records kept by The Charity and comparison of the accounts presented, with these records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanation from The Trustees, concerning any such matters. The procedures undertaken, do not provide all the evidence required in a full audit and consequently, we do not express an audit opinion on these accounts.

### Independent Examiner's Statement

In the course of our examination of the statement of accounts for the year ended 31<sup>st</sup> December 2021, **no matter has come to our attention, which gives reasonable cause to believe that, in any material respect:-**

- a) Accounting records have not been kept in accordance with section 44(1)a of the "*Charities and Trustees Investment (Scotland) Act 2005*" and Regulation 4 of "*The Charities Accounts (Scotland) Regulations 2006*"
- b) The accounts do not accord with these records.
- c) the Statement of Accounts does not comply with any of the requirements of regulation 9 of "*The Charities Accounts (Scotland) Regulations 2006*"
- d) to which, in our opinion, attention should be drawn, in order to enable a proper understanding of the accounts to be reached.

[REDACTED]

[REDACTED] \_\_\_\_\_ Date 25/03/2022.

**LOCHRANZA & PIRNMILL CHURCH OF SCOTLAND ACCOUNTS FOR THE YEAR ENDED 31/12/20****NOTES TO THE ACCOUNTS****1. BASIS OF ACCOUNTING**

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Regulations anent Congregational Finance approved by the General Assembly of the Church of Scotland 2016.

**2. MOVEMENT OF FUNDS**

	Balance at 01-Jan-20	Receipts	Payments	Balance at 31-Dec-20
General Congregational Funds	11,701	28,475	25,411	14,765

**PURPOSE OF FUNDS**

General Congregational Funds - the unrestricted "free reserves" of the Charity

The Church does not have any Restricted Funds

**3. Analysis of Donations**

	2020	2019
Gift Aided Donations	11,739	12,750
Tax Recovered from Gift Aid	3,993	3,514
Other Offering, Donations etc	1,707	14,854
	<u>17,439</u>	<u>31,118</u>

**4. Analysis of Payments**

Minsitry And Mission	12,241	14,243
Presbytery Dues	216	213
Ministry Travel and Expenses	562	1,511
Ministry Other Expenses	0	0
Pulpit Supply	489	116
Organ Costs	120	685
Fabric Repairs and Church Expenses	929	7,355
Insurance	1,129	1,076
Other Church Expenses (Electricity, Cleaning)	1,242	2,136
New Manse expenses	5,702	0
Manse Expenses	1,691	549
Other Expenses		0
Postage, Stationery & Printing	401	477
Performing Rights Licence	39	38
Life and Work	61	0
ACVS	0	0
Miscellaneous	289	6,316
Donations to Others		0
Arran Youth Foundation	300	300
Arran Churches Together	0	0
	<u>25,411</u>	<u>35,015</u>

**5. Expense Payments Made to Trustees**

Ministers' Travel Expenses	562	1,511
No other Trustee received expenses or remuneration		

**6 Minister's Stipend**

All Church of Scotland congregations contribute to the National Stipend 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 is £28,137 and the maximum stipend in 5th and subsequent years of service is £34,577.

**7. Collections for Third Parties**

Food Bank	189	912
Erskine Hosopital		341
Mary's Meals	500	1414
Poppy Appeal	133	
Angus Adamson	1130	
Jean Hunter	120	
	<u>2072</u>	<u>2667</u>

**LOCHRANZA & PIRNMILL CHURCH OF SCOTLAND ACCOUNTS FOR THE YEAR ENDED 31/12/21****RECEIPTS AND PAYMENTS**

	Notes	2021 Unrestricted	2020 Unrestricted
<b><u>Receipts</u></b>			
Offerings and donations	3	14,302	17,439
Fund Raising Activities		0	0
Bank & Deposit Interest		9	60
		<u>14,311</u>	<u>17,499</u>
Other Receipts, inc Weddings and Funerals		14	0
Transfer from General Trustees		34,594	10,976
<b>TOTAL RECEIPTS</b>		<u>48,919</u>	<u>28,475</u>
<b><u>Payments</u></b>			
Charitable Activities	4	53,460	25,411
<b>TOTAL PAYMENTS</b>		<u>53,460</u>	<u>25,411</u>
<b><u>Excess/(Deficit) of Receipts over Payments</u></b>		<u>(4,541)</u>	<u>3,064</u>

**BANK AND DEPOSIT BALANCES AS AT 31 DECEMBER 2021**

Bank & Deposit Balances Brought Forward	14,765	11,701
Movement in year	<u>(4,541)</u>	<u>3,064</u>
Bank & Deposit Balances Carried Forward	<u>10,224</u>	<u>14,765</u>
<b>BANK BALANCES</b>		
COS Investors Trust Deposit Fund	8,977	8,968
RBS Current Account	<u>1,247</u>	<u>5,797</u>
	<u>10,224</u>	<u>14,765</u>

The accounts were approved by the Kirk Session on ..... 25/3/22 .....

Signed on behalf of the Deacons Court by:

Session Clerk

Treasurer

↑  
**LOCHRANZA & PIRNMILL CHURCH OF SCOTLAND ACCOUNTS FOR THE YEAR ENDED 31/12/21**  
**APPENDIX**

**Consolidated Fabric Fund held by the General Trustees**

	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
	<b>Cost</b>	<b>Market Value</b>	<b>Cost</b>	<b>Market Value</b>
<b>CAPITAL ACCOUNT</b>	<u>46,601</u>	76,650	<u>46,601</u>	72,495
<b>REVENUE ACCOUNT</b>		<u>33,391</u>		<u>66,605</u>
		<u>110,041</u>		<u>139,100</u>