

Scottish Charity No: SC010854


St Kessog's Church
Auchterarder
Annual Report and Accounts
for the year ended 30 September 2024

St Kessog's Church, Auchterarder
Annual Report and Accounts for the year ended 30 September 2024

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St Kessog's Church, Auchterarder

Reference and administrative information

Charity name and address	St Kessog's Church Auchterarder PH3 1AD
Scottish Charity Number	SC010854
Charity Trustees	<i>Members of the Vestry</i>  <div>Rector Secretary Treasurer Rector's Warden People's Warden to December 2023 Fabric / Property</div> <div>From December 2023 People's Warden from December 2023</div>
Independent Examiner	Dickson Middleton 20 Barnton Street Stirling FK8 1NA

St Kessog's Church, Auchterarder
Report of the Vestry (Trustees' report)
Year ended 30 September 2024

As the Charity Trustees of St Kessog's Church the Vestry presents its report and financial statements for the year ended 30 September 2024. These have been prepared in accordance with the accounting policies detailed at note 1 to the financial statements and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102).

Structure, governance and management

St Kessog's Episcopal Church is a congregation of the Diocese of St Andrews, Dunkeld and Dunblane in the Scottish Episcopal Church. The Church is governed by a constitution and is subject to the Canons of the Scottish Episcopal Church.

Subject to the canonical rights and duties of the Rector, the affairs of the Congregation are under the management of the Vestry, which is elected by the Annual Meeting of the Congregation. New Vestry members are provided with guidance on their role as a Charity Trustee.

Risk policy

The Vestry has assessed the major risks to which the Church is exposed, in particular those related to the operations and finances of the Church and is satisfied that systems are in place to mitigate our exposure to the major risks.

Adequate insurance cover is provided in respect of the Church buildings.

Objectives

The objectives of the Church are the advancement of the mission of the whole Scottish Episcopal Church. These objectives are carried out through mission and pastoral activities. The principal activities of the Church are public worship and the spiritual development of members.

Achievements and performance

Services continued to be held on Sundays, Wednesdays and at all religious festivals throughout the year. Numbers in the congregation have remained fairly constant but are still lower than pre-Covid days. Financial support, however, continues even from non-attenders. The Rector, [REDACTED] continued to visit the housebound, those who are ill and those in care homes, which is much appreciated by those on the receiving end.

Financial review

The main points to note in the accounts are as follows:

General fund

Total income has increased from the previous year by £27.5k due to the very generous, anonymous, donation of £15k and the recoverable tax thereon. Expenditure increased by nearly £23k which is entirely due to there being a full year of stipend and pension costs for the Rector.

There was a surplus on the General Fund of £14,477 compared to £9,377 in 2023. This is more fully outlined on Page 14 of the accounts. In terms of methods of raising income almost all members support the church through standing orders rather than giving via the plate.

St Kessog's Church, Auchterarder
Report of the Vestry (Trustees' report)
Year ended 30 September 2024

Financial review (Continued)

Maintenance and Improvement Fund

Income has been principally through generous donations of over £5,295. Expenditure during the year related to the upkeep of the Rectory. There was an overall deficit on the Maintenance and Improvement Fund for the year of £5,791. The Maintenance and Improvement Fund movements are shown on Page 15 of the accounts.

Investments

The church investment portfolio value has significantly increased by £63,035 due to improving conditions in the markets post Covid. At the year end the investment portfolio was valued at £496,133 and had generated income of £15,128, a yield of 3%. In line with charity accounting requirements the investments are recorded at market value on the balance sheet date but it should be noted that the accumulated gains on these investments are unrealised and any deterioration in market conditions will lead to a reduction in those gains.

Results

The financial statements for the year ended 30 September 2024 are attached to this report. The Net Income after Unrealised Gains on the revaluation of investments for the year was £71,721 compared to £13,801 in 2023. Net Assets increased from £458,401 to £530,122. Given the challenges of the year in terms of both income and expenditure St Kessog's has come through better than could be expected, almost entirely due to the generosity of its members. Thank you all.

Reserves policy

The Vestry's reserves policy is to maintain, at its own discretion, reserves to meet future capital and revenue expenditure. At the year-end date there were sufficient free cash reserves to meet at least three months normal operating costs.

Investment policy

The policy is to seek investments where the value of the capital is maintained and a reasonable income is distributed. That objective was achieved during the year.

Plans for the future

The church will continue to provide a place of worship and to engage with the local community in furtherance of its objectives. The Vestry is currently developing a five year strategic plan to ensure that this service will continue long into the future. The Church has also recently opted in to the Scottish Episcopal Church's Net Zero programme.

St Kessog's Church, Auchterarder
Report of the Vestry (Trustees' report) (Continued)
Year ended 30 September 2024

Statement of responsibilities of Members of Vestry

The members of the Vestry are responsible for preparing the Annual Report of the Vestry and the 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 members of the Vestry to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Church for that period. In preparing the financial statements the members of the Vestry are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 Church will continue in operation.

The members of the Vestry are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Church and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Church's constitution. They are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The applicable law also sets out the responsibilities of the members of the Vestry for the preparation and content of the Annual Report of the Vestry.

Independent Examiners

The accounts for the year to 30 September 2024 have been independently examined by [REDACTED] of Dickson Middleton who has indicated that he is willing to be re-appointed and the appropriate resolution will be put to the Annual General Meeting.

ON BEHALF OF THE VESTRY

[REDACTED]

Secretary

8 December 2024

**Independent Examiner's Report to the members of the Vestry on the Unaudited Accounts of
St Kessog's Church, Auchterarder.**

I report on the financial statements of St Kessog's Church, Auchterarder for the year ended 30 September 2024 which are set out on pages 7 to 12.

This report is made to the members of the Vestry as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law I do not accept or assume responsibility to anyone other than the Church and the members of the Vestry, as a body, for my work or for this report.

Respective responsibilities of members of the Vestry and independent examiner

The members of the Vestry, as Trustees, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Regulations). The members of the Vestry consider that the audit requirement of Regulation 10(1) (a) to (c) of the 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 Regulations. An examination includes a review of the accounting records kept by the Church and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the members of the Vestry 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 Regulations, and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met: or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



**Dickson Middleton
Chartered Accountants
20 Barnton Street
Stirling
FK8 1NE**

9 December 2024

St Kessog's Church, Auchterarder

Statement of Financial Activities for the year ended 30 September 2024

Note	General Fund		Maintenance & Improvement Fund		Total 2024	Total 2023
	Restricted	Unrestricted	Restricted	Unrestricted		
	£	£	£	£	£	£
Income from:						
Donations, legacies and similar income (including contributions from St James, Muthill)	800	66,158	5,275	20	72,253	53,628
Investments	-	15,128	-	-	15,128	14,099
Charitable activities	-	200	-	-	200	304
Total income	800	81,486	5,275	20	87,581	68,031
Expenditure on:						
Charitable activities:						
Clergy expenditure	-	44,212	-	-	44,212	21,889
Church and fabric costs	-	12,071	6,947	4,139	23,157	33,980
Other operating expenses	100	2,377	-	-	2,477	10,773
Provincial and diocesan quota	-	8,038	-	-	8,038	8,749
Independent examiners' fees	-	960	-	-	960	870
Fundraising costs	-	51	-	-	51	-
Total expenditure	100	67,709	6,947	4,139	78,895	76,261
Net income / (expenditure) before gains on investments	700	13,777	(1,672)	(4,119)	8,686	(8,230)
Unrealised (losses) / gains on revaluation of investments	-	63,035	-	-	63,035	22,031
Transfers	-	-	-	-	-	-
Net income / (expenditure)	700	76,812	(1,672)	(4,119)	71,721	13,801
Total funds brought forward	44	405,783	16,277	36,297	458,401	444,600
Total funds carried forward	744	482,595	14,605	32,178	530,122	458,401

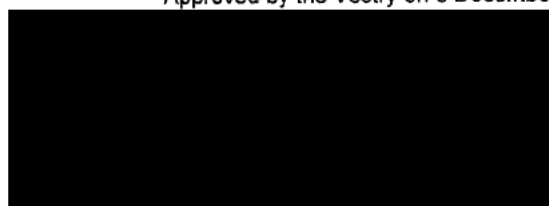
All income and expenditure has arisen from continuing activities

The notes on pages 10 to 12 form part of these financial statements

St Kessog's Church, Auchterarder
Balance Sheet as at 30 September 2024

	Note	2024		2023	
		£	£	£	£
Investments at market value					
15,135 Units SEC Unit Trust Pool	4	461,704		400,657	
2,267 Units M&G Equities Investment Fund for Charities	4	<u>34,429</u>	496,133	<u>32,441</u>	433,098
Current assets					
Cash at bank -					
General account		24,437		17,504	
Maintenance and Improvement account		1,498		6,917	
Cash on hand		<u>178</u>			
		26,113		<u>24,421</u>	
Debtors and prepaid charges	5	<u>9,501</u>		<u>2,931</u>	
		35,614		27,352	
Current liabilities	6	<u>(1,625)</u>		<u>(2,049)</u>	
Net current assets			33,989		25,303
Net assets			<u>530,122</u>		<u>458,401</u>
Charity funds					
Unrestricted funds	7		514,773		442,080
Restricted funds	7		<u>15,349</u>		<u>16,321</u>
Total Charity funds			<u>530,122</u>		<u>458,401</u>

Approved by the Vestry on 8 December 2024 and signed on their behalf by:-



Chair

Treasurer

The notes on pages 10 to 12 form part of these financial statements

St Kessog's Church, Auchterarder

Cash flow statement for the year ended 30 September 2024

	2024	2023
Net movement in funds	71,721	13,801
Investment income	(15,128)	(14,099)
(Gains) on investments	(63,035)	(22,031)
Decrease /(increase) in debtors	(6,570)	2,679
Increase / (decrease) in creditors	(424)	1,209
Net cash (used in) / provided by operating activities	<u>(13,436)</u>	<u>(18,441)</u>
Cash flows from investing activities:		
Investment income	15,128	14,099
Net cash (used) / provided by investing activities	<u>15,128</u>	<u>14,099</u>
Change in cash and cash equivalents in the year	1,692	(4,342)
Cash and cash equivalents brought forward	24,421	28,763
Cash and cash equivalents carried forward	<u>26,113</u>	<u>24,421</u>

St Kessog's Church, Auchterarder

Notes to the accounts for the year ended 30 September 2024

1. Summary of significant accounting policies

General information and basis of preparation

St Kessog's is a congregation of the Scottish Episcopal Church worshipping in Auchterarder and whose details are provided on page 2 of these financial statements.

The church constitutes a public benefit entity as defined by FRS102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, the Charities and Trustee (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The financial statements have been prepared under the historical cost convention, other than investments which are stated at market value. The financial statements are presented in sterling, which is the functional currency of the church, and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Vestry consider that there are no material uncertainties about the church's ability to continue as a going concern. There is uncertainty about the carrying value of investments but it is expected that income from these investments will be maintained at existing levels.

Investment assets

Investment assets are stated at their market value at the balance sheet date using the quoted market price. Unrealised gains and losses are included in the Statement of Financial Activities. Realised gains represent the difference between disposal proceeds and carrying value. These investments do not involve derivatives or other complex financial instruments.

Income recognition

Congregational giving is accounted for when received. Donations, legacies and similar income are accounted for when the Church becomes entitled to the income and a reliable estimate of the amount to be received can be made. Gift Aid tax recoverable is accounted for in the accounting period in which the related donations were receivable.

Funds

Unrestricted funds may be used at the Vestry's discretion to meet future capital and revenue expenditure of the Church.

Restricted funds are those funds which have been raised for specific purposes or whose use has been specified by donors. Details of each restricted fund are given at note 8.

Pensions

The Scottish Episcopal Church operates a defined benefit pension scheme for clergy. When it employs a Rector the congregation pays contributions to this multi-employer scheme in respect of its stipendiary clergy. As it is not possible to identify the church's share of the underlying assets and liabilities the scheme is treated as a defined contribution scheme for accounts purposes and contributions to the scheme are charged in the accounts as they fall due.

Taxation

The church is recognised as a charity by HMRC and is exempt from taxation on investment gains and income. The church is not registered for VAT and expenditure includes irrecoverable input VAT.

St Kessog's Church, Auchterarder

Notes to the accounts for the year ended 30 September 2024

(Continued)

2. Clergy costs and emoluments

	2024	2023
	£	£
Gross stipend and salary	32,391	15,300
Pension costs	10,430	4,927
	<u>42,821</u>	<u>20,227</u>

The Rector was the only employee and commenced his post in March 2023.
 St James's Church, Muthill contributed £8,550 during the year towards the above clergy costs.
 No employee received emoluments in excess of £60,000 per annum.
 Pension contributions, designed to spread the pension costs over the working lives of the clergy, are based on Stipend payable and these were set at 32.2%.

3. Trustee remuneration, benefits and expenses

Except for the Rector no member of the Vestry received remuneration or reimbursement of expenses, other than reimbursement of purchases made on behalf of the Church. The Rector is *ex officio* a member of the Vestry and a trustee and received remuneration, benefits and reimbursement of expenses in respect of services as a stipendiary cleric in line with scales determined by General Synod of the Scottish Episcopal Church.

4. Investments

	Cost		Market value	
	2024	2023	2024	2023
	£	£	£	£
15,135 SEC Unit Trust Pool Units	86,192	86,192	461,704	400,657
2,267 M&G Equity Investment Fund	7,121	7,121	34,429	32,441
	<u>93,313</u>	<u>93,313</u>	<u>496,133</u>	<u>433,098</u>

5. Debtors

	2024	2023
	£	£
Prepayments and other debtors	2,464	300
Tax recoverable	7,037	2,631
	<u>9,501</u>	<u>2,931</u>

6. Creditors

	2024	2023
	£	£
Creditors and accruals	<u>1,625</u>	<u>2,049</u>

St Kessog's Church, Auchterarder

Notes to the accounts for the year ended 30 September 2024

(Continued)

7. Reconciliation of movement in funds

	Restricted Funds £	General Funds £
Balance at 1 October 2023	16,321	442,080
Incoming resources	6,075	81,506
Resources expended	(7,047)	(71,848)
Transfers	-	-
Unrealised gains on investments	-	63,035
Balance at 30 September 2024	<u>15,349</u>	<u>514,773</u>

8. Restricted funds

	At 30.09.23	Transfer	Received	Applied	At 30.09.24
Church fabric / grounds upkeep	9,384	-	775	(1,550)	8,609
Graveyard upkeep	735	-	2,000	(2,197)	538
Organ overhaul	2,762	-	-	-	2,762
Rot / stonework damage works	3,440	-	-	-	3,440
Website costs	-	-	100	(100)	-
Altar table	-	-	700	(700)	-
Rectory upkeep	-	-	2,500	(2,500)	-
	<u>16,321</u>	<u>-</u>	<u>6,075</u>	<u>(7,047)</u>	<u>15,349</u>

9. Analysis of net assets between funds

	Restricted funds £	General funds £	Designated funds £	Total 2024 £	Total 2023 £
Fixed assets	-	-	-	-	-
Investment assets	-	496,133	-	496,133	433,098
Net current assets	15,349	18,640	-	33,989	25,303
	<u>15,349</u>	<u>514,773</u>	<u>-</u>	<u>530,122</u>	<u>458,401</u>

10. Church buildings

The Church and Rectory buildings and their contents were insured during the year at a value of £5,025,189 (2023 - £4,867,472).

St Kessog's Church, Auchterarder
Summary Income and Expenditure Account
for the year ended 30 September 2024

	2024		2023	
	Restricted	Unrestricted	Restricted	Unrestricted
	£	£	£	£
Receipts				
Collections, other donations and fees	6,075	56,861	10,645	35,646
Contributions by St James', Muthill	-	9,317	1,697	5,640
Fund raising proceeds	-	200	-	304
Investments receipts	-	15,128	-	14,099
Total receipts	6,075	81,506	12,342	55,689
Payments				
Payments for charitable activities	7,047	70,837	11,607	63,784
Fund raising costs	-	51	-	-
Governance costs	-	960	-	870
Total payments	7,047	71,848	11,607	64,654
Surplus / (Deficit) for year	(972)	9,658	735	(8,965)
Transfers between funds	-	-	-	-
Gain on revaluation of investments	-	63,035	-	22,031
Net Surplus / (Deficit) for year	(972)	72,693	735	13,066
Fund balances - 1 October 2023	16,321	442,080	15,586	429,014
Fund balances - 30 September 2024	15,349	514,773	16,321	442,080

St Kessog's Church, Auchterarder
General Fund Income and Expenditure Account
for the year ended 30 September 2024

	2024		2023	
	Restricted	Unrestricted	Restricted	Unrestricted
	£	£	£	£
Receipts				
Donations and recoverable tax	800	56,841	-	34,756
Fundraising proceeds	-	200	-	304
Investments receipts	-	15,128	-	14,099
Contributions - St James, Muthill	-	9,317	-	5,640
Total receipts	800	81,486	-	54,799
Payments				
Stipend and NIC	-	32,391	-	15,300
Pension costs	-	10,430	-	4,927
Clergy assistance	-	314	-	1,140
Council tax - Rectory	-	3,296	-	1,876
Heat and light - Church	-	4,951	-	5,119
Insurance - Church	-	1,776	-	1,417
- Rectory	-	598	-	489
Altar requisites	-	447	-	265
Organists	-	703	-	449
Telephone	-	850	-	441
Stationery	-	415	-	423
General expenses	100	1,112	-	3,249
Travel expenses	-	1,077	-	522
Diocesan quota	-	8,038	-	8,749
Rectory upkeep	-	-	-	186
Independent examiner's fee	-	960	-	870
Fund raising costs	-	51	-	-
Diocesan legal fee share	-	300	-	-
Total payments	100	67,709	-	45,422
Surplus / (Deficit) for year before transfers	700	13,777	-	9,377

St Kessog's Church, Auchterarder
Maintenance and Improvement Fund Income and Expenditure Account
for the year ended 30 September 2024

	2024		2023	
	Restricted	Unrestricted	Restricted	Unrestricted
	£	£	£	£
Receipts				
Donations and recoverable tax	5,275	20	10,645	890
Contributions - St James, Muthill	-	-	1,697	-
Total receipts	5,275	20	12,342	890
Payments				
Equipment maintenance	-	81	-	-
Upkeep of Rectory	3,493	2,500	1,697	16,770
Upkeep of church fabric / grounds / graveyard	4,447	565	3,250	2,312
Organ servicing	-	-	-	150
Rector's removal costs	-	-	6,660	-
Total payments	7,940	3,146	11,607	19,232
Surplus / (Deficit) for year before transfers	(2,665)	(3,126)	735	(18,342)