

THE CHURCH OF SCOTLAND

RUTHRIESTON WEST PARISH CHURCH

TRUSTEES REPORT AND ACCOUNTS

For the year ended 31 December 2022

Congregation No: 311870

Charity No: SC013020

Ruthrieston West Church of Scotland

Trustees Annual Report

Year ended 31 December 2022

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out on pages 4 and 5 of the accounts and comply with the General Assembly Regulations for Congregational Finance, 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 in October 2019, the Charities and Trustee Investment Act (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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.

The Presbytery Mission Plan 2022

The sense of crisis within the Church of Scotland and the steps being taken in response continued to dominate church affairs across Scotland. For Ruthrieston West the year started with a visit to its Kirk Session by [REDACTED], Convenor of Presbytery's Planning and Deployment Committee. [REDACTED] provided information about the planning challenge and timetable imposed on Presbytery by the General Assembly 2021 requirement to produce a new Presbytery Mission Plan by the end of 2022. So far as this related to Ruthrieston West what was now proposed was that the congregation form part of the West Aberdeen Area Group, the other constituent members being the congregations of Craigiebuckler, Cults, Kingswells, Mannofield and Peterculter.

So that the ramifications of the revised Mission Plan could be considered it was agreed that, notwithstanding the Minister's absence on medical leave, a Congregational Conference take place shortly after Easter. This duly took place and was helpful in focusing the issues before the congregation and how best the life of the congregation could be continued through union.

The revised Mission Plan signalled the conclusion of the congregation's involvement with the Riverside Area Group. We thanked the congregations of South Holburn and Ferryhill for our involvement with them in the past and extended our good wishes for the future. In this it was emphasised that the good relationships established with the other congregations were unaffected by the alterations to the Mission Plan.

With the Minister happily returned to his work in the spring and following its conference the congregation went about the business of establishing good relations with the other West Aberdeen Area Group congregations and in particular our near neighbours at Mannofield and Craigiebuckler. This included participation in joint services, the first joint meeting of the Kirk Sessions, contributing to meetings of the Area Group development committee and the choirs combining for a Christian Aid fund raising concert at Craigiebuckler Church and a Carol Party Service at Ruthrieston West Church at Christmas. These activities were all successful and created a heightened sense of the potential to be achieved through union. The joint meeting of Sessions which took place on Sunday 28th August 2022 was constructive and convivial, certainly laying sound foundations for future discussions.

The Presbytery Mission Plan was unanimously approved by Presbytery at its meeting on 24th September 2022. The impact of the plan for Ruthrieston West was as outlined by [REDACTED] earlier in the year but with one additional very significant feature. This was the requirement that the Ruthrieston West Church building be closed no later than 31st December 2023.

To date progressing the creation of the union for Ruthrieston West implicit in the revised Mission Plan has been inhibited by uncertainty relating to other congregations within the Area Group. Firstly, Kingswells sought as their first preference to explore the possibility of a union with congregations in the Gordon Presbytery namely, Westhill

and Skene, something only possible after the creation of the new enlarged Presbytery for the whole of the northeast of Scotland in 2023.

Secondly following the decision of Rev [REDACTED] to demit the charge at Peterculter, that congregation also wanted to explore the possibility of a union with other congregations. These developments made the precise identification of union partners within the Area Group uncertain. What emerges as most likely is that a union between the Craigiebuckler, Mannofield and Ruthrieston West congregations will proceed in 2023 and that this may, or may not, include Cults. Matters will become clear once the positions of the Kingswells and Peterculter congregations are settled.

As before Ruthrieston West finds itself having to respond as best it can, to circumstances over which it has little if any direct influence. The greatest concern is the possibility of having to close our church buildings before the conclusion of satisfactory union discussions. To ameliorate this risk, the Ruthrieston West Kirk Session has developed a default plan which it will adopt, but only if a union has not previously been created before the imposed closure date.

Our Kirk Session has faithfully and contentiously considered the practical consequences of the requirement placed on it to enable to the closure of the Ruthrieston West church building. Several concerns arise. Albeit the revised Presbytery Plan marks a new policy of closing a group of currently viable congregations (including our own) with the intention of creating, through unions, a smaller group of more sustainable congregations there is, apparently, no strategy for the disposal of church buildings. The only published guidance is 20 years old and relates to the *ad hoc* disposal of individual church building following the prior formation of new unions. Reflecting this approach, the suggestion has been made that no steps for the disposal of church buildings can be made before unions come into existence. If this is the position, there is negligible realistic prospect of the building being disposed of before closure.

The reality of matters is that once closed, the building will inevitably become increasingly dilapidated. Beyond that there is at heightened risk of vandalism as has happened in the case of other churches in the city. Best practice in such circumstances is that the buildings should be secured and boarded up. The preference of the General Trustees is understood to be that buildings are not boarded up but that church members undertake at least weekly inspections of the building. This however can only be a partial solution and requires members to volunteer time and effort in an obviously thankless task when their time should better be devoted to new missional work being undertaken by the new union.

Matters are aggravated by the requirement of Church law that all activity, including revenue generating letting of the halls, must cease as and when the church building is no longer used for worship. In addition, insurance premium costs for building no longer used for purposes of worship are materially higher.

The extent to which all these concerns were appreciated by those responsible for the formulation of the new Presbytery Mission Plan is unclear. What is clear is that none of the concerns are addressed in the plan. These therefore are matters for the congregation to address as best it can.

It is to be hoped that immediate steps can be taken to expedite the disposal of the church building and that pending disposal, the church will continue to be used intermittently for acts of worship with the use of the halls continuing to generate revenue until the building is sold. This will be possible only if Presbytery accepts the need for its Mission Plan to be reviewed. This is not something lying within the control of the Ruthrieston West congregation.

Achievements and Performance

Against all that frankly disconcerting background the heart and spirit of the congregation may have foundered with a sense of pointlessness prevailing. It is greatly to the credit of the Minister, the Session, members and all those associated with the church, that the risk of a loss of heart has been counteracted by a wide range of activities and initiatives.

In March we hosted the very successful and appreciated area service of the World Day of Prayer. The bulk of the preparatory for work was undertaken by one of our elders with close support from other office bearers.

The strength and capability of the Kirk Session was markedly enhanced mid-year by the induction and ordination of three new ruling elders. All three had previously made very significant contributions to the life of the congregation and their ordination was a great boon for both Ruthrieston West and the wider Church community.

This year saw the well-earned retirement of our Orbit Editor and transport coordinator who exemplifies the essence of service within our congregation. Never drawing attention to herself she or creating any fuss she was entirely effective calling others to provide help to others in a manner which rewarding both for those providing help and those benefitting from the help. For this a very significant debt of gratitude is owed.

Looking to the future, Session appointed a steering group (reporting to Session) to lead union discussions when these get underway. It is intended that the steering group will also, when necessary, address and implement the various practical issues arising from the closure of the church buildings.

But for impending union, it would have been desirable to constitute refreshed committees with responsibility for the day-to-day oversight of the care and maintenance of church buildings, stewardship and financial matters, mission and outreach, worship and education, and pastoral care. The expectation is that in due course these matters will become the responsibility of the kirk session of the new congregation formed by union. In the meantime, by default, the current responsibility for these activities, rests with our group of dedicated office bearers. Particular thanks are due to the property convenor, the treasurer, the free will offering treasurer, the Session Clerk, the tea team coordinator, the AV team supporting worship, the transport co-ordinator, the duty rota co-ordinator, not forgetting, of course, the Minister all of whom have undertaken considerable amounts of work on behalf of the congregation.

None of this is to suggest that the congregation has merely been marking time pending a union. Most of the activities curtailed during the pandemic have resumed in one form or another. The resumption of activities has served to reinforce how valuable they are, a good example being the provision of teas and coffees after Sunday service. The congregation benefits greatly from the opportunity for fellowship this provides. The capability within the congregation to undertake worship when the Minister is on leave has continually enhanced with the congregation responding positively to the variety of the services. Those involved in leading worship are themselves rewarded by the experience. A warmly appreciated Christmas Service was conducted for the staff and residents at Ruthrieston House.

Alert to the possibility that various Christian festivals may be being celebrated for the last time our building, the congregation committed to marking these festivals in style. The church was beautifully decorated for Harvest Thanksgiving and, together with the large hall, for Advent and Christmas. The congregation has provided direct support to the Inchgarth Foodbank with donations of food stuffs and financial support garnered at Harvest Thanksgiving and the tremendously successful Organ Extravaganza.

A particular feature of our Sunday worship that should not go unmarked is the regular presence of and contributions by our Sunday Club for church families. It is greatly to the credit of the dedicated Club leaders and the Minister that the number of youngsters attending the Club increased in 2022.

The future

Whatever the future holds for the congregation there is no doubt that this will be a very significant chapter in its history. Whether or not this is related to impending closure of the church building there is a palpable and, for many, increasing appreciation of fellowship within the congregation, leading to an ever-closer relationship with God and those we seek to serve. How Blessed we are.

Paul's second letter to the Corinthians is one that is thought to have been written during a distressing time. As such it may have singular relevance for us. Before the Grace closing his letter, Paul wrote

"All that remains, my dear family, is this: celebrate, put everything in order, strengthen one another, think in the same way, be at peace; and the God of love and peace will be with you."

God Bless us all as we endeavour to put everything in order.

Financial Review

The year under review saw a gradual return to normality after two years that were dominated by the pandemic.

For most of the year contributions from members of the congregation bore good comparison to previous years but there appeared to be a small reduction towards the end of the year. Similarly, tax recoveries through the Gift Aid Scheme held up until the last return for the year.

The use of the halls generally made a useful contribution in line with the budget, though at lower levels than we enjoyed pre-pandemic.

In total, regular sources of income fell short of budget by £3,167, but there was a one-off addition of £4,253 resulting from the closure of the publications bank account.

All items of expenditure compared closely to budget though individual small increases combined to make an overspend of £2,664.

Therefore, before taking into account gains and losses on investments, the General Fund incurred a deficit of £20,349, slightly more than the budget of £18,766.

Expenditure charged to the Fabric Fund totalled £6,638 in the year, the main item being the replacement of the gas fire in the lounge of the manse. This fund incurred a deficit of £5,798 before taking into account losses from investments. The nature of the church buildings and the manse means that we are always susceptible to costly repairs with resulting deficits for the fund and the need for recourse to encashment of investments.

The reserves of the Church at the end of the year totalled £646,237, a reduction of £57,513 from the previous year's total of £703,750. Of this total, £508,785 is represented by the holding value of the manse. Liquid resources, investments (£141,847) and bank balances (£16,720) totalled £158,567. During the year two further instalment repayments of the loan from the Church of Scotland General Trustees were made and the balance outstanding at the year-end stood at £23,741.

In keeping with investments generally, the unit values of our investments fell during the year and some losses were incurred from the sales that were required to fund the deficits on the General and Fabric Funds together with the loan repayments.

As is mentioned in more detail elsewhere in this report, our future as an independent congregation has, under the Presbytery of Aberdeen and Shetland Plan, been prescribed and our buildings are to be closed by 31st December 2023. For the year 2023 we will continue to operate independently but within the West Aberdeen Grouping while working towards a union.

Investment Policy and Performance

The Church's investment policy is to obtain a good rate of return without exposing its funds to undue risk. Accordingly, the reserves of the General and Fabric Funds are invested substantially with the Church of Scotland Investors Trust in its Income Fund.

The Income Fund incurred a negative return of 12.2 % for the year. This fund is invested in predominantly fixed interest securities and operated on a unitised basis.

The unit price of the Income Fund at 31 December 2022 fell by 15% over the year, compared with the Financial Times All Share Index which fell by 3%.

Risk Management

The Church has in place a structure of officers and committees which deal with the various aspects of the Church's operations and administration. These committees have procedures to identify risks which may arise from time to time and the means to counteract these, so that any impact on the Church's operations is mitigated.

In particular, a close watch is kept on the level of income that is needed to meet the annual costs and the support of the congregation gives great encouragement. Costs are kept under control but inevitably will be liable to rise in line with inflation.

Reserves Policy

For the limited life in prospect for the congregation, there are sufficient reserves to ensure it can meet its obligations to its local work and the greater work of the Church of Scotland until and beyond the prospective union with other congregations. If these circumstances were to change, these reserves would be enough only to continue independently for a relatively few years.

At the end of 2022 the Church had unrestricted funds of £587,341, of which £509,149 was designated for the Fabric Fund and £12,983 for the Development Fund. In addition, the Restricted Fabric Fund held a balance of £58,806.

Structure Governance and Management

Governing Document

In October 2019 the Church adopted the Unitary Constitution as framed by the Church of Scotland. Under the Unitary Constitution all the affairs of the Church, both spiritual and temporal, are administered by the Kirk Session and therefore the Deacons' Court became redundant and was dissolved. The service of the Deacons was always regarded as very important, and they continue to take full part in the work of the Church through the committee structure. They are encouraged to attend and contribute to meetings of the Kirk Session though not being entitled to vote at these meetings.

Recruitment and Appointment of Trustees

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.

Newly appointed trustees are advised by the Kirk Session of their legal duties and responsibilities and where necessary training is provided.

Organisational structure

Following the adoption of the Unitary Constitution, all affairs of the Church are the responsibility of the Kirk Session. The Kirk Session is chaired by the Minister and there are four main meetings a year.

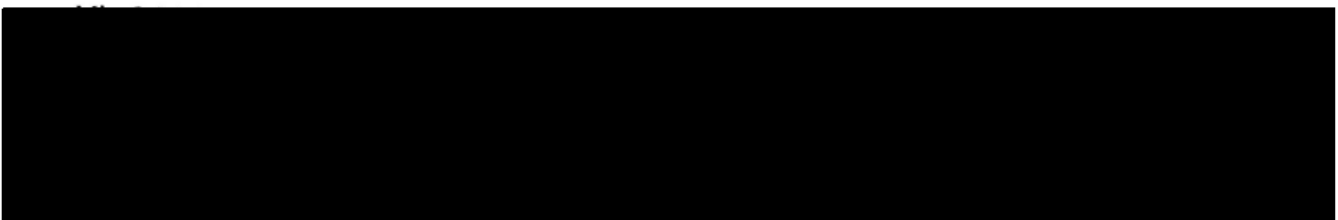
Reference and Administrative Information

Trustees

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



Elders:



Principal Office-bearers

Minister:

Session Clerk

Church Treasurer:

Principal Office

Broomhill Road
Aberdeen
AB10 7LN

Charity number: SC013020

Independent examiner

Graham Bonds FCA CTA
Buchanan Bonds Ltd
Chartered Accountants and Chartered Tax Advisers
39 Braehead Crescent
Stonehaven AB39 2PP

Bankers

TSB Bank,
Great Western Road,
Aberdeen

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 trustees are responsible for keeping 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.

on their behalf,

RUTHRIESTON WEST CHURCH OF SCOTLAND ABERDEEN

CONGREGATIONAL ACCOUNTS

for the year ended 31 December 2022

Congregation No: 311870

Charity No: SC013020

THE CHURCH OF SCOTLAND RUTHRIESTON WEST CHURCH
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
THE CHURCH OF SCOTLAND RUTHRIESTON WEST CHURCH

I report on the accounts of the charity for the year ended 31st December 2022 which are set out on pages 1 to 14

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

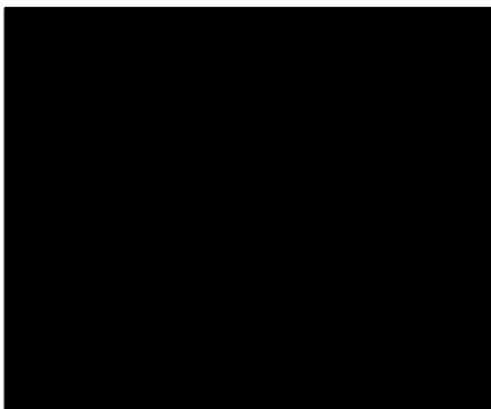
In the course of my examination, no matter has come to my attention:

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.



20-2-2023

Ruthrieston West Church

**Statement of Financial Activities
Year ended 31 December 2022**

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and legacies	1	56686	2990	59676	52348
Charitable activities	2	228	0	228	810
Other trading activities	3	6053	0	6053	3785
Investment income	4	4604	1931	6535	5757
Other gains and losses		0	0	0	0
Total Income		<u>67571</u>	<u>4921</u>	<u>72492</u>	<u>62700</u>
Expenditure on:					
Charitable activities	5	98184	1905	100089	87946
Total Expenditure		<u>98184</u>	<u>1905</u>	<u>100089</u>	<u>87946</u>
Net expenditure before gains and losses on investments		-30613	3016	-27597	-25246
Net gains (losses) on investments		-21209	-8707	-29916	-3110
Net expenditure (income)		<u>-51822</u>	<u>-5691</u>	<u>-57513</u>	<u>-28356</u>
Transfers between funds		0	0	0	0
Net movement in funds		<u>-51822</u>	<u>-5691</u>	<u>-57513</u>	<u>-28356</u>
Reconciliation of funds:					
Total funds brought forward		639253	64497	703750	732106
Total Funds carried forward		<u>587431</u>	<u>58806</u>	<u>646237</u>	<u>703750</u>


All amounts derive from continuing activities.

Ruthrieston West Church**Balance Sheet****At 31 December 2022**

		Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Prior Year 2021 £
	Note				
Fixed Assets					
Tangible Fixed Assets	8	508785	4577	513362	514277
Investments	9	93957	47890	141847	209727
Total Fixed Assets		<u>602742</u>	<u>52467</u>	<u>655209</u>	<u>724004</u>
Current assets					
Debtors	10	3236	0	3236	3597
Bank accounts and cash deposits		9461	7259	16720	18020
Total Current Assets		<u>12697</u>	<u>7259</u>	<u>19956</u>	<u>21617</u>
Liabilities					
Creditors falling due within one year	11	19975	920	20895	18130
Net Current (Liabilities)/Assets		<u>-7278</u>	<u>6339</u>	<u>-939</u>	<u>3487</u>
Total Assets less Current Liabilities		595464	58806	654270	727491
Liabilities					
Creditors falling due in more than one year	12	8033	0	8033	23741
Total Net Assets		<u>587431</u>	<u>58806</u>	<u>646237</u>	<u>703750</u>
The funds of the charity:					
Restricted Funds	15	0	58806	58806	64497
Unrestricted income funds	15	587431	0	587431	639253
		<u>587431</u>	<u>58806</u>	<u>646237</u>	<u>703750</u>

The accounts were approved by the trustees on 19th February 2023 and signed on their behalf by:

P J Sharp
Session Clerk

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M A C Wheeler
Congregational Treasurer

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Ruthrieston West Church

Statement of Cash Flows

Year ended 31 December 2022

	Note	Total Funds 2022 £	Total Funds 2021 £
Net cash used in operations	16	<u>-29611</u>	<u>-29441</u>
Cash flows from investing activities:			
Interest and dividends		6535	5757
Proceeds from sale of investments		37964	13055
Payments to acquire investments		0	-36989
Net cash provided by investing activities		<u>44499</u>	<u>-18177</u>
Cash flows from financing activities:			
Repayment of loan from General Trustees		-15247	-14800
Loan interest paid		-941	-1391
		<u>-16188</u>	<u>-16191</u>
Change in cash and cash equivalents in the year		-1300	-63809
Cash and cash equivalents brought forward		18020	81829
Cash and cash equivalents carried forward		<u>16720</u>	<u>18020</u>

Ruthrieston West Church

Accounting Policies

For the year ended 31 December 2022

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

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued October 2019 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 constitutes a public benefit entity as defined by FRS 102.

Funds

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

All donations, gifts and legacies are included within incoming resources when the Church has entitlement to the funds and recorded under either unrestricted or restricted funds according to the terms under which the donation is made and when the amount can be quantified with reasonable certainty.

Resources expended

Resources expended, which include irrecoverable VAT, are recognised in the period in which they are incurred and allocated accordingly based on appropriate means.

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.

Taxation

Ruthrieston West 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.

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.

Tangible fixed assets

All tangible fixed assets, which are carried at cost, having a value to the charity greater than one year and whose cost exceeds £2000, other than those acquired for specific purposes, are capitalised.

Depreciation is provided on a straight-line basis to write off the cost or initial value, less residual value, of tangible fixed assets over their estimated useful lives:

Equipment Furniture and Fittings: between 5 and 10 years

The trustees are of the opinion that the residual value of the manse is not materially different from the carrying amount and therefore no depreciation is provided on that asset.

Investments

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

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at amortised cost using the effective interest method.

Notes forming part of the financial statements

For the year ended 31 December 2022

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
1 Donations and Legacies						
Offerings	38421	990	39411	39874	205	40079
Tax recovered on Gift Aid	9283	0	9283	9641	0	9641
Legacies	0	2000	2000	0	0	0
Church organisations (total)	2972	0	2972	1353	0	1353
Other	6010	0	6010	1275	0	1275
	<u>56686</u>	<u>2990</u>	<u>59676</u>	<u>52143</u>	<u>205</u>	<u>52348</u>
2 Income from charitable activities						
Weddings and Funerals	0	0	0	750	0	750
Coffee mornings etc	0	0	0	0	0	0
Concerts and other	228	0	228	60	0	60
	<u>228</u>	<u>0</u>	<u>228</u>	<u>810</u>	<u>0</u>	<u>810</u>
3 Income from other trading activities						
Use of halls	6053	0	6053	3785	0	3785
4 Investment income						
Dividends received	4592	1927	6519	5683	0	5683
Bank interest	12	4	16	14	60	74
	<u>4604</u>	<u>1931</u>	<u>6535</u>	<u>5697</u>	<u>60</u>	<u>5757</u>

Notes forming part of the financial statements
For the year ended 31 December 2022

5 Analysis of Resources Expended

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Raising funds	130	0	130	195		195
Offering envelopes						
Charitable activities:						
Ministries and Mission Allocation	46616		46616	42808		42808
Presbytery dues	1240		1240	800		800
Minister's expenses	654		654	769		769
Minister's travel expenses	960		960	960		960
Other salary costs	5670		5670	3640		3640
Fabric repairs & maintenance	6638		6638	6817		6817
Council tax	3549		3549	3458		3458
Heating	4272		4272	3915		3915
Insurance	4628		4628	4382		4382
Cleaning	4081		4081	2602		2602
General repairs	4124		4124	6919		6919
Independent Examiner's Fee	1140		1140	1040		1040
Other expenses	5875		5875	5266		5266
Interest paid	941		941	1391		1391
Depreciation	0	915	915	0	915	915
Retiral collections paid and payable	0	70	70	0	205	205
Organ Extravaganza payable	0	920	920			0
Church organisations (total)	7666		7666	1864		1864
	98054	1905	99959	86631	1120	87751
Total	98184	1905	100089	86826	1120	87946

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

The only Governance cost incurred is the Independent Examiner's fee as stated above.

Notes forming part of the financial statements

For the year ended 31 December 2022

6 Staff costs and numbers

	2022	2021
	£	£
Salaries and wages	<u>5670</u>	<u>3640</u>

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

	2022	2021
	Number	Number
Premises security	<u>1</u>	<u>1</u>

No employee had employee benefits in excess of £50,000 (2021 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 fifth and subsequent years) £35,269.

7 Trustee Remuneration and Related Party Transactions

No trustee received or waived any remuneration or reimbursement of expenses during the year.

During the year 4 Trustees received reimbursement of church related expenses incurred totalling £948.

The Church paid £3,549 for council tax for the manse.

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 £24,589 was donated to the congregation by trustees.

Notes forming part of the financial statements

For the year ended 31 December 2022

8 Tangible Fixed Assets

	Buildings	Equipment	Total
Cost	£	£	£
At 1 January 2022 and 31 December 2022	<u>508785</u>	<u>13058</u>	<u>521843</u>
Accumulated Depreciation / Impairment			
At 1 January 2022	0	7566	7566
Charge for year	<u>0</u>	<u>915</u>	<u>915</u>
At 31 December 2022	<u>0</u>	<u>8481</u>	<u>8481</u>
Net Book Value 31 December 2022	<u>508785</u>	<u>4577</u>	<u>513362</u>
Net Book Value 31 December 2021	<u>508785</u>	<u>5492</u>	<u>514277</u>

	Buildings	Equipment	Total
Cost	£	£	£
At 1 January 2021	508785	13058	521843
Additions	<u>0</u>	<u>0</u>	<u>0</u>
At 31 December 2021	<u>508785</u>	<u>13058</u>	<u>521843</u>
Accumulated Depreciation / Impairment			
At 1 January 2021	0	6651	6651
Charge for year	<u>0</u>	<u>915</u>	<u>915</u>
At 31 December 2021	<u>0</u>	<u>7566</u>	<u>7566</u>
Net Book Value 31 December 2021	<u>508785</u>	<u>5492</u>	<u>514277</u>
Net Book Value 31 December 2020	<u>508785</u>	<u>6407</u>	<u>515192</u>

The Manse (residential property) has not been depreciated in accordance with the charity SORP and FRS102. Given the nature of the asset and the Church's requirement to maintain the property to a high standard the Trustees are of the opinion that its estimated residual value is high and not materially different to the carrying amount. Its useful economic life exceeds 50 years and any depreciation charge would be immaterial. The cost of the land and buildings has not been split as required by FRS102 and the SORP on the grounds that it is impractical to do so without incurring undue cost and effort.

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church and hall, 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.

Tangible assets totalled £513,362 (2021 £514,277) of which £508,785 (2021 £508,785) was unrestricted and £4,577 (2021 £5492) was restricted.

Notes forming part of the financial statements

For the year ended 31 December 2022

9 Investments	2022	2021
	£	£
Market value at 31 December 2021	209727	188903
Additions at cost	0	36989
Disposals at market value	-42432	-13523
Unrealised (loss) gain on investments	-25448	-2642
Market value at 31 December 2022	<u>141847</u>	<u>209727</u>
Investments at cost	<u>107660</u>	<u>135858</u>

The following investments are held:

	Market value 2022 £	Market value 2021 £
1,000 units (1,000 units), Church of Scotland Investors Trust Growth Fund	5400	6040
12,921 units (16,321 units), Church of Scotland Investors Trust Income Fund	<u>136446</u>	<u>203687</u>
	<u>141846</u>	<u>209727</u>

The apportionment of investments for 2022 and 2021 between restricted and unrestricted funds are as detailed in Note 13.

10 Debtors	2022	2021
	£	£
Gift Aid tax refund due	1785	2026
Other	<u>1451</u>	<u>1571</u>
	<u>3236</u>	<u>3597</u>

All debtors related to unrestricted funds both in 2021 and 2020.

11 Creditors falling due within one year	2022	2021
	£	£
Accruals	5007	2588
Loan interest	180	295
Loan instalment	<u>15708</u>	<u>15247</u>
	<u>20895</u>	<u>18130</u>

The church undertook a loan of £75,175 from the General Trustees on 31st December 2018. The loan is unsecured and is repayable in quarterly instalments over 5 years with the interest rate of 3%.

Creditors totalled £20,895 (2021 £18,130) of which £19,975 (2021 £18,130) was unrestricted and £920 (2021 nil) was restricted.

Notes forming part of the financial statements

For the year ended 31 December 2022

12 Creditors falling due in more than one year	2022 £	2021 £
Loan	8033	23741

This amount relates to the loan reported in note 11 above and is the amount repayable in more than one year.

13 Analysis of Net Assets Between Funds	General £	Designated £	Restricted £	Total £
Fixed assets	0	508785	4577	513362
Investments	69025	24932	47890	141847
Bank Balances	-10069	19530	7259	16720
Current Assets	3236	0	0	3236
Current Liabilities	-2885	-17090	-920	-20895
Long term liabilities	0	-8033	0	-8033
Net Assets at 31 December 2022	59307	528124	58806	646237
Fixed assets	0	508785	5492	514277
Investments	96212	56921	56594	209727
Bank Balances	-4622	20231	2411	18020
Current Assets	3597	0	0	3597
Current Liabilities	-2588	-15542	0	-18130
Long term liabilities	0	-23741	0	-23741
Net Assets at 31 December 2021	92599	546654	64497	703750

Bank balances and cash deposits were as follows: £16,720 (2021: £18,020) of which £9,461 (2021: £ 15,609) was unrestricted and £7,259 (2021: £2,411) was restricted.

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 commitment shown.

Notes forming part of the financial statements

For the year ended 31 December 2022

15 Movement in Funds

	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Restricted Funds				
Fabric Fund	64497	3931	9622	58806
Organ Extravaganza	0	920	920	0
Retiral collections	0	70	70	0
Total Restricted Funds	<u>64497</u>	<u>4921</u>	<u>10612</u>	<u>58806</u>
Unrestricted Funds				
Designated Fabric Fund	523213	1781	15845	509149
Designated Development Fund	12755	228	0	12983
Designated Organisations	10686	2972	7666	5992
	<u>546654</u>	<u>4981</u>	<u>23511</u>	<u>528124</u>
General Fund	92599	62590	95882	59307
Total Unrestricted Funds	<u>639253</u>	<u>67571</u>	<u>119393</u>	<u>587431</u>
Total Funds	<u>703750</u>	<u>72492</u>	<u>130005</u>	<u>646237</u>
	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
Restricted Funds				
Fabric Fund	65588	60	1151	64497
Retiral collections	0	205	205	0
Total Restricted Funds	<u>65588</u>	<u>265</u>	<u>1356</u>	<u>64497</u>
Unrestricted Funds				
Designated Fabric Fund	530787	1952	9526	523213
Designated Development Fund	12695	60	0	12755
Designated Organisations	11197	1353	1864	10686
	<u>554679</u>	<u>3365</u>	<u>11390</u>	<u>546654</u>
General Fund	111839	59070	78310	92599
Total Unrestricted Funds	<u>666518</u>	<u>62435</u>	<u>89700</u>	<u>639253</u>
Total Funds	<u>732106</u>	<u>62700</u>	<u>91056</u>	<u>703750</u>

Gains and losses on the market values of investments are included in income or expenditure.

Notes forming part of the financial statements

For the year ended 31 December 2022

Note 15 contd

Purposes of Restricted Funds

Fabric Fund The Restricted Fabric Fund has been created from the bequest from Mrs I Johnston, who stipulated that it be used for fabric purposes. The Trustees will use this fund for the maintenance of the fabric of the Church and, where appropriate, enhancements and improvements to the fabric.

Retiral Collections Each year retiral collections are taken at certain services in aid of charities that are decided by the Kirk Session.

Purposes of Designated Funds

Fabric Fund The Trustees applied the surplus funds resulting from the sale of the previous manse, less the share of the costs of the new manse, to the Fabric Fund to be used for future property-related expenses.

Development Fund: The Development Fund exists to accumulate funds, from the activities of the Events Committee inter alia, for major expenditure of a capital nature.

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

	2022 £	2021 £
Net movement in funds	-57513	-28356
Add back depreciation charge	915	915
Deduct interest and investment income	-6535	-5757
Add net losses (deduct net gains) on investments	29916	3110
Increase (decrease) in debtors	361	-872
Increase (decrease) in creditors	2304	128
Loan interest	941	1391
Net cash used in operating activities	<u>-29611</u>	<u>-29441</u>

**17 Other voluntary income
Heating contributions:**

	2022 £	2021 £
Guides	300	300
Brownies & Rainbows	200	200
	<u>500</u>	<u>500</u>

Notes forming part of the financial statements

For the year ended 31 December 2022

Note 17 contd

In addition the following transfers to central church funds were made by these church organisations:

	2022 £	2021 £
Heating		
Tennis Club	125	125
Monday Circle	200	200
Bowling Club	200	200
The Guild	250	250
	<u>775</u>	<u>775</u>

18 Rental of premises	2022 £	2021 £
Payments from non-congregational organisations for the use of halls:		
Morven Singers	413	525
Silver City Chimes	180	0
Kendo Club	2970	1560
Zumba classes	2170	1530
Miscellaneous	320	170
	<u>6053</u>	<u>3785</u>

19 Collections for Third Parties

The following amounts were collected on behalf and paid to the following charities:

	2022 £	2021 £
Christian Aid	0	55
Earl Haig Fund	70	150
	<u>70</u>	<u>205</u>
Disbursed	<u>70</u>	<u>205</u>