

# **The Church of Scotland Presbytery of Orkney**

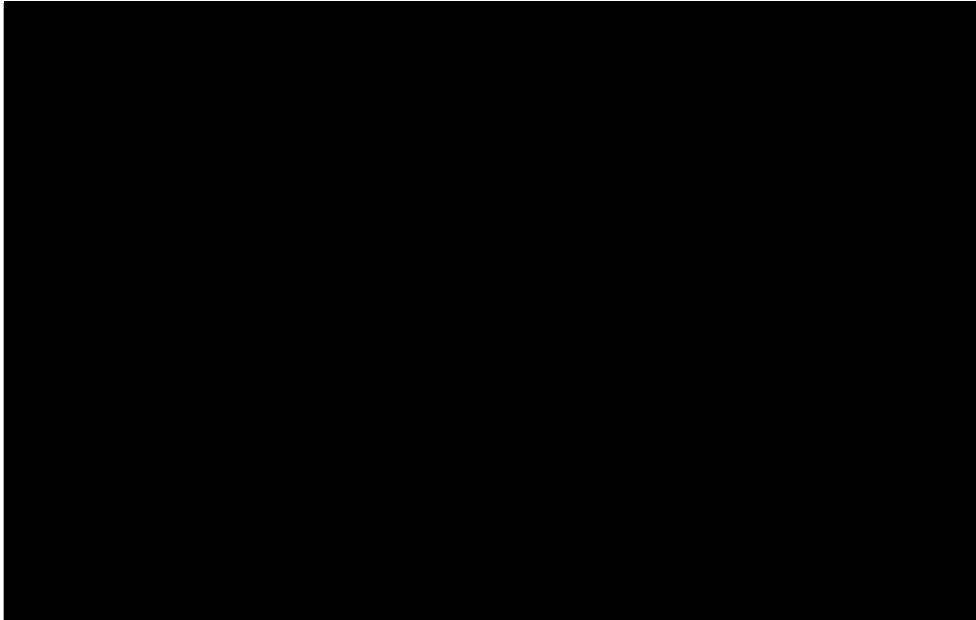
**Receipts and Payments Accounts  
Year ending 31<sup>st</sup> December 2021**

**Congregation No: 452394  
Scottish Charity No: SC 014056**

## **Reference and Administrative Information**

Charity name:	Church of Scotland Presbytery of Orkney
Charity Registration Number:	SC 014056
Congregation Reference No:	452394
Contact Address:	Steenysheed Stronsay Orkney KW17 2AT

### **Trustees:**



**Principal Office Bearers:**  
Moderator



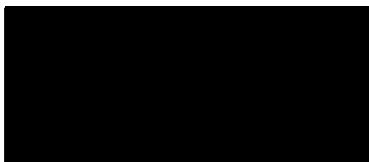
Presbytery Clerk:



Presbytery Treasurer:



**Independent Examiner**



**Bankers**

Bank of Scotland  
56 Albert Street  
Kirkwall  
KW15 1HJ

## **Trustees' Annual Report**

**Year ended 31 December 2021**

### **Structure, Governance and Management**

#### **Governing Document**

The Church of Scotland is the national Church of Scotland. Its basic constitutional document is the *Articles Declaratory of the Constitution of the Church of Scotland in Matters Spiritual*. The essence of Presbyterian Church government being a conciliar system of superior and inferior courts of which the Presbytery of Orkney is part.

#### **Recruitment and Appointment of Trustees**

Voting members of the Presbytery are the charity trustees. These members consist of Church of Scotland ministers who are, or who, wishing to retain a seat on the Presbytery, have retired from being, parish ministers within the county of Orkney, together with an elder commissioned by each Kirk Session, with additional elders corresponding in number to retired ministers and any other ministers not represented by a congregation. The ministers are elected by their respective charges (which may consist of a single congregation or may consist of a number of congregations linked or grouped together under one minister) and who is inducted to that charge by the Presbytery. The elders are commissioned by each Kirk Session to serve for one year from July to June and whose commission is approved by the Presbytery. Additional elders who are believed to have skills to contribute to the work of the Presbytery are appointed by the Presbytery from any Kirk Session to serve for one year from July to June.

#### **Organisational Structure**

The Presbytery is chaired by the moderator, annually elected by the Presbytery from among voting members. The Presbytery meets four times a year and receives reports from standing committees and any ad hoc committees appointed from time to time, each having responsibilities delegated to it by the Presbytery. Standing committees have powers to act for the Presbytery in urgent or routine matters that are uncontested, according to the deliverances of the Presbytery.

#### **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's basic function is to give spiritual leadership and encouragement to the ministers, office-bearers, and congregations and, apart from duties prescribed by law, or instructed by the General Assembly, the Presbytery should always be seeking other ways of promoting the advancement of Christ's kingdom

#### **Achievements and Performances**

In the course of 2021 an impressive £58,722 was raised, through individual and congregation donations and a Christmas Gifts scheme, to help fund a number of projects in Malawi. These funds were sent to our partner Presbytery of Thyolo in Malawi to support their work and projects there. Much of the work there this year has focused on the provision of boreholes to provide clean drinking water for the people in that area. Funds have also been allocated to provide educational resources and for the provision of a maize grinding mill.

Financial support has been given to help fund the publication of a booklet of Reflective Routes on one of our smaller islands. It has also been possible to offer small grants to congregations to help offset the cost of meeting new fire regulations and of installing audio/visual equipment in churches.

Administrative work within Presbytery this year has included the first steps in formulating a new Presbytery Plan for the congregations within Orkney and also looking to the future amalgamation of the Presbytery of Orkney with other Presbyteries in the north of Scotland.

### Financial Review

Each Church of Scotland congregation within Orkney contributes an amount to Presbytery based on their membership numbers each year and, in addition, each congregation pays an annual levy to enable a professional survey of properties held by them to be carried out every ten years. Ordinary income from this source was slightly less than the previous year.

The General Fund shows an increase of £5,051 in 2021, mainly due to a refund of £6362 Clerk's salary which had been overpaid to Edinburgh in 2020. Grants of £1200 were awarded from this fund for fire detection equipment for Manse to comply with new regulations. The fund currently stands at £20,296.

£895 was paid out of the Development Fund to cover costs incurred by the Development Officer and a further £1,118 to help cover travel costs of ministers interested in vacant charges in Orkney. In addition, £4,031 was paid out as grant funding to help cover the cost of audio visual equipment for use in local churches.

The Ministry and Mission fund has now been fully utilised, with all £14,453 being paid out to congregations to help offset loss of income incurred during COVID closures.

The Contingency Fund shows no change over the year, standing at £10,415.

With no building surveys being scheduled in 2021, the Professional Survey Fund showed an increase of £2,135 and now stands at 11,744.

A grant of £500 was made from the Christian Enrichment Fund to help fund the publication of a booklet of Reflective Routes on one of our smaller islands, leaving the fund standing at £7,781.

The Partnership between Orkney Presbytery and Thyolo Highlands Presbytery in Malawi continues to flourish and donations and fundraising by Presbytery, Congregations and individuals, which included a number of individual donations to fund new wells, and a very successful Christmas Gift Scheme, has enabled the Presbytery of Orkney to send £58,722 to Malawi. In addition to the wells, funds have been given for a new maize grinding mill and educational projects.

The John Foulis Renewables Fund provided a grant of £758 toward fitting new windows in a manse. After providing grants for many renewable and energy saving measures over the years, this last payment means the fund has now been fully utilised.

### Reserves Policy

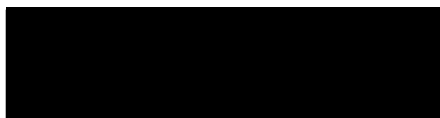
To ensure the efficient running of the Presbytery of Orkney the Trustees shall maintain the following:

- A General Fund to cover ordinary administration and running costs of Presbytery, the fund to have a minimum balance of approximately three months of ordinary expenditure;
- A Contingency Fund to cover where necessary equipment replacement costs, the ten-yearly visit to Orkney of the Moderator of the General Assembly and any unforeseen extraordinary item of expenditure;
- A Professional Survey Fund which shall maintain sufficient funds to provide a rolling programme of ten-yearly professional survey of all Church of Scotland buildings in Orkney;
- A Christian Enrichment Fund to award Christian Enrichment grants as seen fit by the Trustees. This fund should retain a minimum working balance of £1,000.
- A Malawi Partnership Fund, the purpose of which is to promote communication, visits and linkages between Orkney Presbytery and Thyolo Highlands Presbytery in Malawi and to help fund Partnership Projects with churches and organisations in Thyolo Highlands Presbytery.
- In addition the Trustees shall administer the John Foulis Renewables Fund, a restricted fund, which is available for the provision of grants and loans to congregations for energy conservation or renewable energy projects.

### Statement of Trustees' Responsibilities

The trustees of the Presbytery must prepare a financial statement of sufficient detail to enable an appreciation of the Presbytery's transactions during the financial year. The trustees are responsible for keeping proper accounting records that, on request, must reflect the financial position of the Presbytery at that time. This must be done to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Regulations Anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007. They are also responsible for safeguarding the assets of the Presbytery and must take reasonable steps for the prevention and/or detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf,



Presbytery Clerk

Date 9th February 2022

## **Presbytery of Orkney**

### **SC 014056**

#### **Independent Examiner's Report to the Trustees of the Presbytery of Orkney**

I report on the accounts of the charity for the year ended 31<sup>st</sup> December 2021 which are set out on pages 1 to 8.

#### **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) (d) 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.

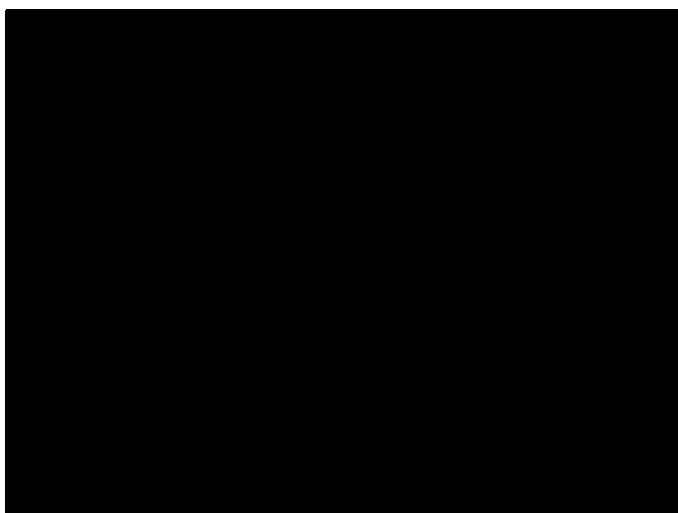
#### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 9 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.



**Presbytery of Orkney**  
**Receipts and Payments Account**  
**Year ended 31 December 2021**

		Unrestricted	Restricted		
		Funds	Funds	Total	Total
	Note	2021	2021	2021	2020
		£	£	£	£
<b><u>Receipts</u></b>					
Donations	3	10908.99	58722.44	69631.43	57011.34
Ministry & Mission refunds from C of S		0.00	0.00	0.00	29291.00
Hand sanitiser		114.00	0.00	114.00	228.00
Activities for generating funds		0.00	0.00	0.00	0.00
Bank & Deposit interest		28.08	0.00	28.08	193.29
Investment income		298.56	0.00	298.56	329.66
		<u>11349.63</u>	<u>58722.44</u>	<u>70072.07</u>	<u>87053.29</u>
Sale of assets		0.00	0.00	0.00	0.00
Sale of investments		0.00	0.00	0.00	0.00
Refund of Clerk's salary overpaid		6362.24	0.00	6362.24	0.00
Vacancy visits expenses - 50% refund		842.32	0.00	842.32	0.00
Other receipts		0.00	0.00	0.00	0.00
<b><u>Total Receipts</u></b>		<u>18554.19</u>	<u>58722.44</u>	<u>77276.63</u>	<u>87053.29</u>
<b><u>Payments</u></b>	4				
Costs of generating funds		0.00	0.00	0.00	0.00
Charitable activities		32365.06	59145.41	91510.47	60328.22
Governance costs		0.00	0.00	0.00	0.00
<b><u>Total Payments</u></b>		<u>32365.06</u>	<u>59145.41</u>	<u>91510.47</u>	<u>60328.22</u>
<b>Excess of Receipts over Payments for the year before transfers</b>		-13810.87	-422.97	-14233.84	26725.07
<b>Transfers</b>		0.00	0.00	0.00	0.00
<b>Excess of Receipts over Payments for the year</b>		<u>-13810.87</u>	<u>-422.97</u>	<u>-14233.84</u>	<u>26725.07</u>

**Presbytery of Orkney**  
**Statement of Balances**  
**At 31 December 2021**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
<b><u>Bank &amp; deposit balances</u></b>	<b>Note 2</b>			
brought forward 1st January	63362.47	1040.00	64402.47	37677.40
<b>Movement in year:</b>				
Excess of Receipts over Payments for the year	-13810.87	-422.97	-14233.84	26725.07
Bank & deposit balances carried forward 31st December	<u>49551.60</u>	<u>617.03</u>	<u>50168.63</u>	<u>64402.47</u>
Add: investments valued at purchase cost	<u>10001.76</u>	<u>0.00</u>	<u>10001.76</u>	<u>10001.76</u>
Total funds including investments at purchase cost	<u><u>59553.36</u></u>	<u><u>617.03</u></u>	<u><u>60170.39</u></u>	<u><u>74404.23</u></u>
<b><u>Investments at market value</u></b>				
2488 units in C of S Growth Fund @ £6.04 (value at purchase cost £10001.76)	<u><u>15027.52</u></u>	<u><u>0.00</u></u>	<u><u>15027.52</u></u>	<u><u>13360.56</u></u>
<b><u>Assets</u></b>				
Gift Aid Receivable	0.00	7700.00	7700.00	6750.00
Presbytery dues	<u>1230.00</u>	<u>0.00</u>	<u>1230.00</u>	<u>0.00</u>
Total assets	<u>0.00</u>	<u>7700.00</u>	<u>8930.00</u>	<u>6750.00</u>
<b><u>Liabilities</u></b>				
Donations yet to be disbursed	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

The accounts were approved by the Presbytery of Orkney on

9th February 2022

**Presbytery Clerk**

**Treasurer**

**Presbytery of Orkney**  
**Statement of Balances**  
**Notes to the Accounts**

**1. Trustee Remuneration and Related Party Transactions**

During the year 2 trustees received reimbursement of expenses incurred (mainly for travel and expenses when attending meetings) totalling £96.66. No other Trustees received any payment for work done or services provided.

**2. Movements in Funds**

	At 1 Jan 2021	Receipts £	Payments £	Transfers £	At 31 Dec 2021 £
<b>Unrestricted funds</b>				0	
General Fund	15344.80	16419.20	-11367.88	0.00	20396.12
Designated Presbytery Development Fund	14838.00	0.00	-6044.18	0.00	8793.82
Designated Ministry and Mission Fund	14453.00	0.00	-14453.00	0.00	0.00
Designated Contingency Fund	10415.30	0.00	0.00	0.00	10415.30
Designated Professional Survey Fund	9609.30	2134.99	0.00	0.00	11744.29
Christian Enrichment Fund	8280.86	0.00	-500.00	0.00	7780.86
	<u>72941.26</u>	<u>18554.19</u>	<u>-32365.06</u>	<u>0.00</u>	<u>59130.39</u>
<b>Restricted funds</b>					
Malawi Project	705.34	58722.44	-58387.78	0.00	1040.00
J Foulis Renewables Fund	757.63	0.00	-757.63	0.00	0.00
	<u>1462.97</u>	<u>58722.44</u>	<u>-59145.41</u>	<u>0.00</u>	<u>1040.00</u>
<b>Endowment funds</b>					
There are no Endowment Funds					
<b>Total funds</b>	<u>74404.23</u>	<u>77276.63</u>	<u>-91510.47</u>	<u>0.00</u>	<u>60170.39</u>

**Purposes of Designated Funds**

**Presbytery Development Fund:** The Trustees have set aside funds to cover expenses associated with the post or work of Presbytery Development

**Ministry and Mission Fund:** The Trustees have set aside funds for assisting congregations with their Ministry and the furtherance of Mission.

**Contingency Fund:** The Trustees have set aside funds to cover the cost of replacing office equipment, meeting costs incurred during the Moderator's visit and other contingencies

**Professional Survey Fund:** The Trustees have set aside funds for surveying all Church of Scotland properties within Orkney

**Christian Enrichment Fund** The purpose of this Fund is to provide grants for Christian education and enrichment as may be agreed by the Trustees.

**Purposes of Restricted Funds**

**Malawi Partnership Fund:** The purpose of this fund is to promote communication, visits and linkages between Orkney Presbytery and Thyolo Highlands Presbytery in Malawi and to help fund Partnership Projects with churches and organisations in Thyolo Highlands Presbytery.

**J Foulis Renewables Fund:** The purpose of this fund is to provide grants and loans to congregations for energy conservation or renewable energy projects.



	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
<b>3. Analysis of Donations</b>				
Gifts for Malawi Partnership & Projects	0.00	58722.44	58722.44	43638.34
Congregations' Presbytery dues	8774.00	0.00	8774.00	11018.00
Professional Survey levy	2134.99	0.00	2134.99	2355.00
Other donations	0.00	0.00	0.00	0.00
	<u>10908.99</u>	<u>58722.44</u>	<u>69631.43</u>	<u>57011.34</u>

#### 4. Analysis of Payments

##### Costs of generating funds

Investment Managers' fees	0.00	0.00	0.00	0.00
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

##### Charitable activities

Development Officer expenses	894.88	0.00	894.88	0.00
Education & training	226.75	0.00	226.75	408.00
Equipment repair/replacement	1164.00	0.00	1164.00	0.00
Grants - Christian Enrichment Fund	500.00	0.00	500.00	150.00
Grants - J Foulis Renewables Fund	757.63	0.00	757.63	0.00
Grants - M&M refunds	14591.15	0.00	14591.15	0.00
Grants - Audio/Visual equipment	4031.48	0.00	4031.48	0.00
Grants - Fire detection equipment	1200.00	0.00	1200.00	0.00
Grants - Vacancy visit travel refunds	1960.14	0.00	1960.14	0.00
Gratuities/Gifts	105.50	0.00	105.50	0.00
Insurance	353.34	0.00	353.34	270.75
Malawi Partnership & Projects	0.00	58387.78	58387.78	43172.48
Meeting room & Zoom expenses	100.73	0.00	100.73	280.17
Other expenses	50.00	0.00	50.00	405.50
Office/Admin expenses	316.61	0.00	316.61	208.80
Presbytery Clerk & Assistant salaries	6770.40	0.00	6770.40	15130.48
Professional Survey - fees	0.00	0.00	0.00	0.00
Travel & subsistence	100.08	0.00	100.08	302.04
	<u>32227.81</u>	<u>58387.78</u>	<u>91510.47</u>	<u>60328.22</u>

##### Governance costs

Independent examiner's fees	0.00	0.00	0.00	0.00
-----------------------------	------	------	------	------

##### Other payments

Purchase of assets	0.00	0.00	0.00	0.00
Purchase of investments	0.00	0.00	0.00	0.00
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>