

**Craigmillar Park Church of Scotland  
Edinburgh**

**CONGREGATIONAL ACCOUNTS**

Year ended 31<sup>st</sup> December 2016

**Congregation No: 010027**

**Scottish Charity No: SC 017061**

## **Trustees' Annual Report Year ended 31<sup>st</sup> December 2016**

The trustees present their annual report and financial statements for Craigmillar Park Church for the year ended 31 December 2016. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the General Assembly Regulations for Congregational Finance, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

### **Objectives and Activities**

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in 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.

As Christians, we are called to spread the Good News of Jesus Christ throughout our community and beyond and to care in his name for our neighbours. This is our mission and our duty, which we gladly accept and for which the Lord Jesus Christ equips and strengthens us. Public worship is faithfully provided every Sunday. There is an active Guild, open to all, and a range of social activities such as a Craft Group, a Lunch Club for older people, a Retired Men's Club and a Parent and Toddler Group. All our activities are open to anyone from the congregation, the parish and beyond. All homes in the parish receive a communication from the Church three times a year; this tells them of our activities and assures them of a warm welcome. Use of our premises by the local community is encouraged. While this provides useful income, it is more important to us that the Church and Hall continue to be seen as a focal point for the community, used for Scouts, Guides and Brownies groups, dance and exercise classes, children's parties and other social and community events. The work of the Church at national and international level is regularly brought to the attention of members and specific events are held to publicise and support Christian charitable causes such as Christian Aid, Fresh Start, Blythswood Care, Edinburgh Direct Aid and two local foodbanks. Nearer home, the Minister conducts parish funerals and offers marriage and baptism to those seeking the blessing of God at these important times in a family's life.

In the course of 2016, the Kirk Session worked with neighbouring parish churches and the Presbytery of Edinburgh to identify and agree new arrangements for ministry and mission in the community. It also continued to concentrate on the specific challenges set for the congregation in the current Presbytery Plan for Edinburgh and to deliver the action plan agreed with Presbytery in the latest Local Church Review. The overarching objectives remain:

- to make a determined effort to understand and reach the residential community; and
- to develop a close working relationship with neighbouring congregations with a view to sharing in the common witness

### **Achievements and Performance**

Sunday morning worship continues to be the main focus of the week for the congregation, providing a regular opportunity for members and visitors to pray and learn together, sharing fellowship and building community. Music continues to play an important part in worship in Craigmillar Park and we are fortunate to be able to enjoy the sound of a beautiful pipe organ. A new organist was appointed in the course of the year and he has reintroduced choral singing during Sunday worship, with the help of the St Margaret's Singers who continue to rehearse in the Church and contributed this year to special services at Easter and Christmas. The congregation enjoys a variety of types of worship, with regular participation by lay people, and with opportunities to hear from a range of visiting preachers. A formal service of Holy Communion is celebrated five times a year and, in addition, an informal Holy Communion is offered on the first Sunday of the month. The average number attending Sunday worship is approximately 60. We continue to notice a decline in attendance, mainly because of the age profile of the congregation and the restricted mobility of some of the members; lifts to church are, however, available.

Members took part in ecumenical Lenten study groups and a number of special prayer services with our two neighbouring churches, Reid Memorial and Priestfield. We continued to pray for the needs of the congregation and the world. An Alpha course was run for people wishing to explore the basics of the Christian faith. We were joined by five new members. We suffered the loss through death of a number of members and gave thanks and praise to the Lord for their faithful service and witness over so many years.

The first challenge set by Presbytery in its Plan is to make a determined effort to understand and reach the residential community. We continued to develop our good relationship with a local private nursery school, and were delighted to receive contributions from the children for the foodbank collection and to welcome them to the church for two special services. We continue to have a close relationship with St Margaret's, a private care home for the elderly which is located within the parish; the Minister acts as chaplain and conducts regular worship, including Holy Communion, for residents and their families. The Dunedin Wind Band, which has a close connection with the congregation, mounts two concerts a year in the sanctuary and these continue to attract large audiences. Coffee mornings, a Christmas exhibition, ecumenical Holy Week services and

## **Trustees' Annual Report (continued)** **Year ended 31<sup>st</sup> December 2016**

### **Achievements and Performance (continued)**

breakfasts, the weekly Lunch Club, the Retired Men's Club, the Parent and Toddler Group and the regular Guild and Craft Group meetings all provide opportunities for outreach, mission and fellowship. The church premises continue to be heavily used by the local community and we welcome the contacts we have with people attending so many different events. We remain challenged by the absence of a focal point for mission and service within the parish. There are no schools within the parish boundaries and the dissecting of the parish by two busy arterial routes militates against a natural sense of community.

The second challenge is to develop a close working relationship with neighbouring congregations with a view to sharing in the common witness. The 2015 Annual Report noted that Presbytery was due to review the tenure of Craigmillar Park but had placed the process on hold. 2016, however, saw considerable progress on the matter. Presbytery set up a small working group of representatives from Craigmillar Park, Reid Memorial and Priestfield and that group met several times in the course of the year, seeking to discern God's will for mission in the area of Edinburgh served by the three congregations. Various options were considered but Presbytery, with the support of the office-bearers and members of the three congregations, finally decided in December 2016 to link the congregations of Reid Memorial and Craigmillar Park under the leadership of a single Minister of Word and Sacrament; in addition, a Ministry Development Worker is to be appointed to work with the ministers and congregations of Craigmillar Park and Reid Memorial, and Priestfield to develop an active programme of mission and service to meet the needs of the community. The congregation of Craigmillar Park looks forward to implementing this plan but notes with considerable regret that Church Law requires the departure of the serving minister. The Trustees also note that change of this order can be unsettling for some and they have pledged to work to support members through the challenges and opportunities which lie ahead.

In the meantime, the mission life of the congregation continues. We support the TryPraying campaign, as part of the Big Idea grouping of congregations in south-east Edinburgh. We are active members of Newington Churches Together, an ecumenical group of local churches and took part in their activities and events, including support for the workplace chaplaincy at Cameron Toll Shopping Centre and an Easter walk of witness. The congregation's heavy involvement in the Blythswood Care Shoebox Appeal is a concrete example of the close working relationships with neighbouring congregations and other organisations. In November each year, Craigmillar Park Church acts as the sorting station for Edinburgh, mobilising a large number of volunteers to provide customs checking and re-packing of thousands of shoeboxes; in 2016, we processed over 7,000 boxes for Hungary. Our Scout group, neighbouring congregations and other organisations send teams of people to help with this labour-intensive project; in 2016 this included groups from banks and businesses in Edinburgh as well as people from other congregations and denominations all over Edinburgh. We also receive and process generous donations of clothing, toiletries, small toys and sweets to supplement the contents of the shoeboxes. This is a real community project and we value the warm friendships that grow out of the shared commitment to mission and this visible expression of our common witness to Christ. We also value the commitment of our own church members who make this project happen and who bear so willingly with the inevitable disruption to some of the regular activities.

We remain concerned about the low number of children and young people actively and regularly involved in the congregation's life. We continue to seek ways of identifying and addressing the spiritual needs of that important group in our local community, perhaps with the support of the new Ministry Development Worker. In the meantime, we welcome the contact with young people that we get through the Scouts, Brownies and Guides, with the Parent and Toddler Group and with the young children in the local private nursery.

### **Financial Review**

Our principal source of income is derived from the givings of members. Members give through the Open Plate, the Weekly Freewill Offering Scheme (34 members) or by regular Standing Order payments (35 members, 1 less than in 2015). A total of 60 member's payments are Gift Aided. We are also able to claim £1,531 under the Gift Aid small donations scheme on cash donations of £20 or less.

The Trustees continued in 2016 to exercise prudent supervision of the finances. Routine fabric expenditure was undertaken in order to keep our buildings in good condition, both as assets of the charity and to ensure that they remain attractive for mission and community use. This included a refurbishment of the hall flooring, a major project but one which transformed the appearance of the hall and rendered it more attractive for our own use and for potential hall lets.

The congregation continued to give very generously in 2016. Income from the Weekly Freewill Offering Scheme was £7,969, an increase of £688 (9.5%) from 2015. Gift Aid Donations were £39,002, a decrease of £9,790 (20.1%) over 2015, largely due to the loss of a small number of generous members, with a further £9,063 recovered from tax. Open Plate income was £7,707, an increase of £762 (11.0%) over 2015 – this figure includes £1,532 of tax recovered under the Gift Aid Small Donation Scheme. Income from Offerings over the year thus amounted to £63,741. This figure is £10,703 (14.4%) less than the total for 2015.

The purposes of the various funds held by the Congregation are detailed on page 15. The income from investments was £4,786 in 2016, an increase of £221 (4.8%) over the previous year. Local community use of Church facilities continues to be good, providing £6,079 of income, a decrease of £2,177 (26.4%) on 2015. Contributions from congregational organisations

## **Trustees' Annual Report (continued)** **Year ended 31<sup>st</sup> December 2016**

### **Financial Review (continued)**

were £1,300, £350 (21.2%) less than in 2015. Total Ordinary General Income for 2016 was therefore £76,279, compared with £89,668 in 2015, £13,389 (14.9%) less than in 2015.

Each congregation of the Church of Scotland is required to make a Ministries and Mission Contribution which is calculated on the basis of congregational income over the three previous years, and this is used to finance the Parish Ministries Fund and the Mission and Renewal Fund. Our contribution for 2016 was £47,462, down £816 (1.7%) on 2015. Having spent a considerable amount on Church fabric in 2015, some of which was for work delayed from 2014 and unforeseen essential work on the manse, we spent a more modest sum of £5,630 in 2016. We therefore ended the year with a deficit of £4,182.

The congregation again generously supported a number of fund raising events and raised a total of £5,089 for Christian Aid, Christian Aid's Malawi Appeal, Fresh Start and Edinburgh Direct Aid. We also donated a further £600 to TryPraying, The Big Idea and Bristo Memorial Church from the Coffee Fund, to support further church work in the local area.

### **Investment Policy and Performance**

Craigmillar Park Church have funds invested in the Church of Scotland Investors Trust and a portfolio of investments which are administered and managed by an appointed professional investment management firm (Brewin Dolphin), according to the risk parameters and ethical constraints set up for the portfolio. The performance of all the funds invested is monitored regularly and the Trustees have discretion over the management of these funds.

### **Risk Management**

The principal risk facing the congregation remains, as it does for most Church of Scotland congregations, the declining and ageing active membership. This poses both a financial risk, as regular givings decline, and an operational one, as there are fewer people available to undertake ambitious programmes of mission and development. The charity trustees are addressing these risks by:

- maximising income from hall-lettings. The refurbishment of the hall floor was approved for this reason. Replacement of tired furnishings remains under active consideration.
- keeping expenditure under careful review and within prudent limits
- ensuring that congregational members are aware of the financial needs of the congregation through regular stewardship programmes
- engaging positively in discussions with Presbytery and neighbouring congregations in order to explore the best model of church for this area of Edinburgh. The new arrangements approved by Presbytery will not, in themselves, lead to financial savings but closer working offers the opportunity for improved efficiencies
- completing the Action Plan agreed with Presbytery in 2015 and thus addressing areas of mission which might lead to increased membership

### **Reserves Policy**

The charity trustees have considered the reserves required and have taken into account their current and future liabilities. It is the Trustees' policy to hold reserves of approximately 12 months' expenditure including designated funds. At the year-end we held £149,623 in our Fabric and Maintenance Fund (our Reserve Fund). This is higher than might normally be expected, but the Trustees are aware of the likely need to undertake significant work on the roof of the Church Hall and to invest in mission activities as the shape of the local church changes in the area; the additional reserves can be used for these purposes.

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

The congregation is a registered charity, number SC 017061 and is administered in accordance with the terms of the Model Deed of Constitution and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

Members of the Kirk Session and the Congregational Board are the charity trustees. The Kirk Session members are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. The Minister, who is a member of the Kirk Session, is elected by the Congregation and inducted by Presbytery. The Congregational Board is appointed from within the congregation. Members of the congregation are invited to nominate individuals who are believed to have the skills and commitment to contribute to the management affairs of the Church, to become members of the Board. Board Members are then appointed at the Stated Annual Meeting and serve for a period of three years after which they must seek re-election at the next Stated Annual Meeting. The Congregational Board is chaired by one of its members elected annually by the members of the Board and meets five times in a year. It is responsible for the oversight of the Congregation's administrative affairs; certain responsibilities are delegated to the Finance Committee and the Fabric Committee as appropriate. The Kirk Session, which meets six times a year, is responsible for spiritual affairs within the church.

**Trustees' Annual Report (continued)**  
**Year ended 31<sup>st</sup> December 2016**

**Reference and Administrative Information**

**Trustees**

**Kirk Session**

Minister: Rev J C C Urquhart  
Elders: C Aitken, G Braidwood, D Cargill, J Kelly, S Lamb (to 9 November 2016),  
R Longmuir, C McLeod, R Paton, J Read, K Ruggeri, A Shepherd, P Scott (P Weibye),  
A Thanisch, M Weibye, A Wilson, S Wilson, J Yarker

**Congregational Board**

Elected: I Breadon, K Cockerell, A Deane, L MacDougall, F Paton, S Stenhouse,  
P Thanisch, N Weibye

**Principal Office Bearers**

Minister: Rev J C C Urquhart  
Session Clerk: Miss P Scott (Mrs P Weibye)  
Chairman of the Board: Mr J Kelly  
Clerk to the Board: Mrs A Thanisch  
Church Treasurer: Mr C R McLeod

**Principal Office**

Craigmillar Park Church  
2 Craigmillar Park  
Edinburgh, EH16 5LZ

Charity Name: Craigmillar Park Church of Scotland, Edinburgh  
Charity Registration Number: SC017061  
Congregation Reference No: 010027  
Contact Address: Mr C R McLeod  
Congregational Treasurer  
2 East Savile Road  
Edinburgh  
EH16 5ND

## **Trustees' Annual Report (continued)** **Year ended 31<sup>st</sup> December 2016**

### **Reference and Administrative Information (continued)**

#### **Independent Examiner**

Michael T Soutar  
Charles Burrows & Co  
7 Palmerston Place  
Edinburgh  
EH12 5AH

#### **Bankers**

Bank of Scotland, 1 Liberton Drive, Edinburgh EH16 6NL

### **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 law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the method and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charity will continue in operational existence.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information on the congregation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf,

Signature

**P Scott**

**Session Clerk**

**Date**

**Independent Examiner's Report to the  
Trustees of Craigmillar Park Church of Scotland, Edinburgh**

I report on the accounts of the charity for the year ended 31<sup>st</sup> December 2016 which are set out on pages 1 to 17.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

**Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 (as amended), and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended) 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.

Michael T Soutar, BA CA  
Charles Burrows & Co  
7 Palmerston Place  
Edinburgh  
EH12 5AH

Signature:

Date:

## Statement of Financial Activities Year ended 31<sup>st</sup> December 2016

	Note	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Endowment Funds 2016 £	Total 2016 £	Total 2015 £
<b>Incoming Resources</b>						
<b>Incoming resources from generating funds</b>						
Donations and Legacies	1	65,041	–	–	65,041	76,094
Income from charitable activities	2	2,612	5,986	–	8,598	10,261
Income from other trading activities	3	6,079	–	–	6,079	8,256
Investment income	4	4,609	–	177	4,786	4,565
Other	5	–	–	–	–	–
<b>Total income</b>		<b>78,341</b>	<b>5,986</b>	<b>177</b>	<b>84,504</b>	<b>99,176</b>
<b>Expenditure on:</b>						
Raising funds	6	99	–	–	99	97
Charitable activities		81,946	6,005	–	87,951	111,178
<b>Total expenditure</b>		<b>82,045</b>	<b>6,005</b>	<b>–</b>	<b>88,050</b>	<b>111,275</b>
<b>Net income/(expenditure) before gains and losses on investments</b>		<b>-3,704</b>	<b>-19</b>	<b>177</b>	<b>-3,546</b>	<b>-12,099</b>
Net gains/(losses) on investments		8,848	–	–	8,848	-3,336
Net income/(expenditure)		5,144	-19	177	5,302	-15,435
Transfers between Funds		167	10	-177	–	–
<b>Net movement in funds</b>		<b>5,311</b>	<b>-9</b>	<b>–</b>	<b>5,302</b>	<b>-15,435</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		814,692	7,584	2,000	824,276	839,711
Total funds carried forward		820,003	7,575	2,000	829,578	824,276



## **Balance Sheet at 31 December 2016**

	<u>Note</u>	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2016 £	Total Funds 2015 £
<b>Fixed Assets:</b>						
Tangible assets	<b>9</b>	650,000	-	-	650,000	650,000
Investments	<b>10</b>	110,668	-	-	110,668	101,820
		<u>760,668</u>	<u>-</u>	<u>-</u>	<u>760,668</u>	<u>751,820</u>
<b>Current Assets</b>						
Debtors	<b>11</b>	1,613	-	-	1,613	2,367
Cash at bank and in hand		58,742	6,009	2,000	66,751	68,636
Guild Funds		-	1,467	-	1,467	1,944
Retired Men's Club Funds		-	99	-	99	289
<b>Total Current Assets</b>		<u>60,355</u>	<u>7,575</u>	<u>2,000</u>	<u>69,930</u>	<u>73,236</u>
<b>Liabilities</b>						
Creditors falling due within one year	<b>12</b>	1,020	-	-	1,020	780
		<u>59,335</u>	<u>7,575</u>	<u>2,000</u>	<u>68,910</u>	<u>72,456</u>
<b>Net Current Assets</b>						
		<u>820,003</u>	<u>7,575</u>	<u>2,000</u>	<u>829,578</u>	<u>824,276</u>
<b>Net Assets</b>						
		<u>820,003</u>	<u>7,575</u>	<u>2,000</u>	<u>829,578</u>	<u>824,276</u>
<b>The funds of the charity:</b>						
Endowment funds	<b>15</b>	-	-	2,000	2,000	2,000
Restricted income funds		-	7,575	-	7,575	7,584
Unrestricted income funds		820,003	-	-	820,003	814,692
		<u>820,003</u>	<u>7,575</u>	<u>2,000</u>	<u>829,578</u>	<u>824,276</u>

The accounts were approved by the Kirk Session / Congregational Board on 14 February 2017

For and on behalf of the Kirk Session/ Congregational Board

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Session Clerk

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Treasurer

## Craigmillar Park Church Of Scotland

### Statement of Cash Flows

#### Year ended 31 December 2016

	<b>Note</b>	<b>Total Funds 2016 £</b>	<b>Total Funds 2015 £</b>
Net Cash used in operating activities	<b>16</b>	-7,338	-18,216
Cash flows from investing activities:			
Interest and dividends		<u>4,786</u>	<u>4,565</u>
Net cash provided by investing activities		4,786	4,565
Change in cash and cash equivalents in the year		-2,552	-13,651
Cash and cash equivalents Brought forward		70,869	84,520
Cash and Cash equivalents carried forward		<u>68,317</u>	<u>70,869</u>

## Notes forming part of the financial statements for the year ended 31<sup>st</sup> December 2016

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Endowment Funds 2016	Total 2016 £	Total 2015 £
<b>1 Donations and Legacies</b>					
Offerings	53,147	–	–	53,147	61,768
Tax Recovered on Gift Aid – Offerings	9,063	–	–	9,063	11,426
Tax Recovered on Open Plate – Offerings	1,531	–	–	1,531	1,250
Legacies	–	–	–	–	–
Contributions from Congregational Organisations	1,300	–	–	1,300	1,650
	<u>65,041</u>	<u>–</u>	<u>–</u>	<u>65,041</u>	<u>76,094</u>

Income from donations and legacies was £65,041 (2015 £76,094) of which £65,041 was unrestricted (2015 £76,094) and £0 was restricted (2015 £0)

### 2 Income from charitable activities

#### Charitable Activities

Weddings and Funerals	550	–	–	550	930
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#### Unrestricted Funds

Fabric & Maintenance Fund	500	–	–	500	1,531
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#### Designated Funds

Coffee Fund	1,562	–	–	1,562	1,232
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#### Restricted Funds

Flower Fund	–	155	–	155	241
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Garden – Shrub Fund	–	18	–	18	244
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Lunch Club	–	3,521	–	3,521	3,472
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Legacy for Lunch Club Trips	–	377	–	377	–
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Organ Fund	–	–	–	–	–
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Relief Fund	–	–	–	–	–
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Sunday School/Young People	–	147	–	147	177
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The Guild	–	1,121	–	1,121	1,702
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Church Retired Men's Club	–	647	–	647	732
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	<u>2,612</u>	<u>5,986</u>	<u>–</u>	<u>8,598</u>	<u>10,261</u>
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Income from charitable activities was £8,598 (2015 £10,261) of which £2,612 was unrestricted (2015 £3,693) and £5,986 was restricted (2015 £6,568)

### 3 Income from other trading activities

Use of Premises	<u>6,079</u>	<u>–</u>	<u>–</u>	<u>6,079</u>	<u>8,256</u>
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### 4 Investment Income

Dividends Received	4,394	–	167	4,561	4,381
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Bank Interest	215	–	10	225	184
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	<u>4,609</u>	<u>–</u>	<u>177</u>	<u>4,786</u>	<u>4,565</u>
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Income from investment income was £4,786 (2015 £4,565) of which £4,609 was unrestricted (2015 £4,388) and £177 was endowment (2015 £177)

### 5 Other income

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Notes forming part of the financial statements for the year ended 31<sup>st</sup> December 2016 (cont'd)

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
<b>6 Analysis of Expenditure</b>				
<b>Raising Funds</b>				
Freewill Offering Envelopes	99	–	99	97
<b>Charitable Activities</b>				
Ministries and Mission Contribution ( <i>net of Endowment Stipend Income of £280</i> )	47,462	–	47,462	48,278
Presbytery Dues	936	–	936	1,309
	48,398	–	48,398	49,587
Minister's Travel Expenses	600	–	600	592
Council Tax - Manse	2,865	–	2,865	3,172
Pulpit Supply	55	–	55	479
Other Salary Costs – Organist (incl supply)	3,695	–	3,695	3,486
Fabric Repairs & Maintenance	5,630	–	5,630	21,929
<b>Other Building Costs</b>				
Heat & Light	5,396	–	5,396	5,798
Insurance	6,330	–	6,330	6,204
Upkeep of Grounds	840	–	840	816
Cleaning Materials & Laundry	267	–	267	312
<b>Other Expenses</b>				
Telephone, Postage, Printing etc	2,235	–	2,235	2,370
Organ & Piano Maintenance	1,410	–	1,410	1,100
Life & Work Magazine (net cost)	96	–	96	154
Church Magazine	904	–	904	944
Communion Expenses	36	–	36	36
Miscellaneous Expenses	345	–	345	541
Governance Costs: Independent Examiner's Fees	1,260	–	1,260	780
	80,362	–	80,362	98,300
<b>Unrestricted Funds</b>				
Fabric & Maintenance Fund	–	–	–	200
<b>(Designated Funds)</b>				
Coffee Fund	1,584	–	1,584	1,229
<b>Restricted Funds</b>				
Flower Fund	–	268	268	180
Garden - Shrub Fund	–	68	68	112
Lunch Club	–	3,134	3,134	3,540
Legacy for Lunch Club Trips	–	–	–	–
Organ Fund	–	–	–	5,510
Relief Fund	–	100	100	–
Sunday School/Young People	–	–	–	–
The Guild	–	1,598	1,598	1,370
Church Retired Men's Club	–	837	837	737
	81,946	6,005	87,951	111,178
	99	–	99	97
	82,045	6,005	88,050	111,275

Expenditure on charitable activities was £88,050 (2015 £111,275) of which £82,045 was unrestricted (2015 £99,826) and £6,005 was restricted (2015 £11,449).

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.

## Notes forming part of the financial statements for the year ended 31<sup>st</sup> December 2016 (cont'd)

	2016 £	2015 £
<b>7 Staff Costs and numbers</b>		
Salaries & Wages	3,695	3,486
Social Security costs	–	–
	<u>3,695</u>	<u>3,486</u>

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

	2016 Number	2015 Number
Organist	1	1
	<u>1</u>	<u>1</u>

No employee had employee benefits in excess of £50,000 (2015 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 £26,380 and the maximum stipend in the 5<sup>th</sup> and subsequent years of service was £32,419.

## 8 Trustee Remuneration and Related Party Transaction

During the year one Trustee (The Minister) received reimbursement of expenses incurred totalling £3,465 (Council Tax for the Manse and Travel Expenses).

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 £20,469 was donated to the congregation by Trustees.

## Fixed Assets

### 9 Tangible Fixed Assets

	Buildings £	Office Equipment £	Total £
<b>Cost</b>			
Surveyors confirmation Value at Nov 2011 £650,000	650,000	–	650,000
At 31st December 2016	<u>650,000</u>	<u>–</u>	<u>650,000</u>
<b>Accumulated Depreciation</b>			
At 1st January 2016	–	–	–
Charge for year	–	–	–
Eliminated on Disposal	–	–	–
At 31st December 2016	<u>–</u>	<u>–</u>	<u>–</u>
<b>Net Book Value</b>			
At 1 <sup>st</sup> January 2016	<u>650,000</u>	<u>–</u>	<u>650,000</u>
At 31st December 2016	<u>650,000</u>	<u>–</u>	<u>650,000</u>

## Notes forming part of the financial statements for the year ended 31<sup>st</sup> December 2016 (cont'd)

### 10 Investments

	2016	2015
	£	£
Market Value at 1 <sup>st</sup> January	101,820	105,156
Less unrealised loss	–	(3,336)
Add unrealised gain	8,848	–
	110,668	101,820

#### The following investments are held:

	Value at 31st Dec 2016	Value at 31st Dec 2015	Cost
	£	£	£
1,000 Units – Church of Scotland Investors Trust – Growth Fund	4,750	4,340	500
1,578 Units – Church of Scotland Investors Trust – Growth Fund	7,496	6,849	5,901
4,638 Units – Church of Scotland Investors Trust – Income Fund	55,146	52,873	49,998
720 Shares – BP <sup>2</sup>	3,655	2,549	2,785
1,915 Shares – Blackrock European Trust <sup>2</sup>	5,343	4,960	2,797
2,836 Shares – Lloyds Banking Group	1,766	2,072	6,392
318 Shares – Pearson <sup>2</sup>	2,582	2,340	3,453
340 Shares – Prudential Corp <sup>2</sup>	5,506	5,205	2,764
190 Shares – GlaxoSmithKline <sup>2</sup>	2,957	2,609	2,829
144 Shares – Unilever <sup>1</sup>	4,728	4,214	3,535
1000 Shares – Carillion <sup>1</sup>	2,358	3,029	3,552
3,600 Shares – BNY Mellon Newton Asian Income <sup>1</sup>	4,267	3,418	3,567
2,100 Shares – M&G Global Dividend I Income <sup>1</sup>	4,417	3,248	3,452
3,500 Shares – Aviva US Equity Income II <sup>1</sup>	5,697	4,114	3,577
	110,668	101,820	95,102

### Current Assets

#### 11 Debtors

	2016	2015
	£	£
Gift Aid – Tax Refund Due	1,613	2,367
	1,613	2,367

#### Bank and Cash

	£	£
Church of Scotland Investors Trust – Deposit Fund	54,502	57,502
Bank of Scotland – Current Account	12,220	11,133
Petty Cash	29	1
	66,751	68,636

#### 12 Creditors

	£	£
Accruals – Independent Examiner’s Fees due	1,020	780
	1,020	780

Notes forming part of the financial statements for the year ended 31<sup>st</sup> December 2016 (cont'd)

13 Analysis of Net Assets Among Funds

	General £	Designated £	Restricted £	Endowment £	Total £
Fixed Assets	650,000	–	–	–	650,000
Investments	110,668	–	–	–	110,668
Current Assets	58,185	1,150	7,575	2,000	68,910
<b>Net Assets as at 31st December 2016</b>	<b>818,853</b>	<b>1,150</b>	<b>7,575</b>	<b>2,000</b>	<b>829,578</b>

14 Volunteers

In common with all congregations of the Church of Scotland the congregation benefits from the contribution made by volunteers who give their time and talents willingly for the benefit of the Church. The areas of congregational life which rely on the contribution of volunteers are many and varied and much of the activity would be unable to continue were it not for the commitment shown.

15 Movement in Funds

	At 1st January 2016 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31st December 2016 £
<b>Endowment Funds</b>					
The Late Wm Scott Bequest	500	167	–	-167	500
The Late Mrs M Macaskill Memorial Fund	1,500	10	–	-10	1,500
	<u>2,000</u>	<u>177</u>	<u>–</u>	<u>-177</u>	<u>2,000</u>
<b>Restricted Funds</b>					
Flower Fund	497	155	268	–	384
Garden – Shrub Fund	172	18	68	–	122
Lunch Club	567	3,521	3,134	–	954
Legacy for Lunch Club Trips	–	377	–	–	377
Organ Fund	3,277	–	–	–	3,277
Relief Fund	243	–	100	–	143
Sunday School/Young People Fund	595	147	–	10	752
The Guild	1,944	1,121	1,598	–	1,467
Church Retired Men's Club	289	647	837	–	99
	<u>7,584</u>	<u>5,986</u>	<u>6,005</u>	<u>10</u>	<u>7,575</u>
<b>Unrestricted Funds</b>					
General Fund	–	76,279	80,461	4,182	–
Property Reserve Fund – Manse	650,000	–	–	–	650,000
Fabric & Maintenance Fund	153,138	500	–	-4,015	149,623
Gain/(Loss) on revaluation of investments	10,382	8,848	–	–	19,230
<b>Designated Funds</b>					
Coffee Fund	1,172	1,562	1,584	–	1,150
	<u>814,692</u>	<u>87,189</u>	<u>82,045</u>	<u>167</u>	<u>820,003</u>
<b>Total Funds</b>	<b>824,276</b>	<b>93,352</b>	<b>88,050</b>	<b>–</b>	<b>829,578</b>

## Notes forming part of the financial statements for the year ended 31st December 2016 (cont'd)

### Purpose of Endowment Funds

**Stipend Endowment Income:**

Income from a Capital sum held by the Church of Scotland General Trustees is set against the incumbent Minister's Stipend. (with effect from 2013 shown as a deduction from Ministries and Mission contribution).

**The Late Wm Scott Bequest:**

Income to be used for the benefit of the fabric of the Church premises – transferred to Fabric & Maintenance Fund.

**The Late Mrs M Macaskill Memorial Fund:**

Income to be used to provide Sunday School teaching materials – transferred to Sunday School/Young People.

### Purposes of Restricted Funds

**Flower Fund:** a fund to provide flowers for display during services of worship.

**Garden - Shrub Fund:** a fund to provide plants and materials for the Church garden.

**Lunch Club:** the Church runs a Lunch Club once a week when people (mainly the elderly but not exclusively) from the Parish and beyond can have a reasonably priced meal in congenial company.

**Legacy for Lunch Club Trips:** a legacy from the Late Mrs Mora Cuthbert, to be used to provide an annual outing for the members of the Lunch Club or for some other social purpose.

**Organ Fund:** this fund is used to pay for major works of repair to the Church organ and is funded by donations and special fund raising events.

**Relief Fund:** this is a hardship fund and the distribution of any funds is at the discretion of the Minister.

**Sunday School / Young People:** Endowment Income is used to provide teaching materials.

**The Guild:** The Guild is a national organisation within the Church of Scotland. Annually they raise funds of several hundreds of pounds, for specific projects and the funds are forwarded to the national treasurer. Although they maintain their own accounts the details of these are now included in our Church accounts.

**Craigmillar Park Church Retired Men's Club:** This is a Club run by its members but under the auspices of the Church, for men of retirement age. They meet on a weekly basis and have a wide variety of speakers. Although they maintain their own accounts the details of these are included in our Church accounts.

### Purpose of Unrestricted Funds

**General Fund:** our Income and Expenditure for the year is processed through this account. Any resultant surplus/deficit at the end of the period is transferred to/from our Fabric and Maintenance Fund.

**Property Reserve Fund - Manse:** the Manse property is owned by the Congregation. In October 2009 we obtained a Surveyor's valuation indicating a current sale price for the property of £725,000. In November 2011 we obtained a more realistic current market valuation from our Surveyor of £650,000. Our Accounts now reflect this new figure.

**Fabric & Maintenance Fund:** this is our Reserve Fund and represents our liquid assets not designated in any of the other Funds. Extraordinary fabric repairs and improvements are met from this Fund. Any surplus or deficit in the annual Income and Expenditure is placed into/deducted from this account. Legacies not specifically designated for a particular use are placed in this account

### Designated Funds

**Coffee Fund:** the Church purchases supplies of coffee, biscuits etc for the use by the various organisations in the Church. Donations are made towards the costs and this can result in a surplus in the account at the end of the year. Dependent on the resultant balance the funds may be used to purchase items for the Church or donated to worthwhile causes as agreed by the Congregational Board. Donations made from the Coffee Fund this year were:

	£
Try Praying [Bus advertising]	200
The Big Idea – donation towards Fischy Music, Messy in the Park etc	250
Bristo Memorial Church, Craigmillar, Edinburgh	<u>150</u>
	<u>600</u>



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

	2016	2015
	£	£
Net movement in funds	5,302	-15,435
Deduct interest income	-4,786	-4,565
Deduct gains/ add back losses on investments	-8,848	3,336
Decrease (Increase) in debtors	754	-1,552
Increase (Decrease) in creditors	240	-
<b>Net cash used in operating activities</b>	<b><u>-7,338</u></b>	<b><u>-18,216</u></b>

## 17 Collections for Third Parties

In addition to the General Fund Income recorded in these Accounts the following income from Special Collections and Fund Raising Events for special purposes was received and disbursed during the year to other Charities.

	2016	2015
	£	£
Christian Aid [including cheques payable to Christian Aid]	3,062	2,898
Christian Aid Malawi Appeal	550	-
Fresh Start [Coffee Morning]	278	279
Edinburgh Direct Aid [Syrian refugees in Lebanon]	1,199	-
A Place At the Table / NESSL (Syria) [Lunch Club/Guild Christmas Lunch]	-	155
Marie Curie Cancer Care / Guild Daffodil Tea	-	240
Let Us Build a House [C of S World Mission / United Mission to Nepal]	-	1,473
Music for Life [African Children's Choir]	-	1,710
	<b><u>5,089</u></b>	<b><u>6,755</u></b>

# CRAIGMILLAR PARK CHURCH

## Accounting Policies

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

### Basis of preparation

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention, modified to reflect the inclusion of investments at market value, and in accordance with the Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006 (as amended), the Regulations anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007 and the Statement of Recommended Practice: Accounting and Reporting by Charities (2015).

### 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 and gifts are included within incoming resources 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. Donations and gifts in kind are brought into the accounts at their market value to the charity.

### Tangible fixed assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church and halls vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets. The manse is owned by Craigmillar Park Church but no value for this asset was previously shown in the Church Accounts. It was introduced at an estimated valuation by the Trustees as at 31<sup>st</sup> December 2007. In October 2009 we obtained a Surveyor's valuation indicating a current sale price for the property of £725,000. In November 2011 we obtained a more realistic current market valuation from our Surveyor of £650,000. Our Accounts now reflect this new figure. Expenditure incurred on the repair and maintenance of these assets is charged as resources expended in the statement of financial activities in the period in which the liability arises.

All tangible fixed assets costing in excess of £1,000 having a value to the charity greater than one year, 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:

Feuhold buildings	0 years
Fixtures, fittings and office equipment	1 year

### 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 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.

### Taxation

Craigmillar Park 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.