

**Craigmillar Park Church of Scotland
Edinburgh**

CONGREGATIONAL ACCOUNTS

Year ended 31st December 2017

Congregation No: 010027

Scottish Charity No: SC 017061

Trustees' Annual Report Year ended 31st December 2017

The trustees present their annual report and financial statements for Craigmillar Park Church for the year ended 31 December 2017. 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. In 2017, there was 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. In the autumn of 2017, we undertook a pilot visitation of 122 homes in an area of the parish, issuing a questionnaire to try to identify community needs and wishes, and following that up by personal visits. The main community concern was of social isolation or lack of activity for older people and others identified a lack of activities for teenagers. The Kirk Session will use this information to help in future planning; the visitation will now be extended to other parts of the parish. 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 charitable causes such as Christian Aid, Fresh Start, Blythwood Care, Bethany Christian Trust, 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.

Towards the end of 2016 and after lengthy discussions with the Kirk Sessions of Craigmillar Park, Reid Memorial and Priestfield, the Presbytery of Edinburgh decided that Craigmillar Park should enter a linkage with Reid Memorial and that both congregations should work closely with Priestfield, with the three congregations sharing a Ministries Development Worker to assist in mission strategy. That proposal was put to the membership of the congregation at a meeting and was overwhelmingly approved. The Minister was therefore given notice of the termination of his tenure with effect from 31 July 2017. After that date, a joint Nominating Committee was elected to seek a new minister for the linked charge and this search continues. In the meantime, a part-time Locum Minister was appointed to lead worship and to provide a lead on pastoral care and Presbytery appointed an Interim Moderator to take formal charge of the congregation. Throughout 2017, the Kirk Session continued to work closely with our neighbouring congregations, concentrating on the specific challenges set 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 and of a small but excellent choir provided mainly by members of the St Margaret's Singers, who continue to rehearse in the Church and to contribute to special services at Easter and Christmas. The change of ministry arrangements in the course of the year meant that a number of visiting preachers were welcomed, including a pastor from Hungary as well as more locally based ministers and Readers of the Church of Scotland. There is regular participation by lay people in worship. 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 between 50 and 60 although a special Christmas service attracted almost 200 people. We continue to notice a decline in regular 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.

Trustees' Annual Report Year ended 31st December 2017

Achievements and Performance (continued)

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. We were joined by three 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, mounted two concerts in the sanctuary and these attracted large audiences. Coffee mornings, a Christmas exhibition and Christmas Fair, ecumenical Holy Week services and 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 changes in ministry arrangements have been mentioned. The Trustees are aware that change of this order can be unsettling for some and they continue 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. 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 2017, we processed over 7,500 boxes destined for Romania. Our Scout group, neighbouring congregations and other organisations send teams of people to help with this labour-intensive project; in 2017 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 to the hall users 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 or by regular Standing Order payments. Around 60 member's payments are Gift Aided. We are also able to claim £1,684 under the Gift Aid small donations scheme on cash donations of £20 or less.

The Trustees continued in 2017 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. 100 new chairs for the hall were purchased and urgent repairs to the manse bathroom were undertaken.

The congregation continued to give very generously in 2017. Income from the Weekly Freewill Offering Scheme was £8,086, an increase of £117 (1.5%) from 2016. Gift Aid Donations were £37,952, a decrease of £1,050 (2.7%) over 2016, with a further £8,702 recovered from tax. Open Plate income was £8,444, an increase of £737 (9.5%) over 2016 – this figure includes £1,684 of tax recovered under the Gift Aid Small Donation Scheme. Income from Offerings over the year thus amounted to £63,184. This figure is £557 (0.9%) less than the total for 2016.

The purposes of the various funds held by the Congregation are detailed on page 15. The income from investments was £4,703 in 2017, a decrease of £83 (1.7%) over the previous year. Local community use of Church facilities continues to be

Trustees' Annual Report Year ended 31st December 2017

Financial Review (continued)

good, providing £8,395 of income, an increase of £2,316 (38.0%) on 2016. Contributions from congregational organisations were £1,300, no change from 2016. Total Ordinary General Income for 2017 was therefore £77,758, compared with £76,279 in 2016, £1,479 (1.9%) more than in 2016.

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 2017 was £45,230. This was lower than the budgeted figure of £49,516 due to the congregation becoming vacant in July. However, this reduction is largely offset by the cost to the congregation of a Locum Minister. Other expenditure was largely in line with the budgeted figures and we therefore ended the year with a deficit of £5,102.

The congregation again generously supported a number of fund raising events and raised a total of £5,620 for Christian Aid, Poppyscotland, Mary's Meals, Richmond's Hope, The Guild, Bethany Christian Trust and CrossReach. We also donated a further £350 to Edinburgh City Mission 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. The portfolio of investments which were administered and managed by the appointed professional investment management firm Brewin Dolphin, were sold and re-invested in the Church of Scotland Investors Trust. 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. This year, the chairs were replaced and more regular cleaning was introduced to keep the hall in good condition throughout the week. Replacement of hall tables is being considered.
- 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. A Giving in Grace campaign was mounted in November 2017; all members were given information about congregational finances and were invited to review their givings. It is too early to assess the success of this campaign.
- engaging positively in the move to new ministry and mission arrangements for churches in 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 £143,438 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 in post up to 31 July 2017 was elected by the Congregation and inducted by Presbytery; he was a member of the Kirk Session. The Interim Moderator was appointed by Presbytery to oversee the affairs of the congregation during the vacancy and he too is a member of the Kirk Session. The Locum Minister is not a member of the Kirk Session or a Trustee of the charity. The Congregational Board is appointed from within the congregation. Members of the congregation are invited to

Trustees' Annual Report Year ended 31st December 2017

Structure, Governance and Management (continued)

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.

Reference and Administrative Information

Trustees

Kirk Session

Minister: Rev J C C Urquhart (to 31 July 2017)
Interim Moderator: Rev N Gardner (from 31 July 2017)
Elders: C Aitken, G Braidwood, D Cargill, J Kelly, R Longmuir, C McLeod, R Paton, J Read, K Ruggeri, A Shepherd, P Weibye, A Thanisch, M Weibye, A Wilson (to 11 February 2017), S Wilson (to 11 February 2017), J Yarker

Congregational Board

Elected: I Breadon (to 19 March 2017), K Cockerell (to 19 March 2017), A Deane, J Humphrey (from 19 March 2017), A Leslie (from 19 March 2017), L MacDougall, F Paton, S Stenhouse, P Thanisch, N Weibye

Principal Office Bearers

Minister: Rev J C C Urquhart (to 31 July 2017)
Interim Moderator: Rev N Gardner (from 31 July 2017)
Locum Minister: Rev Mrs E Smith (from 24 September 2017)
Session Clerk: 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

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 Weibye

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 31st December 2017 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 31st December 2017

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Endowment Funds 2017 £	Total 2017 £	Total 2016 £
Incoming Resources						
Incoming resources from generating funds						
Donations and Legacies	1	64,484	–	–	64,484	65,041
Income from charitable activities	2	3,174	6,102	–	9,276	8,598
Income from other trading activities	3	8,395	–	–	8,395	6,079
Investment income	4	4,529	–	174	4,703	4,786
Other	5	–	–	–	–	–
Total income		80,582	6,102	174	86,858	84,504
Expenditure on:						
Raising funds	6	102	–	–	102	99
Charitable activities		86,084	6,050	–	92,134	87,951
Total expenditure		86,186	6,050	–	92,236	88,050
Net income/(expenditure) before gains and losses on investments		(5,604)	52	174	(5,378)	(3,546)
Net gains/(losses) on investments		3,474	–	–	3,474	8,848
Net income/(expenditure)		(2,130)	52	174	(1,904)	5,302
Transfers between Funds		167	7	(174)	–	–
Net movement in funds		(1,963)	59	–	(1,904)	5,302
Reconciliation of funds:						
Total funds brought forward		820,003	7,575	2,000	829,578	824,276
Total funds carried forward		818,040	7,634	2,000	827,674	829,578

Balance Sheet at 31 December 2017

	<u>Note</u>	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2017 £	Total Funds 2016 £
Fixed Assets:						
Tangible assets	9	650,000	-	-	650,000	650,000
Investments	10	111,001	-	-	111,001	110,668
		<u>761,001</u>	<u>-</u>	<u>-</u>	<u>761,001</u>	<u>760,668</u>
Current Assets						
Debtors	11	770	-	-	770	1,613
Cash at bank and in hand		57,349	5,891	2,000	65,240	66,751
Guild Funds		-	1,632	-	1,632	1,467
Retired Men's Club Funds		-	111	-	111	99
Total Current Assets		<u>58,119</u>	<u>7,634</u>	<u>2,000</u>	<u>67,753</u>	<u>69,930</u>
Liabilities						
Creditors falling due within one year	12	1,080	-	-	1,080	1,020
		<u>1,080</u>	<u>-</u>	<u>-</u>	<u>1,080</u>	<u>1,020</u>
Net Current Assets		<u>57,039</u>	<u>7,634</u>	<u>2,000</u>	<u>66,673</u>	<u>68,910</u>
Net Assets		<u>818,040</u>	<u>7,634</u>	<u>2,000</u>	<u>827,674</u>	<u>829,578</u>
The funds of the charity:						
Endowment funds	15	-	-	2,000	2,000	2,000
Restricted income funds		-	7,634	-	7,634	7,575
Unrestricted income funds		818,040	-	-	818,040	820,003
		<u>818,040</u>	<u>7,634</u>	<u>2,000</u>	<u>827,674</u>	<u>829,578</u>

The accounts were approved by the Kirk Session / Congregational Board on 13 February 2018

For and on behalf of the Kirk Session/ Congregational Board

Session Clerk

Treasurer

Craigmillar Park Church Of Scotland

Statement of Cash Flows

Year ended 31 December 2017

	Note	Total Funds 2017 £	Total Funds 2016 £
Net Cash used in operating activities	16	(6,037)	(7,338)
Cash flows from investing activities:			
Interest and dividends		4,703	4,786
Net cash provided by investing activities		4,703	4,786
Change in cash and cash equivalents in the year		(1,334)	(2,552)
Cash and cash equivalents Brought forward		68,317	70,869
Cash and Cash equivalents carried forward		66,983	68,317

Notes forming part of the financial statements for the year ended 31st December 2017

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Endowment Funds 2017 £	Total 2017 £	Total 2016 £
1 Donations and Legacies					
Offerings	52,798	–	–	52,798	53,147
Tax Recovered on Gift Aid – Offerings	8,702	–	–	8,702	9,063
Tax Recovered on Open Plate – Offerings	1,684	–	–	1,684	1,531
Legacies	–	–	–	–	–
Contributions from Congregational Organisations	1,300	–	–	1,300	1,300
	<u>64,484</u>	<u>–</u>	<u>–</u>	<u>64,484</u>	<u>65,041</u>

Income from donations and legacies was £64,484 (2016 £65,041) of which £64,484 was unrestricted (2016 £65,041) and £0 was restricted (2016 £0)

2 Income from charitable activities

Charitable Activities

Weddings and Funerals	350	–	–	350	550
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Unrestricted Funds

Fabric & Maintenance Fund	1,120	–	–	1,120	500
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Designated Funds

Coffee Fund	1,704	–	–	1,704	1,562
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Restricted Funds

Flower Fund	–	245	–	245	155
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Garden – Shrub Fund	–	53	–	53	18
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Lunch Club	–	3,666	–	3,666	3,521
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Legacy for Lunch Club Trips	–	–	–	–	377
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Organ Fund	–	–	–	–	–
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Relief Fund	–	–	–	–	–
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Sunday School/Young People	–	161	–	161	147
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The Guild	–	1,331	–	1,331	1,121
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Church Retired Men's Club	–	646	–	646	647
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	<u>3,174</u>	<u>6,102</u>	<u>–</u>	<u>9,276</u>	<u>8,598</u>
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Income from charitable activities was £9,276 (2016 £8,598) of which £3,174 was unrestricted (2016 £2,612) and £6,102 was restricted (2016 £5,986)

3 Income from other trading activities

Use of Premises	<u>8,395</u>	<u>–</u>	<u>–</u>	<u>8,395</u>	<u>6,079</u>
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4 Investment Income

Dividends Received	4,404	–	167	4,571	4,561
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Bank Interest	125	–	7	132	225
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	<u>4,529</u>	<u>–</u>	<u>174</u>	<u>4,703</u>	<u>4,786</u>
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Income from investment income was £4,703 (2016 £4,786) of which £4,529 was unrestricted (2016 £4,609) and £174 was endowment (2016 £177)

5 Other income

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Notes forming part of the financial statements for the year ended 31st December 2017 (cont'd)

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total 2017 £	Total 2016 £
6 Analysis of Expenditure				
Raising Funds				
Freewill Offering Envelopes	102	–	102	99
Charitable Activities				
Ministries and Mission Contribution (<i>net of Endowment Stipend Income of £285</i>)	45,230	–	45,230	47,462
Presbytery Dues	859	–	859	936
	46,089	–	46,089	48,398
Minister's Travel Expenses	333	–	333	600
Council Tax - Manse	1,943	–	1,943	2,865
Pulpit Supply	275	–	275	55
Other Salary Costs – Organist (incl supply)	4,315	–	4,315	3,695
Fabric Repairs & Maintenance	9,894	–	9,894	5,630
Other Building Costs				
Heat & Light	5,002	–	5,002	5,396
Insurance	5,972	–	5,972	6,330
Upkeep of Grounds	–	–	–	840
Cleaning Materials & Laundry	418	–	418	267
Other Expenses				
Telephone, Postage, Printing etc	2,088	–	2,088	2,235
Organ & Piano Maintenance	715	–	715	1,410
Life & Work Magazine (net cost)	104	–	104	96
Church Magazine	840	–	840	904
Communion Expenses	38	–	38	36
Miscellaneous Expenses	393	–	393	345
Vacancy Expenses	3,259	–	3,259	–
Governance Costs: Independent Examiner's Fees	1,080	–	1,080	1,260
	82,758	–	82,758	80,362
Unrestricted Funds				
Fabric & Maintenance Fund	2,370	–	2,370	–
(Designated Funds)				
Coffee Fund	956	–	956	1,584
Restricted Funds				
Flower Fund	–	207	207	268
Garden - Shrub Fund	–	58	58	68
Lunch Club	–	3,608	3,608	3,134
Legacy for Lunch Club Trips	–	377	377	–
Organ Fund	–	–	–	–
Relief Fund	–	–	–	100
Sunday School/Young People	–	–	–	–
The Guild	–	1,166	1,166	1,598
Church Retired Men's Club	–	634	634	837
	86,084	6,050	92,134	87,951
	102	–	102	99
	86,186	6,050	92,236	88,050

Expenditure on charitable activities was £92,236 (2016 £88,050) of which £86,186 was unrestricted (2016 £82,045) and £6,050 was restricted (2016 £6,005).

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 31st December 2017 (cont'd)

	2017 £	2016 £
7 Staff Costs and numbers		
Salaries & Wages	4,315	3,695
Social Security costs	—	—
	<u>4,315</u>	<u>3,695</u>

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

	2017 Number	2016 Number
Organist	1	1
	<u>1</u>	<u>1</u>

No employee had employee benefits in excess of £50,000 (2016 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 £26,644; Maximum Stipend in the 5th and subsequent years of service - £32,743.

8 Trustee Remuneration and Related Party Transaction

During the year one Trustee (The Minister) received reimbursement of expenses incurred totalling £2,276 (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 £19,708 was donated to the congregation by Trustees.

Fixed Assets

9 Tangible Fixed Assets

	Buildings £	Office Equipment £	Total £
Cost			
Surveyors confirmation Value at Nov 2011 £650,000	650,000	—	650,000
At 31st December 2017	<u>650,000</u>	<u>—</u>	<u>650,000</u>
Accumulated Depreciation			
At 1st January 2017	—	—	—
Charge for year	—	—	—
Eliminated on Disposal	—	—	—
At 31st December 2017	<u>—</u>	<u>—</u>	<u>—</u>
Net Book Value			
At 1 st January 2017	<u>650,000</u>	<u>—</u>	<u>650,000</u>
At 31st December 2017	<u>650,000</u>	<u>—</u>	<u>650,000</u>

Notes forming part of the financial statements for the year ended 31st December 2017 (cont'd)

10 Investments

	2017	2016
	£	£
Market Value at 1 st January	110,668	101,820
Add unrealised gain	3,614	8,848
Add acquisitions	39,995	–
Less disposals	(43,136)	–
Less realised net loss	(140)	–
Market Value as at 31 st December	111,001	110,668

2017 Acquisitions

3,228 Units - Church of Scotland Investors Trust - Income Fund purchased June 2017 cost £39,995

2017 Disposals

			£		£
1,915 Shares	Blackrock European Trust	Sales proceeds	5,543	Gain	200
144 Shares	Unilever	Sales proceeds	5,681	Gain	953
1,000 Shares	Carillion	Sales proceeds	2,172	Loss	(186)
318 Shares	Pearson	Sales proceeds	1,954	Loss	(628)
2,836 Shares	Lloyds Banking Group	Sales proceeds	1,800	Gain	35
5190 Shares	GlaxoSmithKline	Sales proceeds	3,000	Gain	43
340 Shares	Prudential Corp	Sales proceeds	5,531	Gain	24
720 Shares	BP	Sales proceeds	3,238	Loss	(417)
3,500 Shares	Aviva US Equity Income II	Sales proceeds	5,449	Loss	(248)
3,600 Shares	BNY Mellon Newton Asian Income	Sales proceeds	4,401	Gain	134
2,100 Shares	M&G Global Dividend I Income	Sales proceeds	4,367	Loss	(50)
			43,136	Net Loss	(140)

The following investments are held:

	Value at 31st Dec 2017	Value at 31 st Dec 2016	Cost
	£	£	£
1,000 Units – Church of Scotland Investors Trust – Growth Fund	5,100	4,750	500
1,578 Units – Church of Scotland Investors Trust – Growth Fund	8,048	7,496	5,901
4,638 Units – Church of Scotland Investors Trust – Income Fund	57,697	55,146	49,998
3,228 Units – Church of Scotland Investors Trust – Income Fund	40,156	–	39,995
	111,001	67,392	96,394

Current Assets

11 Debtors

	2017	2016
	£	£
Gift Aid – Tax Refund Due	770	1,613
	770	1,613

Bank and Cash

	£	£
Church of Scotland Investors Trust – Deposit Fund	50,002	54,502
Bank of Scotland – Current Account	15,207	12,220
Petty Cash	31	29
	65,240	66,751

12 Creditors

	£	£
Accruals – Independent Examiner’s Fees due	1,080	1,020
	1,080	1,020

Notes forming part of the financial statements for the year ended 31st December 2017 (cont'd)

13 Analysis of Net Assets Among Funds

	General £	Designated £	Restricted £	Endowment £	Total £
Fixed Assets	650,000	–	–	–	650,000
Investments	111,001	–	–	–	111,001
Current Assets	55,141	1,898	7,634	2,000	66,673
Net Assets as at 31st December 2017	816,142	1,898	7,634	2,000	827,674

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 2017 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31st December 2017 £
Endowment Funds					
The Late Wm Scott Bequest	500	167	–	(167)	500
The Late Mrs M Macaskill Memorial Fund	1,500	7	–	(7)	1,500
	<u>2,000</u>	<u>174</u>	<u>–</u>	<u>(174)</u>	<u>2,000</u>
Restricted Funds					
Flower Fund	384	245	207	–	422
Garden – Shrub Fund	122	53	58	–	117
Lunch Club	954	3,666	3,608	–	1,012
Legacy for Lunch Club Trips	377	–	377	–	–
Organ Fund	3,277	–	–	–	3,277
Relief Fund	143	–	–	–	143
Sunday School/Young People Fund	752	161	–	7	920
The Guild	1,467	1,331	1,166	–	1,632
Church Retired Men's Club	99	646	634	–	111
	<u>7,575</u>	<u>6,102</u>	<u>6,050</u>	<u>7</u>	<u>7,634</u>
Unrestricted Funds					
General Fund	–	77,758	82,860	5,102	–
Property Reserve Fund – Manse	650,000	–	–	–	650,000
Fabric & Maintenance Fund	149,623	1,120	2,370	(4,935)	143,438
Gain/(Loss) on revaluation of investments	{ 19,230	3,614	–	–	22,704 }
Loss on disposal of investments	{	–	140	–	}
Designated Funds					
Coffee Fund	1,150	1,704	956	–	1,898
	<u>820,003</u>	<u>84,196</u>	<u>86,326</u>	<u>167</u>	<u>818,040</u>
Total Funds	829,578	90,472	92,376	–	827,674

Notes forming part of the financial statements for the year ended 31st December 2017 (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:

	£
Edinburgh City Mission (Donation towards food bank)	200
Bristo Memorial Church, Craigmillar, Edinburgh	<u>150</u>
	<u>350</u>

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

	2017	2016
	£	£
Net movement in funds	(1,904)	5,302
Deduct interest income	(4,703)	(4,786)
Deduct gains/ add back losses on investments	(333)	(8,848)
Decrease (Increase) in debtors	843	754
Increase (Decrease) in creditors	60	240
Net cash used in operating activities	(6,037)	(7,338)

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.

	2017	2016
	£	£
Christian Aid [including cheques payable to Christian Aid]	2,864	3062
Poppyscotland (Tea & Toast Appeal)	190	–
Mary's Meals	374	–
Richmond's Hope	747	–
Craigmillar Park Church Guild (50% Christmas Fair)	396	–
Bethany Christian Trust (50% Christmas Fair)	396	–
CrossReach	653	–
Christian Aid Malawi Appeal	–	550
Fresh Start [Coffee Morning]	–	278
Edinburgh Direct Aid [Syrian refugees in Lebanon]	–	1,199
	5,620	5,089

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 31st 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.