



Edinburgh: Broughton St. Mary's Parish Church (Church of Scotland)

Annual Report

Year to 31 December 2015

Congregation Number 010008

Scottish Charity Number SC 012642

Trustees' Report

Year ended 31 December 2015

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2015. The financial statements have been prepared in accordance with the accounting policies set out in note 1 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 in Scotland through a territorial ministry. It co-operates with other Churches in various ecumenical bodies in Scotland and beyond. The Church of Scotland is fully committed to working with people of all faiths and no faith.

Broughton St. Mary's provides regular Sunday **worship** at 10.30am every week. A Sunday Club for children of all ages meets every Sunday morning during the latter part of worship and a crèche is also available for babies and young children. In Lent an evening service was held on Maundy Thursday set round a meal. There was also a service on Good Friday. During the summer months a 30 minute reflective evening service is held on a Wednesday. A service for Remembrance and Healing in September is held for the bereaved. We invite groups and organisations from the parish to attend our service on Remembrance Sunday. We hold a service for the LGBT community which has a significant presence in our parish. We have also made our premises available to other congregations and regular public worship is also offered by The United Methodist Church (Zimbabwe) and The Religious Society of Friends (Quakers). These services allow us to connect with more local people and show how serious we are in our efforts to accept, care for and include the many different communities that exist within our parish.

The congregation holds various events through the year to engage the wider community of the parish in the work of the Church including coffee mornings and Christmas and spring fairs. The Church has also hosted services for its local primary school for the past ten years. Social events are also held for the congregation to welcome new worshippers and create a sense of **fellowship** within the Church itself. These include celebration lunches or meals, garden parties, Christmas parties and congregational outings. The Sunday Club also holds an annual outing for all the children and their families. During the Summer we held a barbecue in the church garden which was enjoyed by the congregation, guests from the parish and users of the premises.

In addition to the activities the Church organises to assist in reaching its aims and objectives, there are other bodies that use our premises and hold activities which benefit and enrich the life and profile of the Church. These have included the Messy Church (for children and their parents/carers), Wednesday Club (a group of carpet bowlers and scrabble players), a weekly Parent & Toddler group, the Scottish Country Dance Club, the Brownie Guides, and the Rainbow Guides. The Beavers, Cubs and Scouts of the 11th Edinburgh North East Group are sponsored by the Kirk Session and are affiliated to the Church and on occasion hold meetings in our premises. We host a baby Yoga group. There is also a Garden Team

that tends the church garden which enhances our surroundings and brings pleasure to users and visitors to the premises.

During the past year

There were staffing changes during the year. The Church Organist Mrs Nancy Crook retired on 25 January 2015. Mr Chris Dyter replaced Mrs Crook as organist from 15 March 2015.

The position of Church Officer was made redundant and the Church Officer, Mrs Maria Hart left our employment on 26 July 2015. The church created a position of Church Administrator and Mrs Lindsey Rowlands was appointed to the post on 2 November 2015.

As part of our **service** to others the following charitable bodies have used the church's premises during the year: North West Edinburgh Foodbank and Waverley Care. We hosted a number of musical organisations: Cadenza, Mr McFall's Chamber, No Strings Attached Community Wind Band, Edinburgh Society of Organists, Scottish Chamber Orchestra and Chorus, Dunedin Concerts Trust Ltd, Stockbridge and New Town Community Orchestra and Aria Alba. The Church of Scotland World Mission Council made good use of our rooms and various individuals from the community have used the premises to hold family celebrations. The New Town and Broughton Community Council holds its meetings in our premises. The production team from The Broughton Spurtle, a community newsletter, uses our premises for meetings. Delphian Records have used the premises for recording chamber music.

A major user of the premises is the City of Edinburgh Council (Bellevue Project) which caters for adults from the local area with learning difficulties. Other regular users of the premises are Yoga classes; Baby Yoga, Qi Gong, Daoist Yoga and Meditation Classes; and Rev Michael Paterson (Training Courses). The Broughton Health Clinic, a Physiotherapy service, operates from the premises during the week.

Special occasions also bring other events to the annual cycle of Broughton St Mary's. On Easter Sunday morning we held two services, the first at 6.00am on Calton Hill with Greenside Parish Church and other local congregations and the second a family Easter celebration in the church at 10.30am. Christmas offers different worship opportunities. A Watchnight Service is held at 11.30pm on Christmas Eve and a 10.30am family service takes place on Christmas Day.

Other significant events during the year were:

- Week of Prayer for Christian Unity, 18th January.
- Christian Aid Week, 17th May.
- LGBT Service, 21st June, with Jo Clifford.
- Remembrance Sunday, 10th November, with Royal British Legion Scotland, 6th Royal Scots, Drummond Community High School, Broughton Primary School, 11th Scouts, Annandale Mosque, Baha'i Association, Edinburgh Liberal Community Synagogue, Edinburgh North Quaker Meeting for Worship, and No Strings Attached Community Wind Band.

The Church marked World Aids Day and the pillars at the front of the church were floodlit in red lighting to highlight our commitment to support those affected by HIV and AIDS.

During the year members of the congregation held a Coffee Morning in aid of Macmillan Cancer Support.

The Church ran an Art Club on Monday afternoons, but this stopped meeting mainly due to its reducing membership.

Another group that exists to promote **discipleship** in Broughton St Mary's and enable us in our aims to allow people to grow in their faith is our monthly Bible study discussion group which covers various themes and also runs weekly throughout the period of Lent. During the year the Church has held "Messy Church" which provides a different church experience for children of all ages up to 12 years together with their parents/carers. We have continued to develop this opportunity for **evangelism** to children and adults who do not attend church at other times.

Achievements and performance

This past year has seen a continuing growth in our groups and projects using the rooms and facilities developed by the first phase of work on the lower ground floor of our building.

Discipleship: Our Lent Discussion Groups ran once a week throughout Lent. Numbers attending however, were disappointing low. A regular monthly Bible Study meeting continues throughout the year. Members of the congregation take part in the conduct of public worship through reading the Bible, leading prayers and all age teaching.

The Sunday Club caters for children from age 3 years to 14 years. A rota of Sunday Club leaders participate fully in our children's ministry but also are enabled to attend worship regularly.

Our Christmas worship once again attracted parishioners and visitors to the church at 11.30pm on Christmas Eve and 10.30am on Christmas Day. We collected foodstuffs which were donated to the Rock Trust to bring cheer to homeless young people. Our acts of **evangelism** and charity continued in the donation of presents for the children of prisoners at HM Prison Edinburgh. Our Christmas offerings (£372) were donated to The Bethany Christian Trust which works with those affected by homelessness. We have also contributed to the work of the North Edinburgh North West Foodbank by making our premises available to be a foodbank distribution centre. We have further supported the foodbank through the donation of foodstuffs. We also donated £560 towards the work of Waverley Care.

Work with LGBT people

This work is directed by the LGBT Advisory Group. It was established by a decision of the Kirk Session and reports (periodically) to the Kirk Session. It currently has two members from Broughton St Mary's Parish Church and two independent members. The Chair, Neil Bird, is independent.

Activities undertaken so far, which have contributed to the major outcomes, include: public worship services to raise awareness of LGBT issues and to introduce queer theology; hosting a parish lunch for LGBT organisations and businesses in the parish; delivery and distribution of LGBT friendly material from LGBT organisations now working with the church (Stonewall Scotland, LGBT Health and Wellbeing Centre, Waverley Care, Positive Help); and the design of an LGBT logo for the church.

In order to fully develop the work, it is hoped that we can source funding for a part-time pastoral worker who can focus on mapping the needs of the LGBT organisations and people in our parish. This would be a 12-18 month contract initially. We have been unsuccessful

with a funding bid to the Presbytery of Edinburgh, but will continue to seek other sources of funding.

The church's work with children and young people regularly includes over 200 people with about 40 volunteers preparing and leading the work. The Minister regularly contributes to school assemblies and Broughton Primary School. He has worked with Drummond Community High School and contributed to an inter-faith panel at the Royal High School. The church collaborated with Drummond CHS and Leith Academy whose senior pupils worked with "Skillforce" to create a mural on the South staircase in the vestibule of the church as part of their Skillforce Prince's Award.

Financial review

Unrestricted funds

The position of the General Fund is summarised in the table below. 2015 shows a deficit of £1,668 in contrast to the close to breakeven position in the previous 2 years. The letting of our newly refurbished rooms continues to be a welcome source of revenue.

General Fund	2015	change	2014	2013	2012	2011
Congregational giving (& Gift Aid)	51,214	6%	48,317	49,429	48,966	55,341
Endowment and investment income	2,477	-7%	2,655	2,036	2,269	2,246
Vodafone rental income	13,853	2%	13,520	13,354	11,505	10,581
Income from letting halls / manse less part allocated to Appeal Fund	20,946	9%	19,295	21,812	14,315	9,397
Coffee mornings, fairs etc.	0		0	0	(4,925)	(4,800)
Other income	4,639	4%	4,478	5,443	6,252	6,529
	<u>909</u>	<u>14%</u>	<u>800</u>	<u>453</u>	<u>492</u>	<u>800</u>
	<u>94,038</u>	<u>6%</u>	<u>89,065</u>	<u>92,527</u>	<u>78,874</u>	<u>80,094</u>
Expenses	<u>(95,706)</u>	<u>8%</u>	<u>(88,818)</u>	<u>(92,462)</u>	<u>(80,392)</u>	<u>(78,325)</u>
Surplus/(deficit) before revaluations	<u>(1,668)</u>		<u>247</u>	<u>65</u>	<u>(1,518)</u>	<u>1,769</u>

The other unrestricted funds are the Manse Fund and the Legacy Fund. The Manse Fund represents the capital value of the manse and garage. There were no transactions in the Manse Fund in 2014. There was one legacy of £1,000 received in 2015 (2014: £nil).

Fabric Fund

Fabric Fund expenditure amounted to £6,458 in 2015 (2014: £6,780). The 2015 expenditure included work to address damp in the manse, work on the church's boiler and fire safety signage and lighting. In contrast to recent prior years, the balance in the Fabric Fund increased over the course of 2014 and 2015 and the balance now stands at £10,600.

Other restricted funds

Amongst the other restricted funds, the Sunday Club Fund had the largest income largely due donations of £559 made during 2015 including those made for tea and coffee after Sunday services.

The most significant items of expenditure in these funds includes grants totalling £250 from the Social Care, Fellowship and Benevolent Fund, Sunday Club expenses of £573 and a contribution towards organ tuning of £300.

The Youth and Choral Fund shows a nil balance at the end of 2015 and has been closed.

Transactions for all of the restricted funds, are summarised at note 16 of the accounts.

Investment policy and performance

Our policy is to make all investments through the Church of Scotland Investors Trust (COSIT). Our endowment funds are entirely invested in the Income Fund and the Growth Fund. Our other restricted funds and unrestricted funds are partly invested in these two COSIT funds. The Growth Fund fund is very largely equity-based and is intended for long-term investment. The Income Fund is intended for medium-term investment and aims to provide immediate high income with funds invested predominantly in fixed-interest securities.

A long held investment in War Loan issued by the UK Government was repaid by the Government during 2015.

The amount of investment income which was transferred from endowment funds into the various restricted and unrestricted funds in respect of 2015 was £5,300 (2014: £5,500). The principal recipient of these transfers is the Fabric Fund.

Additionally, net investment gains of £356 (2014: £11,620) have been recognised. Our main investment continues to be the COSIT Growth Fund the unit price of which has increased from £4.29 to £4.34 over the year.

Risk management

Broughton St Mary's faces similar risks to many other parish churches including a congregation which does not reflect the diversity of the parish we serve, limited financial resources and a limited pool of volunteers. We also have a building the ground and upper floors of which are in need of refurbishment and a manse which is not fully compliant with guidelines laid down by the national Church. We lack the financial resources to tackle either major capital expenditure or to sponsor new parish initiatives to further our Mission. In past years, we have relied on financial support from the Presbytery of Edinburgh to meet the costs of unexpected fabric repairs.

Our last major stewardship project was the fund-raising required for the development work on the lower ground floor of the church premises which completed in January 2010. The fund-raising itself continued until 2013. This exercise produced a generous response from the congregation and some members have maintained this level of support after the funding was completed. However, the funding of the project was always described as a temporary exercise, so most of those who made pledges of support fulfilled them and then the standing orders ceased.

At present, we break even on a year by year basis and are not setting anything aside for future development projects. We are now planning to revisit the theme of Stewardship. This will include inviting our regular donors to increase their regular donations and seeking to increase the number of regular givers.

More generally, we are taking steps to build relationships with a diverse range of bodies in our parish. It is hoped that these efforts will, in time, further enlarge and enrich our church community and, as a consequence provide, a growing income through both donations and payment for use of rooms.

Reserves policy

The unrestricted reserves at the end of the financial year amount to £354,900 (2014: £355,800) of which £300,000, representing the value of our properties, has been designated as the Manse Fund.

It would be the normal practice of the Trustees to hold unrestricted reserves equal to at least approximately six months expenditure. The trustees deem it to be prudent to hold these reserves as it is likely that our financial position will remain under strain in the coming years as we seek to find new ways to make use of our building and enhance our role in the local community. Additionally, other matters provide financial uncertainty such as the current rental agreement with Vodafone, which yields significant income, but is due to expire in 2017.

The Church held £28,970 (2014: £25,720) of restricted funds which have been provided for the purposes specified in note 16.

Structure, governance and management

The congregation is a registered charity, number SC 012642 and is administered in accordance with the terms of the Deed of Constitution (Unitary Form) and is subject to the Act and Regulations of the General Assembly of the Church of Scotland.

Members of the Kirk Session are the charity trustees. The Kirk Session members are the elders of the Church and are chosen from those members of the Church who are considered to have appropriate gifts and skills. The Minister, who is a member of the Kirk Session, is elected by the congregation and is inducted by Presbytery.

There was an increase in the numbers of trustees during the year to 27. During the year James Brodie and John Endicott joined the Kirk Session while William McCall left to join another congregation.

As a congregation with the Deed of Constitution (Unitary Form) the Kirk Session, as well as being responsible for the spiritual affairs within the Church, also has responsibility for its property and financial affairs. The Kirk Session which meets five times a year, has appointed property and finance teams that report directly to the Kirk Session.

Reference and administrative information

Trustees

Rev.Dr G. McGeoch	Mr I.R. Buckingham,	Mr W McCall (<i>till 25</i>
Mrs J. Allan,	Mrs G. Buckingham,	<i>October 2015)</i>
Mr C. Beck,	Mr D. Cartright,	Mrs H. Miller,
Mrs J. Beveridge,	Miss D. Chisholm,	Mrs D. Munro,
Mr J. Blaik,	Mr B.J. Duffin,	Mrs B. Nobes,
Miss M. Braby,	Mrs J.M. Duffin,	Mr G. Rogers,
Mr J Brodie	Mr J Endicott	Captain R. Smith,
Mrs E. Brown,	Mrs J. Gault,	Ms E. Theurer,
Mr S. Brown,	Mr R. Gibson,	Mrs J. Whitfield
Mrs D. Buckingham,	Mr G. Grahamslaw,	

Principal office bearers

Minister:	Rev. G. McGeoch
Session Clerk:	Mr I.R. Buckingham
Church treasurer:	Mr G. Gray

Principal office

12 Bellevue Crescent, Edinburgh, EH3 6NE

Charity reference number SC012642

Websites

www.bstmchurch.org.uk

www.facebook.com/bstmchurch

Independent examiner

Alexander F. Gemmill
40 Warriston Gardens, Edinburgh, EH3 5NE

Bankers

Clydesdale Bank
Clydesdale Bank Plaza, 50 Lothian Road, Edinburgh, EH3 9BY

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 UK Accounting Standards (UK 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 value of the state of affairs of the charity and of its 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 apply them consistently;
- observe the method and principles of the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards or recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare financial statements on a 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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf,

I.R. Buckingham,
Session Clerk

28 January 2015

Independent Examiner's Report to the Trustees of Edinburgh: Broughton St. Mary's Parish Church (Church of Scotland)

I report on the accounts of the charity for the year ended 31 December 2015 which are set out on pages 11 to 23.

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 do 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 examiners 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:-
 - i) 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
 - ii) 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.

Alexander F. Gemmill
Non-practising Member of the Institute of Chartered Accountants of Scotland

40 Warriston Gardens,
Edinburgh,
EH3 5NE

Date: March 2016

Statement of Financial Activities

Year ended 31 December 2015

	Note	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Endowment Funds 2015 £	Total 2015 £	Total 2014 £
Income and endowments from:						
Donations and legacies	1	52,983	6,973	0	59,956	59,293
Charitable activities	2	4,779	0	0	4,779	5,178
Other trading activities	3	20,946	0	0	20,946	19,295
Investment income	4	1,300	390	5,314	7,004	7,281
Other income	5	13,853	0	0	13,853	13,520
Total income		93,861	7,363	5,314	106,538	104,567
Expenditure on:						
Raising funds	6	(203)	0	0	(203)	(219)
Charitable activities		(96,103)	(8,175)	0	(104,278)	(100,968)
Total expenditure		(96,306)	(8,175)	0	(104,481)	(101,187)
Net income / (expenditure) before gains and losses on investments		(2,445)	(812)	5,314	2,057	3,380
Net gains/(losses) on investments	10	363	(28)	30	365	11,626
Net income / (expenditure)		(2,082)	(840)	5,344	2,422	15,006
Transfers between funds	16	1,226	4,090	(5,316)	0	0
Net movement in funds		(856)	3,250	28	2,422	15,006
Reconciliation of funds:						
Total funds brought forward	16	355,802	25,720	144,123	525,645	510,639
Total funds carried forward		354,946	28,970	144,151	528,067	525,645

Balance Sheet
As at 31 December 2015

	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	9		303,017		303,234
Investments	10		183,848		183,485
				486,865	486,719
Current assets					
Debtors	11	11,038		11,274	
Cash at bank and in hand	12	41,003		39,566	
			52,041		50,840
Liabilities					
Creditors falling due within one year	13	(10,839)		(11,914)	
Net current assets			41,202		38,926
Net assets			<u>528,067</u>		<u>525,645</u>
The funds of the charity					
Endowment funds	16		144,151		144,123
Restricted income funds	14, 16		28,970		25,720
Designated Manse fund	16	300,000		300,000	
Other unrestricted income funds	16	<u>54,946</u>		<u>55,802</u>	
Unrestricted income funds			354,946		355,802
Total funds			<u>528,067</u>		<u>525,645</u>

The Accounts were approved by the trustees on 28 January 2016 and signed on their behalf by:

G. Gray

Treasurer

I. R. Buckingham

Session Clerk

Statement of cashflows

Year ended 31 December 2015

	Note	2015 £	2015 £	2014 £	2014 £
Net cash used in operating activities	17		(5,569)		(6,645)
Cash flows from investing activities					
Interest and dividends	4	7,004		7,281	
Proceeds from sale of investments	10	28,918		0	
Purchase of investments	10	<u>(28,916)</u>		<u>0</u>	
Net cash provided by investing activities			7,006		7,281
Change in cash and cash equivalents in the year			1,437		636
Cash and cash equivalents brought forward			39,566		38,930
Cash and cash equivalents carried forward	12		<u><u>41,003</u></u>		<u><u>39,566</u></u>

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

Fund accounting

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

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102) the general volunteer time of congregation members is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised as expenditure in the period of receipt.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Accounting policies (continued)

Fixed assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, specifically the Church, vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets. Expenditure incurred on the repair and maintenance of these assets is charged as resources expended in the Statement of Financial Activities in the period in which the liability arises. Normal expenditure is charged to the General Fund while significant repairs and improvement of fabric, fittings and equipment is met from the Fabric Fund.

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:

Fixtures, fittings and office equipment	10 years
Musical instruments	20 years

The manse and lock up garage are stated at market valuations placed on them by the trustees.

No depreciation has been charged against heritable property as the trustees consider that any depreciation would not be material as the asset has a very long useful life.

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

Broughton St Mary's Parish 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.

**Notes forming part of the financial statements
for the year ended 31 December 2015**

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Endowment Funds 2015 £	Total 2015 £	Total 2014 £
1. Donations and legacies					
Freewill offerings	4,774	0	0	4,774	4,960
Gift Aided and GAYE offerings	32,403	3,360	0	35,763	34,606
Other donations	4,698	1,894	0	6,592	6,111
Gift Aid tax recoverable	9,339	1,719	0	11,058	9,191
Special appeals:	Congregational giving	0	0	0	1,327
	Donations and grants	0	0	0	0
Congregational organisations	450	0	0	450	100
Legacies	1,000	0	0	1,000	0
Other	319	0	0	319	2,998
	52,983	6,973	0	59,956	59,293

In 2014, £10,751 of donations and legacies were restricted and the balance of £48,542 was unrestricted.

2. Income from charitable activities

Weddings and funerals	140	0	0	140	700
Coffee mornings, fairs etc.	4,639	0	0	4,639	4,478
	4,779	0	0	4,779	5,178

In 2014 and 2015, all income from charitable activities was unrestricted.

3. Income from other trading activities

Income from letting church halls/rooms	20,946	0	0	20,946	19,295
	20,946	0	0	20,946	19,295

4. Investment income

Deposit interest	87	390	0	477	565
Interest and dividends from investments	1,213	0	5,314	6,527	6,716
	1,300	390	5,314	7,004	7,281

In 2014, £5,503 of investment income arose on endowments, £328 arose on restricted funds and the balance of £1,450 was unrestricted.

5 Other income

Transfers from General Trustees *	13,853	0	0	13,853	13,520
	13,853	0	0	13,853	13,520

* The transfers in 2014 and 2015 were in respect of rental income from a telecommunications mast.

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2015**

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Endowment Funds 2015 £	Total 2015 £	Total 2014 £
6. Analysis of resources expended					
Raising funds					
Offering envelopes	(203)	0	0	(203)	(219)
Interest payable	0	0	0	0	0
	(203)	0	0	(203)	(219)
Charitable activities					
Ministries and Mission Allocation*	(45,902)	0	0	(45,902)	(45,850)
Presbytery dues	(1,326)	0	0	(1,326)	(1,372)
Minister's and manse expenses	(5,289)	0	0	(5,289)	(4,964)
Staff costs and fees	(13,886)	0	0	(13,886)	(13,152)
Pulpit supply	(622)	0	0	(622)	(275)
Fabric repairs and maintenance	(6,265)	(6,458)	0	(12,723)	(9,607)
Buildings insurance	(7,605)	0	0	(7,605)	(7,490)
Energy and other occupancy costs	(8,347)	0	0	(8,347)	(7,355)
Church office expenses	(1,026)	0	0	(1,026)	(1,341)
Organ and music	(1,178)	(673)	0	(1,851)	(1,499)
Communication and outreach	(1,539)	0	0	(1,539)	(975)
Other expenses	(3,118)	(1,044)	0	(4,162)	(7,088)
	(96,103)	(8,175)	0	(104,278)	(100,968)
Total	(96,306)	(8,175)	0	(104,481)	(101,187)

In 2014, £12,149 of expenditure on charitable activities was restricted and the balance of £88,819 was unrestricted.

The Ministries and Mission Allocation is net of Consolidated Stipend Fund Income of £3,274 (2014: £3,181).

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

7. Staff costs and numbers	£	£
Salaries and fees	10,583	13,152
Social security costs	0	0
Redundancy costs	3,303	0
	13,886	13,152

The average number of employees during the year was as follows:

	2015 Number	2014 Number
Ministerial support and administration	1	1
Music staff (including self-employed organist)	1	1

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 £26,119 and the maximum stipend (in the tenth and subsequent years) £32,098.

No employee had employee benefits in excess of £50,000.

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2015**

8. Trustee remuneration and related party transactions

During the year, Council Tax of £2,290 was paid in respect of the manse. The Minister was reimbursed £791 in respect of travel and similar expenses. £250 was paid to a relative of E Theurer in respect of painting work. No other trustee received any remuneration or reimbursement of expenses during the year.

During the year, a total of £25,760 was donated to the congregation by trustees.

9. Tangible fixed assets

	Buildings	Musical Instruments	Total
<u>Cost or valuation</u>			
At 31 December 2014	300,000	4,312	304,312
Additions	0	0	0
At 31 December 2015	<u>300,000</u>	<u>4,312</u>	<u>304,312</u>
<u>Accumulated depreciation</u>			
At 31 December 2014	0	(1,078)	(1,078)
Charge for year	0	(217)	(217)
At 31 December 2015	<u>0</u>	<u>(1,295)</u>	<u>(1,295)</u>
<u>Net book value</u>			
At 31 December 2014	<u>300,000</u>	<u>3,234</u>	<u>303,234</u>
At 31 December 2015	<u>300,000</u>	<u>3,017</u>	<u>303,017</u>

The heritable fixed assets owned by the charity comprise:

Manse: 103 East Claremont Street, Edinburgh EH7 4JA
Lock up Garage: 5c Inverleith Place, Edinburgh EH3 5QJ

The musical instruments comprise two pianos acquired during 2010.

Other tangible fixed assets owned by the charity were acquired more than 10 years ago and are regarded as fully depreciated.

10. Investments	2015 £	2014 £
Market value at previous 31 December	183,485	168,879
Transfer of investments from Trust (see Appendix 2)	0	2,980
Proceeds from sale of investments	(28,918)	0
Cost of investments made	28,916	0
Gain/(loss) on revaluation or sale of investments	365	11,626
Market value at 31 December	<u>183,848</u>	<u>183,485</u>

The following investments are held:

Church of Scotland Investors Trust: Growth Fund: 35,251 units (2014: 35,251 units)	152,989	151,227
Church of Scotland Investors Trust: Income Fund: 2,707 units (2014: 271 units)	30,859	3,176
3.5% War Stock: £nil (2014: £28,917.60)	0	29,082
Market value at 31 December	<u>183,848</u>	<u>183,485</u>
Investments at cost	<u>157,194</u>	<u>141,312</u>

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2015**

	2015 £	2014 £				
11. Debtors						
Gift Aid tax refund due	5,149	4,282				
Other debtors	5,889	6,992				
	11,038	11,274				
12. Cash						
Current accounts	20,498	14,061				
Short term deposit account (COSIT)	20,505	25,505				
	41,003	39,566				
13. Creditors						
Rental income transferred from General Trustees in advance	9,235	9,235				
Accrued expenses and other creditors	1,604	2,679				
	10,839	11,914				
14. Analysis of net assets between funds						
	Undesignated General	Undesignated Legacy	Designated Manse	Restricted	Endowment	Total
Fixed assets	205	0	300,000	2,812	0	303,017
Investments	31,430	0	0	8,267	144,151	183,848
Current assets	21,427	12,723	0	17,891	0	52,041
Current liabilities	(10,839)	0	0	0	0	(10,839)
Net assets at 31 December 2015	42,223	12,723	300,000	28,970	144,151	528,067

15. 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.

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2015**

16. Movement in funds

	Balance as at 01/01/2015	Incoming Resources	Revaluation Gains	Outgoing Resources	Transfers	Balance as at 31/12/2015
	£	£	£	£	£	£
<u>Endowment funds</u>						
General purposes	25,253	931	5	0	(931)	25,258
A.G. Bryson Memorial (fabric)	91,361	3,369	19	0	(3,371)	91,378
Other Fabric Fund Legacies	2,145	79	0	0	(79)	2,145
Lawrence S. Miller Memorial (Ministerial Support)	2,953	109	1	0	(109)	2,954
Social care, fellowship & benevolent purposes	9,422	347	2	0	(347)	9,424
Mission & Worship	4,971	183	1	0	(183)	4,972
Missionary Society Funds	8,018	296	2	0	(296)	8,020
	144,123	5,314	30	0	(5,316)	144,151
<u>Restricted funds</u>						
Ministerial Support Fund	1,622	28	(2)	0	109	1,757
Organ Maintenance Fund	961	17	(1)	(197)	0	780
Flower Fund	647	51	(1)	0	0	697
Social care, fellowship & benevolent Fund	6,112	105	(8)	(437)	348	6,120
Mission & Worship	(10)	0	0	4	183	177
Bible Presentation Fund	1,102	19	(1)	0	0	1,120
Youth & Choral Fund	115	1	0	(116)	0	0
Sunday Club Fund	1,660	588	(2)	(573)	0	1,673
Parish activities	3,244	56	(4)	0	0	3,296
Music Fund	3,171	1	0	(361)	0	2,811
Fabric Fund	7,109	6,486	(9)	(6,456)	3,450	10,580
Messy Church	(68)	10	0	(39)	0	(97)
20s & 30s Fund	55	1	0	0	0	56
	25,720	7,363	(28)	(8,175)	4,090	28,970
<u>Unrestricted funds</u>						
Designated Manse Fund	300,000	0	0	0	0	300,000
Legacy Fund	12,274	1,049	0	(600)	0	12,723
General Fund	43,528	92,812	363	(95,706)	1,226	42,223
	355,802	93,861	363	(96,306)	1,226	354,946
Total funds	525,645	106,538	365	(104,481)	0	528,067

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2015**

16. Movement in funds (continued)

Purposes of endowment funds

The income from General Purposes endowments is to be used for the general work of the congregation as sanctioned by the Kirk Session. General Purposes endowments comprise the following:

Bellevue Fund	General Fund Legacies (KS)
Miss M. Wemyss Memorial	Mrs Mackie Bequest
Mrs J. McNeill Memorial	Miss Simpson Bequest
Mrs J. Irvine Memorial	Isabella Cook Memorial.
Other General Fund Legacies	

The income from the following endowments is to be used for the maintenance of the fabric of the congregational properties and for the maintenance of fixtures, fittings and equipment installed in the congregational properties:

A.G. Bryson Memorial	Other Fabric Fund Legacies.
Miss M. Sim Memorial	

The income from the Lawrence S. Miller Memorial is to be used, at the discretion of the Kirk Session, for the purpose of providing additional financial support to the minister of the congregation.

The following endowments were held to support social care, fellowship and benevolent purposes including by way of financial assistance to members of the congregation and others.

Congregation Benevolent Legacies	Braidwood Bequest
James Kirkhope Bequest	Broughton Lady Visitors Fund
Ann Padon Bequest	Dorcas Society Fund

The income from the following endowments is to be used for mission and worship purposes in the congregation and in the wider mission work of the Church.

Canongate Fund	Miss Jack Legacy
Rutherford Bequest	

The income from the 17 individual bequests making up the Missionary Society Fund is to be used for the work of the Church world-wide. This is achieved by using the income as part of the congregation's Ministries and Mission Contribution to the Church of Scotland.

All of the income from the above endowments is transferred annually to the appropriate fund which is specified for by the endowment.

Purposes of restricted funds

Ministerial Support Fund: This is a fund established to provide, at the discretion of the Kirk Session, additional financial support to the minister.

Organ Maintenance Fund: This is a fund established to provide funds to meet the costs of maintaining the organ and other musical instruments used in the conduct of worship.
This fund incorporates the J. Spense Memorial and Mrs Naismith Memorial.

Flower Fund: This is a fund to be used to provide flowers in the Church premises and for other approved purposes. This fund incorporates the Neill and Davidson Bequests.

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2015**

16. Movement in funds (continued)

Social Care, Fellowship and Benevolent Fund: This fund was previously referred to as the Benevolent Fund. Its purpose was generalised during 2014 to social care, fellowship and benevolent purposes for the benefit of members of the congregation and others in need. The fund incorporates the Sutherland Bequest, Callendar Bequest and J.Sommerville Bequest.

Mission & Worship Fund: This is a fund established to provide materials to assist the minister in the conduct of worship and to promote the mission statement of the congregation both in the parish and in the wider work of the Church.

Bible Presentation Fund: This is derived from the Dr G. S. Gunn Bequest and is used to meet the costs of bibles provided to mark special occasions in the life of individuals in the congregation.

Youth & Choral Fund: This is a fund established from the proceeds of the McBain Legacy to meet the cost of music resources for the Church choir and for meeting the cost of youth projects. The fund was closed in 2015.

Sunday Club Fund: This fund is used for the provision of resources to enable the Sunday Club to meet the objectives that have been set by the Kirk Session. This fund incorporates the Lawrence S. Miller Memorial Fund.

Parish Activities Fund: This fund was established in 2014 for parish activities at the discretion of the Minister. Following an application to the Office of the Scottish Charity Regulator during 2014, the Bryson Trust Fund and the Mrs A.C.M Lawrence Trust Funds were used to provide the opening balance in this fund.

Music Fund: This fund was established in 2010 originally to fund the costs of a new piano and it has been agreed with the relevant donor that surplus funds should be applied for Music purposes.

Fabric Fund: This fund is designated to meet the costs of extraordinary repairs and improvement of fabric, fittings and equipment used in the congregational properties. Since 2011, this fund has been regarded as a restricted fund rather than a designated fund as the fund's income is substantially all from donations or endowment income which are specified as being for fabric purposes.

Messy Church Fund: This fund was established in 2011 to run activities for young children.

20s & 30s Fund: This fund was established in 2011 to contribute to the costs of running events for members of our worshipping community in their 20s and 30s.

Purposes of unrestricted funds

Manse Fund: This fund is a designated fund and represents the capital value of the manse and garage.

Legacy Fund: The legacy fund represents unrestricted legacies. For the purposes of identification such legacies are accounted for separately from other unrestricted funds. No specific purpose has been designated by the Trustees.

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2015**

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

	2015 £	2014 £
Net movement in funds (per statement of financial activities)	2,422	15,006
Add back depreciation charge	217	217
Deduct investment income	(7,004)	(7,281)
Deduct transfer from Trust (see Appendix 2)	0	(2,980)
Deduct gains / add back losses on investments	(365)	(11,626)
Decrease (Increase) in debtors	236	405
Increase (Decrease) in creditors	(1,075)	(386)
Net cash used in operating activities	<hr/> <hr/> (5,569)	<hr/> <hr/> (6,645)

18. Collections for third parties

In addition to the General Fund income, the following special collections were received during 2015 and distributed during 2015:

	2015 £
Bethany Trust	372
Waverley Care	560
N Crook	310
H Smith	100
Christian Aid	641
M Hart	281
	<hr/> <hr/> 2,265

Appendix 1: Consolidated Fabric Funds held on behalf of the Congregation by the Church of Scotland General Trustees

	2015 £	2014 £
<i>Capital Account</i>		
Account 550100082 credit balance at cost	<u>3,714</u>	<u>3,714</u>
Market values of above balances	<u>5,014</u>	<u>4,940</u>
<i>Revenue Account</i>		
Account 500100081 Credit balance	<u>15,706</u>	<u>15,401</u>
<i>Reconciliation between opening and closing balances</i>		
Aggregate of opening balances at cost	19,115	18,825
Investment income	306	290
Net rental income received from mobile phone companies	13,853	13,853
Rental income remitted to Congregation	(13,853)	(13,853)
Aggregate of above closing balances at cost	<u>19,421</u>	<u>19,115</u>

Appendix 2: Trust fund administered by congregational Treasurer

	2015 £	2014 £
<i>Revenue account</i>		
<i>Income</i>		
Investment income	0	68
<i>Expenses</i>		
Paid to the late Mrs McArthur, widow of former minister	0	(68)
Balance carried forward	<u>0</u>	<u>0</u>
<i>Capital at cost</i>		
Closing balance	<u>0</u>	<u>0</u>

This fund was closed during 2014 and the balance transferred to the Parish Activities Fund.