



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

Annual Report

Year to 31 December 2017

Congregation Number 010008

Scottish Charity Number SC 012642

Trustees' Report

Year ended 31 December 2017

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2016. 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 is held on Maundy Thursday set round a meal. There is also a service on Good Friday. During the summer months a 30 minute reflective evening service is held on a Wednesday. We invite groups and organisations from the parish to attend our service on Remembrance Sunday. We hold services for the LGBT community which has a significant presence in our parish. We make our premises available to other congregations and regular public worship is offered by The United Methodist Church (Zimbabwe), The Religious Society of Friends (Quakers), The Assembly of God (Brazilian congregation), the Friends of Mary Duffy (Spiritualists), Vajayrana Buddhist Group. These services allow us to connect with 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 many years. Social events are also held for the congregation to create a sense of **fellowship** within the Church itself. These include celebration lunches or meals, barbeque in the garden and a Christmas party. The Sunday Club also holds an annual outing for all the children and their families.

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 Church Art Group, 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 holds meetings in our premises. 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

As part of our **service** to others the following charitable bodies have used the church's premises during the year: North West Edinburgh Foodbank, Waverley Care, Inclusion Scotland, Lothian Autistic Society, Souper Saturday, The Cyrenians, Minority Ethnic Carers of Older People Project (MECOPP), Reforesting Scotland, Palliative Care Meal, Arts workshop, Voluntary Action Fund, WEA Scotland, Edinburgh Rape Crisis Centre, Yoga in Daily Life, Child Brain Injury Trust, Charity Food Festival, The Church of Scotland World Mission Council.

We also hosted a number of charitable musical organisations: No Strings Attached Community Wind Band, Scottish Chamber Orchestra and Chorus, Dunedin Concerts Trust Ltd, Aria Alba, Voice Arc Opera, Edinburgh Concert Band. Other community musical groups that have used the church premises are Cadenza and Pitchcraft Choirs, Mr McFalls Chamber, Stockbridge Community Orchestra, Loud & Proud, The Tuneless Choir, Re-act Concerts, Edinburgh Gaelic Choir, Edinburgh Flute Choir, Academy Saxes.

The following community groups have used the premises within the past year; New Town and Broughton Community Council, Qi Gong Daoist Yoga and Meditation Class, Lingotots, Momentum, Rev Michael Paterson Well Being classes, Smart Cookies After School Club, Sound Journey Meditation, St Colm's Fellowship, Dance Academy, Drummond Place Garden Committee, Drummond Tennis Club, Edinburgh Central Labour Party, Helen O'Grady School of Drama, Mock Court presentation, Broughton Spurtle, The Romanian Orthodox Church in Edinburgh, Bellevue Chapel.

Other religious groups that have used the premises include; Sri Chinmoy Meditation Centre, and various Christian prayer and meditation groups.

Commercial businesses using the building and garden during the past year have been Delphian Records, Ian Springford Architects, Miller & Carter, Herbivore Supper Club, Edinburgh International Festival and Broughton Health Clinic. 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. The premises have also been hired by Edinburgh City Council for use as a polling station

Touring groups that have used the premises are Yip Choir, The Gyotou Monks of Tibet and Anima, Hillingdon Primary School.

There have been many families and individuals from the local community that have hired the rooms to hold family celebrations including birthday parties.

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, 22nd January.
- Maundy Thursday service with meal 13th April
- Good Friday service 14th April
- Christian Aid Week, 14th May.
- Morning Worship 4th June (Guest Speaker Shaykh Hassan Rabbani)

- LGBT Service, 18th June.
- Remembrance Sunday, 12th November, with Royal British Legion Scotland, 6th Royal Scots, Drummond Community High School, Broughton Primary School, 11th Edinburgh North East Scouts, New Town and Broughton Community Council, Annandale Mosque. The Edinburgh Ba'hai Centre, Quakers.

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

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

The congregation supported the training of Rev Daniel Joaquim from the Evangelical Church of Christ in Mozambique by providing him with an opportunity to learn about ministry in the Church of Scotland at Broughton St Mary's. Mr Joaquim served the congregation during a six week placement. Dr Nicola Robinson from the United Reformed Church also had a six week placement at Broughton St Mary's as part of the enquiry process prior to ministry in the United Reformed Church.

On 4th June Broughton St Mary's was the venue for a historic event in the church's history when Shaykh Hassan Rabbini from Annandale Mosque addressed the congregation and invited guests. The occasion strengthened the links between Broughton St Mary's and Annandale Mosque which have grown over the past few years.

Broughton St Mary's became vacant on 31 October 2017 when the minister, Rev Dr Graham McGeoch left the congregation to live in Brazil with his family. The Presbytery of Edinburgh appointed Rev Joanne Foster to be Interim Moderator during the period of vacancy at Broughton St Mary's.

This past year has seen a continuing growth in our groups and projects using the sanctuary, rooms and garden. The premises are used 7 days a week. A factor in the increased usage of the facilities has been the appointment of a Church Administrator which took place in late 2015

Discipleship: Our Annual Lent Discussion Groups ran once a week throughout Lent. Although numbers attending were disappointing low we were encouraged by the participation of Annandale mosque. 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. Members of the congregation have participated with our neighbours at Bellevue Chapel in the Community Bible Experience.

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.

The Church Art Club has been reintroduced and offers an opportunity to be with others in a creative environment.

Our Christmas worship 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 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 also supported the foodbank through the donation of foodstuffs collected at our Harvest Thanksgiving service. The congregation supports Christian Aid. We marked Christian Aid Week and £510 was subsequently donated to Christian Aid.

Work with LGBT people

This work is directed by the LGBT Advisory Group which 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.

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 contributed to school assemblies at Broughton Primary School. The Kirk Session sponsors the 11th Edinburgh North East Scout Group supporting the group financially and giving free access to our facilities. The church also gives free access to our facilities to the local Rainbows and Brownie Guides.

Financial review

Manse and Manse Fund

The Manse Fund represents the capital value of the manse at East Claremont Street and the garage. There were no transactions in the Manse Fund during 2016 or 2017.

On 7 December 2016, the congregation of Edinburgh: Dean was dissolved. The terms of dissolution provided that Dean's manse at 1 Ravelston Terrace, Edinburgh, should become the Manse of Edinburgh: Broughton St Mary's.

It is now intended that both the manses will be sold during 2018, and a new manse acquired. It is expected that any surplus will be used in the repair and renovation of Broughton St Mary's Church.

As the Ravelston Terrace property remains vested in the General Trustees, it is not shown on our balance sheet and no entry appears in these accounts.

The Kirk Session are grateful for the support and assistance of the Presbytery of Edinburgh, the General Trustees and others in the Church in connection with the provision of a manse.

Unrestricted funds

The position of the General Fund is summarised in the table below. 2017 shows a surplus of £18,403 which is similar to 2016 but substantially more favourable than any other recent year (these figures include transfers of income from endowment funds but not other transfers between funds or investment revaluations).

The main reason for the surpluses in 2016 and 2017 is an increase in the income generated from the letting of our rooms to a variety of religious, community and other users. In the 8 years from 2010 to 2017, our cumulative income from letting rooms amounts to £179,500.

General Fund	2017	change	2016	2015	2014	2013
Congregational giving (& Gift Aid)	46,539	-12%	52,673	51,214	48,317	49,429
Endowment and investment income	2,157	-16%	2,577	2,477	2,655	2,036
Vodafone rental income	12,046	-13%	13,853	13,853	13,520	13,354
Income from letting halls / manse	49,568	30%	38,157	20,946	19,295	21,812
Coffee mornings, fairs etc.	3,609	-5%	3,797	4,639	4,478	5,443
Other income	1,570	-42%	2,729	909	800	453
	115,489	1%	113,786	94,038	89,065	92,527
Expenses	(97,086)	2%	(94,725)	(95,706)	(88,818)	(92,462)
Surplus/(deficit) before revaluations	18,403		19,061	(1,668)	247	65
Revaluation of investments	2,534					
Transfers from other funds	7,895					
	28,832					

Legacies are not included in the figures above. These are accounted for in the separate Legacy Fund. There were no legacies received in 2017 (2016: £800). During 2017, £5,284 from the Legacy Fund was transferred to the General Fund and used to buy new chairs for the garden room.

Fabric Fund

Fabric Fund expenditure amounted to £11,066 in 2017 and included the provision of 12 new lights in the sanctuary (2016 expenditure: £1,248). The balance in the Fabric Fund now stands at £13,174 (2016: £15,722).

Rationalisation of restricted and endowment funds

During 2017 an application was made to the Office of the Scottish Charity Regulator (OSCR) to alter the conditions which apply to a number of our funds. The application was approved and its effects are fully reflected in this set of accounts.

Four theological and biblical categories that give shape to the church guided this rationalisation. Namely four Greek words: Leitourgia (Worship), Martyreo (Witness), Diakonia (Service) and Kononia (Fellowship). While the parish church and its work will continue to change, it is expected these four broad categories will continue to define the Church of Scotland into the future.

Accordingly ten restricted and endowment Funds have been drawn together into two enlarged funds. Specifically:-

- The **Fellowship and Service Fund** is to support Christian fellowship and community wellbeing. This fund may be used, for example, to support our work with groups such as the Scouts or the Food Bank, pay for Christmas parties for the elderly or send flowers to those who have suffered bereavement. It will also be used to provide financial assistance to those in need. This combines the **Social Care, Fellowship and Benevolent Fund** (together with the related endowment fund), the **Flower Fund** and the **20s and 30s Fund**.
- The **Worship and Witness Fund** is to support Christian worship, outreach and Mission in the parish or beyond. This fund may be used for example to provide materials for use in worship, purchase bibles and study materials, provide worship opportunities for new groups of people, support inter-faith events, support chaplaincy work or pursue the Christian message in non-traditional setting such as through Messy Church. This combines the **Missionary Society Endowment, Mission and Worship Fund** (together with the related endowment fund), **Parish Activities Fund, Bible Presentation Fund** and the **Messy Church Fund**.

In addition, several other changes were made:-

- The capital of the **Ministerial Support Endowment** was transferred into the **Ministerial Support Fund**.
- The capital of the **Endowments for General purposes** was transferred to the designated Legacy Fund. Practice over recent years has been to use the Legacy Fund for items of expenditure which are expected to have an enduring benefit and this designation continues.
- An accounting reallocation has been made to show the piano in the General Fund, This is a presentational simplification as it is considered unnecessary to account for this in a separate fund.

Further details are given at note 16.

Taken together, these changes have reduced the number of funds reflected in these accounts from 21 at the start of 2017 to 10 at the end. It is hoped that this will provide greater clarity to users of these accounts. More importantly, it is hoped that these changes will give greater flexibility to allow the Congregation to pursue its Work more effectively in response to today's needs.

Other restricted funds

Amongst the other restricted funds, the Sunday Club Fund had the largest income. This was largely due donations of £462 (2016: £473) including those made for tea and coffee after Sunday services.

The most significant items of expenditure arose in the Sunday Club, Ministerial Support, Social Care, Fellowship and Benevolent and Organ Funds.

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 also hold investments 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.

The amount of investment income which was transferred from endowment funds into the various restricted and unrestricted funds in respect of 2017 was £4,956 (2016: £5,700). The principal recipient of these transfers is the Fabric Fund.

Additionally, net investment gains of £13,826 (2016: £15,780) have been recognised. Our main investment continues to be the COSIT Growth Fund the unit price of which has increased from £4.75 to £5.10 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. In past years, we have relied on financial support from the Presbytery of Edinburgh to meet the costs of unexpected fabric repairs. The increase in income from letting rooms observed in 2016 and 2017, if sustained, may help alleviate financial pressures. Until recently, we lacked the financial resources to tackle either major capital expenditure or to sponsor new parish initiatives to further our Mission, it is hoped that the net effect of the sale of the two manses and acquisition of a new manse referred to above will improve our financial position.

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. Until 2015, we tended to break even and did not set anything aside for future development projects. Since 2016 the position has improved thanks to higher income from room lettings.

The Kirk Session recognised the importance of Stewardship and seek both to encourage our regular donors to increase their donations and to increase the number of regular givers.

More generally, we continue 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 sustainable income through both donations and payment for use of rooms.

Reserves policy

The unrestricted reserves at the end of the financial year amount to £431,100 (2016: £377,800) of which £300,000, representing the value of our directly-held properties, has been designated as the Manse Fund.

It is 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 face some pressures in the coming years. The rental agreement with Vodafone, which yields significant income, is in the process of being renegotiated for a further period.

Excluding endowment funds, the Church held £54,800 (2016: £32,900) 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.

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 (till 31 October 2017)	Mr I.R. Buckingham, Mrs G. Buckingham (till 6 April 2017)	Mr R. Gibson, Mr G. Grahamslaw, Mrs H. Miller,
Mrs J. Allan, Mr C. Beck, Mrs J. Beveridge, Mr J. Blaik, Miss M. Braby, Mr J Brodie Mrs E. Brown, Mr S. Brown, Mrs D. Buckingham,	Mr D. Cartwright, Miss D. Chisholm, Mr B.J. Duffin (till 30 March 2017) Mrs J.M. Duffin (till 30 March 2017) Mr J Endicott Mrs J. Gault,	Mrs D. Munro, Mrs B. Nobes, Mr G. Rogers, Captain R. Smith, Ms E. Theurer, Mrs J. Whitfield

Mr B Duffin and Mrs J Duffin left Broughton St Mary's on 30 March 2017 to join Blackhall St Columba Parish Church. Mrs G Buckingham died on 6 April 2017. Rev Dr G McGeoch demitted the charge of Broughton St Mary's on 31 October 2017

Principal office bearers

Minister:	Position vacant
Interim Moderator	Rev J Foster
Session Clerk:	Mr I.R. Buckingham
Congregational 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,
83 George Street, Edinburgh, EH2 3ES

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 of 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

8 February 2018

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 2017 which are set out on pages 13 to 24.

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: 2018

Statement of Financial Activities

Year ended 31 December 2017

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Endowment Funds 2017 £	Total 2017 £	Total 2016 £
Income and endowments from:						
Donations and legacies	1	47,889	3,667	0	51,556	57,591
Charitable activities	2	3,829	0	0	3,829	5,707
Other trading activities	3	49,568	0	0	49,568	38,157
Investment income	4	1,757	795	4,956	7,508	7,399
Other income	5	12,046	0	0	12,046	13,853
Total income		115,089	4,462	4,956	124,507	122,707
Expenditure on:						
Raising funds	6	(141)	0	0	(141)	(183)
Charitable activities		(96,945)	(14,090)	0	(111,035)	(99,310)
Total expenditure		(97,086)	(14,090)	0	(111,176)	(99,493)
Net income / (expenditure) before gains and losses on investments		18,003	(9,628)	4,956	13,331	23,214
Net gains/(losses) on investments	10	4,416	2,457	6,953	13,826	15,781
Net income / (expenditure)		22,419	(7,171)	11,909	27,157	38,995
Transfers between funds	16	30,829	29,040	(59,869)	0	0
Net movement in funds		53,248	21,869	(47,960)	27,157	38,995
Reconciliation of funds:						
Total funds brought forward	16	377,816	32,906	156,340	567,062	528,067
Total funds carried forward		431,064	54,775	108,380	594,219	567,062

Balance Sheet
As at 31 December 2017

	<i>Note</i>	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	9		307,341		302,801
Investments	10		213,455		199,629
			<u>520,796</u>		<u>502,430</u>
Current assets					
Debtors	11	8,294		7,238	
Cash at bank and in hand	12	78,051		68,829	
		<u>86,345</u>		<u>76,067</u>	
Liabilities					
Creditors falling due within one year	13	(12,922)		(11,435)	
Net current assets			73,423		64,632
Net assets			<u>594,219</u>		<u>567,062</u>
The funds of the charity					
Endowment funds	16		108,380		156,340
Restricted income funds	14, 16		54,775		32,906
Designated Manse fund	16	300,000		300,000	
Other unrestricted income funds	16	<u>131,064</u>		<u>77,816</u>	
Unrestricted income funds			431,064		377,816
Total funds			<u>594,219</u>		<u>567,062</u>

The Accounts were approved by the trustees on 8 February 2018 and signed on their behalf by:

G. Gray Treasurer

I. R. Buckingham Session Clerk

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 2017**

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Endowment Funds 2017 £	Total 2017 £	Total 2016 £
1. Donations and legacies					
Freewill offerings	4,590	0	0	4,590	5,870
Gift Aided and GAYE offerings	28,433	60	0	28,493	35,005
Other donations	4,321	0	0	4,321	5,178
Gift Aid tax recoverable	9,195	15	0	9,210	9,415
Congregational organisations	250	0	0	250	0
Legacies	0	0	0	0	800
Other	1,100	3,592	0	4,692	1,323
	<u>47,889</u>	<u>3,667</u>	<u>0</u>	<u>51,556</u>	<u>57,591</u>

In 2016, £3,299 of donations and legacies were restricted and the balance of £54,292 was unrestricted.

2. Income from charitable activities

Weddings and funerals	220	0	0	220	1,910
Coffee mornings, fairs etc.	3,609	0	0	3,609	3,797
	<u>3,829</u>	<u>0</u>	<u>0</u>	<u>3,829</u>	<u>5,707</u>

In 2016 and 2017, all income from charitable activities was unrestricted.

3. Income from other trading activities

Income from letting church halls/rooms	49,568	0	0	49,568	38,157
	<u>49,568</u>	<u>0</u>	<u>0</u>	<u>49,568</u>	<u>38,157</u>

4. Investment income

Deposit interest	544	795	0	1,339	476
Interest and dividends from investments	1,213	0	4,956	6,169	6,923
	<u>1,757</u>	<u>795</u>	<u>4,956</u>	<u>7,508</u>	<u>7,399</u>

In 2016, £5,710 of investment income arose on endowments, £391 arose on restricted funds and the balance of £1,298 was unrestricted.

5 Other income

Transfers from General Trustees *	12,046	0	0	12,046	13,853
	<u>12,046</u>	<u>0</u>	<u>0</u>	<u>12,046</u>	<u>13,853</u>

* The transfers in 2016 and 2017 were in respect of rental income from a telecommunications mast.

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2017**

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Endowment Funds 2017 £	Total 2017 £	Total 2016 £
6. Analysis of resources expended					
Raising funds					
Offering envelopes	(141)	0	0	(141)	(183)
	<u>(141)</u>	<u>0</u>	<u>0</u>	<u>(141)</u>	<u>(183)</u>
Charitable activities					
Ministries and Mission Allocation*	(42,291)	0	0	(42,291)	(43,394)
Presbytery dues	(817)	0	0	(817)	(915)
Minister's and manse expenses	(5,107)	0	0	(5,107)	(6,202)
Staff costs and fees	(13,414)	0	0	(13,414)	(11,444)
Pulpit supply	(1,905)	0	0	(1,905)	(681)
Fabric repairs and maintenance	(7,012)	(11,067)	0	(18,079)	(7,426)
Cleaning	(4,376)	0	0	(4,376)	(3,183)
Buildings insurance	(7,797)	0	0	(7,797)	(7,924)
Energy and other occupancy costs	(9,215)	0	0	(9,215)	(8,785)
Church office expenses	(1,439)	0	0	(1,439)	(3,179)
Organ and music	(947)	(488)	0	(1,435)	(1,609)
Communication and outreach	(163)	0	0	(163)	(417)
Other expenses	(2,462)	(2,535)	0	(4,997)	(4,151)
	<u>(96,945)</u>	<u>(14,090)</u>	<u>0</u>	<u>(111,035)</u>	<u>(99,310)</u>
Total	<u>(97,086)</u>	<u>(14,090)</u>	<u>0</u>	<u>(111,176)</u>	<u>(99,493)</u>

In 2016, £4,768 of expenditure on charitable activities was restricted and the balance of £94,524 was unrestricted.

The Ministries and Mission Allocation is net of Consolidated Stipend Fund Income of £3,248 (2016: £3,198).

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	13,414	11,444
Social security costs	0	0
	<u>13,414</u>	<u>11,444</u>

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

	2017 Number	2016 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 £26,644 and the maximum stipend (in the tenth and subsequent years) £32,743.

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

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2017**

8. Trustee remuneration and related party transactions

During the year, Council Tax of £1,735 was paid in respect of the manse. The Minister was reimbursed £1,976 in respect of heating, travel and similar expenses. No other trustee received any remuneration or reimbursement of expenses during the year.

During the year, a total of £18,599 was donated to the congregation by trustees.

9. Tangible fixed assets

	Buildings	Musical Instruments	Furniture	Total
<u>Cost or valuation</u>				
At 31 December 2016	300,000	4,312	0	304,312
Additions	0	0	5,284	5,284
At 31 December 2017	<u>300,000</u>	<u>4,312</u>	<u>5,284</u>	<u>309,596</u>
<u>Accumulated depreciation</u>				
At 31 December 2016	0	(1,511)	0	(1,511)
Charge for year	0	(216)	(528)	(744)
At 31 December 2017	<u>0</u>	<u>(1,727)</u>	<u>(528)</u>	<u>(2,255)</u>
<u>Net book value</u>				
At 31 December 2016	<u>300,000</u>	<u>2,801</u>	<u>0</u>	<u>302,801</u>
At 31 December 2017	<u>300,000</u>	<u>2,585</u>	<u>4,756</u>	<u>307,341</u>

The heritable fixed assets owned by the charity comprise:

Manse: 103 East Claremont Street, Edinburgh EH7 4JA

Lock up Garage: 5c Inverleith Terrace Lane, Edinburgh EH3 5NP

The musical instruments comprise two pianos acquired during 2010.

The furniture comprises chairs for use in the garden room which were acquired in 2017.

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

	2017 £	2016 £
10. Investments		
Market value at previous 31 December	199,629	183,848
Gain/(loss) on revaluation or sale of investments	13,826	15,781
Market value at 31 December	<u>213,455</u>	<u>199,629</u>
<u>The following investments are held:</u>		
Church of Scotland Investors Trust: Growth Fund: 35,251 units	179,780	167,443
Church of Scotland Investors Trust: Income Fund: 2,707 units	33,675	32,186
Market value at 31 December	<u>213,455</u>	<u>199,629</u>
Investments at cost	<u>157,194</u>	<u>157,194</u>

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2017**

	2017 £	2016 £
11. Debtors		
Gift Aid tax refund due	4,090	4,503
Other debtors	4,204	2,735
	<u>8,294</u>	<u>7,238</u>
12. Cash		
Current accounts	37,546	26,324
Short term deposit account (COSIT)	40,505	42,505
	<u>78,051</u>	<u>68,829</u>
13. Creditors		
Rental income transferred from General Trustees in advance	9,235	9,235
Accrued expenses and other creditors	3,687	2,200
	<u>12,922</u>	<u>11,435</u>

14. Analysis of net assets between funds

	Undesignated General	Undesignated Legacy £	Designated Manse £	Restricted £	Endowment £	Total £
Fixed assets	7,341	0	300,000	0	0	307,341
Investments	36,934	29,277	0	38,864	108,380	213,455
Current assets	61,575	8,701	0	16,069	0	86,345
Current liabilities	(12,764)	0	0	(158)	0	(12,922)
Net assets at 31 December 2017	<u>93,086</u>	<u>37,978</u>	<u>300,000</u>	<u>54,775</u>	<u>108,380</u>	<u>594,219</u>

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 2017**

16. Movement in funds

	Balance as at 01/01/2017	Incoming Resources	Revaluation Gains	Outgoing Resources	Transfers	Balance as at 31/12/2017
	£	£	£	£	£	£
Endowment funds						
General purposes (a)	27,393	868	0	0	(28,261)	0
A.G. Bryson Memorial and other Fabric Fund Legacies	101,432	3,215	6,953	0	(3,220)	108,380
Lawrence S. Miller Memorial (Ministerial Support) (b)	3,203	102	0	0	(3,305)	0
Social care, fellowship & benevolent purposes (c)	10,221	324	0	0	(10,545)	0
Mission & Worship (d)	5,393	171	0	0	(5,564)	0
Missionary Society Funds (d)	8,698	276	0	0	(8,974)	0
	156,340	4,956	6,953	0	(59,869)	108,380
Restricted funds						
Ministerial Support Fund	782	20	63	(476)	3,274	3,663
Organ Maintenance Fund	811	21	66	(488)	0	410
Flower Fund (c)	731	77	0	0	(808)	0
Fellowship & Benevolent Fund	6,253	177	568	(503)	11,319	17,814
Worship & Witness Fund	241	81	373	(258)	17,902	18,339
Bible Presentation Fund (d)	1,119	10	0	0	(1,129)	0
Sunday Club Fund	1,471	501	119	(716)	0	1,375
Parish activities (d)	3,269	30	0	(200)	(3,099)	0
Music Fund (e)	2,610	0	0	0	(2,610)	0
Fabric Fund	15,722	3,544	1,268	(11,066)	3,706	13,174
Messy Church (d)	(161)	0	0	(383)	544	0
20s & 30s Fund (c)	58	1	0	0	(59)	0
	32,906	4,462	2,457	(14,090)	29,040	54,775
Unrestricted funds						
Designated Manse Fund	300,000	0	0	0	0	300,000
Legacy Fund	13,562	423	1,882	0	22,111	37,978
General Fund	64,254	114,666	2,534	(97,086)	8,718	93,086
	377,816	115,089	4,416	(97,086)	30,829	431,064
Total funds	567,062	124,507	13,826	(111,176)	0	594,219

(a) Balance transferred to Legacy Fund

(b) Balance transferred to Ministerial Support Fund

(c) Balance transferred to Fellowship and Service Fund (formerly known as the Social Care, Fellowship and Benevolent Fund)

(d) Balance transferred to Worship and Witness Fund (formerly known as the Mission and Worship Fund)

(e) Balance transferred to General Fund

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2017**

16. Movement in funds (continued)

Purposes of endowment funds

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	

All of the income from the above endowments is transferred annually to the Fabric Fund.

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. This fund incorporates the Lawrence S. Miller Memorial Fund.

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.

Fellowship and Service Fund: This fund was previously referred to as the Social Care, Fellowship and Benevolent Fund. Its purpose was generalised during 2014 and further modified in 2017. Thus fund is to support Christian fellowship and community wellbeing. This fund may be used, for example, to support our work with groups such as the Scouts or the Food Bank, pay for Christmas parties for the elderly or send flowers to those who have suffered bereavement. It will also be used to provide financial assistance to those in need. The fund incorporates the following funds

Sutherland Bequest	J Sommerville Bequest
Callendar Bequest	Neill & Davidson Bequests
Congregation Benevolent Legacies	Braidwood Bequest
James Kirkhope Bequest	Broughton Lady Visitors Fund
Ann Padon Bequest	Dorcas Society Fund

Worship and Witness Fund: This fund was previously referred to as the Mission and Worship Fund. Its purpose was generalised in 2017.

The purpose of this fund is to support Christian worship, outreach and Mission in the parish or beyond. This fund may be used, for example, to provide materials for use in worship, purchase bibles and study materials, provide worship opportunities for new groups of people, support inter-faith events, support chaplaincy work or pursue the Christian message in non-traditional setting such as through Messy Church. The fund incorporates the following funds.

Dr G. S. Gunn Bequest	Canongate Fund
Mrs A.C.M Lawrence Trust Funds	Rutherford Bequest
Bryson Trust Fund	Miss Jack Legacy

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.

Fabric Fund: This fund is designated to meet the costs of non-routine 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.

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2017**

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. The Legacy Fund is designated for items of expenditure which are expected to have an enduring benefit.

Since 2017, the Legacy Fund has incorporated the following funds:-

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	

17. Collections for third parties

In addition to the General Fund income, the following special collections were received and distributed during 2017.

	2017 £
Bethany Trust	153
Waverley Care	462
Rev McGeoch	470
Christian Aid	510
	<hr/> <hr/>
	1,595

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

	2017 £	2016 £
Capital Account		
Account 550100082 credit balance at cost	3,714	3,714
Market values of above balances	5,682	5,497
Revenue Account		
Account 500100081 credit balance	16,297	16,016
Temporary Account		
Account 850100081 credit balance	(600)	0
Reconciliation between opening and closing balances		
Aggregate of opening balances at cost	19,730	19,420
Investment income	281	310
Net rental income received from mobile phone companies	12,046	13,853
Rental income remitted to Congregation	(12,046)	(13,853)
Property costs	(600)	0
Aggregate of above closing balances at cost	19,411	19,730