

Carlops Parish Church of Scotland

**Trustees Annual Report
Year ended 31 December 2017**

**Congregation number: 040255
Charity number: SC 004340**

Carlops Parish Church
Trustees' Annual Report: year ended 31 December 2017

Reference and Administrative Information

Charity Name: Carlops Parish Church of Scotland
Charity Registration Number: SC 004340
Congregation Reference Number: 040255

Contact Address: Mrs Mary McElroy
Marfield View
Kitleyknowe, Carlops
Penicuik
EH26 9NJ

Trustees

The Trustees are the Members of Kirk Session. There is no Congregational Board.

Anderson, Mrs A
Buchan, Mrs A
Burke, Mrs J
Campbell, Prof D M (Session Clerk)
Campbell, Dr J P
Dunbar, Rev Dr L J (Until 11 August)
Gold, Mrs G
Hunter, Mrs J
Jack, Mr G
Livingstone, Miss S
Marshall, Mr G
McElroy, Mrs M H (Treasurer)
Woolverton, Mrs A
Young, Mr G

Independent Examiner

Macnab, Mrs J S, LLB, CA, CTA

Bankers

Bank of Scotland, 163a John Street, Penicuik EH26 8AT

Carlops Parish Church
Trustees' Annual Report: year ended 31 December 2017

Structure, Governance and Management

Governing Document

The Church operates under the terms of the Unitary Constitution of the Church of Scotland.

Recruitment and Appointment of Trustees

The trustees are the members of the Kirk Session, who are the elders of the church, chosen from those members of the church considered to have gifts and skills appropriate to the calling.

Organisational Structure

Carlops Parish Church is linked with Kirkurd and Newlands Church, and St Andrew's Church West Linton. The Kirk Session meets four times a year, is normally chaired by the Minister, and is responsible for the spiritual well-being of the Church and its members, pastoral policy and activity, financial management, and the care of heritable property. In addition, a General Kirk Session, consisting of the members of the Kirk Sessions of the three linked congregations, meets twice yearly to discuss matters of common concern.

Objectives and Activities

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in polity. As a national church, it acknowledges a duty to bring the ordinances of religion to people in every parish of Scotland and to serve all members of each community, not merely those formally registered as members. It co-operates with other churches in various ecumenical bodies in Scotland and beyond.

Our over-arching objectives, expressed in our Forward Plan 2016, are ...

- to attract people into the life of the church, to services and other activities which benefit individuals and the community
- to serve the community and demonstrate that the church is an active, caring organisation which offers a warm welcome, practical, intellectual and spiritual support and a variety of activities in which all may participate

A service is held in Carlops Church every Sunday morning and afterwards, the congregation meets informally for coffee and conversation. Communion is celebrated on the first Sunday of each month, alternating between a morning and an evening service. On several occasions throughout the year, additional services are organised jointly with our partner churches in the linkage. Children of all ages are welcome to all services and events in Carlops Church.

Music features prominently in worship and in the social aspects of church life. The church building is used frequently by local music and other groups for rehearsal and performances.

Carlops is an Eco-Congregation, promoting practical action on environmental issues and organising activities which support our open door and outreach policies. Members run a Fairtrade stall and Coffee Drop-in alongside a monthly Carlops produce market.

Achievements and Performance

Five members of Carlops' congregation regularly deliver services to support **worship** throughout the linkage. The Eco-group also leads one service each year in Carlops and St Andrews West Linton.

Our Patio-garden project, a **partnership community project** between church and village hall has been fully funded (£27,000) by local fundraising and grants. Work should be completed by Easter 2018.

We continue our contribution to the work of **Eco Congregation Scotland**. One of our number currently leads the Esk & Tweed network. Three others serve regularly as assessors.

We organised some forty **community events** in addition to Sunday services: talks, recitals, monthly Fairtrade stall, coffee, soup lunches. Once again these attracted c750 attendances in total and raised £2,042 for various charities; this from an active congregation of forty (average Sunday attendance 25) in a parish of 180 homes.

Our Minister, Dr Linda Dunbar, was under administrative suspension from December 2016 and was stripped of ministerial status by a Presbyterial Commission of the Church of Scotland on 11 August 2017, thereby effectively removing her from office. Throughout 2017, Rev Rachel Dobie served as Interim Moderator and we are grateful for her services.

Carlops congregation maintained a full programme of worship and community service throughout this difficult period, despite the situation being exacerbated by the Church of Scotland's consistent refusal to provide any information to the congregation beyond the fact of Dr Dunbar's suspension. At year end, the situation remained unresolved.

Financial Review

Principal sources of unrestricted income are: weekly offerings; monthly direct debits; tax recovered on Gift Aid, including GASDS; interest and dividends on investments; and cultural, social and fund-raising activities. Income to the Fabric Fund during 2017 was bank interest and investment income, plus funds raised for the Patio-Garden Project (see above).

Income to the General Fund, excluding tax recovered on Gift Aid, maintained the level achieved in 2016 but the distribution between open plate and standing order has shifted somewhat. The reason is not clear at present. The increase was 4% when tax recovered is included, due mainly to GADS (tax recovery) claims on small cash donations.

The General Account shows a surplus in church funds of £6,639 for 2017. Expenditure on church works during the year was lower than usual due to our commitment to a partnership community project between church and village hall. The church is acting as banker for this project, funds for which have been raised locally and by grants (see page 7 – Patio-garden Project income & payments).

During 2017, £1,000 was transferred from the General Account to the Manse Fund and £5,495 to the Fabric Fund. £5,000 was transferred from the Fabric Fund to the Church of Scotland General Trustees Deposit Account. Subsequently £11,989.73 was taken from that

Deposit Account for the purchase of 1,236 units in the Church of Scotland General Trustees Income Fund.

Reserves Policy

The Trustees' objective is to maintain reserves of at least £30,000, designated for long-term care and maintenance of the fabric of our church building, our one-third share of expenses for upkeep of the linkage manse, and contingencies. At 31 December 2017, the Church held £26,145.47 in cash deposits, plus £17,609.18 in cash for the community patio-garden project, and investments with a market value of £57,014.56.

Statement of Trustees' Responsibilities

The members of the Kirk Session must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of the Church during the financial year. They are responsible for keeping proper accounting records which, on request, must reflect the financial position of the Church at that time.

This must be done to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Regulations Anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007. The members of the Kirk Session are also responsible for safeguarding the assets of the church and must take reasonable steps for the prevention and/or detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf

Signed by D M Campbell

D Murray Campbell, Session Clerk
27 February 2018

Independent Examiner's Report to the Trustees of Carlops Parish Church

I report on the accounts of the charity for the year ended 31 December 2017 which are set out on pages 7-11.

Respective responsibilities of trustees and examiner

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

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

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all of the evidence that would be required in an audit and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1 which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations
- have not been met, or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name:

Signed by J S Macnab

J S Macnab, LLB, CA, CTA

Address: 1 Medwyn Drive, West Linton, EH46 7HW

Date: 17 March 2018

Carlops Parish Church of Scotland

Receipts and Payments Account								
Year ended 31 December 2017								
			Gen Acc	Fabric Acc	Manse Acc	Total	Total	
			Unrestricted	Designated	Designated	2017	2016	
Receipts church								
	Open plate cash donations		3,772.97			3,772.97	3,033.77	
	Gift-aided donations		13,846.60			13,846.60	15,110.27	
	Gift Aid tax recovered		5,758.31			5,758.31	4,472.56	
	Other cash donations		3,203.80			3,203.80	2,862.85	
	Bank and deposit interest			90.23		90.23	112.69	
	Investment income			1523.45		1,523.45	1,523.45	
	Receipts (A)		26,581.68	1,613.68	0.00	28,195.36	27,115.59	
Receipts other								
	Traidcraft sales receipts		1,430.05			1,430.05	1,729.55	
	Funds raised for 3rd parties		2,425.25			2,425.25	3,665.52	
	Patio-garden project funds		4,941.00	12,500.00		17,441.00	137.00	
	Refunded payments*		1,563.62			1,563.62		
	Receipts (B)		10,359.92	12,500.00	-	22,859.92	5,532.07	
	TOTAL RECEIPTS (A+B)		36,941.60	14,113.68	-	51,055.28	32,647.66	
Payments church								
	Payments church activities (C)		19,942.87	11,989.73	35.00	31,967.60	25,466.14	
Payments other								
	Traidcraft stock purchase		1,367.38			1,367.38	1,376.73	
	Payments to 3rd parties		2,727.08			2,727.08	3,845.85	
	Patio-garden Project		787.82	5,880.82		6,668.64		
	Refundable payments*		1,563.62			1,563.62		
	Payments other (D)		6,445.90	5,880.82	-	12,326.72	5,222.58	
	TOTAL PAYMENTS (C+D)		26,388.77	17,870.55	35.00	44,294.32	30,688.72	
	SURPLUS/(DEFICIT) (A+B)-(C+D)		10,552.83	- 3,756.87	- 35.00	6,760.96	1,958.94	
	* £1,468.62 to replace damaged noticeboard refunded by demolisher.							
	£95 donation to John Muir trust made twice; second payment refunded							
	** See details page 10							

Carlops Parish Church of Scotland

Receipts and Payments Account Year ended 31 December 2017

	Unrestricted Funds 2017	Unrestricted Funds 2016
Bank & Cash Balances		
Opening balances at 1 Jan	31,498.69	29,589.75
Surplus/Deficit in the year	<u>6,760.96</u>	<u>1,908.94</u>
Balance at 31 December	<u>38,259.65</u>	<u>31,498.69</u>
Assets		
Fairtrade stock value	£356.45	
Liabilities		
Community Patio-garden Project	£12,114	
Myeloma UK	£160	
Matiti School Project	£479	
Electricity Nov/Dec	£500	

During the year the following sums were collected on behalf of third parties:

BBC Children in Need	£70
Eco-congregation Scotland	£100
CHAS	£100
DEC East Africa	£154
Fresh Start	£351.64
Raven Trust	£186.44
Mary's Meals	£1,400
Broomhill Day Centre	£100
John Muir Trust	£95
McMillan	£170
	£2,727.08

The accounts were approved by the Kirk Session on
For and on behalf of the Kirk Session

Session Clerk D Murray Campbell
Signed 27 Feb 2018

Treasurer Mary McElroy
Signed 27 Feb 2018

Carlops Parish Church of Scotland
Notes to the Accounts

1 Trustees Remunerations and Related Party Transactions

Minister's Travel £172.80; Manse Council Tax and Insurance £808.83. No other Trustee received any form of remuneration or payment for expenses.

2 Movements in Funds

	At 1 Jan 2017	Incoming Resources	Outgoing Resources	Transfers In(out)	At 31 Dec 2017
Unrestricted Funds					
General Fund	4,503.17	36,941.60	26,388.77	- 6,495.00	8,561.00
Designated Funds					
Fabric Fund*	9,511.87	1,613.68		- 5,000.00	6,125.55
Gen Trusts Dep Fund**	16,500.00		11,989.73	5,000.00	9,510.27
Patio-garden Project***	-	12,500.00	5,880.82	5,495.00	12,114.18
Manse Fund	983.65		35.00	1,000.00	1,948.65
Total Funds	31,498.69	51,055.28	44,294.32	-	38,259.65
* £5,000 was transferred from HBOS account to Gen Trust Dep Fund					
** £11,989.73 was invested in the General Trustees Income Fund on 13th October 2017					
*** Grants and funds raised in the community for this specific project to be completed during 2018.					

Purpose of Unrestricted Funds

General Fund

To meet day to day expenses of Carlops Church and congregation

Purpose of Designated Funds

Fabric Fund

Money set aside for repair and maintenance of the fabric of the church. Presently includes funds generated specifically for Patio-Garden Project to be completed during 2018.

Manse Fund

This is a fund held by St Andrew's Church into which all three linkage churches contribute equally for upgrading the fabric of the Manse. It has no direct income but is funded by transfer from other Funds as required by the Kirk Session.

Carlops Parish Church of Scotland

Notes to the Accounts cont.

3	Analysis of payments	2017	2016
		£	£
	Charitable activities		
	Ministries & Mission allocation	10,200.00	10,880.00
	Presbytery dues	310.00	331.19
	Local staffing costs		
	Minister's travel expenses	172.80	869.75
	Minister's other expenses	169.62	503.71
	Pulpit supply	571.69	350.45
	Locum costs	853.97	
	Building costs		
	Fabric works	804.00	2,532.00
	Fabric maintenance	751.75	956.09
	Electricity	1,833.99	1,896.36
	Insurance	960.70	969.17
	Manse costs		
	Council tax & insurance	808.83	722.69
	Share of repairs & maintenance	541.72	877.50
	Other local costs		
	Supplies domestic/cleaning	267.67	368.91
	Outreach activities & supplies	904.12	887.67
	Other expenses	792.01	2,028.65
	Total charitable activities	<u>19,942.87</u>	<u>24,174.14</u>
	Payments to other charities	2,727.08	3,845.85
	Traidcraft purchase supplies	1,367.38	1,376.73
	Payments for patio-garden project	787.82	
	Overpayments refundable	1,563.62	
	Total payments	<u>26,388.77</u>	<u>29,396.72</u>
	Governance costs		
	Independent examiner's fee	0	0

Carlops Parish Church of Scotland
Notes to the Accounts (cont)

4 Analysis of Net Assets between Funds							
				General	Fabric*	Manse	Total
				£	£	£	£
Current & Savings Accounts				8,561.00	27,750.00	1,948.65	38,259.65
Investment (cost) Growth Fund				4,000.30			37,434.00
Investment (cost) Income Fund**				13,232.26			15,375.84
Investment (cost) Bequest Fund				2,004.34			4,204.34
Investments (market value at 31 Dec)							<u>57,014.18</u>
<i>* Fabric Fund holds £15,635.82 in Carlops Church funds</i>							
<i>plus £12,114.18 for the community Patio-garden Project due to complete Spring 2018</i>							
<i>** Additional units purchased during 2017</i>							
Movement in investments during 2017							
£5,000 was transferred from the Fabric Fund to the CofS General Trustees Deposit Account.							
Thereafter £11,989.73 was paid from that Deposit Account to purchase 1,236 units							
in the Church of Scotland Income Fund.							

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all minister' 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 stipend for a minister with five years' service or more was £32,743.