

**The Church of Scotland
Helensburgh Parish Church**

**TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE
YEAR ENDED 31st DECEMBER 2019**



**Congregation No: 181225
Scottish Charity No: SC 012053**

Helensburgh Parish Church
Trustees' Annual Report
Year ended 31 December 2019

The trustees present the annual report and accounts for Helensburgh Parish Church for the year ended 31 December 2019.

The financial statements have been prepared in accordance with the accounting policies set out later in this document 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

Helensburgh Parish Church (HPC) is now the sole Church of Scotland congregation in the town. It was formed in 2015 in the last of a series of unions between congregations. HPC is linked with Rhu & Shandon: the two congregations share a ministry team but are otherwise independent, controlling their own property and funds.

As part of the Church of Scotland, HPC has a distinctive call and duty to bring the ordinances of religion to all the inhabitants of the parish. 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. We strive to have an active, vibrant and outwardly caring spirit that responds to the needs of the community, acting where appropriate in co-operation with other Christian denominations in the area.

Our vision is that the church becomes the place to be for as many local people as possible, whether active church members or not: a place where they can find support, friendship, an activity to enjoy, or just a place to sit and talk. Activities offered in pursuit of the vision include worship services, youth organisations, house and fellowship groups, pastoral care, outreach activities and social events. These activities are discussed in detail below.

Achievements and Performance

2019 saw many positive achievements, but ended on a note of uncertainty resulting from pending changes in the national church, at Presbytery and within our own congregation. This was compounded by the news that our Associate Minister, Tina Kemp, has had to step aside from her duties due to illness, from November until at least summer 2020. On a happier note, Ian Millar, the probationer minister who started with us in January 2019 and was ordained a year later, has grown into an important role in the life of the church.

In June the Kirk Session agreed to move from the Model Form to a Unitary Constitution, where the Session is responsible for temporal as well as spiritual affairs. This is a simpler organisation, with fewer layers and fewer meetings, and is the only one now recommended by the national church. Agreement for the change did not come through until November, and coincided with the launch of our long-awaited strategic plan, as well as news of Tina's illness and discussion of options for merging Dumbarton with other Presbyteries. So it is taking some time to flesh out the detail of how the new organisation will work in practice, and how the different elements of the strategic plan will be taken forward.

Ministry and Worship

Worship style and timing continued to evolve. Thought-provoking services were led by the Christian Action Team on the theme of Refugees, and by the choir on the role of music in worship. Wednesday Worship services sometimes had standing room only. At Christmas the Christingle United service attracted non-church families, and the Watchnight and Christmas Day services were attended by visiting family members of the congregation. The high standard of music under our Music Director Derek Clark is an important element in all our worship. We have seen a steady trickle of new faces on Sunday mornings; and 5 new members were welcomed by profession of faith at a service in May – the first in some years.

Taizé services were introduced on a weekday afternoon, so far with small numbers; and an initial Sunday evening Praise Night was well supported. An informal Café Church ran throughout the autumn to discuss big questions of faith and science, with a small but committed group. Joint services with our linked congregation of Rhu & Shandon proved more of a challenge, as members tended to attend only the services in their own building.

The Youth Strategy has made heartening progress, with more children coming to Young Church, and 22 youngsters regularly taking part in church activities - including a group of teenage boys who run the Audiovisual desk during services. Holiday clubs were over-subscribed, mainly with non-church children. A Family Challenge social evening organised jointly by the Congregational Life and Youth Teams also proved popular.

Start-up activities in the second half year comprised a monthly Movie Night with popcorn, and the weekly Toasted Café where children can come in after school to do homework, and get both food and help. We are maintaining links with baptismal families who are invited to all events; and the Director of Youth and Families Ministry is visiting each family personally on the baptism anniversary. However, the planned 'Fuel' advent study group for older teens clashed with mock exams, and it is proving difficult to find new leaders for the Boys' and Girls' Brigades.

Life of the Congregation

Social events continued in number and variety. The 'Cheer Up It's Gloomy' party was held in January, and later in the year Food and Fellowship evenings on Chinese and Egyptian themes – the latter including the first ever belly dancing demonstration in the Church of Scotland! Monthly Sunday lunches and barbecues, and summer fundraising coffee mornings continued, and 20 members of the congregation again took part in a Church Family Weekend at SU Gowanbank.

An excellent Pastoral Care Conference was held in November, jointly by Helensburgh and Rhu & Shandon Kirk Sessions. The Pastoral Care group continued visiting the housebound, organise transport to church, distribute flowers, and services were recorded and distributed by CDs to those unable to attend. Christmas parcels were delivered to 53 older members.

Ladies' and Mens' Fellowship groups met monthly, while the two House Groups continued with 6-8 members each.

An inventory of volunteers was carried out as part of developing the strategy, which showed that over 200 people regularly give of their time and talents to church or church-sponsored activities. There is however a small group who are doing too much; and although new people are coming forward there is a reluctance to take on roles with greater responsibility.

Engagement with Community and World

The Christian Action Team, which oversees charitable work, distributed 25 Starter Packs containing basic household goods worth around £80 to persons who are being re-housed by the council. These now include vouchers enabling recipients to spend £20 as they wish at the shop of local charity The Beacon Trust, although only 5 have been cashed in so far. 142 Wellbeing Packs with toiletries were distributed to the homeless.

The congregation continues to support the local Food Bank by donating groceries at the Harvest Service and through the Reverse Advent Calendar, as well as through individual volunteers. In the spring the Food Bank's future came under threat when the Red Cross announced that they were selling the hall where it is housed; we supported the proposed community buy-out of the hall through donations and through collecting petition signatures. Two members of the Christian Action team are now on the steering group.

Easter saw a Grand Bazaar organised by the Congregational Life Team together with several community organisations – outreach and fundraising at the same time. Over £3,700 was raised for 13 local charities, and a similar amount went to church funds.

£4,000 was distributed in donations to local and overseas charitable organisations, and a grant of £3,050 was made to the local Christian youth project Contraflow. A further £1,900 was distributed by the Guild and the Link Group. We continued to donate space in the church halls to organisations supported by the wider family of Christian churches, such as the Child Contact Centre and Christian Aid.

Support of Christian Aid is shared between all the local churches, with HPC hosting a coffee morning in May and a Hymnfest in June; the united churches raised £14,000 altogether. Other events included an Early Christmas Coffee Morning Fayre which made £470 for Knitting for the Needy; the twice-weekly Meeting Place (£1,692) and the regular choir events for Macmillan Cancer Support (£3,212). The Link Group raised £1,464 through their annual Jazz Night, and the Guild £460 from their Spring Fair.

Halls use increased steadily, with 55% of bookings from paying customers, even though we raised letting fees in January. The extra activity has however stretched our current staff and systems. Church members have become involved with helping two customers, the Toddlers Group and the Welcome In Recovery Café.

Infrastructure and Administration

A two-year bottom-up effort to refresh the congregational roll found significant numbers who wish to continue as members even though they do not attend church or participate in activities. This is stretching the traditional district elder system, as older elders retire.

Our long-time cleaner left in March, and her replacement works on Saturday mornings only: weekday locking up is now done by a church member on contract.

Buildings projects in the sanctuary and halls comprised: completing the disabled access ramp to the South door; repairing the stone boundary walls; and laying artificial grass in the garden to make it disabled-friendly and more usable. In the manse, hardwood floors were laid, kitchen windows replaced and the patio re-laid. Doors and windows in the commercial property were replaced. A feasibility study was carried out on turning this property – which adjoins the church – into a dedicated Youth Space.

Although we had purchased a new system for managing donations (Data Developments' Donations Coordinator) and recruited a new Gift Aid Treasurer, the sudden illness and

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subsequent death of her predecessor caught us before there had been time for a proper handover. By the year end however the new system was working, donor data had been refreshed, and for the first time we were able to send out thank-you letters to donors. In the spring we concluded a bottom-up insurance revaluation of buildings and contents. 8 new Protecting Vulnerable Groups (PVG) clearances were received in 2019.

Future plans

While these accounts were undergoing external examination the national Covid-19 emergency erupted, and the church buildings had to be closed from 17 March 2020. The immediate priorities now are to ensure that the life of the church can continue as far as possible using IT and telephone communications, and to ensure that older and more isolated members of the church family receive practical support and pastoral care.

When the emergency is over we will focus on re-establishing normal activities and assessing the impact on our long term plans and finances. Whatever the outcome, we will still need to bed in the new constitution, finalise the remits of the teams, and empower them to deliver the strategic plan with drive and autonomy.

It is not yet clear when the Associate Minister will return from sick leave, and Ian Millar has moved elsewhere, so to make things work elders and office bearers will have to take on more. This will support the Minister and allow him to focus on the things that only he can do, and maintain visibility within the congregation. We will overhaul the communication process between Ministry Team, elders and congregation: this will involve resetting some expectations as Ministers today cannot carry out all the visits and one to one personal relationships that used to exist, given the current work load and increasing demands.

We will continue to evolve the traditional Sunday service, and make it easier for the non-churched to take part, as well as developing alternative styles and times of worship – monthly Taizé, more Praise Nights. A memorial service is planned to thank the people whose legacies are giving us the financial security to dream and plan big things.

Externally, we plan to develop relationships with key groups in the town, especially Navy families moving into the area and migrant families.

The Youth Team are planning new activities in the schools - another Toasted Café afternoon, a lunchtime quiz club, and a Uniform Bank. Messy Church will be revamped in coordination with the Navy Welfare office. The Youth Space project will be developed together with the Buildings and Grounds team. And they will start planning for a Youth Mission trip to the USA in 2021 together with Hickory 1st Presbyterian Church in North Carolina.

All these existing and new activities will need a broader volunteer base. A thank you/re-dedication event is planned to recognise the work of our current volunteers and invite others to give of their time and talents. We will also seek to make it easier for volunteers by simplifying the way we do things: finding a different solution for traditional elders' districts; replacing the current complex multi-system method of managing halls bookings with an integrated booking, invoicing and payments system; and reducing the number of funds.

Last but not least, 2020 will see the 5th birthday of Helensburgh Parish Church, and we will celebrate that even if we are not able to have our planned party in May.

Financial Review

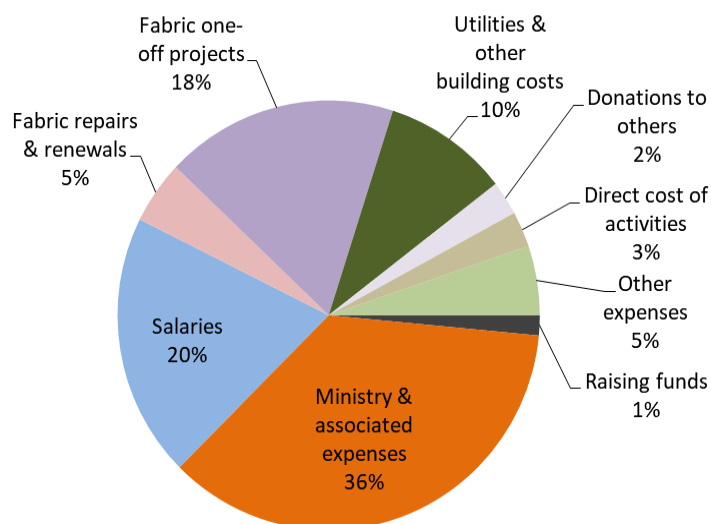
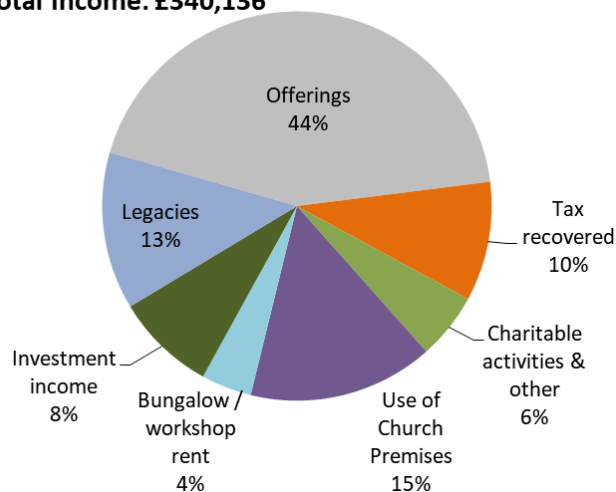
In 2019 the total assets of the congregation increased by £40,984 to £1,970,441. Income was £368,671 less than last year, mainly because we received £389,821 less in legacies than in 2018.

Underlying income went up by £21,150 or 8%. Donations including Gift Aid were down by £2,555: two major donors died in the course of the year and we expect this decline to continue in 2020.

Halls rentals increased by £10,881 – paid booked hours were 25% more than last year in spite of a rate rise in January. The investments made in 2018 yielded £12,186 more in dividends and interest; but the bungalow was unoccupied for 5 weeks so rental was down by £750. Other income was £1,388 up, from the Grand Bazaar – these are held every 3-4 years.

Two legacies were received. The larger one, £34,481, was the final payment from Mrs Jane Paterson, specified 'for the Building Fund, with particular emphasis on access for the walking disabled'. An unrestricted legacy of £10,000 was received from the estate of Mr Robert Pate, and the Trustees decided to allocate this to the Young Church Fund.

Total Income: £340,136



Total Expenditure: £363,416

Underlying expenditure excluding one-off projects was £21,2246 higher than in 2018. Salaries went up by £22,686: this included cover for 5 weeks when the Caretaker was sick, and the first full year of the Youth Director, as well as pay and pension increases. Fabric repairs and planned renewals were £11,183 lower than last year. Building related costs were £5,219 higher: insurance went up after the revaluation, more robust cleaning equipment had to be bought and utilities, cleaning and gardening reflected the higher halls usage.

Cost of raising funds went up by £1,943 due to the higher investment managed by Tilney. Ministry, administration, and other costs rose by £3,190 in total - a combination of inflation and more activity.

We spent £25,230 less on one-off buildings projects than in 2018, although the total was still high at £64,730. This went towards: laying artificial grass in the gardens; repairing the stone boundary wall; completing the South access ramp; replacing doors and windows in the commercial property, and feasibility studies to create a dedicated Youth Space. Thanks to the generosity of Mrs Paterson however the Restricted Fabric Fund still holds £406,282.

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In 2020 we expect offerings income to decline again as the impact of the loss of two major donors works itself out over a full year. However, the number of donors appears to be stable as new members and adherents have joined the regular giving schemes. Our Ministry & Mission contribution for 2020 has increased, but by less than 1%; and the Church of Scotland advises that it will now remain fixed until they have reviewed the entire basis for calculating congregational allocations.

A key element in the Youth Strategy is to create a dedicated Youth Space. Location of this facility is still under consideration, and a decision will need to be made in the summer whether or not to re-let the commercial property.

With the move to the Unitary Constitution the Kirk Session will be responsible for all financial affairs, and the Treasurers have been looking at how to present an overview of how we are doing that cuts across the complexity of the multiple funds and highlights areas for action. Detailed management information about individual funds will continue to be provided for each team.

We believe that we have the financial resources to invest in our future, while at the same time carrying out our normal day to day activities and maintaining our buildings to a high standard. Given our demographics, the biggest financial challenge will be to grow offerings income – this can only be done sustainably by growing the congregation. We trust that the actions we will be taking over the next 3-5 years in both the strategic plan and Youth Strategy will lead to this eventual outcome.

Investment Policy and Performance

With the sale of two churches and manses as well as two substantial recent legacies, the congregation has significant surplus resources. An Investment Committee was formed in 2017 to advise on how to deploy funds that will not be required for the next 5 years. The Committee recommended consolidating these with one stockbroker under a discretionary service. After interviewing two candidates, Tilney - with whom we already had around £100,000 on an execution-only basis - were appointed in April 2018. £290,000 was given to them in 2018, and another £100,000 in two tranches during 2019. Brexit, trade wars and the Corona virus continue to make markets uncertain but the Investment Committee intends to add to this holding gradually.

Our total Tilney investment of £461,18 included a net £26,692 unrealised gain at the year end. We also held £87,879 in 3 Aviva bonds and £149,998 with the Church of Scotland's Growth and Income Funds. Average return on investments for the year was 3.4%.

As well as investments, we held £407,268 in interest bearing deposits at the end of the year, including £173,330 split between a 2-year fixed term bond with Hampshire Trust Bank and a 3-year one with Cambridge & Counties Bank. The average interest rate was 1.2%.

Risk Management

The Trustees recognise the risks inherent in resourcing and delivering a challenging programme of worship and mission in an era of increasing financial constraints and the trend to reduced volunteer effort. They have assessed the major risks to which we are exposed, in particular those related to the operations and finances of the Church and the use of the new building. They are satisfied that systems are in place to mitigate our exposure to the major risks. Risk and control activities include Safeguarding policy, data

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protection policy, health and safety assessments, succession planning for key roles, financial control procedures, credit control on halls users, and quarterly management reporting on all funds. We are insured through the Church of Scotland Insurance Company and the level of cover is reviewed annually to ensure that it is adequate. A bottom-up insurance valuation was completed in early 2019.

Reserves Policy

Over 80% of unrestricted income - excluding legacies - arises in the General Fund. This fund bears the full cost of our allocation to the Ministries and Mission Fund, helping to support the costs incurred by the national church in providing ministers in less affluent areas. In the long term the Trustees aim to raise enough income in the General Fund - 76% of which comes from the congregation's voluntary offerings - to cover day to day expenditure on ministry, staffing, buildings and administrative support.

It is our policy to hold reserves for future expenditure partly in designated funds. At the year end the congregation held unrestricted funds totalling £813,109, an increase on 2018 (£777,332). Of these, £338,038 (2018: £334,252) is designated for Young Church, Congregational Development and benevolent activities, and £258,860 (as 2018) is held as a revaluation reserve on investment properties. £139,556 (2018: £123,007) is designated for fabric and organ refurbishment. Free reserves of £76,655 (2018: £61,213) are held in the Operational Reserve and Arnold Fleming Revenue Funds.

The congregation also held £114,284 (2018: £100,767) in Endowment Funds and £1,043,048 (2018: £1,051,358) in Restricted Funds. These funds have been provided for the purposes specified in Note 17. 53% of the Restricted Funds are represented by the value of the manse at 35 East Argyle St, vested in local trustees.

Structure, Governance and Management

The congregation is a registered charity, administered in accordance with the terms of the Unitary Constitution and subject to the Acts and Regulations of the General Assembly of the Church of Scotland. Charity Trustees comprise members of the Kirk Session, which includes the Minister and Associate Minister.

The Kirk Session is responsible for the spiritual and temporal affairs of the congregation. Its members are ordained elders who serve for life. They are chosen from those in the church who are considered to have appropriate gifts and skills. The Minister is elected by the congregation and inducted by Presbytery. The Session meets at least four times a year in plenary session, and has delegated responsibility for day to day activities to a number of teams. These teams may co-opt non-elders with the appropriate skills and experience to help carry out their tasks.

There are currently five teams, two of which were formed from the former Congregational Board teams:

Worship & Discipleship assists the Ministers in the development of appropriate forms of worship, and nurtures young people and old in the Christian faith through house and fellowship groups, Young Church as well as outreach through the cross-denominational Messy Church. The Youth Forum also forms part of its responsibilities.

Congregational Life promotes social interaction and communicates church activities and the love of Christ to the church the wider community, via social and fundraising events, the magazine 'Connections', and the website.

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Christian Action oversees pastoral care within the congregation, and promotes charitable work in the community both locally and further afield.

Financial Administration looks after the financial affairs of the congregation: donations, payments, bank accounts, bookkeeping, reporting, payroll, pensions, insurance, halls lettings and investment property rental. A separate Investment Committee advises on how to deploy funds that are not required in the short term, and its chairman sits on the Financial Administration Team.

Properties & Systems a new team managing all the properties of the congregation: day-to-day operation of the sanctuary and halls complex, maintenance of buildings and building services, IT, planned fabric renewals, Health and Safety and other regulatory compliance.

The Unitary Constitution came into force only in November 2019 so detailed team remits and membership are still evolving. In particular, it is planned to move Youth Strategy work into a separate Youth Team.

Reference and Administrative Information

Charity Trustees comprise those members of the Kirk Session who served at any time during the year up to the date when the accounts were signed. Until it was dissolved in November, the elected members of the Congregational Board were also Trustees.

Ministers and Kirk Session:

Rev David T Young (Moderator of the Kirk Session), Rev Tina Kemp (on leave due to illness from Nov 2019)

Susan Adams, Annis Anderson, Douglas Bailey (retired May 2019), Andrew Black, Neil Black, Jean Burns, Jean Butler, Kati Byrne, Bobby Caldwell (retired July 2019), Colin Campbell, Lilian Carson, John Christie, Margaret Christie, Elaine Craddock, Kevin Craddock, Elspeth Davis, Ronnie Dunachie, Joanne Fagan, Evelyn Fishwick, Pauline Forrest, Kathleen Gorrie, Roy Greer, Allan Heath (died Oct 2019), Ewan Howieson, Joanne Hulley, Tony Kent, Jinty Kerr (retired Jan 2020), Sandy Kerr, Jane Lindsay, Mary Loudon, Mike Loudon, Michael Low, Patricia Low, Karen Lyall (moved Mar 2019), Hugh McColl, Rosemary McGinley, Diana Macintosh, Neil Macleod, Sheila Mathers, Alistair McMath, John McPherson, David Mitchell, Anne Mitchelson, Karen Mullen (leave of absence from Nov 2018), David Nicoll, June O'Neill, Graham Philips, Jean Ramsay, David Reid, Beatrice Robertson, Douglas Sammon, Elisabeth Sammon, Colin Shannon, David Sinclair, Elizabeth Smith, Kenneth Speirs, Lyndsay Spence, Douglas Stewart, Iain Talman, Anne Thomson, Helen Turnbull, Neil Turnbull, Jean Walker, Eric Wallace, Jim Weldon (retired Jan 2020), Gordon Whitelaw, Douglas Wylie

Congregational Board elected members (until Board dissolved November 2019):

Eileen Drummond, David Forrest, Liz Glover, John Green, Robin Irvine, Vivien Macpherson, Jean Miller, Rosemary Noon, Gillian Ogden, Patricia Porteous, Dick Robertson, Susan Salmon, Angela Shannon, Martin Speller, Peter Steven

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Principal Office-bearers

Minister:	Rev David T Young
Associate Minister	Rev Tina Kemp
Director of Youth & Families Ministry:	Emily Harvey-Cartmell
Session Clerk(s):	Elaine & Kevin Craddock
Chairman, Financial Administration:	David Mitchell
Congregational Treasurer:	Kati Byrne
Funds Treasurer	Colin Shannon
Chairman, Investment Committee	Michael Low
Data Protection Officer	Douglas Bailey (to February 2019) Kevin Craddock (from February 2019)

Principal Office:	The Church Office, 27 Colquhoun Street, Helensburgh G84 8UP
Charity Number:	SC012053
Independent Examiner:	Shona Brown CA Clements, Chartered Accountants 17 Colquhoun Square Helensburgh G84 8AD

Banker:	Bank of Scotland, 26 Colquhoun Square, Helensburgh G84 8AP
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Statistical Return 2019

Members and adherents on congregational roll	880
Average church attendance	210
Number of persons on supplementary roll	0
Average number in Young Church	11
Number of families committed to regular offerings	288
Number of baptisms	9
Number of weddings	1
Number of funerals	9

Trustees' Responsibilities in Relation to the Financial Statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

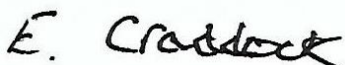
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's independent examiners are unaware
and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the independent examiners are aware of that information.

Approved by the Trustees and signed on their behalf,



E Craddock, K Craddock
Joint Session Clerks
7 May 2020

Independent Examiner's Report to the Trustees of Helensburgh Parish Church Year ended 31 December 2019

I report on the accounts of the charity for the year ended 31 December 2019 which are set out on pages 13 to 26.

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 2006 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 the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 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.



Shona Brown CA

Clements
Chartered Accountants
17 Colquhoun Square
Helensburgh
G84 8AD

3 June 2020

**Independent Examiner's Report to the Trustees of Helensburgh Parish Church
Year ended 31 December 2019**

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Helensburgh Parish Church
Statement of Financial Activities
Year ended 31 December 2019

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
		2019	2019	2019	2019	2018	2018	2018	2018
		£	£	£	£	£	£	£	£
Income and endowments from									
Donations and legacies	1	192,260	36,066	-	228,326	208,543	414,614	-	623,157
Charitable activities	2	14,224	2,596	-	16,820	10,417	2,393	-	12,810
Other trading activities	3	52,333	-	-	52,333	41,452	-	-	41,452
Investments	4	33,654	9,003	-	42,657	28,131	3,090	-	31,221
Other income	5	-	-	-	-	167	-	-	167
Total Income and endowments		292,471	47,665	-	340,136	288,710	420,097	-	708,807
Expenditure on									
Raising funds	6	4,115	1,364	-	5,479	3,071	465	-	3,536
Charitable activities		282,534	75,403	-	357,937	259,313	104,551	-	363,864
Total Expenditure		286,649	76,767	-	363,416	262,384	105,016	-	367,400
Net income/(expenditure) before gains and losses on investments		5,822	(29,102)	-	(23,280)	26,326	315,081	-	341,407
Gains/ (losses) on revaluation and disposal of investments & properties		30,804	19,943	13,517	64,264	(25,415)	95,087	(3,686)	65,986
Net income/(expenditure)		36,626	(9,159)	13,517	40,984	911	410,168	(3,686)	407,393
Transfers between Funds		(849)	849	-	-	(2,534)	2,527	7	-
Net Movement in Funds		35,777	(8,310)	13,517	40,984	(1,623)	412,695	(3,679)	407,393
Reconciliation of Funds									
Funds brought forward at 1 January		777,332	1,051,358	100,767	1,929,457	778,955	638,663	104,446	1,522,064
Funds carried forward at 31st December		813,109	1,043,048	114,284	1,970,441	777,332	1,051,358	100,767	1,929,457

Helensburgh Parish Church
Balance Sheet
At 31 December 2019

			2019 £	2018 £
	Note			
Fixed Assets				
Tangible assets	10	550,000	550,000	
Investment properties	11	266,000	266,000	
Investments	12	<u>699,058</u>	<u>557,179</u>	
		1,515,058		1,373,179
Current Assets				
Debtors	13	14,899	40,090	
Bank Term deposits & Notice accounts		265,902	260,981	
Church of Scotland Investors Trust deposit fund		141,366	166,365	
Other bank accounts		<u>50,814</u>	<u>105,183</u>	
		472,981	572,619	
Creditors				
Falling due within one year	14	<u>(17,598)</u>	<u>(16,341)</u>	
Net Current Assets			455,383	556,278
Net Assets			<u>1,970,441</u>	<u>1,929,457</u>
The funds of the charity				
Endowment funds	17	114,284	100,767	
Restricted funds	17	1,043,048	1,051,358	
Unrestricted funds	17			
General funds		6,477	5,479	
Designated funds		<u>806,632</u>	<u>771,853</u>	
		813,109	777,332	
Total Funds			<u>1,970,441</u>	<u>1,929,457</u>

The accounts were approved by the Kirk Session on 7 May 2020
For and on behalf of the Kirk Session and Congregational Board

E. Craddock

E Craddock
Session Clerk

Kathleen M Byrne

K M Byrne
Treasurer

Helensburgh Parish Church
Statement of Cash Flows
Year ended 31 December 2019

	Note	Total Funds 2019 £	Total Funds 2018 £
Net cash (used)/generated in operating activities	18	(39,489)	300,523
Cash flows from investing activities:			
Interest, dividends and rent		42,657	31,221
Purchases of property		-	-
Proceeds from sale of investments		21,094	85,123
Purchases of investments		(98,709)	(362,366)
Net cash provided by investing activities		(34,958)	(246,022)
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(74,447)	54,501
Cash and cash equivalents brought forward		532,529	478,028
Cash and cash equivalents carried forward	19	458,082	532,529

Helensburgh Parish Church

Year ended 31 December 2018

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 and assessment of going concern

The accounts (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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)
- the Charities and Trustee Investment (Scotland) Act 2005, and
- the Charities Accounts (Scotland) Regulations 2006 (as amended).

The accounts have been prepared under the historical cost convention, modified to reflect the inclusion of investments and heritable property at fair value which is equal to market value.

The trust constitutes a public benefit entity as defined by FRS 102.

Given the significant level of unrestricted funds, the Trustees believe the Church has sufficient resources to meet its obligations during the current Covid-19 pandemic and will be in a position to continue operating. On that basis the Trustees believe it is appropriate for the Accounts to be prepared on the going concern basis.

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.

Income recognition

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 (FRS 102) the general volunteer time of congregation members is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity: 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 recognised as expenditure in the period of receipt.

Legacy gifts are recognised on a case by case basis when the administrator/ executor for the estate has obtained confirmation and communicated in writing both the amount and settlement date or, for interim payments, on receipt.

Helensburgh Parish Church

Year ended 31 December 2018

Accounting Policies

Interest and dividends 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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

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

Tangible fixed assets and depreciation

Tangible fixed assets costing in excess of £5,000 having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Depreciation is charged on a straight-line basis to write off the cost or initial value, less residual value, of such assets over their estimated useful lives.

Expenditure incurred on the repair and maintenance of fixed assets is charged as Expenditure in the Statement of Financial Activities in the period in which the liability arises. Expenditure that improves the property is shown as an addition to the asset value.

Properties used by the Congregation for charitable purposes

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the former West Kirk church and halls, vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets.

Title to the former Park Church sanctuary and halls was vested in local Trustees but subject to an "Assembly Control" clause, under which Church of Scotland General Trustees retained ultimate control over the property. Accordingly, this property was never included in the Church's accounts. When the property was sold in January 2016 the proceeds were received by General Trustees and credited to the Consolidated Fabric Fund (CFF) to be held on behalf of the congregation. The whole balance on the CFF was drawn down and spent during 2016 on two major building projects.

The Manse on Argyle Street is occupied by the Minister as his primary residence. Title to the property is vested in local Trustees, and it is included in the accounts at its estimated market value based on vacant possession. A full valuation is made every five years by independent professional valuers, and in the intervening years this valuation is reviewed by the Trustees and updated in the context of any significant changes in the local residential property market.

The Trustees have considered how the policy of charging depreciation on asset values (net of estimated residual values) should be applied to the Argyle St Manse. The property has been used as a manse for 61 years and was last valued at more than 70 times the cost paid when it was acquired by a predecessor congregation. The Trustees consider that the Manse will have a residual value equal to or in excess of its carrying value in these accounts and that the applicable rate of depreciation charged should be 0%.

Helensburgh Parish Church

Year ended 31 December 2018

Accounting Policies

Investment properties

Title to a dwelling house and commercial property adjacent to the church is vested in local Trustees. The dwelling house provided office/meeting accommodation for the church whilst the new halls were being constructed but both properties are now rented out at commercial terms to provide income. Accordingly they have now been reclassified as investment properties. They are included in the accounts at fair value which is based upon a market value established by independent professional valuers every five years. In the intervening years this valuation is reviewed by the Trustees and updated in the context of any significant changes in the local property market.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

Investments and investment income is allocated across all funds in proportion to their value, with the exception of Endowments which are backed by specific units in the Church of Scotland Investment Trust's Growth Fund. This adjustment to previous practice was approved by the Board in September 2017.

Investment income from endowments is paid into the fund(s) that meet the purpose specified by the donor.

Fees and service charges from an investment management company are allocated across all funds in the same proportion as investment income.

Realised and unrealised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between net sales proceeds and original cost. Unrealised gains and losses are calculated as the difference between the valuation of investments at the balance sheet date and their original purchase price, or if they have been previously valued, their valuation at the last balance sheet date. The movement in unrealised gains and losses recognised in the year also includes the reversal of unrealised gains and losses recognised in earlier years in respect of investment disposals in the current period.

Taxation

Helensburgh 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 but may, in certain circumstances, recover VAT on works of repair and maintenance through the Listed Places of Worship Grant Scheme. Otherwise resources expended include irrecoverable input VAT.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2019

	Unrestricted	Restricted	Endowment		Unrestricted	Restricted	Endowment	
	Funds	Funds	Funds	Total	Funds	Funds	Funds	Total
	2019	2019	2019	2019	2018	2018	2018	2018
	£	£	£	£	£	£	£	£
1 Donations and Legacies								
<i>Normal income</i>								
Offerings	147,104	1,060	-	148,164	151,338	220	-	151,558
Tax recovered on Gift Aid	33,402	300	-	33,702	32,808	55	-	32,863
Legacies	10,000	34,481	-	44,481	20,712	413,590	-	434,302
Other	1,754	225	-	1,979	3,685	749	-	4,434
	192,260	36,066	-	228,326	208,543	414,614	-	623,157
Grants	-	-	-	-	-	-	-	-
	192,260	36,066	-	228,326	208,543	414,614	-	623,157
2 Income from charitable activities								
Weddings and funerals	800	-	-	800	1,260	-	-	1,260
Congregational Life events	1,989	-	-	1,989	1,423	-	-	1,423
Wednesday lunches	1,603	-	-	1,603	1,782	-	-	1,782
Coffee Time	1,557	-	-	1,557	1,588	-	-	1,588
Coffee mornings	7,652	-	-	7,652	3,832	-	-	3,832
Musical events	-	2,596	-	2,596	-	2,393	-	2,393
Other	623	-	-	623	532	-	-	532
	14,224	2,596	-	16,820	10,417	2,393	-	12,810
3 Income from other trading activities								
Use of Church premises	52,333	-	-	52,333	41,452	-	-	41,452
	52,333	-	-	52,333	41,452	-	-	41,452
4 Income from Investments								
Dividends received	15,177	6,947	-	22,124	11,220	2,753	-	13,973
Deposit interest	4,227	2,056	-	6,283	1,911	337	-	2,248
Bank interest	-	-	-	-	-	-	-	-
Bungalow / workshop rent	14,250	-	-	14,250	15,000	-	-	15,000
	33,654	9,003	-	42,657	28,131	3,090	-	31,221
5 Other Income								
Transfer from Church of Scotland General Trustees Consolidated Fabric Fund	-	-	-	-	167	-	-	167
	-	-	-	-	167	-	-	167

The Church withdrew all its holdings in the Consolidated Fabric Fund to cover part of a major buildings renewal project in 2015/16. These holdings represented the sale of the former Park Church sanctuary and halls. However, some late interest income had been allocated to the account, and this was drawn down in January 2018. This is in unrestricted funds.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2019

	Unrestricted Restricted Endowment				Unrestricted Restricted Endowment			
	Funds	Funds	Funds	Total	Funds	Funds	Funds	Total
	2019	2019	2019	2019	2018	2018	2018	2018
	£	£	£	£	£	£	£	£
6 Analysis of Expenditure								
Raising Funds								
Investment management costs	2,654	1,364	-	4,018	1,779	465	-	2,244
Letting fees & offering envelopes	1,461	-	-	1,461	1,292	-	-	1,292
	<u>4,115</u>	<u>1,364</u>	<u>-</u>	<u>5,479</u>	<u>3,071</u>	<u>465</u>	<u>-</u>	<u>3,536</u>
Charitable Activities								
Ministries and Mission allocation	122,869	-	-	122,869	122,531	-	-	122,531
Presbytery dues	1,191	-	-	1,191	1,423	-	-	1,423
Ministry expenses	6,684	-	-	6,684	6,170	-	-	6,170
Other salary costs	72,230	-	-	72,230	49,544	-	-	49,544
Ordinary Fabric Repairs & Maintenance	17,271	-	-	17,271	25,682	2,772	-	28,454
Extraordinary Fabric Repairs & Maintenance	-	64,730	-	64,730	-	89,960	-	89,960
Insurance	10,385	-	-	10,385	8,697	-	-	8,697
Heating, lighting, water	15,693	-	-	15,693	14,386	-	-	14,386
Other buildings costs	6,850	-	-	6,850	4,700	-	-	4,700
Manse Council Tax	1,974	-	-	1,974	1,900	-	-	1,900
Donations to organisations & people	4,040	5,301	-	9,341	5,550	4,400	-	9,950
Organ, music and performers	-	2,159	-	2,159	-	2,525	-	2,525
Direct cost of activities	4,995	2,586	-	7,581	5,342	3,691	-	9,033
Other local expenses	15,952	627	-	16,579	10,088	1,203	-	11,291
Depreciation	-	-	-	-	-	-	-	-
Loss on disposal of property	-	-	-	-	-	-	-	-
Examiner's /Audit fee	2,400	-	-	2,400	3,300	-	-	3,300
	<u>282,534</u>	<u>75,403</u>	<u>-</u>	<u>357,937</u>	<u>259,313</u>	<u>104,551</u>	<u>-</u>	<u>363,864</u>
Total	<u>286,649</u>	<u>76,767</u>	<u>-</u>	<u>363,416</u>	<u>262,384</u>	<u>105,016</u>	<u>-</u>	<u>367,400</u>

Support costs have not been separately identified as the trustees consider there is only one charitable activity and therefore all support costs relate to it alone.

The audit in 2018 generated £230 in bank charges in 2019. Banks and building societies were asked to provide direct confirmation to the auditors of the amount in each bank account: 7 current and 2 deposit accounts. These charges came through only after the 2018 accounts had been finalised.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2019

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

7 Staff costs and numbers

	2019 £	2018 £		2019 Number	2018 Number
Salaries and wages	66,719	47,807	Ministry assistance	1	1
Social security costs	-	-	Administration	1	1
Employer's pension contribution	1,205	441	Organist	1	1
	<u>67,924</u>	<u>48,248</u>	Premises maintenance	3	3
				<u>6</u>	<u>6</u>

No employee had employee benefits of over £60,000 (2018 - nil). 4 employees work 1 day or less per week.

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employers' contributions for national insurance, pension, and housing and loan fund. Ministers are paid according to the national stipend scale, which is related to years of service. For 2019 the minimum was £27,585 and the maximum stipend in the fifth and subsequent years was £33,899.

8 Trustee Remuneration and Related Party Transactions

During the year the Ministry Team received reimbursement of travelling expenses of £5,458 (2018:£5,927). The charity paid Council Tax and telephone charges for the Manse and for mobile phones totalling £3,712 (2018: £3,489). Continuing Professional Development expenses of £13 (2018: £67) were also paid. These expenses were shared with the linked congregation of Rhu & Shandon in the proportion 4:1.

One trustee received £1,264 as remuneration as holiday cover for the Halls Administrator.

One trustee received £2,006 as remuneration for locking up the church and halls on weeknights.

Mr Jeremy Bailey, a close family member of Mr Douglas Bailey of the Kirk Session, received £673 (2018: £445) for IT support.

Two trustees received payments totalling £330 in reimbursement of training costs.

Other than as disclosed above, no trustee or a person related to a trustee received any remuneration or had any personal interest in any contract or transaction entered into by the charity during the year.

During the year a total of £43,592 (2018: £46,360) was donated to the congregation by trustees.

9 Independent Examiner's / Auditor's Remuneration

The independent examiner's remuneration of £2,400 related entirely to examining this year's books. In 2018 there was an audit fee of £3,300. Additional costs of £230 in 2019 were bank charges made in 2019 for issuing confirmation letters for all the accounts.

10 Tangible Fixed Assets

	Properties used as a Manse £	Other Property £	Total 2019 £	Total 2018 £
Cost or Valuation				
At 1 January 2019	550,000	-	550,000	430,000
Reclassification	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluation adjustment	-	-	-	120,000
At 31 December 2019	<u>550,000</u>	<u>-</u>	<u>550,000</u>	<u>550,000</u>
Accumulated Depreciation				
At 1 January 2019	-	-	-	-
Charge for the period	-	-	-	-
Eliminated on Disposals	-	-	-	-
At 31 December 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value				
At 31 December 2019	<u>550,000</u>	<u>-</u>	<u>550,000</u>	<u>550,000</u>
At 1 January 2019	<u>550,000</u>	<u>-</u>	<u>550,000</u>	<u>430,000</u>

The Manse in East Argyle Street was purchased in May 1957 for £5,650 but the historical cost was not originally included in the church accounts. The building had originally been valued on an open market basis at end December 2015 when it was brought into the accounts after the union with Park Church. A new valuation was obtained in early February 2019 from Allied Scotland surveyors which gave a value of £550,000. The Trustees consider that the fair value of the property at 31 December 2019 would not be significantly different.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2019

11 Investment Properties

	Investment Property	Total 2019	Total 2018
Cost or Valuation	£	£	£
At 1 January 2019	266,000	266,000	266,000
Reclassification	-	-	-
Additions	-	-	-
Disposals	-	-	-
Revaluation adjustment	-	-	-
At 31 December 2019	<u>266,000</u>	<u>266,000</u>	<u>266,000</u>
Net Book Value			
At 31 December 2019	<u>266,000</u>	<u>266,000</u>	<u>266,000</u>
At 1 January 2019	<u>266,000</u>	<u>266,000</u>	<u>266,000</u>

Investment properties comprise a dwelling house and commercial property in West King St, adjacent to the Church site. The historical cost of these properties is not known as they were not originally included in the church accounts. The dwelling house provided office/meeting accommodation for the church whilst the new halls were being constructed but both properties are now rented out at commercial terms to provide income. Accordingly they were reclassified in 2017 as investment properties, and an open market valuation was obtained at the end of 2017 from a local estate agent. The Trustees consider that the fair value of these properties at 31 December 2019 would not be significantly different to their value at 31 December 2017. It is planned to convert the commercial property for church use during 2020 but a final decision has not been taken.

12 Investments

	2019 £	2018 £
Market value at 31 December 2018	557,179	333,950
Add: Additions to investments at cost	98,709	362,366
Less: Disposals	(21,094)	(85,123)
Add: Increase/(decrease) in gains	64,264	(54,014)
Market value at 31 December 2019	<u>699,058</u>	<u>557,179</u>
Investments at cost	<u>597,052</u>	<u>530,592</u>
The following investments are held:		
Equity shares	393,218	274,516
Government bonds	58,254	51,971
Other bonds	87,879	89,950
Real assets	9,709	6,663
Church of Scotland Growth Fund	125,723	110,853
Church of Scotland Income Fund	24,275	23,226
	<u>699,058</u>	<u>557,179</u>

In May 2018 the Trustees decided to invest additional cash through a stockbroker to increase investment income. Tilney was selected, with an aim to manage for income while also maintaining the real value of the investment. An additional £100,000 was transferred into this holding during 2019 (2018: £290,000). During the year Tilney charged management fees of £4,018 (2018: £2,244) which have been paid from the capital account rather than netted off against dividends.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value.

The charity considers that it has invested in lower risk investments and that the performance of these investments poses no significant risk to its financial position.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2019

13 Debtors

	2019	2018
	£	£
VAT recoverable under Listed Places of Worship scheme	2,330	24,688
Prepayments	3,684	2,177
Gift Aid Tax Refund Due	7,595	9,079
Investment income and legacies receivable	292	2,191
Rental income receivable	503	300
Other	495	1,655
	<u>14,899</u>	<u>40,090</u>

14 Creditors

	2019	2018
	£	£
Church of Scotland	1,094	1,149
Accruals	9,307	9,762
Prepayments & key deposits for halls rentals	1,716	514
MacMillan Cancer Support ('Come and Sing' collection)	3,430	3,191
Funds held for Well Being Packs project	1,120	668
Other	931	1,057
	<u>17,598</u>	<u>16,341</u>

15 Analysis of Net Assets Among Funds

	General	Designated	Restricted	Endowment	Total
	£	£	£	£	£
Tangible Fixed Assets			550,000	-	550,000
Investment Properties		266,000			266,000
Investments	-	354,958	229,816	114,284	699,058
Building Society Notice Accounts	-	104,765	161,137	-	265,902
Church of Scotland Investors Trust - Deposit Fund	-	55,698	85,668	-	141,366
Bank Accounts and other cash	5,084	25,303	20,427	-	50,814
Current Assets	13,450	1,388	61	-	14,899
Current Liabilities	(12,057)	(1,480)	(4,061)	-	(17,598)
Net assets at 31 December 2019	<u>6,477</u>	<u>806,632</u>	<u>1,043,048</u>	<u>114,284</u>	<u>1,970,441</u>

16 Volunteers

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

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2019

17 Movements in Funds

	At 1 Jan 2019 £	Incoming Resources £	Outgoing Resources £	Investment Gains & Losses £	Transfers In / (Out) £	At 31 Dec 2019 £
Endowment funds						
Smellie Fund	45,279	-	-	6,074	-	51,353
Galbax Fund	10,676	-	-	1,433	-	12,109
Arnold Fleming - capital	36,546	-	-	4,902	-	41,448
Miss FS Wilson Legacies	8,266	-	-	1,108	-	9,374
	<u>100,767</u>	<u>-</u>	<u>-</u>	<u>13,517</u>	<u>-</u>	<u>114,284</u>
Restricted funds						
Fabric Fund	417,715	38,410	(65,465)	15,622	-	406,282
Manse Property Reserve	550,000	-	-	-	-	550,000
Kirk Session Benevolent Fund	46,254	3,484	(2,423)	3,124	328	50,767
Christian Action Fund (Starter Packs)	6,804	748	(2,267)	208	-	5,493
Music Fund	13,100	3,918	(2,528)	781	521	15,792
Flower Fund	4,163	318	(324)	208	-	4,365
McLaren Bequest	13,322	787	(3,760)	-	-	10,349
	<u>1,051,358</u>	<u>47,665</u>	<u>(76,767)</u>	<u>19,943</u>	<u>849</u>	<u>1,043,048</u>
Unrestricted funds						
Fabric Fund	92,277	18,934	(13,967)	7,811	-	105,055
Organ Rebuild Fund	30,730	720	(153)	3,204	-	34,501
Property Reserve (Non worship)	258,860	-	-	-	-	258,860
Link Group	544	2,725	(1,640)	-	(850)	779
The Guild	250	939	(535)	-	(400)	254
Christian Action Fund (general)	784	1,634	(2,090)	-	(328)	-
Congregational Development Fund	323,487	8,338	(29,791)	14,581	-	316,615
Legacy Fund	-	10,000	-	-	(10,000)	-
Young Church Fund	9,187	1,498	(1,336)	1,041	10,000	20,390
Operational Reserve Fund	55,734	-	-	4,167	10,277	70,178
	<u>771,853</u>	<u>44,788</u>	<u>(49,512)</u>	<u>30,804</u>	<u>8,699</u>	<u>806,632</u>
General Fund	-	236,009	(231,804)	-	(4,205)	-
Kirk Session Teams Fund	-	10,412	(5,069)	-	(5,343)	-
Arnold Fleming - revenue	5,479	1,262	(264)	-	-	6,477
	<u>777,332</u>	<u>292,471</u>	<u>(286,649)</u>	<u>30,804</u>	<u>(849)</u>	<u>813,109</u>
Total funds	<u>1,929,457</u>	<u>340,136</u>	<u>(363,416)</u>	<u>64,264</u>	<u>-</u>	<u>1,970,441</u>

Purposes of Endowment Funds

- **John Smellie Fund:** the income arising from this legacy is split with 2/3 going to the Young Church and 1/3 to the Choir, as required by the donor.
- **Galbax Fund:** anonymous donations received in 1980 and 1984, the income from which is shown in the General Fund as required by the donor.
- **J. Arnold Fleming Fund:** gifts of money and investments received from Mr J A Fleming from 1949-1963 were credited to a Special Endowment Fund.
 In 1954 the J. Arnold Fleming Fund was established through a gift of stocks, with the stipulation that the income was to be used by the Kirk Session for social work within the parish and for other charitable or benevolent purposes deemed proper by them. Following Mr Fleming's death in 1966, in accordance with his wishes, the two funds were amalgamated. Income is used to pay for Young Church outings and for other local purposes.
- **Miss F.S. Wilson Legacies to the Trustees and the Guild for Mission work:** Two legacies received in 1966, the income from which is received directly by the Church of Scotland World Mission and National Mission Funds.

Helensburgh Parish Church

Notes forming part of the financial statements

Year ended 31 December 2019

Purposes of Restricted Funds

- **Fabric Fund:** This fund was created in 2014 when the former St Columba manse at 46 Suffolk St, vested in Local Trustees, was included in the accounts for the first time. The property became surplus as a result of the union with Park Church and was sold in December 2015. Going forwards, this fund will be used to pay for one-off fabrics projects of a capital nature.
- **Manse Property Reserve:** This fund was created to record the initial carrying amount of the manse at 35 East Argyle St, vested in Local Trustees, which was transferred to Helensburgh Parish Church in 2015 as a result of the union with Park Church.
- **Outreach & Benevolent Fund (was Kirk Session Benevolent Fund):** Bequests received in 1931 and 1961 established a fund whose income is used for charitable distributions at the discretion of the Minister and Kirk Session. Three similar funds from Park Church were added in 2015. In 2016 the trustees decided to add the Anderson and Macnaughton Trusts, benevolent funds inherited from the former St Columba Church, into this Fund. In September 2019 the residue of the Christian Action Fund was also added.
- **Christian Action Fund for Starter Packs:** Formerly 'Outreach Starter Packs'. Part of the Christian Action Fund where moneys are gifted to provide for young people looking to set up their first home and latterly for homeless who are being re-housed.
- **Music Fund:** The fund was created from the surplus of an appeal for the refurbishment of a grand piano. The residual balance remaining in the Hymn Book Replacement Fund was added to this fund in 2008. It also includes the surpluses arising from the 'Sunday at Seven' series of concerts arranged by the Church Organist, funded by retiring collections. The fund is used to pay for choir music, concert performers' fees, purchase and maintenance of musical instruments, and other similar activities.
- **Flower Fund:** moneys are gifted to provide flowers for display during services of worship, these flowers being subsequently delivered to members who are in hospital, ill or housebound. The fund is also used for other floral requisites eg. Christmas decorations.
- **Miss C.D. McLaren's Bequest Fund:** a legacy received in 1980 by a predecessor congregation (St Bride's church) was used to establish this fund. Miss McLaren desired that the bequest be used to assist young people connected with the church and also elderly members of the Congregation in need. In recent years, the income has been used to support work with young people in the town, such as Contraflow and the Boys' and Girls' Brigades.

Purposes of Designated Funds

- **Fabric Fund:** The Trustees have set aside funds for the general maintenance of the properties which are owned and managed by the congregation. Going forwards, this fund will pay for planned renewals over a 7-year cycle as well as major repairs.
- **Organ Rebuild Fund :** The Trustees have set aside funds for the periodic major overhaul which the church organ requires.
- **Property Reserve (non-worship):** This fund was created in 2014 when two investment properties, vested in Local Trustees, were included in the accounts for the first time. The fund is a reserve for revaluations of these properties. The two properties are:
 - i) a bungalow at 39 West King St. It was formerly used as a dwelling house by the church caretaker, then let commercially. Was used temporarily for meetings and storage while the halls were being rebuilt, it was refurbished and let again in 2017.
 - ii) commercial premises at 41 West King St - currently let to a stationery business
- **The Guild:** The Guild manage their own funds in accordance with the rules of the Guild - all surplus funds are donated to charity.
- **Link Group :** This group was formed to provide a link between the former Young Wives Group and the Guild. The group manages its own funds in accordance with its own rules.
- **Christian Action Fund (general):** Formerly called 'Outreach Fund'. A group was established in 1983 to provide support to people in suffering and need. Funds are managed by the Christian Action Team and applied to deserving causes, locally, nationally and overseas. This Fund has been running down and in September 2019 the small residual amount was rolled into the Outreach & Benevolent Fund.
- **Congregational Development Fund:** This fund was created in late 2017 when the Trustees decided to devote the Samuel Murray legacy of £324k to fund initiatives to grow the congregation, especially among young people and families. The Director of Youth Ministry is paid from this fund, along with other expenditure to support implementing the strategy.
- **Legacy Fund:** Unrestricted legacies are initially credited to this fund, until the Trustees decide how the funds should be used.
- **Young Church Fund:** The Trustees have set aside funds for use by the Young Church.
- **Operational Reserve Fund:** This was set up in late 2017 to provide a pooled reserve to cover the activities of the Kirk Session Teams Fund and General Fund. The former Kirk Session Reserve Fund was rolled into the ORF, and transfers made from the unrestricted J Arnold Fleming Revenue and Fabric Funds. Going forwards, both the General Fund and the Kirk Session Teams Fund will operate with zero opening and closing balance: any surplus will go to the ORF and any deficits be covered from it.
- **Kirk Session Teams Fund:** This was set up in 2017 to allow the Kirk Session's Worship & Discipleship and Congregational Life Teams to manage their own activities outside the General Fund managed by the Board. The opportunity was taken to roll the Coffee Time activity into this fund. Since Meeting place is now wholly devoted to raising funds for third parties, the former Coffee Time/ Meeting Place fund was closed in 2017.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2019

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

	2019	2018
	£	£
Net income/(expenditure) for reporting period from Statement of Financial Activities	40,984	407,393
Add back depreciation charge	-	-
Adjustments for:		
(Gains)/ losses on investments and properties	(64,264)	(65,986)
Dividends, interest and rent from investments	(42,657)	(31,221)
(Increase)/ decrease in debtors	25,191	(13,050)
Increase /(decrease) in creditors	1,257	3,387
Net cash from operating activities	<u>(39,489)</u>	<u>300,523</u>

19 Analysis of cash and cash equivalents

Bank term deposits and notice accounts	265,902	260,981
Church of Scotland Investors Trust deposit fund	141,366	166,365
Other bank accounts and cash	50,814	105,183
Total	<u>458,082</u>	<u>532,529</u>

20 Collections for Third Parties

Macmillan Cancer Support	3,192	3,871
UNICEF	954	1,254
Meeting Place: Mercy Ships UK, Crossreach	1,691	1,333
Glasgow City Mission	712	645
Tear Fund	407	-
Welcome In Café	30	1,099
Wellbeing Packs	715	809
Womens' Refuge	406	379
Young Church: Dumbarton Churches Gambia Ed'I Ass'n	540	620
Easter Bazaar (13 charities)	3,202	-
Other (Food Bank, Christian Aid, British Legion)	68	288
	<u>11,917</u>	<u>10,298</u>

Amounts shown are as paid out to the third party where this is in cash. Where collections are made for donations in kind, the amount shown represents purchases of goods for handing out. Money collected but not yet paid out or used for purchases is shown under creditors