

**The Church of Scotland
Helensburgh Parish Church**

**TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE
YEAR ENDED 31st DECEMBER 2018**



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

**Helensburgh Parish Church
Trustees' Annual Report
Year ended 31 December 2018**

The trustees present the annual report and accounts for Helensburgh Parish Church for the year ended 31 December 2018.

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

In 2018 we took some first steps towards realising the Youth Strategy formulated in 2017, and also made progress towards achieving a clear, shared view of the way ahead for congregational renewal and growth. A survey was sent to all members of the congregation, later than planned because we first had to ensure that our roll was up to date and accurate. Around 200 replies had been received by end November and the analysis should be completed in January.

Ministry and Worship

Sunday morning services continued to evolve, with more input from the Praise Band alongside formal choir music. Three elder-led services were held, they were received positively and will continue to be developed. Young people took more part in services: in the spring members of Young Church presented their own ideas about what they valued and wanted from church through an excellent video 'My church is', and some of the older ones took over operation of the Audiovisual facilities.

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We celebrated the centenary of the Armistice by re-installing the War Memorials from our various heritage churches. On Remembrance Day a spectacular display of 2400 poppies knitted by members and friends paid tribute to those who have given their lives in the service of their country.

Visiting friends took part in services, notably Martha Hill from Hickory 1st Presbyterian in August and the Swedish choir in September. Wednesday worship and lunch continued to attract 25-35 people. The Blue Christmas service was again held for those experiencing bereavement, loneliness or other challenging situations in the week before Christmas and the quiet, reflective tone was appreciated by those attending.

The appointment of Emily Harvey-Cartmell as full-time Director of Youth & Families Ministry in September saw a number of new activities among the young folk. A 6-week 'Affirm' course for teenagers to explore their faith had 4/5 regular attendees. Links with the Toddlers Group were strengthened; the Young Church teaching materials were revamped; and the Christingle service saw many visiting families.

Other personnel changes in 2018 were the appointment of Mrs Preaw Ross as Church Officer, and the retirement of Sandy Kerr as Depute Session Clerk. Fourteen elders received long-service awards for 30 or more years' service.

Life of the Congregation

The number and variety of social events grew during the year. The second 'Cheer Up It's Gloomy' party in January, monthly Sunday lunches and barbecues, and summer fundraising coffee mornings were all well attended. Fun and fellowship evenings themed around the home nations of members of the staff enlivened the autumn, and 20 members of the congregation took part in a Church Family Weekend at SU Gowanbank.

The Pastoral Care group is undergoing change as Annis Anderson took over from Lindsay Spence, but the work of visiting the housebound, transport to church and distribution of flowers continued smoothly, as did the recording of services and distribution of CDs to those unable to attend. Christmas parcels were distributed to 72 older members.

An Afternoon Tea was held for new members and regular worshippers in June. A new monthly Ladies' Fellowship group started in the autumn, and joined the Mens' Fellowship for a Christmas meal. The two fortnightly house groups continued with 6-8 members each.

The Boys' Brigade with around 25 members made outings to the Submarine Centre and the Police Diving Centre in Greenock in addition to weekly activities varying from a visit by the local MP to map reading and cookery. Congratulations go to three of the Seniors who won awards: Calum Mochar (Queen's Badge); and Ben Davis and Simon Bianchet (President's Badge and Duke of Edinburgh Bronze). The Girls' Brigade, while smaller in membership, also had a varied session including an outing to the Tall Ships and the pantomime together with the boys. Together with the Young Church they helped to raise money for the Gambia School through making Christmas cards.

Engagement with Community and World

The Christian Action Team, which oversees charitable work, distributed 24 Starter Packs containing basic household goods worth around £80 to persons who are being re-housed by

Helensburgh Parish Church
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the council, as well as 122 Wellbeing Packs with toiletries for the homeless. Members of the Christian Action team also took part in the Scottish Churches Housing Action Starter Pack Networking Event and gained new ideas. A highlight for the team was a tour of the premises of Glasgow City Mission in September: their story is heart-warming, and their work and witness to the homeless in Glasgow exemplary.

Of the £5000 distributed as grants and donations, around 60% went to local and regional charitable organisations, and the rest to overseas ones. A further £1900 was distributed by the Guild and the Link Group. Contributions in kind included sending the old St Columba Communion table to a church in Sierra Leone, and donating groceries to the local Food Bank at the Harvest Service and from the now annual Reverse Advent Calendar. 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 the local Christian youth project Contraflow.

Support of Christian Aid in the community is shared among all the local churches, with HPC hosting a Hymnfest and coffee morning in May, as well as a Songs of Friendship concert by the Swedish Choir and an afternoon tea with music in September.

Other fundraising events included an Early Christmas Coffee Morning Fayre which raised £1,099 for the local charity Welcome In, the regular twice-weekly Meeting Place (£1,333) and the annual choir events for Macmillan Cancer Support (£3,871). The Link Group raised £1,125 through a Jazz Night, and the Guild £677 from their Daffodil Tea.

Halls use was similar to 2017, with 50% of the bookings from paying customers. We have started to build links with these external halls users beyond the strictly financial– the Toddlers group were invited to visit the Nativity scene in the sanctuary and to dress up in costume; and they and their families were invited to the Christingle service.

Infrastructure and Administration

Following Church of Scotland advice about the impact of the General Data Protection Regulation (GDPR) on congregations, a data protection audit was carried out over the summer by Douglas Bailey. In addition letters were sent to everyone on the congregational roll asking them to confirm that their details were accurate and up to date: this was a useful tidying up exercise before reviewing elders' districts. Most elders and volunteers received Safeguarding training during the year, and 18 people received PVG clearance.

The sanctuary and halls complex continued to be successfully managed and maintained by the existing three part time staff plus the new Church Officer. The sanctuary received a new carpet and purpose-built chairs were finally bought to replace the pews that had been removed for the Halls Development project. A number of building projects were undertaken to improve disabled access in the sanctuary and halls, including building access ramps and automating the doors – these were funded from a large legacy for buildings.

After reviewing alternative ledger systems the Trustees decided to combine all activities on one of the existing ones (TAS Firstbooks), but with a revised Chart of Accounts. This was in place from 1 January 2018. Other simplification measures included putting all bank accounts online and making most payments by bank transfer. An Investment Committee was formed to monitor our investments and liaise with our investment manager Tilney.

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Future plans

The priority now is to agree our long-term strategic plan for ministry, mission and maintenance. This will be communicated widely, encouraging a revitalised congregation to offer their time and talents for all aspects of church life.

We want to continue to encourage the gifts of the congregation through further elder, Young Church, and choir led services. Regular, ecumenical Taizé style services are also planned. From January we will be providing a training placement for probationer minister Ian Miller for 12 months. With the growing number of services and activities it will be important to maintain visibility of Ministers among the congregation.

A new Bible Study Group is planned for the 14-18 year olds, as is an Easter Holiday Club. We will establish an annual 'Samuel Murray Bursary' for young people, aiming to hold the first award at the end of the current session. Points of concern are the need for more leaders for the BB, and low numbers attending Messy Church.

We will continue to improve communications between Ministry Team, elders and congregation, and renew links with lapsed members and with baptismal families. The Christian Action Team acting with local charity The Beacon Trust, will add vouchers to the Starter Packs enabling recipients to spend £20 as they wish at the Trust's shop.

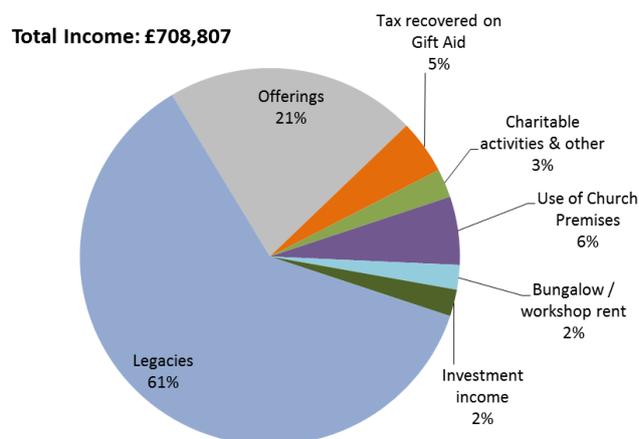
Three potential building projects will be taken forwards in 2019: developing a dedicated Youth Space in the hitherto unused attic; refurbishing the garden to be more disabled - friendly and easy maintenance; and replacing the remaining windows in the commercial property with double glazed ones. Halls rents will be increased for the first time since opening in 2016. On the finance side, we will investigate replacing the current Excel spreadsheet for managing donations and Gift Aid with dedicated external software.

Financial Review

In 2018 the total assets of the congregation increased by £407,393 to £1,929,457. Income was more than double 2017's because of legacies totalling £434,302.

Underlying income increased by £12,970 or 5% relative to 2017. Donations including Gift Aid were down by £2,900, but the historical decline did slow and reverse in the second half year following an open letter from the Minister.

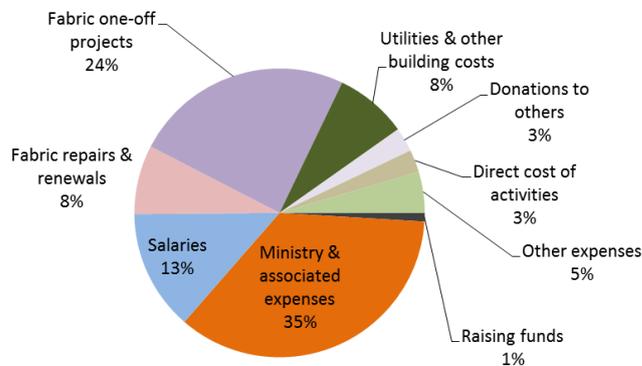
Other income increased: halls rentals and fundraising activities by £2,700; and investment income by £13,200, of which 63% came from letting the bungalow, and the rest from higher investments.



The legacy income was from 4 bequests. By far the largest was £413,590 from Mrs Jane Paterson, which was specified as 'for the Building Fund, with particular emphasis on access for the walking disabled'. The other three were unrestricted: £17,712 from Mrs Margaret

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Younger, £1,000 from Miss Mary Barr, and £2,000 from Mrs Margaret Steven (not yet paid). The Trustees resolved to split the first two 50:50 between the Operational Reserve and Congregational Development funds, while the latter went to the Young Church fund.



Total Expenditure: £367,400

Underlying expenditure excluding one-off projects was £13,350 more than in 2017. Salaries increased because of the appointment of the full-time Youth Director and part-time Church officer (£7,200). Fabric repairs and renewals went up by £5,900 to what we believe will be a steady-state level with the introduction of a comprehensive 7-year cycle of planned renewals.

Other buildings related costs went up by £1,900 due to the cold winter and to a higher insurance premium. Donations to others were £2,800 more than in 2017 which had been an unusually low year. Cost of raising funds increased by £2,700, and other costs by £1,000. However, ministry related expenses were £8,300 lower as our contribution to the National Ministries & Mission Fund is falling – this is based on the average of the previous 3 years' income, which currently still includes an independent Park Church congregation.

In 2018 the Kirk Session Teams and the General Funds, which cover the day to day activities of the church, collectively made a deficit of £(1,980) which was covered by transfers from the Operational Reserve Fund. Since the Ministry & Mission allocation is still falling, there is a real possibility of breaking even in 2019 at an operational level, if offerings continue on their current trend.

The Paterson legacy allowed us to invest in facilities that will be increasingly important in enabling older members of the congregation to continue to be active in the church. Even though £90,000 was spent on one-off projects - £45,000 more than in 2017 - the Restricted Fabric Fund remains well endowed to finance future projects.

The appointment of the Youth Director will see more activity and therefore more expenditure. The Trustees agreed budgets for Youth activities in 3 funds: Young Church for existing Young Church activities; McLaren Fund to support other existing youth activities such as the Boys' and Girls' Brigades; and Congregational Development for startup and outreach activities.

Overall, HPC remains a wealthy congregation well able carry out outreach and benevolent activities, and to maintain our buildings to a high standard. Given our demographics, our biggest financial issue is to maintain offerings income, and this must be addressed in the strategic plan.

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 May, and the Investment Committee considers that £300,000 more could be invested. However, markets fell in the second half year and still look uncertain what with Brexit and the prospect of trade wars, so we have been holding this back.

Our total Tilney investment of £333,150 included a £32,540 unrealised loss at the year end. We also held £90,000 in 3 Aviva bonds and £134,000 with the Church of Scotland's Growth and Income Funds. In March our small holding with M&G Charifund was sold for £1,477. Average return on investments for the year was 3.1%.

In addition to investments, £427,000 was held in interest bearing deposits at the end of the year, including £85,000 in each of a 2-year fixed term bond with Hampshire Trust Bank and a 3-year one with Cambridge & Counties Bank. The average interest rate was 1.1%.

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. 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 protection policy, health and safety assessments, 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 will be completed in early 2019.

Reserves Policy

Over 85% 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 - 80% 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 £777,332, very similar to 2017 (£778,955). Of these, £334,252 (2017: £337,571) is designated for Young Church, Congregational Development and benevolent activities, and £258,860 (as 2017) is held as a

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reevaluation reserve on investment properties. £123,007 (2017: £124,313) is designated for fabric and organ refurbishment. Free reserves of £61,213 (2017: £58,211) are in the Operational Reserve and Arnold Fleming Revenue Funds.

The congregation also held £100,767 (2017: £104,446) in Endowment Funds and £1,051,358 (2017: £638,663) in Restricted Funds. These funds have been provided for the purposes specified in Note 17. 52% 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 Model Deed of 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 – and the Congregational Board.

The Kirk Session is responsible for the spiritual 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 three 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.

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

The Congregational Board looks after the property and finances of the congregation and also meets four times a year in plenary session. It is made up partly of elders nominated by the Kirk Session and partly of elected members with the appropriate skills and commitment. Elected members are appointed at the Stated Annual Meeting of the congregation and serve for three years, after which they may be re-elected. Day-to-day responsibilities are delegated respectively to the Financial Administration Committee, the Investment Committee, the Buildings and Maintenance Committee, and the Halls and Gardens Management Committee.

Reference and Administrative Information

Charity Trustees comprise those members of the Kirk Session and Congregational Board who served at any time during the year up to the date when the accounts were signed.

Ministers and Kirk Session:

Rev David T Young (Moderator of the Kirk Session), Rev Tina Kemp

Susan Adams, Annis Anderson, Douglas Bailey, Joy Bell (retired Sep 2018), Andrew Black, Neil Black (from Jan 2019), Jean Burn, Jean Butler, Kati Byrne, Bobby Caldwell, Helen Caldwell (retired May 2018), Colin Campbell, Lilian Carson, John Christie, Margaret Christie, Elaine Craddock, Kevin Craddock, Elspeth Davis, Ronnie Dunachie,

Joanne Fagan, Evelyn Fishwick, Pauline Forrest, Eileen Gorie (retired Sep 2018), Kathleen Gorrie, Roy Greer, Kirsty Hassall (retired Sep 2018), Allan Heath, Ewan Howieson, Joanne Hulley, Tony Kent, Jinty Kerr, Sandy Kerr, Jane Lindsay, Mary Loudon, Mike Loudon, Michael Low, Patricia Low, Karen Lyall (leave of absence from Aug 2017),

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, Alistair Paton (retired Sep 2018), Molly Paton (retired Sep 2018), John Penny (retired Sep 2018), Graham Philips,

Jean Ramsay, David Reid, Elizabeth Reid (retired Sep 2018), 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, Gordon Whitelaw, Douglas Wylie

Congregational Board elected members:

Eileen Drummond, David Forrest, Liz Glover (co-opted Nov 2018), John Green, Robin Irvine, Moira McColl (retired June 2018), Vivien Macpherson, Jean Miller, Rosemary Noon, Gillian Ogden (co-opted Nov 2018), Patricia Porteous, Dick Robertson, Susan Salmon (elected June 2018), Angela Shannon, Martin Speller, Peter Steven

**Helensburgh Parish Church
Trustees' Annual Report
Year ended 31 December 2018**

Principal Office-bearers

Minister:	Rev. David T. Young
Associate Minister	Rev. Tina Kemp
Director of Youth & Families Ministry:	Emily Harvey-Cartmell (from September 2018)
Session Clerk(s):	Elaine & Kevin Craddock
Chairman, Congregational Board:	David Mitchell
Clerk to the Congregational Board:	Bobby Caldwell
Congregational Treasurer:	Kati Byrne
Kirk Session Treasurer	Colin Shannon
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

Auditor: Shona Brown CA, Clements, Chartered Accountants,
17 Colquhoun Square,
Helensburgh
G84 8AD

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

Statistical Return 2018

Members and adherents on congregational roll	906
Average church attendance	200
Number of persons on supplementary roll	0
Average number in Young Church	9
Number of families committed to regular offerings	294
Number of baptisms	8
Number of weddings	2
Number of funerals	21

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Year ended 31 December 2018**

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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 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 auditors 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 auditors are aware of that information.

Approved by the Trustees and signed on their behalf,



E Craddock, K Craddock

Joint Session Clerks

14 March 2019

Report of the Independent Auditors to the Trustees of Helensburgh Parish Church

Year ended 31 December 2018

Opinion

We have audited the financial statements of Helensburgh Parish Church (the 'Church') for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Church's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Church in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Church's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Trustees of Helensburgh Parish Church

Year ended 31 December 2018

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the Church has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Church's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Church or to cease operations, or have no realistic alternative but to do so.

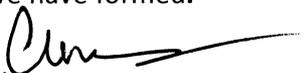
Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the Church's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Church's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Church and the Church's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Clements

Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

17 Colquhoun Square

Helensburgh

G84 8AD

Date: 14 MARCH 2019

**Helensburgh Parish Church
Statement of Financial Activities
Year ended 31 December 2018**

	Note	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Endowment Funds 2018 £	Total 2018 £	Total 2017 £
<u>Income and endowments from</u>						
Donations and legacies	1	208,543	414,614	-	623,157	191,023
Charitable activities	2	10,417	2,393	-	12,810	12,589
Other trading activities	3	41,452	-	-	41,452	39,898
Investments	4	28,131	3,090	-	31,221	18,026
Other income	5	167	-	-	167	-
<u>Total Income and endowments</u>		288,710	420,097	-	708,807	261,536
<u>Expenditure on</u>						
Raising funds	6	3,071	465	-	3,536	851
Charitable activities		259,313	104,551	-	363,864	308,233
<u>Total Expenditure</u>		262,384	105,016	-	367,400	309,084
Net income/(expenditure) before gains and losses on investments		26,326	315,081	-	341,407	(47,548)
Gains/ (losses) on revaluation and disposal of investments and properties		(25,415)	95,087	(3,686)	65,986	18,999
Net income/(expenditure)		911	410,168	(3,686)	407,393	(28,549)
Transfers between Funds		(2,534)	2,527	7	-	-
Net Movement in Funds		(1,623)	412,695	(3,679)	407,393	(28,549)
Reconciliation of Funds						
Funds brought forward at 1 January		778,955	638,663	104,446	1,522,064	1,550,613
Funds carried forward at 31st December		777,332	1,051,358	100,767	1,929,457	1,522,064

**Helensburgh Parish Church
Balance Sheet
At 31 December 2018**

		2018 £	2017 £
	Note		
Fixed Assets			
Tangible assets	10	550,000	430,000
Investment properties	11	266,000	266,000
Investments	12	<u>557,179</u>	<u>333,950</u>
		1,373,179	1,029,950
Current Assets			
Debtors	13	40,090	27,040
Bank Term deposits & Notice accounts		260,981	96,561
Church of Scotland Investors Trust deposit fund		166,365	206,366
Other bank accounts		<u>105,183</u>	<u>175,101</u>
		572,619	505,068
Creditors			
Falling due within one year	14	<u>(16,341)</u>	<u>(12,954)</u>
Net Current Assets		556,278	492,114
Net Assets		<u><u>1,929,457</u></u>	<u><u>1,522,064</u></u>
The funds of the charity			
Endowment funds	17	100,767	104,446
Restricted funds	17	1,051,358	638,663
Unrestricted funds	17		
General funds		5,479	7,491
Designated funds		<u>771,853</u>	<u>771,464</u>
		777,332	778,955
Total Funds		<u><u>1,929,457</u></u>	<u><u>1,522,064</u></u>

The accounts were approved by the Kirk Session and Congregational Board on 14 March 2019
For and on behalf of the Kirk Session and Congregational Board


E Craddock
Session Clerk


K M Byrne
Treasurer

Helensburgh Parish Church
Statement of Cash Flows
Year ended 31 December 2018

	Note	Total Funds 2018 £	Total Funds 2017 £
Net cash (used)/generated in operating activities	18	<u>300,523</u>	<u>(19,029)</u>
Cash flows from investing activities:			
Interest, dividends and rent		31,221	18,026
Purchases of property		-	(7,140)
Proceeds from sale of investments		85,123	
Purchases of investments		<u>(362,366)</u>	<u>-</u>
Net cash provided by investing activities		<u>(246,022)</u>	<u>10,886</u>
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the year		54,501	(8,143)
Cash and cash equivalents brought forward		478,028	486,171
Cash and cash equivalents carried forward	19	<u><u>532,529</u></u>	<u><u>478,028</u></u>

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.

In the context of the significant level of unrestricted funds, the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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 2018

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Endowment Funds 2018 £	Total 2018 £	2017 £
1 Donations and Legacies					
<i>Normal income</i>					
Offerings	151,338	220	-	151,558	153,812
Tax recovered on Gift Aid	32,808	55	-	32,863	33,516
Legacies	20,712	413,590	-	434,302	-
Other	3,685	749	-	4,434	3,695
	208,543	414,614	-	623,157	191,023
Grants	-	-	-	-	-
	208,543	414,614	-	623,157	191,023

Of 2018's Income from Donations and Legacies, £414,614 (2017: £3,313) was attributable to Restricted funds with the balance of £208,543 (2017: £187,710) adding to Unrestricted funds.

2 Income from charitable activities

Weddings and Funerals	1,260	-	-	1,260	830
Congregational Life events	1,423	-	-	1,423	2,455
Wednesday lunches	1,782	-	-	1,782	2,290
Coffee Time	1,588	-	-	1,588	1,245
Coffee mornings	3,832	-	-	3,832	1,342
Musical events	-	2,393	-	2,393	3,527
Other	532	-	-	532	900
	10,417	2,393	-	12,810	12,589

Of 2018's Income from Charitable Activities, £2,393 (2017: £2,480) was attributable to Restricted funds with the balance of £10,417 (2017: £10,109) adding to Unrestricted funds.

3 Income from other trading activities

Use of Church Premises	41,452	-	-	41,452	39,898
	41,452	-	-	41,452	39,898

In both 2017 and 2018 all income from Other Trading Activities was attributable to Unrestricted funds.

4 Income from Investments

Dividends received	11,220	2,753	-	13,973	9,035
Deposit interest	1,911	337	-	2,248	2,241
Bank interest	-	-	-	-	-
Bungalow / workshop rent	15,000	-	-	15,000	6,750
	28,131	3,090	-	31,221	18,026

Of 2018's Income from Investments, £3,090 (2017: £4,130) was attributable to Restricted funds and the balance of £28,131 (2017: £13,896) to Unrestricted funds.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2018

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Endowment Funds 2018 £	Total 2018 £	2017 £
5 Other Income					
Transfer from Church of Scotland General Trustees Consolidated Fabric Fund	167	-	-	167	-
	<u>167</u>	<u>-</u>	<u>-</u>	<u>167</u>	<u>-</u>

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.

6 Analysis of Expenditure

Raising Funds

Investment Management costs	1,779	465	-	2,244	214
Property management fees & Offering envelopes	1,292	-	-	1,292	637
	<u>3,071</u>	<u>465</u>	<u>-</u>	<u>3,536</u>	<u>851</u>

Charitable Activities

Ministries and Mission Allocation	122,531	-	-	122,531	131,876
Presbytery Dues	1,423	-	-	1,423	1,704
Ministry Expenses	6,170	-	-	6,170	4,816
Other salary costs	49,544	-	-	49,544	42,323
Ord Fabric Repairs & Maintenance	25,682	2,772	-	28,454	22,580
Extraord Fabric Repairs & Maintenance	-	89,960	-	89,960	44,995
Insurance	8,697	-	-	8,697	7,881
Heating, Lighting, Water	14,386	-	-	14,386	12,471
Other Buildings costs	4,700	-	-	4,700	5,563
Manse Council Tax	1,900	-	-	1,900	1,831
Donations to individuals & organisations	5,550	4,400	-	9,950	7,121
Organ, music etc	-	2,525	-	2,525	6,810
Direct cost of activities	3,039	3,691	-	6,730	4,383
Other local expenses	12,391	1,203	-	13,594	12,079
Depreciation	-	-	-	-	-
Loss on disposal of property	-	-	-	-	-
Examiner's/Auditor's Fee	3,300	-	-	3,300	1,800
	<u>259,313</u>	<u>104,551</u>	<u>-</u>	<u>363,864</u>	<u>308,233</u>
Total	<u>262,384</u>	<u>105,016</u>	<u>-</u>	<u>367,400</u>	<u>309,084</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.

Of 2018's expenditure, £105,016 (2017: £53,695) was attributable to Restricted funds and the balance of £262,384 (2017: £255,389) to Unrestricted funds.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2018

7 Staff costs and numbers

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

	2018	2017
	£	£
Salaries and wages	47,807	42,214
Social security costs	-	-
Employer's pension contribution	441	109
	<u>48,248</u>	<u>42,323</u>

	2018	2017
	Number	Number
Ministry assistance	1	1
Administration	1	1
Organist	1	1
Premises maintenance	3	2
	<u>6</u>	<u>5</u>

No employee had employee benefits of over £60,000 (2017 - nil).

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 2018 the minimum was £27,044 and the maximum stipend in the fifth and subsequent years was £33,234.

8 Trustee Remuneration and Related Party Transactions

During the year the Ministry Team received reimbursement of travelling expenses totalling £5,927 (2017:£3,690). The charity paid Council Tax and telephone rental charges for the Manse and for mobile phones, a total of £3,489 (2017: £2,593). Continuing Professional Development expenses of £67 (2017: nil) were also paid. These expenses were shared with the linked congregation of Rhu & Shandon in the proportion 4:1.

Mr Jeremy Bailey, a close family member of Mr Douglas Bailey of the Kirk Session, received £445 (2017: £409) for IT support.

One trustee received payments totalling £150 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 £46,360 (2017: £50,988) was donated to the congregation by trustees.

9 Independent Examiner's / Auditor's Remuneration

The auditor's remuneration of £3,300 related entirely to examining this year's books. In 2017 there was an independent examination fee of £1,800.

10 Tangible Fixed Assets

	Properties used as a Manse	Other Property	Total 2018	Total 2017
	£	£	£	£
Cost or Valuation				
At 1 January 2018	430,000	-	430,000	690,000
Reclassification	-	-	-	(260,000)
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluation adjustment	120,000	-	120,000	-
At 31 December 2018	<u>550,000</u>	<u>-</u>	<u>550,000</u>	<u>430,000</u>
Accumulated Depreciation				
At 1 January 2018	-	-	-	-
Charge for the period	-	-	-	-
Eliminated on Disposals	-	-	-	-
At 31 December 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value				
At 31 December 2018	<u>550,000</u>	<u>-</u>	<u>550,000</u>	<u>430,000</u>
At 1 January 2018	<u>430,000</u>	<u>-</u>	<u>430,000</u>	<u>690,000</u>

The Manse in East Argyll Street 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 manse was purchased in May 1957 for £5,650 but the historical cost was not originally included in the church accounts.

Helensburgh Parish Church
Notes forming part of the financial statements
Year ended 31 December 2018

11 Investment Properties

	Investment Property	Total 2018	Total 2017
Cost or Valuation	£	£	£
At 1 January 2018	266,000	266,000	-
Reclassification	-	-	260,000
Additions	-	-	7,140
Disposals	-	-	-
Revaluation adjustment	-	-	(1,140)
At 31 December 2018	<u>266,000</u>	<u>266,000</u>	<u>266,000</u>
Net Book Value			
At 31 December 2018	<u>266,000</u>	<u>266,000</u>	<u>266,000</u>
At 1 January 2018	<u>266,000</u>	<u>266,000</u>	<u>-</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 2018 would not be significantly different to their value at 31 December 2017.

12 Investments

	2018	2017
	£	£
Market value at 31 December 2017	333,950	313,811
Add: Additions to investments at cost	362,366	-
Less: Disposals	(85,123)	-
Add: Increase/(decrease) in gains	(54,014)	20,139
Market value at 31 December 2018	<u>557,179</u>	<u>333,950</u>
Investments at cost	<u>530,592</u>	<u>205,532</u>

The following investments are held:

Equity shares	274,516	48,274
Government bonds	51,971	53,396
Other bonds	89,950	91,719
Real assets	6,663	-
Church of Scotland Growth Fund	110,853	114,908
Church of Scotland Income Fund	23,226	24,158
M&G Charifund	-	1,495
	<u>557,179</u>	<u>333,950</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. The existing holding, together with an additional £290,000 was transferred to a discretionary management service. During the year Tilney charged management fees of £2,244 which have been netted off against the payment made.

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 2018

13 Debtors

	2018	2017
	£	£
VAT recoverable under Listed Places of Worship scheme	24,688	13,819
Prepayments	2,177	2,513
Gift Aid Tax Refund Due	9,079	9,003
Investment income and legacies receivable	2,191	410
Rental income receivable	300	462
Other	1,655	833
	<u>40,090</u>	<u>27,040</u>

14 Creditors

	2018	2017
	£	£
Church of Scotland	1,149	1,280
Accruals	9,762	6,616
Prepayments & key deposits for halls rentals	514	150
MacMillan Cancer Support ('Come and Sing' collection)	3,191	3,058
Funds held for Well Being Packs project	668	1,063
Other	1,057	787
	<u>16,341</u>	<u>12,954</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	-	230,489	225,923	100,767	557,179
Building Society Notice Accounts	-	140,408	120,573	-	260,981
Church of Scotland Investors Trust - Deposit Fund	-	89,504	76,861	-	166,365
Bank Accounts and other cash	2,335	44,002	58,846	-	105,183
Current Assets	14,384	3,347	22,359	-	40,090
Current Liabilities	(11,240)	(1,897)	(3,204)	-	(16,341)
Net assets at 31 December 2018	<u>5,479</u>	<u>771,853</u>	<u>1,051,358</u>	<u>100,767</u>	<u>1,929,457</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 2018

17 Movements in Funds

	At 1 Jan 2018 £	Incoming Resources £	Outgoing Resources £	Investment Gains & Losses £	Transfers In / (Out) £	At 31 Dec 2018 £
Endowment funds						
Smellie Fund	46,932	-	-	(1,657)	4	45,279
Galbax Fund	11,067	-	-	(391)	-	10,676
Arnold Fleming - capital	37,879	-	-	(1,336)	3	36,546
Miss FS Wilson Legacies	8,568	-	-	(302)	-	8,266
	<u>104,446</u>	<u>-</u>	<u>-</u>	<u>(3,686)</u>	<u>7</u>	<u>100,767</u>
Restricted funds						
Music Fund	14,167	3,193	(3,032)	(705)	(523)	13,100
Fabric Fund	115,413	413,949	(92,774)	(18,873)	-	417,715
Manse Property Reserve	430,000	-	-	120,000	-	550,000
Flower Fund	4,780	94	(510)	(201)	-	4,163
Kirk Session Benevolent Fund	50,405	2,085	(2,361)	(3,875)	-	46,254
Christian Action Fund (Starter Packs)	9,572	468	(2,833)	(403)	-	6,804
McLaren Bequest	14,326	308	(3,506)	(856)	3,050	13,322
	<u>638,663</u>	<u>420,097</u>	<u>(105,016)</u>	<u>95,087</u>	<u>2,527</u>	<u>1,051,358</u>
Unrestricted funds						
Fabric Fund	90,362	17,947	(10,345)	(5,687)	-	92,277
Organ Rebuild Fund	33,951	-	-	(3,221)	-	30,730
Property Reserve (Non worship)	258,860	-	-	-	-	258,860
Legacy Fund	-	20,712	-	-	(20,712)	-
Young Church Fund	7,244	1,095	(1,152)	-	2,000	9,187
Christian Action Fund (general)	1,120	3,314	(3,650)	-	-	784
Congregational Development Fund	328,050	5,982	(5,759)	(14,142)	9,356	323,487
Operational Reserve Fund	50,720	-	-	(2,365)	7,379	55,734
Link Group	688	2,233	(1,527)	-	(850)	544
The Guild	469	1,158	(577)	-	(800)	250
	<u>771,464</u>	<u>52,441</u>	<u>(23,010)</u>	<u>(25,415)</u>	<u>(3,627)</u>	<u>771,853</u>
General Fund	-	228,614	(235,406)	-	6,792	-
Kirk Session Teams Fund	-	6,392	(3,746)	-	(2,646)	-
Arnold Fleming - revenue	7,491	1,263	(222)	-	(3,053)	5,479
	<u>778,955</u>	<u>288,710</u>	<u>(262,384)</u>	<u>(25,415)</u>	<u>(2,534)</u>	<u>777,332</u>
Total funds	<u>1,522,064</u>	<u>708,807</u>	<u>(367,400)</u>	<u>65,986</u>	<u>-</u>	<u>1,929,457</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 2018

Purposes of Restricted Funds

- **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.
- **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 fabric 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.
- **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.
- **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 operated by 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.
- **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.
- **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
- **Legacy Fund:** Unrestricted legacies are initially credited to this fund, until the Trustees decide how the funds should be used.
- **Young Church Fund:** Formerly called Sunday School Fund. The Trustees have set aside funds for use by the Young Church.
- **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.
- **Congregational Development Fund:** This fund was created in late 2017 when the Kirk Session and Board decided to devote the Samuel Murray legacy of £324k to fund initiatives to grow the congregation, especially among young people and families. The new Director of Youth Ministry will be paid from this fund, along with other expenditure to support implementing the strategy.
- **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.
- **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.
- **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 2018

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

	2018	2017
	£	£
Net income/(expenditure) for reporting period from Statement of Financial Activities	407,393	(28,549)
Add back depreciation charge	-	-
Adjustments for:		
(Gains)/ losses on investments and properties	(65,986)	(18,999)
Dividends, interest and rent from investments	(31,221)	(18,026)
(Increase)/ decrease in debtors	(13,050)	102,215
Increase /(decrease) in creditors	3,387	(55,670)
Net cash from operating activities	<u>300,523</u>	<u>(19,029)</u>

19 Analysis of cash and cash equivalents

Bank term deposits and notice accounts	260,981	96,561
Church of Scotland Investors Trust deposit fund	166,365	206,366
Other bank accounts and cash	105,183	175,101
Total	<u>532,529</u>	<u>478,028</u>

20 Collections for Third Parties

Macmillan Cancer Support	3,871	3,955
UNICEF	1,254	903
Glasgow City Mission	645	514
Meeting Place: H'burgh Child Contact Centre & Dumbarton Churches Gambia Ed'I Ass'n	1,333	1,126
Tear Fund (art auction)	-	2,537
Welcome In Café	1,099	-
Wellbeing Packs	809	100
Fresh Start (offering at Presbytery visit)	-	769
Womens' Refuge	379	355
Young Church: Dumbarton Churches Gambia Ed'I Ass'n	620	-
Contraflow	-	437
Other (Vine Trust, Christian Aid)	288	376
	<u>10,298</u>	<u>11,072</u>