

The Church of Scotland Helensburgh Parish Church

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2015



Congregation No: 181225

Scottish Charity No: SC 012053

Helensburgh Parish Church Trustees' Annual Report Year ended 31 December 2015

The trustees present the annual report and accounts for Helensburgh Parish Church for the year ended 31 December 2015.

The congregation of Helensburgh Parish Church was formed on 26 February 2015 by the union of the former congregations of St. Andrew's Kirk, Helensburgh (SC012053) and Park Church of Scotland, Helensburgh (SC007801). The property and assets of both congregations were brought together at the point of union into a single entity.

The terms of the Basis of Union approved by the congregations of St Andrew's Kirk, Park Church and Rhu & Shandon Parish Church on 23 November 2014 provided that the previous linkage between St Andrew's Kirk and Rhu & Shandon would be replaced by a new linkage between Helensburgh Parish Church and Rhu & Shandon Parish Church. The charges were in vacancy at the time of the union. On appointment in December 2015, Rev David T. Young became minister of the linked charge. The two congregations remain independent, controlling their own property and funds but certain ministry related costs are shared between the linked congregations on an agreed basis.

The financial statements have been prepared in accordance with the accounting policies set out later in this document and comply with 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 for Smaller Entities published on 16th July 2014.

Objectives and Activities

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in polity. It exists to glorify God and to work for the advancement of Christ's Kingdom throughout the world. As a national Church, it acknowledges a distinctive call and duty to bring the ordinances of religion to the people in every parish of Scotland through a territorial ministry. It co-operates with other Churches in various ecumenical bodies in Scotland and beyond.

The Vision for our congregation is for an active, vibrant and outwardly caring spirit that offers a variety of initiatives to respond to the needs of the community. We want to make Helensburgh Parish Church the place to be for as many local people as possible, to find support and friendship, an activity to enjoy or just a place to be and talk. By so doing, we can give needed help and broaden the comfort of Christianity to those who would otherwise be insulated from it.

Worship is offered at least once on every Sunday of the year, in a variety of styles, traditional and informal. Helensburgh Parish Church provides opportunities for fellowship and service through worship and related activities throughout the week, for example through the Church Choir, the Guild, Link Group, Meeting Place (weekday coffee room), house groups and study groups.

Activities for young people are provided through Young Church, shared Youth Fellowship, Boys' Brigade and Girls' Brigade. Monthly musical recitals (Sunday at Seven) of high quality for a variety of tastes continue to be an important cultural expression of the congregation. Concerts for charitable organisations are held regularly.

Helensburgh Parish Church participates and offers support to a range of local Christian initiatives such as the Contraflow Youth Worker, Child Contact Centre, Christian Aid and children's holiday clubs. A Starter Pack scheme works with Argyll & Bute Council's Housing and Social Work Departments to provide essential goods free of charge to housing tenants in particular need.

The demands of the gospel are regularly kept before the congregation and opportunities provided for spiritual development and service.

Through the Kirk Session's Christian Action Committee financial and practical support is offered to a range of social needs both locally and abroad.

The church and ancillary buildings of Helensburgh Parish Church have been in regular use on a non-profitmaking basis by many local groups and organisations.

Helensburgh Parish Church

Trustees' Annual Report (contd)

Year ended 31 December 2015

Achievements and Performance

The major challenges facing the congregation in 2015 were the recruitment of ministers, following the retirement and demission of the previous ministers in August and November 2014, the integration of the two congregations after the union in February 2015 and the completion of a major building project. In this regard, with some caveats, we were reasonably successful.

Ministry

Rev David T. Young was inducted as the congregation's first minister on 15 December 2015. Thanks are due to Rev Ian Miller for his service as Interim Moderator during the period when the congregation was being formed and to Rev David W Clark and Very Rev John Christie who - with significant assistance from other retired ministers in the Presbytery - helped to hold the fort during the 13 month vacancy.

The Presbytery Plan provides an allocation for the linked charges of a Minister and an Associate Minister. Work to recruit a colleague for David Young commenced early in 2016 but has not yet borne fruit.

Integration / Congregational Life

The new Kirk Session was constituted on 1 March 2015. The union brought fresh impetus to all the congregation's activities. Members of both former congregations were included in all committees and teams. Inevitably, the combination of the vacancy and the union had an unsettling effect and some members moved elsewhere but, at the year end, the congregational roll numbered 1,122.

Church extension / Hall Development project

The development of modern hall facilities, linked with the church building, was seen as fundamental to our mission to make ourselves relevant to and involved in the local community. The previous West Kirk halls were demolished in March 2014 and the new facilities were opened by the Very Rev John Chalmers on 6 February 2016. Whilst the project took longer than expected and cost more than we would have wished, the congregation and the community are very pleased with the result and there are encouraging signs that the new halls will be very well used.

The total project cost (including professional fees & incidental works) was funded as follows:

	<i>£000</i>
Funds raised prior to 2012	747
Congregational Appeal and other internal fundraising	312
Sale proceeds of former West Kirk manse	344
Sale proceeds of former St Columba Church and halls	270
Grants from outside organisations	130
Investment income and gains	107
Sale proceeds of former St Columba manse (part)	137
	<u>2,047</u>

The new halls are not included as an asset in these accounts as their legal status reflects that of the church building to which they are attached. The entire Colquhoun Square facility is vested in the Church of Scotland General Trustees.

Changes in Personnel

Crawford Howat and Douglas Sammon stood down as Treasurer and Clerk to the Congregational Board respectively at the annual meeting in March 2016. We are grateful to both of them for their years of service since the previous union in 2011 and before.

The recent union and the opening of the new halls facility prompted a reassessment of the congregation's staffing requirements. The role of Church Secretary became redundant. We thank Penny Davidson for her service over the past 7 years and welcome Julia Dennison who was appointed to the new role of Church and Halls Coordinator. The union, the vacancy and the protracted period without halls placed additional strains on all our employees and on our many volunteers, who have negotiated the sale of two sets of former church buildings and two surplus manses over the past three years. We are grateful for their forbearance.

The congregation has offered financial and practical support to charitable organisations such as Glasgow City Mission, Shelterbox, Serrekunda School (Gambia), Women's Aid Groups and MacMillan Cancer Support. The sale of Christmas cards produced by the Young Church raised £600 facilitating the installation of 4 latrines by Tearfund's Toilet Twinning project in Sierra Leone.

Helensburgh Parish Church Trustees' Annual Report (contd) Year ended 31 December 2015

Financial Review

Incoming Resources

	2015	2014
	£	£
Offerings (excluding Hall Development Project appeal)	169,754	155,645
Legacies	300,750	2,000
Income Tax Recovered	37,018	32,408
Rental income & Hire of Premises	14,152	14,066
Investment Income	15,981	21,132
Other Incoming Resources (excluding HD Project)	9,963	4,880
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	547,618	230,131
Hall Development Project - donations, grants & legacies	36,439	82,009
Fundraising for Hall Development Project	3,170	18,134
Sanctuary Repairs Project, Development Phase - Grants (HLF/HS)	9,850	-
	<hr/>	<hr/>
Total Incoming Resources from charitable activities	597,077	330,274
Union of congregations - transfer of funds from Park Church	473,167	-
Sale of former manse - transfer of proceeds from Church of Scotland General Trustees	-	344,448
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Total Incoming Resources	<u>1,070,244</u>	<u>674,722</u>

When carrying out the financial review the usual practice is to compare the figures for the year under review with those for the previous year and comment on significant variances.

The above figures for 2014 and 2015 are not comparable, owing to the union in February 2015. 2015 represents the income of the former St Andrew's Kirk up until the union on 26 February and the income of Helensburgh Parish Church from that date, whereas 2014 was just St Andrew's Kirk. The income of Park Church, excluding legacies, was £68,000 in 2014 and £11,000 for the period 1 January to 26 February 2015, so that one might expect, other things being equal, the union to have produced more than £50,000 of additional reported income for the new congregation in 2015. The increase reflected above (excluding legacies) was much more modest - around £20,000.

Offerings to unrestricted funds rose by 10%, entirely as a result of the union. The number of members using the Gift Aid scheme increased from 245 to 287 for the same reason. Initially 67 Gift Aid contributors transferred from Park Church but some of these subsequently withdrew, which is a matter for regret but quite normal when congregations unite.

Over the past four years, the fundraising efforts of St Andrew's Kirk, and subsequently Helensburgh Parish Church, have been directed towards the Hall Development project. In late 2015, the Financial Administration Committee took the view that it would not be practical to conduct a stewardship exercise, inviting members to increase their normal giving, at the same time as members were already being asked to help with the Halls appeal. They also believed that it was important to allow some time for the new congregation to knit together and take stock of its financial position before looking to increase giving, especially at a time when the congregation had very significant reserves, owing to the sale of surplus buildings and the unexpected receipt of a huge legacy.

In September 2015, the congregation were advised that Mr Samuel Murray, a former member of Park Church, had bequeathed the residue of his estate to the Church of Scotland in Helensburgh. Payments on account totalling £300,000 have subsequently been received from the solicitors dealing with his estate and have been placed, temporarily, in a Legacy Fund. The legacy is unrestricted and the trustees will consider how the money should be used when the sanctuary repairs project is complete.

Helensburgh Parish Church

Trustees' Annual Report (contd)

Year ended 31 December 2015

Rental income was stable. For most of 2014 and 2015 the Colquhoun Square site had no significant hall accommodation. Only one of the two properties adjacent to Colquhoun Square site which are owned by the congregation was let during the year. The other property, a bungalow, was used for church meetings and for storage.

Returns on the congregation's deposits with banks & building societies continued to be depressed by low interest rates and by our limited investment horizon (as funds were absorbed by the Halls project) . An endowment bond attributable to the Hall funds was surrendered in March 2015, converting unrealised gains into realised gains (with consequent reductions in cumulative unrealised gains).

Fundraising activity for the Hall Development project slowed. Congregational giving of £16,000 was supplemented by grants of £20,000 from external trusts and £3,000 from fundraising events.

A grant of £9,850 was received from the Heritage Lottery Fund / Historic Scotland, representing 100% funding for the development phase of a project to repair the Sanctuary, which is a Grade B Listed Building. The project includes repairs to stonework (steeple) and leaded windows as well as rewiring and the delivery phase, expected to cost some £375,000, which will also receive significant financial support from HLF & HS (now renamed Historic Environment Scotland "HES") commenced in June 2016.

Assets transferred from Park Church included the manse at 35 East Argyle St, valued at £400,000, which was vested in local trustees and has been chosen as the manse for the new congregation. Details of the other funds transferred from Park Church are disclosed in Note 18.

Resources Expended

	2015	2014
	£	£
Ministries & Mission Allocation	145,995	124,521
Ministers' Expenses	958	3,651
Cost of Locum & Vacancy Expenses	9,496	-
Other Salary Costs	30,940	27,694
Fabric Repairs & Maintenance	8,261	5,723
Extraordinary Fabric Repairs	13,873	8,335
Heating & Lighting	19,826	9,290
Water Charges & Insurance	12,751	9,890
Donations to Other Organisations	8,763	8,265
Other Buildings Costs	734	6,353
Manse Council Tax	1,472	3,211
Other Expense categories < £5K (excluding Hall Development)	22,812	27,405
Subtotal, excluding project costs	275,881	234,338
Church Extension - Construction Costs & Prof. Fees	1,096,718	564,184
Sanctuary repairs project - development phase	9,220	1,200
	<u>1,381,819</u>	<u>799,722</u>

As with income, the expenditure figures for 2015 (excluding project costs) are not comparable to those presented for 2014 (St Andrew's Kirk).

Park Church's expenditure was £83,000 in 2014 and £16,000 (if adjustments related to the union are ignored) for the period 1 January to 26 February 2015. The Charlotte St premises were managed by the new congregation for the remainder of 2015 (before being sold in January 2016) and some expenses for that site, such as insurance, continued.

Comparisons between the years are complicated by other property sales and by the vacancy. It is clear, however, that the union of the two congregations produced significant cost savings within 2015 and that there will be further savings in 2016.

Helensburgh Parish Church Trustees' Annual Report (contd) Year ended 31 December 2015

Expenditure, excluding costs for the two major building projects, rose by 18%. 68% of the increase (£28K out of £42K) reflects higher contributions to the Ministry and Mission Fund (based on the historic income of predecessor congregations) and local ministry costs, including recruitment costs arising from the vacancy.

Property related costs (such as heating and insurance) increased because two sets of buildings had to be heated and insured between the union in March 2015 and the sale of the surplus properties in late 2015 / early 2016.

Extraordinary fabric repairs (being those with a cost greater than £1,000, borne by the Fabric Fund) included repairs at the Argyle St manse prior to its occupation (£5,900) and exceptional fuel bills at the bungalow (£5,000) attributable to the adjacent Hall building project. A further £33,000 of refurbishments at the manse were capitalised.

The arrangement for the sharing of ministry and manse costs with the linked congregation of Rhu and Shandon was amended so that 20% of relevant costs (previously 25%) are borne by that congregation.

Hall Development construction costs included progress payments to the contractor (£1,226,000), project costs paid directly by the congregation and professional fees, net of £191,000 of VAT recovered (since the year end) under the Listed Places of Worship Scheme ("LPOW").

Summary

During 2015, in spite of receiving £473,000 at the union with Park Church, the funds controlled by the congregation reduced by £314,000. Total funds at 31 December 2015 amounted to £1,689,000 of which £112,000 was earmarked for Hall Development.

To make a sensible assessment of the strength of the congregation's underlying financial position, it is necessary to exclude the Park asset transfer, the two Hall Development Funds and the £300K legacy. On this basis, the underlying deficit for the year was £39,000. The General Fund deficit of £36,000 represented 17% of General Fund income for 2015.

The trustees are confident that the majority of the General Fund deficit will be eliminated during 2016 as a result of a combination of higher income from the new halls and reduced costs for buildings which have been sold. Nevertheless the 2016 General Fund Budget projects a deficit of approximately £15,000 and it is likely that a stewardship campaign will take place in 2017 to bring income into line with expenditure.

Investment Policy and Performance

As explained in the Financial Review, since the inception of the Hall Development Project, the vast majority of the congregation's investments have been earmarked for that purpose. Now that this project is finished, we find ourselves in the unexpected position, owing to the union with Park Church and the £300K legacy, of having very significant surplus resources.

A further capital project (Sanctuary repairs) is underway but this has attracted support from the Heritage Lottery Fund and the cost falling on the congregation's funds should be limited to about £130,000.

An Investment Committee has been established to consider and advise the trustees about the management of the congregation's resources. The work of this committee will commence when the Sanctuary repairs project is complete.

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. The trustees have assessed the major risks to which the Church is exposed, in particular those related to the operations and finances of the Church and the successful completion of the building / repairs projects, and are satisfied that systems are in place to mitigate its exposure to the major risks. Risk and control activities include child protection policy, health and safety assessments, financial control procedures and quarterly financial reporting. The Church has insurance cover through the Church of Scotland Insurance Company and the level of cover required is reviewed annually to ensure that it is adequate. If, as hoped, the new halls attract new users, the trustees anticipate the need to focus greater attention on the management of credit control.

Helensburgh Parish Church Trustees' Annual Report (contd) Year ended 31 December 2015

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. The trustees endeavour to ensure that the annual income of the General Fund (95% of which, in 2015, arose from the congregation's voluntary offerings) is sufficient to balance annual expenditure.

It is also the trustees' policy to hold reserves for future expenditure, including designated funds. At the year end the congregation held unrestricted funds totalling £864,491 of which £820,492 is in designated funds including £111,861 in the Hall Development Fund, £300,000 in the Legacy Fund, £260,000 in the Property Fund (being the valuation of two "non worship" properties vested in local trustees), £99,464 in the Fabric Fund and £31,798 in the Organ Rebuilding Fund.

The use of the Legacy Fund has not yet been decided - discussion has been deferred until the Sanctuary repairs project is complete.

A significant Fabric Fund is required to provide for the unpredictable cost of repairing and maintaining our suite of relatively old listed buildings.

The Organ Rebuilding Fund is a sinking fund, intended to provide for the periodic overhaul which such instruments require.

As mentioned previously, the Hall Development Project cost £2.047M compared with a Budget of £1.9M. The amounts to be paid, some of which will not fall due until December 2016, exceed the Hall Development Fund by some £140K. As indicated in the table on page 2, the congregation intend to fund the shortfall by using part of the proceeds of the former St Columba manse, sold in November 2015, which are restricted to Fabric purposes.

The congregation also held £97,528 in Endowment Funds and £723,811 in Restricted Funds. These funds have been provided for the purposes specified in Note 18. 89% of the Restricted Funds are represented by the valuation of the property at 35 East Argyle St, chosen as the new congregation's manse, and funds arising from the sale of the property at 46 Suffolk St, which became surplus as a result of the union.

Future plans

The congregation (in conjunction with colleagues at Rhu & Shandon) is working to recruit an Associate Minister to assist Rev David T. Young in meeting the charity's objectives across what is one of the largest parishes in Scotland. We are also looking to recruit a locally funded Parish Assistant for a 2 year contract.

The Congregational Board are concerned that the new Hall facilities should play their part in enhancing the profile of the congregation within the community. To this end, two members of the congregation have kindly volunteered to serve as Hall Conveners and new systems are being developed to deal efficiently with bookings and payments.

Plans are being developed to create a Gospel Garden in the church grounds, containing plants with allusions to the Bible. A design brief has been prepared and members of the congregation have been invited to comment. In due course the grounds will also contain a children's play area with adequate space and equipment.

As a result of a Fabric Inspection, the trustees were advised that the church building should be rewired and that certain work to conserve/repair stonework in the steeple and stained glass windows had become urgent. In addition the trustees wish to install an audio visual system within the Sanctuary, integrated with the one recently installed within the halls complex. These works, referred to as the Sanctuary repairs project, have an estimated cost of £375,000, including £63,000 of VAT (much of which should be recoverable under the Listed Places of Worship Scheme).

Elements of the sanctuary repairs project have attracted generous support from the Heritage Lottery and Historic Environment Scotland. The works have received the required statutory and church approvals and are scheduled to take place between June and September 2016. The share of the total cost which will be borne by the congregation is estimated at £132,000.

Helensburgh Parish Church Trustees' Annual Report (contd) Year ended 31 December 2015

Structure, Governance and Management

The congregation is a registered charity, number SC012053 and is administered in accordance with the terms of the Model Deed of Constitution and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

Members of the Kirk Session and the Congregational Board are the charity trustees.

A number of trustees from both St. Andrew's Kirk and Park Church took the opportunity to stand down at the time of the union of the congregations. Thanks are due to them for their service as trustees and for their contribution to the significant work involved in bringing about the union.

The Kirk Session members are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. At the inception of the new congregation, the Kirk Session was automatically formed from those elders of the predecessor congregations who had not indicated a wish to retire. The Minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery.

The Kirk Session meets at least six times in a year and is responsible for the spiritual affairs of the congregation. A range of Kirk Session Teams cover all aspects of the Session's responsibilities.

The Congregational Board comprises elders nominated by the Kirk Session together with other elected members of the congregation believed to have the skills and commitment to contribute to the management affairs of the congregation. Elected members are nominated and appointed at the Stated Annual Meeting of the congregation and serve for a period of three years after which they may be re-elected at a Stated Annual Meeting. The Board elected by the newly formed congregation held its first meeting on 8 April 2015.

The Congregational Board meets at least four times in a year. Certain responsibilities are delegated to the Financial Administration Committee, Property Maintenance Committee and Christian Stewardship Committee as appropriate. Other committees are appointed as and when required - a Buildings Development Committee was set up to monitor the progress of the Hall Development project and the Sanctuary repairs project.

Reference and Administrative Information

Trustees

The trustees who served at any time during the year up to the date of signing the accounts are the Ministers and the Kirk Session along with those members of the Congregational Board who are not also members of the Kirk Session.

Ministers and Kirk Session

Rev. Ian Miller (Interim Moderator of the Kirk Session, until Dec 2015)

Rev. David T. Young (Moderator of the Kirk Session, since Dec. 2015)

Susan Adams, Annis Anderson (from Mar 2015), Douglas Bailey, Joy Bell, Andrew Black, Jean Burns, Jean Butler (from Mar 2015), Bobby Caldwell, Helen Caldwell, Jean Call (retired Feb 2015), Colin Campbell, Arnold Carson (from Mar 2015), Lilian Carson, John Christie (from Mar 2015), Margaret Christie (from Mar 2015), Elaine Craddock (from Mar 2015), Kevin Craddock (from Mar 2015), Elspeth Davis, Ronnie Dunachie, Sarah Eyton (resigned May 2015), Joanne Fagan, Judy Ferguson (retired Feb 2015), Evelyn Fishwick, Pauline Forrest, Eileen Gorie, Kathleen Gorrie, Roy Greer, Wilma Hannah (retired Feb 2015), Kirsty Hassall, Allan Heath, Ewan Howieson, Joanne Hulley (from Mar 2015), Tony Kent, Jinty Kerr, Sandy Kerr, Jane Lindsay, Mary Loudon, Mike Loudon, Michael Low, Patricia Low, Karen Lyall, Hugh McColl, Rosemary McGinley, Diana Macintosh, Neil Macleod (from Mar 2015), Alistair McMath (from Mar 2015), John McPherson, Simon Mills (resigned Feb 2015), David Mitchell, Anne Mitchelson, Karen Mullen, George Murray (from Mar 2015, retired Jan 2016), Shanny Newall, David Nicoll, June O'Neill, Alistair Paton (from Mar 2015), Molly Paton (from Mar 2015), John Penny, Graham Philips, Norman Plenderleith, Jean Ramsay, David Reid, Elizabeth Reid, Colin Rettie (from Mar 2015), Sara Rettie (from Mar 2015), Beatrice Robertson, Robin Ross, Douglas Sammon, Elisabeth Sammon, Colin Shannon, David Sinclair (from Mar 2015), Sheana Shaw (resigned Nov 2015), Elizabeth Smith (from Mar 2015), Kenneth Speirs, Lyndsay Spence (from Mar 2015), John Stephen, Douglas Stewart (from Mar 2015), John Stirling, Iain Talman, Anne Thomson, Helen Turnbull (from Mar 2015), Neil Turnbull (from Mar 2015), Jean Walker (from Mar 2015), Eric Wallace (from Mar 2015), Jim Weldon, Gordon Whitelaw, Jane Worsfold (from Mar 2015), Douglas Wylie (from Mar 2015)

Helensburgh Parish Church Trustees' Annual Report (contd) Year ended 31 December 2015

Congregational Board

Kati Byrne, Kathryn Clark (retired Feb 2015), Eileen Drummond (from April 2015), David Forrest, John Green, Crawford Howat (retired Mar 2016), Robin Irvine, Moira McColl (from June 2015), Drew Macleod (from April 2015), Vivien Macpherson (from April 2015), Jean Miller (retired Feb 2015), Patricia Porteous (retired Mar 2016), Dick Robertson, Ritchie Robertson (retired Mar 2016), Angela Shannon (from April 2016), Martin Speller, Peter Steven

Principal Office-bearers

Minister:	Rev. David T. Young (appointed December 2015)
Interim Moderator	Rev. Ian Miller (appointed Oct. 2014, retired Dec. 2015)
Locum Ministers:	Rev. David W Clark MA, BD (appointed Nov. 2014, retired April 2015) Very Rev. John Christie (appointed July 2015, retired Dec. 2015) Rev. Tina Kemp (appointed April 2016)
Session Clerk:	Karen Lyall
Chairman of the Congregational Board:	David Mitchell
Clerk to the Congregational Board:	Douglas Sammon (retired March 2016) Bobby Caldwell (appointed March 2016)
Finance Convener:	Peter Steven MA, CA
Congregational Treasurer:	Crawford Howat CPFA (retired March 2016) Kati Byrne (appointed March 2016)

Principal Office The Church Office, 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

Helensburgh Parish Church Trustees' Annual Report (contd) Year ended 31 December 2015

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 method 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.

Approved by the Trustees and signed on their behalf,

K Lyall

Session Clerk

16 August 2016

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

We have audited the financial statements of Helensburgh Parish Church ("the Church") for the year ended 31 December 2015 on pages 11 to 20. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the regulations made under that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Church's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Church's affairs as at 31 December 2015 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; 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

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

16 August 2016

Helensburgh Parish Church

Statement of Financial Activities

Year ended 31 December 2015

	Note	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Endowment Funds 2015 £	Total 2015 £	Total 2014 £
Income and endowments from						
Donations and legacies	1	520,532	36,977	-	557,509	272,293
Charitable activities	2	2,530	6,905	-	9,435	22,783
Other trading activities	3	14,152	-	-	14,152	14,066
Investments	4	10,915	3,458	1,608	15,981	21,132
Other income						
Union of congregations - funds transferred from Park Church	5	44,530	411,467	17,170	473,167	-
Sale of former manse - transfer from Church of Scotland General Trustees		-	-	-	-	344,448
Total Income and endowments		592,659	458,807	18,778	1,070,244	674,722
Expenditure on						
Raising funds	6	152	126	-	278	8,635
Charitable activities		998,840	382,380	321	1,381,541	791,087
Total Expenditure		998,992	382,506	321	1,381,819	799,722
Net income/(expenditure) before transfers and gains and losses on investments		(406,333)	76,301	18,457	(311,575)	(125,000)
Transfers between Funds		-	-	-	-	-
Net income/expenditure before gains and losses on investments		(406,333)	76,301	18,457	(311,575)	(125,000)
Net realised capital gains / (losses) on investments		46,091	(1,723)	-	44,368	52,928
(Decrease) / Increase in Unrealised Gains on revaluation of investments and properties		(43,029)	(4,228)	19	(47,238)	(39,759)
Net Movement in Funds		(403,271)	70,350	18,476	(314,445)	(111,831)
Reconciliation of Funds						
Fund balances at 1 January as previously reported		1,270,761	637,569	94,944	2,003,274	
Prior Year Adjustment	7		15,892	(15,892)	-	
Funds brought forward at 1 January		1,270,761	653,461	79,052	2,003,274	2,115,105
Funds carried forward at 31st December		867,490	723,811	97,528	1,688,829	2,003,274

Helensburgh Parish Church
Balance Sheet
At 31 December 2015

		2015	2014
		£	£
	<u>Note</u>		<i>Restated</i>
Fixed Assets			
Tangible assets	11	690,000	510,000
Investments	12	<u>292,525</u>	<u>364,306</u>
		982,525	874,306
Current Assets			
Debtors	13	236,696	121,503
Bank Term deposits & Notice accounts		194,489	731,723
Church of Scotland Investors Trust deposit fund		205,162	236,822
Other bank accounts		<u>95,220</u>	<u>56,089</u>
		731,567	1,146,137
Creditors			
Falling due within one year	14	<u>(25,263)</u>	<u>(17,169)</u>
Net Current Assets		706,304	1,128,968
Net Assets		<u><u>1,688,829</u></u>	<u><u>2,003,274</u></u>
The funds of the charity			
Endowment funds	18	97,528	79,052
Restricted funds	18	723,811	653,461
Unrestricted funds	18		
General funds		43,999	37,173
Designated funds		<u>823,491</u>	<u>1,233,588</u>
		867,490	1,270,761
Total Funds		<u><u>1,688,829</u></u>	<u><u>2,003,274</u></u>

The accounts were approved by the Kirk Session and Congregational Board on 16 August 2016
For and on behalf of the Kirk Session and Congregational Board

K. Lyall
Session Clerk

P.C.D. Steven
Finance Convener

Helensburgh Parish Church

Year ended 31 December 2015

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 for Smaller Entities published on 16th July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE 2015), 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 market value,

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 FRSSE SORP the general volunteer time of congregation members is not recognised.

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

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, in the case of interim payments, on receipt.

Interest receivable

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

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.

Helensburgh Parish Church

Year ended 31 December 2015

Accounting Policies (contd)

Tangible fixed assets

The Church 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 St. Columba manse (sold in November 2015), to the dwelling house and commercial property adjacent to the West Kirk site and to the former Park manse (now the manse for Helensburgh Parish Church) is vested in local Trustees. Properties vested in local Trustees are included in the accounts at their estimated market value.

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 is not included in these accounts. When the property was sold in January 2016 the proceeds were received by General Trustees and credited to the Consolidated Fabric Fund where they are held on behalf of the congregation.

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.

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:

- Sound and Projection Equipment : 5 Years (now fully depreciated)

Investments

Fixed asset investments are stated at market value at the balance sheet date. 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
for the year ended 31 December 2015

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Endowment Funds 2015 £	Total 2015 £	2014 £
1 Donations and Legacies					
<i>Normal income</i>					
Offerings	169,304	450	-	169,754	155,645
Tax recovered on Gift Aid	36,930	88	-	37,018	32,408
Legacies	300,750	-	-	300,750	2,000
Donation from Park Church Guild (pre union)	2,000	-	-	2,000	-
Other	1,698	-	-	1,698	231
	<u>510,682</u>	<u>538</u>	<u>-</u>	<u>511,220</u>	<u>190,284</u>
<i>Hall Development Appeal</i>					
Donations	-	13,414	-	13,414	20,799
Tax recovered on Gift Aid	-	3,025	-	3,025	4,210
Grant - Other charitable trusts	-	20,000	-	20,000	54,000
Legacies	-	-	-	-	3,000
	<u>-</u>	<u>36,439</u>	<u>-</u>	<u>36,439</u>	<u>82,009</u>
<i>Sanctuary Repairs Project</i>					
Grant - Heritage Lottery Fund / Historic Scotland	9,850	-	-	9,850	-
	<u>520,532</u>	<u>36,977</u>	<u>-</u>	<u>557,509</u>	<u>272,293</u>

Of 2015's Income from Donations and Legacies, £36,977 (2014: £83,456) was attributable to Restricted funds with the balance of £520,913 (2014: £188,837) adding to Unrestricted funds.

2 Income from charitable activities

Weddings and Funerals	2,530	-	-	2,530	700
Guild - February Fair	-	-	-	-	782
Tenner Talents project	-	312	-	312	762
Grand Bazaar	-	-	-	-	10,096
Other Hall Development Fundraising events	-	1,338	-	1,338	5,921
Coffee Time	-	982	-	982	858
Coffee mornings	-	-	-	-	520
Meeting Place	-	538	-	538	497
Sunday at Seven	-	1,850	-	1,850	2,076
Other	-	1,885	-	1,885	571
	<u>2,530</u>	<u>6,905</u>	<u>-</u>	<u>9,435</u>	<u>22,783</u>

Of 2015's Income from Charitable Activities, £6,905 (2014: £21,563) was attributable to Restricted funds with the balance of £1,965 (2014: £1,220) adding to Unrestricted funds.

3 Income from other trading activities

Use of Church Premises	8,152	-	-	8,152	4,481
Orange / Vodafone / O ₂ rentals	-	-	-	-	3,585
Bungalow / workshop rent	6,000	-	-	6,000	6,000
	<u>14,152</u>	<u>-</u>	<u>-</u>	<u>14,152</u>	<u>14,066</u>

In both 2014 and 2015 all income from Other Trading Activities was attributable to Unrestricted funds.

4 Income from Investments

Dividends received	5,482	1,990	1,608	9,080	9,911
Deposit interest	4,055	1,330	-	5,385	9,870
Bank interest	1,378	138	-	1,516	1,351
	<u>10,915</u>	<u>3,458</u>	<u>1,608</u>	<u>15,981</u>	<u>21,132</u>

Of 2015's Income from Investments, £3,458 (2014: £4,302 *restated*) was attributable to Restricted funds and £10,915 (2014: £15,222) to Unrestricted funds with the balance of £1,608 (2014: £1,608 *restated*) adding to Endowment funds.

Helensburgh Parish Church
Notes forming part of the financial statements
for the year ended 31 December 2015

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Endowment Funds 2015 £	Total 2015 £	2014 £
5 Other Income					
Union of congregations					
- funds transferred from Park Church	44,530	411,467	17,170	473,167	-
Grant from Church of Scotland General Trustees following sale of former West Kirk manse at 37 Campbell St	-	-	-	-	344,448
	<u>44,530</u>	<u>411,467</u>	<u>17,170</u>	<u>473,167</u>	<u>344,448</u>

Title to the Campbell St manse was vested with Church of Scotland General Trustees, so, when this property was sold in September 2014, the proceeds were paid to them. However, General Trustees remitted the proceeds to the congregation on condition that they were used wholly as part payment of the construction cost of the extension to the church building, which is also vested with General Trustees. As the extension project was under the control of Local Trustees and all other aspects of fundraising and expenditure for this project are included in these accounts, it was deemed appropriate to include the amount transferred by General Trustees as congregational income.

6 Analysis of Expenditure

Raising Funds

Property & Investment Management costs	152	126	-	278	8,635
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Charitable Activities

Ministries and Mission Allocation	145,995	-	-	145,995	124,521
Presbytery Dues	1,456	-	-	1,456	1,534
Locum	6,468	-	-	6,468	-
Voluntary Additional Stipend	-	-	-	-	1,609
Ministers' Expenses	958	-	-	958	3,651
Vacancy Expenses	3,028	-	-	3,028	-
Other salary costs	30,940	-	-	30,940	27,694
Ordinary Fabric Repairs & Maintenance	8,261	-	-	8,261	5,723
Extraordinary Fabric Repairs	10,874	2,999	-	13,873	8,335
Church extension - construction costs & prof. fees	723,080	373,638	-	1,096,718	564,184
Sanctuary repairs project - development phase	9,220	-	-	9,220	1,200
Heating & Lighting	19,826	-	-	19,826	9,290
Water charges & Insurance	12,751	-	-	12,751	9,890
Manse Council Tax	1,472	-	-	1,472	3,211
Other Buildings costs	734	-	-	734	6,353
Donations to Other Organisations	4,912	3,851	-	8,763	8,265
Organ, Music etc	1,183	-	-	1,183	921
Auditor's fee	2,700	-	-	2,700	2,100
Sunday at Seven	-	100	-	100	1,874
Other expenses	14,982	1,792	321	17,095	10,732
	<u>998,840</u>	<u>382,380</u>	<u>321</u>	<u>1,381,541</u>	<u>791,087</u>
Total	<u>998,992</u>	<u>382,506</u>	<u>321</u>	<u>1,381,819</u>	<u>799,722</u>

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.

Of 2015's Expenditure, £382,506 (2014:£571,738 *restated*) was attributable to Restricted funds and £998,992 (2014:£227,842) to Unrestricted funds with the balance of £321 (2014 : £142 *restated*) being expended from Endowment funds.

7 Reclassification of McLaren Bequest Fund - prior year adjustment

A legacy received by St Bride's Church, a predecessor congregation, after the death of Miss Charlotte D. McLaren in 1980 was used to establish the McLaren Bequest Fund. Miss McLaren expressed the wish that the bequest be used to assist young people connected with the church and also elderly members of the Congregation who are in need.

The Congregational Board of St Bride's Church decided to reserve the capital sum as a separate fund, spending the income arising in accordance with Miss McLaren's wishes. After three subsequent church unions, the trustees of Helensburgh Parish Church have decided that it would be more appropriate to operate this bequest as a restricted fund rather than an endowment, as the use of the capital was not prohibited by the donor.

A prior year adjustment has been made to transfer this Fund into the "Restricted" category.

Figures for previous years have been restated to include both the capital element of the McLaren Bequest and the accumulated revenue surplus (both of which were included within Endowment Funds) within Restricted Funds. Restricted Funds at 31 December 2014 have been increased by £15,892 and Endowment Funds reduced by an equal amount. Total funds carried forward at 31st December 2014 were unaffected by this prior year adjustment.

Helensburgh Parish Church
Notes forming part of the financial statements
for the year ended 31 December 2015

8 Staff costs and numbers

	2015	2014
	£	£
Salaries and wages	25,075	23,897
Redundancy payment	1,500	-
Social security costs	-	85
	<u>26,575</u>	<u>23,982</u>

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

	2015	2014
	Number	Number
Administration	1	1
Organist	1	1
Premises maintenance	<u>2</u>	<u>2</u>
	<u>4</u>	<u>4</u>

No employee had employee benefits of over £60,000 (2014 - nil).

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pension and housing and loan fund. Ministers' stipends are paid in accordance with the national stipend scale, which is related to years of service. For the year under review the minimum stipend was £26,119 and the maximum stipend (in the fifth and subsequent years) £32,098.

9 Trustee Remuneration and Related Party Transactions

During the year Rev Ian Miller, the Interim Moderator, received reimbursement of travelling expenses incurred totalling £122.

On moving to Helensburgh in December 2015, Rev David T. Young received a disturbance allowance of £1,392. In addition, removal costs of £984 were borne by the congregation. These sums were 80% of the amounts payable, the remainder being borne by the linked congregation of Rhu & Shandon, with whom the manse facilities are shared.

The charity is responsible for paying council tax on properties held for use as manses (one of which was sold during the year). The congregation's share of the cost of council tax for the year was £1,472, of which the amount attributable to the occupation of Rev David T. Young was £96.

Mr John Stephen, a member of the Kirk Session, was appointed Church Officer in October 2015. He received £943 for providing his services.

Mrs Jane Worsfield, a member of the Kirk Session, received £1,350 for providing secretarial services during the year.

Mrs Sara Rettie, a member of the Kirk Session, received £455 for providing pulpit supply services during the year.

Taurus Software Ltd, an IT consultancy company which is controlled by close family members of Mr Douglas Bailey, a member of the Kirk Session, received £294 for providing IT services.

8 trustees received payments totalling £5,676 in reimbursement of expenses. 89% of this sum related to the purchase of kitchen & other equipment for the new halls & the manse. The balance related to the purchase of food for services, training costs & sundry minor items.

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

10 Auditor's Remuneration

The auditor's remuneration of £2,700 (2014:£2,100) related entirely to audit work.

11 Tangible Fixed Assets

	Properties used as a manse	Other Property	Equipment	Total
	£	£	£	£
Cost or Valuation				
At 1 January 2015	250,000	260,000	6,034	516,034
Transfer on union with Park Church	400,000	-	-	400,000
Additions	32,999	-	-	32,999
Disposals	(250,000)	-	-	(250,000)
Revaluation adjustment	(2,999)	-	-	(2,999)
At 31 December 2015	<u>430,000</u>	<u>260,000</u>	<u>6,034</u>	<u>696,034</u>
Accumulated Depreciation				
At 1 January 2015	-	-	6,034	6,034
Charge for the period	-	-	-	-
Eliminated on Disposals	-	-	-	-
At 31 December 2015	<u>-</u>	<u>-</u>	<u>6,034</u>	<u>6,034</u>
Net Book Value				
At 31 December 2015	<u>430,000</u>	<u>260,000</u>	<u>-</u>	<u>690,000</u>
At 1 January 2015	<u>250,000</u>	<u>260,000</u>	<u>-</u>	<u>510,000</u>

The manse in East Argyle Street was revalued by the trustees as at 31 December 2015 on an open market basis value using advice obtained from a local estate agent. It was purchased in May 1957 for £5,650 but the historical cost was not originally included in the church accounts.

The dwelling house and commercial property in West King St, adjacent to the Church site, were revalued by the trustees as at 31 December 2014 on an open market basis value using advice obtained from a local estate agent. The historical cost of these properties is not known as they were not originally included in the church accounts.

Helensburgh Parish Church
Notes forming part of the financial statements
for the year ended 31 December 2015

12 Investments

	2015	2014
	£	£
Market value at 31 December 2014	364,306	484,232
Add: Investments transferred from Park Church - Cost	8,114	-
Add: Investments transferred from Park Church - Unrealised gains at 26 February 2015	17,943	-
Less: Disposals at cost	(50,600)	(80,167)
Decrease in Unrealised gains	(47,238)	(39,759)
Market value at 31 December 2015	<u>292,525</u>	<u>364,306</u>
Investments at cost	<u>205,532</u>	<u>248,018</u>

The following investments are held:

Equity shares	34,729	35,163
Government bonds	47,722	50,116
Other bonds	88,846	90,792
Church of Scotland Growth Fund	97,784	72,170
Church of Scotland Income Fund	22,139	22,760
M&G Charifund	1,305	1,309
Endowment bonds	-	91,996
	<u>292,525</u>	<u>364,306</u>

13 Debtors

	2015	2014
	£	£
VAT recoverable under Listed Places of Worship scheme	198,360	103,750
Grants receivable from charitable trusts	20,000	-
Gift Aid Tax Refund Due	10,174	10,225
Investment income receivable	693	2,973
Other	7,469	4,555
	<u>236,696</u>	<u>121,503</u>

14 Creditors

	2015	2014
	£	£
Accruals	13,751	7,396
MacMillan Cancer Support ('Come and Sing' collection)	2,829	3,043
Funds held for Well Being Packs project	1,087	529
Other	7,596	6,201
	<u>25,263</u>	<u>17,169</u>

15 Analysis of Net Assets Among Funds

	General	Designated	Restricted	Endowment	Total
	£	£	£	£	£
Tangible Fixed Assets	-	260,000	430,000	-	690,000
Investments	22,112	132,716	51,042	86,655	292,525
Fixed Term Bank / Building Society	-	187,489	7,000	-	194,489
Bonds & Notice Accounts	-	202,410	2,752	-	205,162
Church of Scotland Investors Trust - Deposit Fund	24,385	(157,034)	216,996	10,873	95,220
Bank Accounts	17,721	198,360	20,615	-	236,696
Current Assets	(20,219)	(450)	(4,594)	-	(25,263)
Current Liabilities	<u>43,999</u>	<u>823,491</u>	<u>723,811</u>	<u>97,528</u>	<u>1,688,829</u>
Net assets at 31 December 2015					

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
for the year ended 31 December 2015

17 Collections for Third Parties

	2015	2014
	£	£
Macmillan Cancer Support	2,829	3,043
Unicef	1,026	1,090
Glasgow City Mission	615	3,729
Helensburgh & Lomond Foodbank	500	-
Wellbeing Packs project	315	-
Poppy Scotland	-	234
Christian Aid	-	206
DEC Appeal - Nepal Earthquake	133	-
	5,418	8,302

18 Movements in Funds

	At 1 Jan. 2015 £	Incoming Resources £	Received at Union with Park Church £	Outgoing Resources £	Investment Gains & Losses £	Transfers In / (Out) £	At 31 Dec 2015 £
Endowment funds							
Arnold Fleming - capital	28,281	-	-	-	-	-	28,281
Anderson Trust	5,313	143	-	-	43	-	5,499
Macnaughton Trust	5,918	143	-	-	43	-	6,104
Smellie Fund	39,540	1,322	-	(321)	394	-	40,935
Galbax Fund	-	-	9,678	-	(260)	-	9,418
Miss FS Wilson Legacies	-	-	7,492	-	(201)	-	7,291
	79,052	1,608	17,170	(321)	19	-	97,528
Restricted funds							
Music Fund	9,626	2,078	-	(100)	-	-	11,604
Hall Development Appeal Fund	331,989	39,776	-	(373,638)	(23)	1,896	-
Fabric Fund	250,000	-	-	-	(4,452)	(32,999)	212,549
Manse Fund (East Argyle St)	-	-	400,000	(2,999)	-	32,999	430,000
Coffee Time & Meeting Place	-	1,520	-	(24)	-	(1,496)	-
Kirk Session Reserve	8,900	-	-	(157)	-	-	8,743
Jack Gregor Memorial Fund	1,696	-	-	(1,696)	-	-	-
Special Collections (Guild Projects)	-	680	-	(280)	-	(400)	-
Flower Fund	592	148	4,241	(187)	(106)	-	4,688
Kirk Session Benevolent Fund	23,663	826	7,226	(673)	(833)	-	30,209
Christian Action Fund (Starter Packs)	11,103	1,677	-	(1,330)	-	-	11,450
McLaren Bequest	15,892	635	-	(1,422)	(537)	-	14,568
	653,461	47,340	411,467	(382,506)	(5,951)	-	723,811
Unrestricted funds							
<i>Designated</i>							
Fabric Fund	102,254	19,523	204	(20,094)	576	-	102,463
Hall Development Fund	826,383	4,740	-	(723,080)	3,818	-	111,861
Organ Rebuild Fund	31,195	319	-	-	284	-	31,798
Property Fund (non Worship)	260,000	-	-	-	-	-	260,000
2009 Bazaar Fund	7,910	-	-	-	-	-	7,910
Legacy Fund	-	300,000	-	-	-	-	300,000
Link Group	368	563	-	(189)	-	(400)	342
Christian Action Fund (general)	1,010	2,965	-	(2,838)	-	-	1,137
The Guild	358	743	91	(131)	-	-	1,061
Sunday School Fund	4,110	2,127	781	(100)	1	-	6,919
	1,233,588	330,980	1,076	(746,432)	4,679	(400)	823,491
General Fund	16,591	215,920	43,454	(251,885)	(61)	400	24,419
Arnold Fleming - revenue	20,582	1,229	-	(675)	(1,556)	-	19,580
	1,270,761	548,129	44,530	(998,992)	3,062	-	867,490
Total funds	2,003,274	597,077	473,167	(1,381,819)	(2,870)	-	1,688,829

Purposes of Endowment Funds

* **J. Arnold Fleming Fund**

Gifts of money and investments received between 1949 and 1963 from Mr J A Fleming were credited to a Special Endowment Fund.

In 1954 the J. Arnold Fleming Fund was established through a gift of stocks. Mr Fleming stipulated that income from this fund was to be made available to the Kirk Session for social work within the parish and for any other charitable or benevolent purpose. The Kirk Session were given ultimate discretion to apply the income to any purpose which they deemed proper. Following Mr Fleming's death in 1966, in accordance with his wishes, the capital of the Special Endowment Fund was amalgamated with the J. Arnold Fleming Fund. Income is used to pay for Sunday School outings and for other local purposes.

* **John Smellie Fund**

A legacy invested in the The Church of Scotland Investors Trust - Growth Fund. The income arising is split with 2/3rds going to the Young Church and 1/3rd to the Choir.

* **Miss A.T. Anderson Trust**

* **Joseph Macnaughton Trust**

Two separate legacies invested in The Church of Scotland Investors Trust - Growth Fund. The income arising is for the poor in the parish and is at the behest of the Minister.

* **Galbax Fund**

Anonymous donations received in 1980 and 1984 invested in 2,170 units of the Church of Scotland Investors Trust Growth Fund, the income from which is shown in the General Fund as required by the donor.

Helensburgh Parish Church

Notes forming part of the financial statements

for the year ended 31 December 2015

* Miss F.S. Wilson Legacies to the Trustees and the Guild for Mission work

Two legacies of £500 received in 1966 each invested in 840 units of the Church of Scotland Investors Trust Growth Fund, the income from which is received directly by the Church of Scotland World Mission and National Mission Funds

Purposes of Restricted Funds

* Music Fund

The fund was created in 1996 when an appeal to raise funds for the refurbishment of a grand piano which had been donated to the Church produced a surplus. 'Sunday at Seven' comprises a series of concerts arranged by the Church Organist, funded by retiring collections - net surpluses arising are credited to the Music Fund, By agreement of the donor, the residual balance remaining in the Hymn Book Replacement Fund was added to this fund in 2008. The Music Fund is used to defray the cost of musical events held in the church.

* Hall Development Appeal Fund

An appeal was launched in August 2012 to raise funds for the replacement of the Church Halls. Donations from the congregation, grants from the Church of Scotland General Trustees & from external charitable trusts who responded to applications for financial support, proceeds from the sale of a manse (vested in General Trustees) which became surplus and the proceeds of numerous events held in support of the appeal were credited to this fund.

The project to replace the Halls commenced in April 2014 and, whilst the appeal remains open, all sum credited to this Fund have been applied in meeting construction costs.

* 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. This property became surplus as a result of the union with Park Church and was sold in December 2015 for net proceeds of £246,539. The fund is available to use for Fabric purposes.

* Manse Fund (East Argyle St)

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. Park Church had included this property in their accounts at a value of £400,000. Following refurbishment in the fourth quarter of 2015 (prior to the induction of the new minister), it was revalued as at 31 December 2015 at £430,000.

* Coffee Time & Meeting Place

Donations received during 2015 for coffee provided after church services and at the weekday "Meeting Place" event were directed to the Hall Development Appeal Fund.

* Kirk Session Reserve

This fund is at the behest of the Kirk Session.

* Jack Gregor Memorial Fund

To provide support for a Palestinian student in Jerusalem. During the year this money was transferred to a charity which administers such a scheme.

* Special Collections (Guild)

The proceeds of events arranged by the Guild for the benefit of named third party charities are credited to and dispensed from a special fund.

* 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.

Prior to the formation of Helensburgh Parish Church in 2015, Park Church operated three separate flower funds. Two of these funds were previously treated as endowments but review of the minutes of the Deacons Court of Park Church from 1992, when the Elizabeth Wilson Memorial Flower Fund was established, indicated that it was created with gifts made in memory of Elizabeth Wilson, rather than by a testamentary gift. There is no evidence that the donors instructed that capital should be reserved. Accordingly, all the former Park funds were added to the existing restricted fund, rather than being set up as endowments.

* 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.

In 2015, when the congregation of Park Church united with St Andrew's Kirk to form Helensburgh Parish Church, three Benevolent Funds previously operated by Park Church were added to this Fund. Two of these funds were previously described as endowments. Review of the minutes of the Deacons Court of Park Church from 1993, when the Elizabeth Wilson Christmas Fund was established, indicated that the trustees decided how this fund (part of a larger legacy) should be used. There is no evidence that Miss Wilson wished the capital to be reserved. Accordingly, these funds have been added to the existing restricted fund, rather than being set up as endowments.

* Christian Action (formerly "Outreach") Fund for Starter Packs

Within the Christian Action Fund, administered by the Kirk Session (see below), moneys are gifted to provide for young people looking to set up their first home.

* Miss C.D. McLaren's Bequest Fund

A legacy received by St Bride's Church, a predecessor congregation, after the death of Miss Charlotte D. McLaren in 1980 was used to establish the McLaren Bequest Fund. Miss McLaren expressed the wish that the bequest be used to assist young people connected with the church and also elderly members of the Congregation who are in need. The Congregational Board of St Bride's Church decided to reserve the capital sum as a separate fund and in recent years, the income has been used to meet the cost of training materials for the Sunday School and to contribute to the cost of a leader for Young Sounds, the youth choir. After three church unions, the trustees of Helensburgh Parish Church have decided that it would be more appropriate to operate this bequest as a restricted fund rather than an endowment, as the use of the capital was not prohibited by the donor. A prior year adjustment has been made to transfer this Fund into the "Restricted" category.

Purposes of Designated Funds

* **Fabric Fund** : The Trustees have set aside funds for the general maintenance of the property which is owned and managed by the congregation.

* **Hall Development Fund** : After receiving two significant legacies in 2000, the Trustees of the West Kirk set aside funds for the replacement of the Church Halls.

An architect drew up a scheme for the replacement of the existing 19th century building (originally a school) by a modern facility, linked to the church, which would provide for improved disabled access (including toilets) and cater for the needs of the wider local community but the projected cost exceeded available funds and so the project was put on hold, pending the resolution of Presbytery Planning issues.

In August 2011, the congregations of West Kirk and St. Columba Church united to form St Andrew's Kirk on the West Kirk site and a revised building project was approved, as envisaged by the basis of union. The project to replace the Halls commenced in April 2014 and all sum credited to this Fund will be applied in meeting construction costs.

* **Legacy Fund** : Unrestricted legacies are initially credited to a legacy fund, until the Trustees decide how the funds should be used. The year end balance represents a legacy from the estate of Mr Samuel Murray.

* **Organ Rebuild Fund** : The Trustees have set aside funds for the periodic major overhaul which the church organ requires.

* **Property Fund (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 two properties are:

- a bungalow at 39 West King St - formerly used as a dwelling house by the church caretaker, then let commercially. Used temporarily for meetings and storage (whilst the church extension was being constructed)
- commercial premises at 41 West King St - currently let to a stationery business

* **2009 Bazaar Fund** : This fund is for the purchase of audio visual and other equipment.

* **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 rules.

* **Christian Action (formerly "Outreach") Fund (general)** : The Kirk Session's Outreach Group was established in 1983 to provide support to people in suffering and need. Funds (now administered by the Christian Action Committee) are applied to deserving causes, locally, nationally and overseas.

* **The Guild** : The Guild manage their own funds in accordance with the rules of the Guild - all surplus funds are donated to charity.

* **Sunday School Fund**: The Trustees have set aside funds for use by the Sunday School.