

The Church of Scotland

Broughton St. Mary's Parish Church of Scotland

**Annual Report
Year to 31 December 2007**

Congregation Number 010008

Scottish Charity Number SC 012642

Trustees Annual Report
Year Ended 31 December 2007

The Trustees present the annual report and accounts for Broughton St. Mary's Parish Church of Scotland for the year ended 31 December 2007.

Reference and Administrative Information

Charity Name	Broughton St. Mary's Parish Church of Scotland
Charity Reference Number	SC012642
Congregation Reference Number	010008
Contact Address	4, Riding Park, Edinburgh, EH4 6ED

Trustees

Rev. J.C. Hood, W. McCall, I.R. Buckingham, Mrs D. Buckingham, Mrs E. Brown, Mrs D. Munro, Mrs E. Allan, Miss D. Chisolm, Mrs J. Duffin,	R. Gibson, G. Grahamslaw, G. Rogers, Mrs J. Beveridge, D. Cartright, Mrs C. Noble, Mrs D. Smith, Mrs M. Braby, C. Beck,	S. Brown, B.J. Duffin, Mrs G. Buckingham, Mrs H. McCoy, Mrs J. Gault, Mrs J. Whitfield, Captain R. Smith, Mrs B. Robertson, D. Craig (Died 26/05/07)
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The following members of the congregation who are not elders and members of the Kirk Session or who are non active members of the Kirk Session through age and incapacity ceased to act in the capacity of trustees after 31 December 2006.

J. Gault, Miss M. Turnbull, Mrs J. Gray, D. Henderson, Miss G. Scott,	H. Robson, Mrs E. Gray, Mrs L. Hamilton, Mrs N. McLeod, Miss S. Wemyss,	Mrs M. Steven, W. Dougal, Mrs M. Hart, Mrs M. Mitchell
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Principal Office Bearers

Minister:	Rev. J.C. Hood, M.A., B.D.
Session Clerk:	I.R. Buckingham
Treasurer:	G. Grahamslaw

Independent Examiner

G. Gray.
4, Craighleith Avenue North,
Edinburgh, EH4 3LG

Bankers

Royal Bank of Scotland,
2, Bleinheim Place,
Edinburgh, EH7 5JH

Trustees Annual Report
Year Ended 31 December 2007

Structure, Governance and Management

Governing Document

The Church is administered in accordance with the terms of the Deed of Constitution (Unitary Form).

Recruitment and Appointment of Trustees

Members of the Kirk Session are the Charity Trustees. The Kirk Session members are the elders of the church and are chosen from those members of the church who are considered to have appropriate gifts and skills. The Minister, who is a member of the Kirk Session, is elected by the congregation and is inducted by Presbytery.

Organisational Structure

As a congregation with the Deed of Constitution (Unitary Form) the Kirk Session, as well as being responsible for the spiritual affairs within the church, also has responsibility for its property and financial affairs. The Kirk Session which meets six times a year, has appointed a co-ordinating team which meets on a monthly basis and a property and finance team. Both of these teams report directly to the Kirk Session.

Objectives and Activities

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

Broughton St. Mary's provides regular Sunday worship at 10.30am every week, a short reflective evening service on the last Wednesday of every month and an alternative way of worshipping using a Labyrinth at times when necessary or desired by the congregation, parish or presbytery. A Sunday Club for children of all ages meets every Sunday morning during the latter part of worship and a creche is also available for babies and young children.

The congregation holds various events through the year to engage the wider community of the parish in the work of the Church. There are coffee mornings, Christmas and spring fairs and Children's Holiday Clubs. The Church also hosts services for two local schools. The primary school has been using the Church for their Christmas celebrations for three years now and Cannonmills School, a local special school for children with behavioural problems, has now held four services in the past year. These services allow us to connect with more local people and show how serious we are in our efforts to accept, care for and include the many different communities that exist within our parish.

Social events are also held for the congregation to welcome new worshippers, inform members of any innovations and create a sense of community within the Church itself. These include celebration lunches or meals, garden parties, Christmas parties and congregational outings. The Sunday Club also hold an annual outing for all the children and their families to attend.

In addition to the activities the Church organises to assist in reaching its aims and objectives,

Trustees Annual Report
Year Ended 31 December 2007

Objectives and Activities (Continued)

there are bodies who use our premises and hold activities which benefit and enrich the life and profile of the Church. These include the Wednesday Club (a group of carpet bowlers and scrabble players), the Tuesday Circle (a fellowship which previously met as the Church of Scotland Guild), the Scottish Country Dance Club, the Art Club, the Brownie Guides, the Rainbow Guides and the Medau Society. The Beavers, Cubs and Scouts of the 11th Leith Group are affiliated to the Church and on occasion hold meetings in our premises.

Special occasions also bring other events to the annual life cycle of Broughton St. Mary's. We offer worship every evening during Holy Week, with a Labyrinth open throughout Holy Saturday. Easter Sunday morning has two services, the first in the garden and the second a family celebration of Holy Communion, with breakfast in between. Christmas also offers different worship opportunities with worship at 6.30pm on Christmas eve and a Watchnight Service at 11.30pm with community carol singing from 11pm. There is a 10.30am family service on Christmas day during which the sacrament of Holy Communion is celebrated.

Other groups that exist to assist us in our aims to allow people to grow in their faith together are our Good Book club, our 'Us Young Things' group which meets to share fellowship and faith over meals and our Learning and Growth discussion groups which cover various themes and also run throughout the period of Lent.

Achievements and Performance

This past year has seen some new initiatives in the life of our Church, and growth in other longer standing activities.

Our Children's Holiday Club this year enlisted the help of a youth group from a Church in Glasgow which created good links with them as well as forging links between them and the Edinburgh City Mission in Pilton. The children from the City Mission in Pilton were invited to attend our Holiday Club for the first time and shared a week of faith based activities along with children of our own parish. The youth group from Glasgow also visited the City Mission, helping with the redecoration and gardening in and around their premises. This allowed us to achieve a great deal from one event as we engaged in outreach for the children within our parish, provided the same opportunities for the children in an area coping with huge issues of poverty and created the situation from which the beneficial link between the City Mission (with whom we already had a link) and the Church in Glasgow was formed. This link has been built upon in the four months since the Holiday club with the youth group from Glasgow holding a Christmas party for the children in Pilton.

The Art Club is a new initiative which started in June this year. Ten people have attended, including children and the work produced by the club is displayed in the rooms of the Church. It is a brand new activity for us and has been very well received by those who attend and by those who benefit from the work now displayed.

The Church also arranged and held a sponsored walk this year, which was another new initiative, suggested and organised by a member of the congregation. Those who participated in the walk, around thirty people, raised over £1,500 and are keen to make the event something that is done regularly (although probably not annually) and also hope to attract more numbers in future.

The Labyrinth we set out on Holy Saturday was another new activity and was used to great effect

Trustees Annual Report
Year Ended 31 December 2007

Achievements and Performance (Continued)

by around half a dozen people, all of whom commented on the value of the journey on this significant day in the Christian calendar. It allowed people to engage in a new way with the reality of Holy Saturday and is something we hope to advertise well this year in order to attract more people.

Our worship at Christmas had a steady rise in attendance over the past years and this year we had around one hundred and fifty worshippers at our 6.30pm service on Christmas Eve which is the best attendance ever in the five year history of that service. Our Watchnight service had around seventy worshippers and attracted new people from the area to worship.

Financial Review

Broughton St. Mary's Parish Church of Scotland for Various Funds (SC001474)

Following an application made on our behalf by the Law Department of the Church of Scotland the Scottish Charity Regulator deregistered this Charity and this allows us to incorporate the 19 Endowment Funds, 9 Restricted Funds and 1 Unrestricted Fund together with their investments into these accounts. In order to do this the comparative figures for 2006 have been adjusted to include the following amounts:

	£
Unrestricted Funds	124
Restricted Funds	4,706
Endowment Funds Revenue	11,106
Endowment Funds Capital	15,428
	<hr/>
	31,364
	<hr/>
	£
Investments at Market Value	26,534
Bank	4,830
	<hr/>
	31,364
	<hr/>

Other Restated Figures for 2006

A number of further changes have been made to the 2006 comparative figures in order to comply with the legislative framework for the presentation of these accounts. These alterations are as follows:

1. The investments are recorded at market value and the resultant gain on revaluation is included in the Endowment Funds Revenue figure.
2. The manse and minister's garage are included at valuation by the Trustees and the General Account balance is adjusted accordingly.
3. The rent received from Vodafone is shown as income rather than a transfer from the General Trustees of the Church of Scotland as that body is a separately registered charity.

Financial Review for 2007

The accounts are presented on an accrual basis.

Trustees Annual Report
Year Ended 31 December 2007

Financial Review (Continued)

There is recorded in the accounts for the first time this year additional income of £1,310 and expenditure of £1,328 as a consequence of the deregistration by the Charity Regulator of the Kirk Session for Various Funds accounts. The income arises wholly from deposit and investment interest and dividends.

Unrestricted Funds

The givings of the congregation show a small increase from last year of £676 to a sum of £49,724. This should be viewed in conjunction with the continued support of the congregation for the Special Appeal for the church refurbishment, the continued support of our Mission partners, Roy and Jane Dodman, in Jamaica and the increase in the sums raised for the special collections for other charitable work outwith the congregation from £284 in 2006 to £1,261 in 2007. Nevertheless, we continue to depend heavily upon the rent received from Vodafone and the hard work of our events organising team to meet our costs particularly since the sale of the Church Centre in October has greatly diminished our ability to raise income from the use of our premises.

Two legacies of £1,100 in total were received during the year.

The costs have been held to the level of 2006 but with a number of variations in individual headings which again arise mainly from the sale of the Church Centre. In particular the increase in salaries is as a result of putting in place a new contract of employment for the Church Officer as the flat in the Church Centre cannot now be occupied by her.

Costs of £4,104 in respect of redecoration of part of the manse and the felling of a diseased tree in the church garden were charged to the fabric fund.

Apart from the normal transfer of endowment interest of £7,289 into the various appropriate funds the trustees have approved two other transfers affecting the unrestricted funds.

1. £28,822 has been transferred to the general fund from endowment revenue reserves. This represents the gain on sale in 2006 of the ordinary shares held in Smith Kline Beecham and is in line with the policy of the trustees on the realised gains on the sale of investments but it will also bolster the unrestricted reserves ahead of the uncertainties which face the congregation while the work of the refurbishment of the church goes ahead.
2. £691 has been transferred to restricted reserves and in particular to the Church Refurbishment Fund. This is in line with the trustees agreement to meet up to £10,000 of administration and marketing costs of the Special Appeal team. In total £8,191 will now have been allocated against such costs incurred.

Restricted Funds

The trustees are pleased to note the continuing support of the work of our mission partners, Roy and Jane Dodman in Jamaica. This will enable us to increase our financial support of them from the £1,250 given in 2007.

The church refurbishment fund records the income that we receive and the administrative and marketing costs. The income is transferred in the month following the month of receipt to our interest bearing account with the General Trustees of the Church of Scotland and it is from this account that the costs of the project are met. Full details of the income and expenditure of the Special appeal from it's inception is given in Appendix 3.

Trustees Annual Report
Year Ended 31 December 2007

Reserves Policy

It would be normal practice of the Trustees to hold unrestricted reserves of approximately four months expenditure including designated funds. However, with the proposed extensive refurbishment work on the church to begin in 2008 the trustees deem it to be prudent to hold a larger figure as it is likely that, while construction work is in progress our financial position will be put under strain. Income from the use of our premises will cease, it will be difficult to mount activities such as coffee mornings and fairs in the building and attendance at church may fall during this unsettling period.

The unrestricted reserves at the end of the financial year amount to £370,794 of which £300,000 represents the value of our properties. £12,574 has been designated for the fabric fund. In accordance with a resolution of the Kirk Session it was agreed to provide from unrestricted funds a sum of £10,000 to meet the administrative and marketing costs of the Special Appeal Fund Raising team. A further £691 has been drawn down this year making a total to date of £8,191.

The present policy may require to be revised in the following circumstances:

- 1) On completion of the refurbishment of the church building as plans are being formulated which will mean a more extensive use of the property both by the congregation and by other groups in the community.
- 2) If churches' exemption as charities to water and sewage charges is withdrawn in 2010.
- 3) When the agreement with Vodafone expires in 2017 and assuming that it is not terminated at an earlier date as provided in the lease.

The church also held £18,098 of restricted funds which have been provided for the purposes specified in note 13.

The endowment revenue reserve of £31,696 arises from the gain on the revaluation to market value of the securities in which the endowment capital funds which cannot be spent are held.

Statement of Trustees Responsibilities

Charity law requires the trustees to prepare financial statements for each financial year which show a true and fair value of the state of affairs of the charity and its financial activities for the period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in 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 Accounts (Scotland) Regulations 2006. They are also responsible for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf

I.R. Buckingham
Session Clerk
Date: 31st January 2008

Independent Examiner's Report to the Trustees of Broughton St. Mary's Parish Church of Scotland

I report on the accounts of the charity for the year ended 31st December 2007 which are set out on pages 1 To 23.

Respective responsibilities of trustees and examiner

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

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

Basis of independent examiners statement

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

Independent examiner's statement

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

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

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or

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

Gordon Gray
Non-practising Member of the Institute of Chartered Accountants of Scotland
4, Craigleith Avenue North,
Edinburgh, EH4 3LG

Date: 9th March 2008

Statement of Financial Activities
Year Ended 31 December 2007

	Note	<u>Unrestricted</u> <u>Funds 2007</u>	<u>Restricted</u> <u>Funds 2007</u>	<u>Endowment</u> <u>Funds 2007</u>	<u>Total 2007</u>	<u>Restated</u> <u>Total 2006</u>
		£	£	£	£	£
<u>Incoming Resources</u>						
Incoming resources from generated funds						
Voluntary income	1	50,924	64,523	6,323	121,770	111,536
Activities for generating funds	2	15,478	-	-	15,478	16,587
Investment income	3	4,495	511	1,014	6,020	4,794
Incoming resources from charitable activities						
	4	5,075	-	-	5,075	5,602
<u>Total incoming resources</u>		75,972	65,034	7,337	148,343	138,519
<u>Resources Expended</u>						
	5					
Costs of generating funds		363	728	-	1,091	8,415
Charitable activities		79,229	70,567	48	149,844	118,949
<u>Total resources expended</u>		79,592	71,295	48	150,935	127,364
Net incoming/outing resources before transfers						
		(3,620)	(6,261)	7,289	(2,592)	11,155
Transfers between funds						
		34,549	1,562	(36,111)	-	-
Net incoming/outing resources before other recognised gains and losses						
		30,929	(4,699)	(28,822)	(2,592)	11,155
Gain/loss on revaluation and sale of investments						
		-	-	1,961	1,961	10,668
Net movement in funds						
		30,929	(4,699)	(26,861)	(631)	21,823
Total funds brought forward						
		339,865	22,797	168,792	531,454	478,267
Funds Transferred from Kirk Session						
		-	-	-	-	31,364
<u>Total funds carried forward</u>		370,794	18,098	141,931	530,823	531,454

Balance Sheet
As At 31 December 2007

	<u>Note</u>	<u>2007</u> £	<u>Restated</u> <u>2006</u> £
Fixed Assets			
Tangible Fixed Assets	8	300,000	300,000
Investments	9	170,765	168,804
		<u>470,765</u>	<u>468,804</u>
Current Assets			
Debtors	10	16,451	17,979
Cash	14	44,901	45,628
		<u>61,352</u>	<u>63,607</u>
Creditors			
Falling due within one year	11	1,294	957
		<u>60,058</u>	<u>62,650</u>
Net Current Assets			
		<u>60,058</u>	<u>62,650</u>
<u>Net Assets</u>			
		<u><u>530,823</u></u>	<u><u>531,454</u></u>
Unrestricted Funds			
General Funds	13	358,220	327,408
Designated Fund		12,574	12,457
		<u>370,794</u>	<u>339,865</u>
Restricted Funds			
Endowment Funds Revenue	13	18,098	22,797
	13	31,696	58,557
		<u>420,588</u>	<u>421,219</u>
Endowment Funds Capital			
		110,235	110,235
<u>Total Funds</u>			
		<u><u>530,823</u></u>	<u><u>531,454</u></u>

The Accounts were approved by the Kirk session on 31st January 2008
For and on behalf of the Kirk Session

I. R. Buckingham Session Clerk

G. Grahamslaw Treasurer

Broughton St. Mary's Parish Church of Scotland

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.

The charity has adopted the requirements of the Statement of Recommended Practice Accounting and Reporting by Charities (issued February 2005) for the first time. Accordingly, a number of changes have been made to the comparative figures and these are detailed in the financial review section of the Trustees Annual Report on Page 5.

Basis of Preparation

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention, modified to reflect the inclusion of investments and heritable property at market value, and in accordance with the Charities Accounts (Scotland) Regulations 2006, the Regulations anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007 and by the Statement of Recommended Practice Accounting and Reporting by Charities(2005).

Funds

Funds are classified as either restricted funds or unrestricted funds, defined as follows.

Restricted Funds are funds held 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 value is not reduced, but the income therefrom 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 object of the charity. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

Incoming Resources

All donations and gifts, other than special collections for other bodies with no connection to the charity, are included within incoming resources under either restricted or unrestricted funds according to the terms under which the donation is made when the amount can be quantified with reasonable certainty. Donations and gifts in kind are brought into these accounts at market value to the charity.

Resources Expended

Expenditure is recognised on an accruals basis as the liability is incurred.

Broughton St. Mary's Parish Church of Scotland

Tangible Fixed Assets

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

The heritable fixed assets comprise:

Vested in the Church of Scotland General Trustees

Church: 12 Bellevue Crescent, Edinburgh EH3 6NE

Owned by the charity

Manse: 103 East Claremont Street, Edinburgh EH7 4JA

Lock up Garage: 5c Inverleith Place, Edinburgh EH3 5QJ

During the year the Church Centre at 7 East Broughton Place, was sold for £750,000 which was retained by the Church of Scotland General Trustees and placed to the credit of account 560100082. This account is earmarked for meeting the costs of the proposed refurbishment of the church.

The manse and lock up garage are stated at market valuations placed on them by the trustees. Expenditure incurred on repair and maintenance of the heritable fixed assets is charged as resources expended in the statement of financial activities in the period in which the liability arises. Normal expenditure is charged to the general fund while extraordinary repairs and improvement of fabric, fittings and equipment is met from the designated fabric fund.

All tangible fixed assets having a value to the charity of greater than one year, other than those acquired for specific purposes, are capitalised. Depreciation is provided on a straight-line basis to write off the cost or initial value, less residual value, over their estimated useful lives.

Fixtures, fittings and office equipment	10 Years
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No depreciation has been charged against heritable property as the trustees consider that they are worth at least the value stated.

Investments

Fixed asset investments are stated at market value at the balance sheet date. Unrealised gains and losses represent the difference between the market value at the beginning and end of the financial year. Realised gains and losses represent the difference between the proceeds on the disposal and the market value at the start of the year or cost if purchased in the year.

Taxation

Broughton St. Mary's Parish Church of Scotland is recognised as a charity for the purposes of applicable taxation legislation and is not therefore subject to taxation on its charitable activities. The charity is not registered for VAT and resources expended therefore include irrecoverable input VAT.

Short Term Deposits

Where revenue funds are available to be placed on short term deposit the Church of Scotland Investors Trust Deposit Fund is used.

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements
for the year ended 31 December 2007

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>	<u>Total</u>
	<u>Funds 2007</u>	<u>Funds 2007</u>	<u>Funds 2007</u>	<u>Total 2007</u>	<u>2006</u>
	£	£	£	£	£
1. Voluntary Income					
Freewill Offerings	6,921	-	-	6,921	6,474
Gift Aided Offerings	29,401	-	-	29,401	30,553
Cash and Donations	5,312	961	-	6,273	4,954
Gift Aid Tax Recoverable	8,090	8,400	-	16,490	17,720
Special Appeal: Congregation Givings	-	22,479	-	22,479	39,543
Donations and Grants	-	30,085	-	30,085	5,034
Endowment Income	-	-	6,323	6,323	4,794
Congregational Organisations	100	-	-	100	1,780
Legacies	1,100	-	-	1,100	-
Other	-	2,598	-	2,598	684
	<u>50,924</u>	<u>64,523</u>	<u>6,323</u>	<u>121,770</u>	<u>111,536</u>
2. Activities for Generating Funds					
Use of Premises	6,078	-	-	6,078	7,187
Vodafone Rent	9,400	-	-	9,400	9,400
	<u>15,478</u>	<u>-</u>	<u>-</u>	<u>15,478</u>	<u>16,587</u>
3. Investment Income					
Deposit Interest	1,495	511	-	2,006	1,528
Consolidated Stipend Fund Interest	3,000	-	-	3,000	2,803
Interest & Dividends Received	-	-	1,014	1,014	463
	<u>4,495</u>	<u>511</u>	<u>1,014</u>	<u>6,020</u>	<u>4,794</u>
4. Incoming Resources from Charitable Activities					
Wedding Fee	100	-	-	100	150
Coffee Mornings, Fairs etc	4,975	-	-	4,975	5,452
	<u>5,075</u>	<u>-</u>	<u>-</u>	<u>5,075</u>	<u>5,602</u>

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements (continued)
for the year ended 31 December 2007

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>		<u>Total</u>
	<u>Funds 2007</u>	<u>Funds 2007</u>	<u>Funds 2007</u>	<u>Total 2007</u>	<u>2006</u>
	£	£	£	£	£
5. Analysis of Resources Expended					
Costs of Generating Funds					
Offering Envelopes	363	-	-	363	343
Special Appeal Team Costs	-	728	-	728	8,072
	<u>363</u>	<u>728</u>	<u>-</u>	<u>1,091</u>	<u>8,415</u>
Charitable Activities					
Ministries and Mission Allocation	41,273	-	-	41,273	40,069
Presbytery Dues	1,042	-	-	1,042	990
	<u>42,315</u>	<u>-</u>	<u>-</u>	<u>42,315</u>	<u>41,059</u>
Minister's Expenses	5,067	-	-	5,067	4,556
Other Salary Costs	9,653	-	-	9,653	8,874
Pulpit Supply	300	-	-	300	274
Fabric Repairs and Maintenance	6,342	-	-	6,342	4,678
Council Tax	1,083	-	-	1,083	1,333
Other Building Costs	12,059	-	-	12,059	13,198
Church Office Expenses	1,108	-	-	1,108	1,677
Organ and Music	-	334	-	334	663
Other Expenses	1,302	1,132	48	2,482	1,935
Transfer to General Trustee					
Account 560100082	-	67,851	-	67,851	40,202
Mission Partners	-	1,250	-	1,250	500
	<u>79,229</u>	<u>70,567</u>	<u>48</u>	<u>149,844</u>	<u>118,949</u>
Total	<u>79,592</u>	<u>71,295</u>	<u>48</u>	<u>150,935</u>	<u>127,364</u>

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

6. Staff Costs and Numbers

	2007	2006
	£	£
Salaries and Wages	9,539	8,828
Social Security Costs	114	46
	<u>9,653</u>	<u>8,874</u>

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

	2007	2006
	Number	Number
Ministerial Support	1	1
Music Staff	1	1
	<u>2</u>	<u>2</u>

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements (continued) **for the year ended 31 December 2007**

6. Staff Costs and Numbers (Continued)

All Church of Scotland congregations contribute to the National Stipend Fund which bears the cost of all ministers' stipends and employers' 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 £21,466 and the maximum stipend (in the tenth and subsequent years) £28,500.

7. Trustees Remuneration and Related Party Transactions

During the year 7 trustees received reimbursement of expenses totalling £1,262. In addition Mr. Colin Beck, who is a member of the Kirk Session, received £200 for providing services as supply organist during the year.

8. Tangible Fixed Assets

	Buildings
	£
Market value at 1 January and 31 December 2007	<u>300,000</u>

The heritable fixed assets owned by the charity are detailed in the Statement of Accounting Policies (Page 12). Other tangible fixed assets owned by the charity have been acquired more than 10 years ago and are regarded as fully depreciated.

9. Investments

	2007	2006
	£	£
Market value at previous 31 December	168,804	131,590
Gain/(Loss) on revaluation and sale of investments	1,961	10,680
Transfer from Kirk Session	-	26,534
Market value at 31 December	<u>170,765</u>	<u>168,804</u>

The following investments are held

Church of Scotland Investors Trust: Growth Fund 31,875 Units	133,875	131,643
Church of Scotland Investors Trust: Deposit Fund	13,674	13,674
3.5% War Stock £28,918	23,216	23,487
	<u>170,765</u>	<u>168,804</u>
<u>Investments at cost</u>	<u>139,069</u>	<u>139,069</u>

10. Debtors

	2007	2006
	£	£
Gift aid tax refund due	12,812	14,760
Other debtors	3,639	3,219
	<u>16,451</u>	<u>17,979</u>

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements (continued)
for the year ended 31 December 2007

11. Creditors

	2007	2006
	£	£
Accruals	1,294	957

12. Analysis of Net Assets between Funds

	General	Designated	Restricted	Endowment	Total
	£	£	£	£	£
Fixed Assets	300,000	-	-	-	300,000
Investments	28,834	-	-	141,931	170,765
Current Assets	30,680	12,574	18,098	-	61,352
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Current Liabilities	359,514	12,574	18,098	141,931	532,117
	1,294	-	-	-	1,294
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Assets at 31 December 2007	358,220	12,574	18,098	141,931	530,823

13. Movement in funds

	<u>Balance</u>		<u>At 31 December 2007</u>				
	<u>as at</u>	<u>Incoming</u>	<u>Revaluation</u>	<u>Outgoing</u>	<u>Transfers</u>	<u>Capital</u>	<u>Revenue</u>
	<u>01/01/07</u>	<u>Resources</u>	<u>Gains</u>	<u>Resources</u>			
	£	£	£	£	£	£	£
<u>Endowment Funds</u>							
Bellevue Fund	1,578	68	27		(68)	1,020	585
Miss M. Wemyss Memorial	1,834	79	31		(79)	999	866
Mrs J. McNeill Memorial	907	47			(47)	907	
Mrs J. Irvine Memorial	3,560	152	60		(152)	2,500	1,120
Other General Fund							
Legacies	42,418	1,912	525		(30,734)	12,187	1,934
A.G. Bryson Memorial	84,966	3,625	1,441		(3,625)	71,870	14,537
Miss M. Sim Memorial	1,099	47	18		(47)	928	189
Other Fabric Fund							
Legacies	896	38	15		(38)	618	293
J. Spence Memorial	392	17	7		(17)	400	(1)
Mrs Naismith Memorial	739	32	13		(32)	755	(3)
Lawrence S. Miller Memorial (Sunday Club)	1,123	48	19	48		726	416
Lawrence S. Miller Memorial (Ministerial Support)	2,746	118	47		(118)	1,897	896
Congregation Benevolent							
Legacies	2,279	97	21		(97)	1,293	1,007
James Kirkhope Bequest	1,071	46	(12)		(46)	597	462
Carry forward	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	145,608	6,326	2,212	48	(35,100)	96,697	22,301

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements (continued)
for the year ended 31 December 2007

13. Movement in funds (continued)

	<u>Balance</u>				<u>At 31 December 2007</u>		
	<u>as at</u>	<u>Incoming</u>	<u>Revaluation</u>	<u>Outgoing</u>	<u>Transfers</u>	<u>Capital</u>	<u>Revenue</u>
	<u>01/01/07</u>	<u>Resources</u>	<u>Gains</u>	<u>Resources</u>			
£	£	£	£	£	£	£	
Brought forward	145,608	6,326	2,212	48	(35,100)	96,697	22,301
Ann Padon Bequest	454	20	(6)		(20)	253	195
Braidwood Request	940	41	(11)		(41)	524	405
Broughton Lady							
Visitor Fund	2,588	111	(30)		(111)	1,442	1,116
Dorcas Society Fund	1,460	71	(4)		(71)	1,277	179
Canongate Fund	2,798	121	(32)		(121)	1,559	1,207
Rutherford Bequest	874	38	(10)		(38)	487	377
Miss Jack Legacy	992	43	(11)		(43)	553	428
General Fund							
Legacies (KS)	300	15			(15)	300	
Mrs Mackie Bequest	155	7	(2)		(7)	86	67
Miss Simpson Bequest	1,412	61	(16)		(61)	787	609
Isabella Cook Memorial	996	43	(12)		(43)	555	429
Missionary Society							
Funds	7,520	324	(87)		(324)	4,190	3,243
Sutherland Bequest	118	5	(1)		(5)	89	28
Callendar Bequest	1,000	43	(11)		(43)	557	432
Dr. G.S. Gunn							
Memorial	972	42	(11)		(42)	542	419
Neill &							
Davidson Bequests	334	14	(4)		(14)	186	144
J. Sommerville Bequest							
Special Calls	271	12	(3)		(12)	151	117
	168,792	7,337	1,961	48	(36,111)	110,235	31,696

Restricted Funds

Ministerial Support							
Fund	1,048	43			118		1,209
Organ Maintenance							
Fund	1,701	69		334	49		1,485
Flower Fund	365	201		322	14		258
Mission Partners Fund	1,713	1,375		1,250			1,838
Refurbishment Fund	13,264	63,193		68,579	691		8,569
Benevolent Fund	2,600	85		200	386		2,871
Mission & Worship	250	8		424	202		36
Youth Fund	137	4			5		146
Senior Citizens Fund	715	23		67	43		714
Carry forward	21,793	65,001		71,176	1,508		17,126

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements (continued)
for the year ended 31 December 2007

13. Movement in funds (continued)

	<u>Balance</u>				<u>At 31 December 2007</u>		
	<u>as at</u>	<u>Incoming</u>	<u>Revaluation</u>	<u>Outgoing</u>	<u>Transfers</u>	<u>Capital</u>	<u>Revenue</u>
	<u>01/01/07</u>	<u>Resources</u>	<u>Gains</u>	<u>Resources</u>			
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Brought forward	21,793	65,001		71,176	1,508		17,126
Bible Presentation							
Fund	4			42	42		4
Special Calls Fund	48	2			12		62
Youth & Choral Fund	933	30		77			886
Adult Education Fund	19	1					20
	<u>22,797</u>	<u>65,034</u>		<u>71,295</u>	<u>1,562</u>		<u>18,098</u>
<u>Unrestricted Funds</u>							
Designated Fabric							
Fund	12,457	511		4,104	3,710		12,574
Legacy Fund	7,597	1,413		203			8,807
General Fund	319,811	74,048		75,285	30,839		349,413
	<u>339,865</u>	<u>75,972</u>		<u>79,592</u>	<u>34,549</u>		<u>370,794</u>
Total Funds	<u>531,454</u>	<u>148,343</u>	<u>1,961</u>	<u>150,935</u>	<u>-</u>	<u>110,235</u>	<u>420,588</u>

Purposes of Endowment Funds

The income from the following endowments is to be used for the general work of the congregation as sanctioned by the Kirk Session:

Bellevue Fund
Miss M. Wemyss Memorial
Mrs J. McNeill Memorial
Mrs J. Irvine Memorial
Other General Fund Legacies
General Fund Legacies (KS)
Mrs Mackie Bequest
Miss Simpson Bequest
Isabella Cook Memorial.

The income from the following endowments is to be used for the maintenance of the fabric of the congregational properties and for the maintenance of fixtures, fittings and equipment installed in the congregational properties:

A.G. Bryson Memorial
Miss M. Sim Memorial
Other Fabric Fund Legacies.

The income from the following endowments is to be used for the purpose of maintaining the organ

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements (continued)
for the year ended 31 December 2007

13. Movement in funds (continued)

and other musical instruments used in the conduct of worship:

J. Spence Memorial
Mrs Naismith Memorial.

The income from the Lawrence S. Miller Memorial is to be used, at the discretion of the Kirk Session, for the purpose of providing additional financial support to the minister of the congregation.

The income from the following endowments is to be used for benevolent purposes by way of grants and financial assistance to members of the congregation and others:

Congregation Benevolent Legacies
James Kirkhope Bequest
Ann Padon Bequest
Braidwood Request
Broughton Lady Visitors Fund
Dorcas Society Fund

The income from the following endowments is to be used for mission and worship purposes in the congregation and in the wider mission work of the church.

Canongate Fund
Rutherford Bequest
Miss Jack Legacy

The income from the 17 individual bequests making up the Missionary Society Fund is to be used for the work of the church world-wide. This is achieved by using the income as part of the congregation's Ministries and Mission allocation to the Church of Scotland.

The income from the Sutherland Bequest is to be used for youth work in the congregation.

The income from the Callendar Bequest is to be used to provide benefits such as summer outings and Christmas parties for the senior citizens in the congregation.

The income from the Dr. G.S. Gunn Bequest is to be used to provide bibles to mark special occasions in the life of individuals in the congregation.

The income from the Neill & Davidson Bequests is to be used to provide flowers for the church sanctuary.

The income from the J. Sommerville Bequest for Special Calls is to be used to meet at the discretion of the Kirk Session, special calls made on the resources of the congregation.

(Note: All of the income from the above endowments is transferred annually to the appropriate fund which is specified for the endowment.)

The income from the Lawrence S. Miller Memorial (Sunday Club) is to be used to provide funds to support the work of the Sunday Club (Sunday School) of the congregation.

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements (continued)
for the year ended 31 December 2007

13. Movement in funds (continued)

Purposes of Restricted Funds

Ministerial Support Fund: This is a fund established to provide, at the discretion of the Kirk Session, additional financial support to the minister.

Organ Maintenance Fund: This is a fund established to provide funds to meet the costs of maintaining the organ and other musical instruments used in the conduct of worship.

Flower Fund: This is a fund to be used to provide flowers in the church premises and for other approved purposes.

Mission Partners Fund: This is a fund to be used to provide income to support the work of our Mission partners. At present the work of Roy and Jane Dodman in Jamaica is the focus of our efforts.

Refurbishment Fund: The congregation launched an appeal to raise £3.2million to carry out a major refurbishment of the church building in Bellevue Crescent. All the income which is raised is transferred in the month following the month of receipt to the Church of Scotland General Trustee Account 560100082. The funds in this account are designed to meet the costs of carrying out the refurbishment. The Kirk Session has agreed to meet from it's existing funds up to £10,000 to meet the administration and marketing costs of the team charged with the raising of the necessary funds.

Benevolent Fund: This is a fund established to provide grants and financial assistance to members of the congregation and others in need.

Mission & Worship Fund: This is a fund established to provide materials to assist the minister in the conduct of worship and to promote the mission statement of the congregation both in the parish and in the wider work of the church.

Youth Fund: This is a fund which provides resources promoting the work of youth projects associated with the congregation.

Senior Citizens Fund: This is a fund which is used towards meeting the costs of projects and functions for the senior citizens in the congregation.

Bible Presentation Fund: This is a fund used to meet the costs of bibles purchased for presentation purposes.

Special Calls Fund: This is a fund established to meet the costs of special calls made on members and resources of the congregation.

Youth & Choral Fund: This is a fund established from the proceeds of the McBain Legacy to meet the cost of music resources for the church choir and for meeting the cost of youth projects. There is no fixed split of how the income should be allocated between youth and choral projects.

Broughton St. Mary's Parish Church of Scotland

Notes forming part of the financial statements (continued)
for the year ended 31 December 2007

13. Movement in funds (continued)

Adult Education Fund: This fund is to be used toward meeting the cost of organising and members attending Christian education events.

Purposes of Designated Funds

Fabric Fund: This fund is designated to meet the costs of extraordinary repairs and improvement of fabric, fittings and equipment used in the congregational properties.

14. Bank

	2007	2006
	£	£
Current Account	6,673	6,900
Short Term Deposit Account	38,228	38,728
	<u>44,901</u>	<u>45,628</u>

15. Special Collections

In addition to the general fund income, the following special collections were received and distributed:

	£
Christian Aid	289
Fiona Mathieson Appeal	527
Edinburgh City Mission	253
Scottish Bible Society	192
	<u>1,261</u>

**Broughton St. Mary's Parish Church of Scotland
Financial Statements
Year ended 31 December 2007**

Appendix 1

Funds Held on Behalf of the Congregation by the Church of Scotland General Trustees

Capital Accounts

	2007 £	2006 £
Account 550100082 Credit balance at 31 December at cost	3,714	3,714
Account 560100082 Credit balance at 31 December at cost	797,995	61,520
	<u>801,709</u>	<u>65,234</u>
Market Values of above balances	<u>802,860</u>	<u>66,497</u>

Revenue Account

Account 500100081 Credit balance at 31 December	<u>6,253</u>	<u>5,698</u>
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Temporary Account

Account Debit balance at 31 December	<u>-</u>	<u>(1,539)</u>
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Appendix 2

Trust Fund Administered by Congregational Treasurer

	2007 £	2006 £
<u>Capital at Cost</u>		
Bryson Trust Fund		
208 Units Church of Scotland Investors Trust: Income Fund	1,748	1,748
Mrs A.C.M. Lawrence Trust Fund		
63 Units Church of Scotland Investors Trust: Income Fund	497	497
	<u>2,245</u>	<u>2,245</u>
Market Value of above Funds	<u>3,087</u>	<u>3,320</u>

Revenue

Income		
Investment income	<u>183</u>	<u>186</u>
Cost		
Paid to Mrs McArthur widow of former minister	<u>183</u>	<u>186</u>

Broughton St. Mary's Parish Church of Scotland
Financial Statements
Year ended 31 December 2007

Appendix 3

Special Appeal for Church Refurbishment

The undernoted statement represents the transaction since the inception of the appeal.

Income

	£
Congregational Giving Gift Aid	51,556
Tax Refund	17,400
Congregational Giving Ordinary	10,419
Grants & Donations	52,335
Deposit Interest	11,785
Church Centre Proceeds of Sale	750,000
Gain on Sale of Shares	10,251
Opening Funds in General Trustees Capital Account	47,721
Legacies	2,000
Other Income	2,141
	955,608

Expenditure

	£
Administration and Marketing Costs	10,141
<u>Less:</u> Transfer from General Fund	(8,191)
	1,950
Professional Fees	194,474
Cost of Sale of Church Centre	13,632
Planning Application Fees	5,437
CFF Loan Interest	551
	216,044
	739,564

Held Thus:

	£
Church of Scotland General Trustees (Appendix 1)	797,995
<u>Less:</u> Loan from CCF Due to be Repaid	67,000
	730,995
Congregation (Note 13)	8,569
	739,564

Note:

The £67,000 loan from the Consolidated Fabric Fund should have been repaid by deduction from the sale proceeds of the Church Centre. This has now been recovered in 2008.