



**Edinburgh: Broughton St. Mary's Parish Church
(Church of Scotland)**

Annual Report

Year to 31 December 2013

Congregation Number 010008

Scottish Charity Number SC 012642

Trustees Annual Report
Year ended 31 December 2013

The Trustees present the annual report and accounts for Edinburgh: Broughton St. Mary's Parish Church (Church of Scotland) for the year ended 31 December 2013.

Reference and administrative information

Charity name	Edinburgh: Broughton St. Mary's Parish Church (Church of Scotland)
Charity reference number	SC012642
Congregation reference number	010008
Contact address	12 Bellevue Crescent, Edinburgh, EH3 6NE
Websites	www.bstmchurch.org.uk www.facebook.com/bstmchurch

Trustees

Rev. P. Bluett (until 8 May 2013)	S. Brown, Mrs D. Buckingham, I.R. Buckingham, Mrs G. Buckingham, D. Cartright, Miss D. Chisholm, B.J. Duffin, Mrs J. Duffin, Mrs J. Gault, R. Gibson, G. Grahamslaw,	W. McCall, Mrs H. McCoy, Ms M.McRae, Mrs D. Munro, Mrs B. Robertson, G. Rogers, Captain R. Smith, Ms E. Theurer, Mrs J. Whitfield
Rev. G. McGeoch (from 8 May 2013), Miss E. Allan, Mrs J. Allan, C. Beck, Mrs J. Beveridge, J. Blaik, Miss M. Braby, Mrs E. Brown,		

Principal office bearers

Minister:	Rev. G. McGeoch (from 8 May 2013)
Interim Moderator:	Rev. P. Bluett (until 8 May 2013)
Session Clerk:	I.R. Buckingham
Treasurer:	G. Gray

Independent examiner

Alexander F. Gemmill
40 Warriston Gardens,
Edinburgh, EH3 5NE

Bankers

Clydesdale Bank
21 Queensferry Street
Edinburgh, EH2 4RD

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.

On 8 May 2013 the Rev G McGeoch was inducted to the charge of Broughton St Mary's by the Presbytery of Edinburgh and, accordingly, the Rev. P Bluett's appointment as Interim Moderator came to an end. The charge had been vacant since the demission of Rev J Hood on 29 May 2012. There were no other appointments or resignations of trustees during the year.

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 five times a year, has appointed a property and finance team that reports 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. The Church of Scotland is fully committed to working with people of all faiths and no faith.

Broughton St. Mary's provides regular Sunday **worship** at 10.30am every week, 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 crèche 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 including coffee mornings and Christmas and spring fairs. The Church has also hosted services for its local primary school for the past eight years. We held a community service and meal with invitations sent to the Muslim Community via Annadale Mosque. A service for Remembrance and Healing has been held for the bereaved. 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 and create a sense of **fellowship** within the Church itself. These include celebration lunches or meals, garden parties, Christmas parties and congregational outings. The Sunday Club also holds an annual outing for all the children and their families. During the Summer we held barbeques in the church garden which were enjoyed by the congregation, guests from the parish and users of the premises.

In addition to the activities the Church organises to assist in reaching its aims and objectives, there are other bodies that 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 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 Edinburgh North East Group are sponsored by the Kirk Session and are affiliated to the Church and on occasion hold meetings in our premises. There is also a Garden Team that tends the church garden which enhances our surroundings and brings pleasure to users and visitors to the premises.

During the past year

As part of our **service** to others the following charitable bodies have used the church's premises during the year; Alopecia Scotland, Feed Edinburgh, Child Survival in Malawi, Waverley Care, No Strings Attached Community Wind Band, Edinburgh Society of Organists, Scottish Chamber Orchestra and Chorus, Dunedin Concerts Trust Ltd, The Church of Scotland World Mission Council. Various individuals from the community have used the premises to hold family celebrations. The New Town and Broughton Community Council has held its meetings in our premises. Heriothill Nursery has held its Christmas concert and parties in our premises. The production team from The Broughton Spurtle a community newsletter uses our premises for meetings.

A major user of the premises is the City of Edinburgh Council (Bellevue Project) which caters for adults from the local area with learning difficulties. Members of the congregation also worked with the staff and service users of the council's Bellevue Project in holding a Coffee Morning in aid of Macmillan Cancer Support.

Other regular users of the premises are Yoga classes, Qigong, Daoist Yoga and Meditation Classes. The Broughton Health Clinic, a Physiotherapy service operates from the premises during the week.

Special occasions also bring other events to the annual life cycle of Broughton St Mary's. We offer a summertime reflective **worship** service in July and a Watchnight Service at 11.00 pm on Holy Saturday. On Easter Sunday morning we have 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. A Watchnight Service is held at 11.30pm on Christmas Eve and a 10.30am family service takes place on Christmas Day after which the sacrament of Holy Communion is celebrated. The Central Branch of the Royal British Legion, the 11th Edinburgh North East Scout Group and pupils from Drummond Community High School participated in our annual Remembrance Day service in November. The Church marked World Aids Day and the facade of the church building was floodlit in red lighting to highlight our commitment to support those affected by HIV and AIDS.

Other groups that exist to promote **discipleship** in Broughton St Mary's and enable us in our aims to allow people to grow in their faith are our Learning and Growth discussion groups which cover various themes and also run throughout the period of Lent. Monthly Bible Study meetings are held throughout the year. During the year the Church has held "Messy Church" which provides a different church experience for children of all ages up to 12 years together with their parents/carers. We have continued to develop this opportunity for **evangelism** to children and adults who do not attend church at other times.

Rev Graham McGeoch became the minister of Broughton St Mary's on 8 May 2013. From 12 January 2013 to 8 May 2013 worship was conducted by the locum minister, Rev Ian Scott. Rev Peter Bluett acted as Interim Moderator of the Kirk Session until Mr McGeoch's induction.

Achievements and performance

This past year has seen a continuing growth in our groups and projects using the rooms and facilities developed by the first phase of work on the lower ground floor of our building.

Discipleship: Our Lent Discussion Groups ran twice a week throughout Lent met in the new rooms. A number of those who met wanted to continue to meet beyond Lent as a result a regular Bible Study meeting has been introduced. The number of people associated with our congregation continues to rise. This is also shown in new and more worshippers on Sunday mornings. Members of the congregation are taking a greater part in the conduct of public worship through reading the bible, leading prayers and all age teaching.

Our Christmas worship once again attracted substantial numbers from our congregation and parish to the Church at 11.30pm on Christmas Eve and 10.30am on Christmas Day. We collected foodstuffs which were donated to the Rock Trust to bring cheer to homeless young people. Our acts of **evangelism** and charity continued in the donation of presents for the children of prisoners at HM Prison Edinburgh. Our Christmas offerings were donated to Waverley Care a charity which works with those affected by HIV/AIDS. We have contributed to the work of the North Edinburgh Foodbank through the donation of foodstuffs.

The Sunday Club continues to benefit from having a greater number of children in attendance and a rota of Sunday Club leaders who participate fully in our children's ministry but also are enabled to attend worship regularly.

The congregation looks forward to continuing to use its building in **service** to the community and developing our congregational life as we strive to serve our people and parish, working together with our neighbours in other churches and faith communities.

Financial review

Unrestricted funds

The position of the General Fund is summarised in the table below. The letting of our newly refurbished rooms continues to be a welcome source of revenue and this has increased strongly in the last year.

In contrast to recent prior years, none of the income from letting rooms was accounted for in the Refurbishment Appeal Fund in 2013 (2012: £4,925). This reflects the fact that the financial position of the General Fund was considered to be weaker than in previous years.

General Fund income and expenses	2013	change	2012	change	2011	change	2010
Congregational giving (& Gift Aid)	49,429	1%	48,966	-12%	55,341	9%	50,743
Endowment and investment income	2,036	-10%	2,269	1%	2,246	2%	2,193
Vodafone rental income	13,354	16%	11,505	9%	10,581	8%	9,794
Income from letting halls / manse	21,812	52%	14,315	52%	9,397	-11%	10,564
less part allocated to Appeal Fund	0		(4,925)		(4,800)		(4,000)
Coffee mornings, fairs etc.	5,443	-13%	6,252	-4%	6,529	9%	5,996
Other income	453	-8%	492	-39%	800	-57%	1,860
	92,527	17%	78,874	-2%	80,094	4%	77,150
Expenses	(92,462)	15%	(80,392)	3%	(78,325)	2%	(76,646)
Surplus/(deficit) before revaluation gains	65		(1,518)		1,769		504

The other unrestricted funds are the Manse Fund and the Legacy Fund. The Manse Fund represents the capital value of the manse and garage. There were no transactions in the Manse Fund in 2013. One legacy was received in 2013 amounting to £500 and this was accounted for in the Legacy Fund (2012: £2,000).

Refurbishment appeal

The refurbishment of the lower ground floor, including the addition of the Garden Room, was completed in 2009. The final loan repayment to the General Trustees was made during 2013 and we are no longer incurring any interest expense. As detailed in appendix 3, the final cost of the project was £1,593,653.

The Trustees continue to be grateful for all grants and donations towards the refurbishment appeal. Approximately £18,300 of income was received in 2013 (2012: £30,000).

Most of the income and expenses relating to the refurbishment were routed through a special capital account with the Church of Scotland General Trustees. For information purposes, a combined statement of the transactions incurred by the congregation and the General Trustees, since the launch of the refurbishment appeal is presented in Appendix 3. This shows that the cumulative shortfall of income to expenditure (after taking account of accrued Gift Aid) now stands at £1,428 (2012: £19,661).

Since 2010, deposits held in other funds have been made available to the Appeal Fund in order to reduce the loan balance (and thereby our interest expense). This was accounted for as a loan between funds. Much of this notional loan was repaid during 2012 and 2013 and, by the end of 2013, the balance had fallen to £2,280. Until the end of 2012 notional interest was charged at 0.25% above the interest rate on the COSIT Deposit Fund. This amounted to £430 in 2012. Given the diminishing size of the sums involved and the lack of income in the Appeal Fund, it is not intention of the Trustees to account for further interest and no interest was accrued during 2013.

The Church building itself is vested in the General Trustees of the Church of Scotland and does not appear on our balance sheet.

Fabric fund

For the third year running, Fabric Fund expenditure has been significant at £9,826 (2012: £19,406 and 2011: £32,892). In 2013 this included work on the garden wall at the church and new rear windows in the manse.

In the period 2011 to 2013 the funds available for Fabric purposes have fallen significantly (from £20,184 to £4,485).

Since 2011, the Fabric Fund has been accounted for as a restricted fund as the Fund's income is exclusively from endowment income or donations which have been specified as being for fabric purposes.

Other restricted funds

The Sunday Club Fund benefited from a number of donations during 2013 including those made for tea and coffee after Sunday services during December which amounted to £141. Transactions for the Sunday Club Fund, and the other restricted funds, are summarised at note 15 of the accounts.

Investments and endowment funds

This year, the amount of investment income which was transferred from endowment funds into the various restricted and unrestricted funds was £5,151 (2012: £5,247). The principal recipient of these transfers is the Fabric Fund.

Additionally, investment gains of £16,165 (2012: £3,200) have been recognised in the General and Endowment Funds. Our main investment continues to be the Growth Fund of the Church of Scotland Investors Trust the unit price of which has increased from £3.53 to £4.13 over the year (and has thus almost regained the 31 December 2007 price of £4.20).

At the end of November, all of the COSIT Deposit units held in Endowment funds, some £13,674, were switched into COSIT Growth units. This change was made in response to the continuing falling interest rate and the fact that Endowment Fund investments are made for the long-term.

Reserves policy

The unrestricted reserves at the end of the financial year amount to £354,400 (2012: £349,500) of which £300,000, representing the value of our properties, has been designated as the Manse Fund.

It would be the normal practice of the Trustees to hold unrestricted reserves of approximately four months expenditure including designated funds. However, the trustees deem it to be prudent to hold a larger figure at present as it is likely that our financial position will remain under strain in the coming years as we seek to find new ways to make use of our building and enhance our role in the local community. Additionally, other matters provide financial uncertainty such as uncertainty over how long the Church's exemption from water and sewage charges will continue and the current rental agreement with Vodafone, which yields significant income, is due to expire in 2017.

Excluding the Refurbishment Fund (which is in deficit), the Church held £18,700 (2012: £21,800) of restricted funds which have been provided for the purposes specified in note 15.

The endowment revenue reserve of £28,800, (2012: £17,100) cannot be spent as they arise from the gain on the revaluation to market value of the investments in the endowment capital funds.

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; and
- 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

30 January 2014

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

I report on the accounts of the charity for the year ended 31 December 2013 which are set out on pages 9 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. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

- 1) which gives me reasonable cause to believe that in any material respect the requirements:-
 - i) to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Alexander F. Gemmill
Non-practising Member of the Institute of Chartered Accountants of Scotland

40 Warriston Gardens,
Edinburgh,
EH3 5NE

Date: 9 March 2014

Statement of Financial Activities
Year ended 31 December 2013

	<i>Note</i>	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Endowment Funds 2013 £	Total 2013 £	Restated Total 2012* £
<u>Incoming resources</u>						
Incoming resources from generated funds						
Voluntary income	1	50,332	22,091	0	72,423	81,842
Activities for generating funds	2	35,166	0	0	35,166	33,107
Investment income	3	1,210	4	5,151	6,365	6,699
Incoming resources from charitable activities						
	4	5,493	0	0	5,493	6,432
Total incoming resources		92,201	22,095	5,151	119,447	128,080
<u>Resources expended</u>						
Costs of generating funds	5	(195)	(67)	0	(262)	(1,585)
Charitable activities		(92,267)	(11,250)	0	(103,517)	(95,753)
Total resources expended		(92,462)	(11,317)	0	(103,779)	(97,338)
Net incoming/outing resources before transfers						
		(261)	10,778	5,151	15,668	30,742
Transfers between funds	15	832	4,320	(5,152)	0	0
Net incoming/outing resources before other recognised gains and losses						
		571	15,098	(1)	15,668	30,742
Gain/loss on revaluation and sale of investments	9	4,345	0	11,820	16,165	3,200
Net movement in funds		4,916	15,098	11,819	31,833	33,942
Total funds brought forward	15	349,528	2,129	127,149	478,806	444,864
Total funds carried forward		354,444	17,227	138,968	510,639	478,806

* The 2012 figures have been restated to reallocate interest expense from Charitable activities to Costs of generating funds (see note 5).

Balance Sheet
As at 31 December 2013

	<i>Note</i>	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible fixed assets	8		303,450		303,665
Investments	9		168,879		152,714
			472,329		456,379
Current assets					
Debtors	10	11,679		11,128	
Cash	11	38,931		28,349	
		50,610		39,477	
Creditors					
Falling due within one year	12	(12,300)		(12,899)	
Net current assets			38,310		26,578
Liabilities					
Loan	13		0		(4,151)
Net assets			510,639		478,806
Unrestricted funds					
Undesignated funds	14	54,444		49,528	
Designated fund	14, 15	300,000		300,000	
		354,444		349,528	
Restricted funds	14, 15	17,227		2,129	
Endowment funds: Revenue	15	28,758		17,102	
Endowment funds: Capital	15		400,429		368,759
			110,210		110,047
Total funds			510,639		478,806

The Accounts were approved by the Kirk Session on 30 January 2014.

G. Gray

Treasurer

I. R. Buckingham

Session Clerk, for and on behalf of the Kirk Session

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).

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 whole of the fund is permanently maintained for the benefit of the charity as a capital fund, 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 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.

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. Material 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.

Accounting policies (continued)

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

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 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
Musical instruments	20 years

No depreciation has been charged against heritable property as the trustees consider that any depreciation would not be material as the asset has a very long useful life.

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 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. Until November 2013, part of the Endowment Funds were also invested in that Deposit Fund (and that part was accounted for as an investment).

**Notes forming part of the financial statements
for the year ended 31 December 2013**

	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Endowment Funds 2013 £	Total 2013 £	Total 2012 £
1. Voluntary income					
Freewill offerings	4,817	0	0	4,817	6,437
Gift Aided and GAYE offerings	30,737	490	0	31,227	33,367
Cash and donations	4,570	3,056	0	7,626	6,237
Gift Aid tax recoverable	9,305	3,400	0	12,705	12,625
Special appeals: Congregational giving	0	14,914	0	14,914	20,381
Donations and grants	0	0	0	0	248
Congregational organisations	100	0	0	100	100
Legacies	500	0	0	500	2,000
Other	303	231	0	534	447
	50,332	22,091	0	72,423	81,842
2. Activities for generating funds					
Income from letting manse	1,609	0	0	1,609	2,941
Income from letting church halls/rooms	20,203	0	0	20,203	11,374
Transfers from General Trustees *	13,354	0	0	13,354	18,792
	35,166	0	0	35,166	33,107
3. Investment income					
Deposit interest	15	4	0	19	257
Interest and dividends from investments	1,195	0	5,151	6,346	6,442
	1,210	4	5,151	6,365	6,699
4. Incoming resources from charitable activities					
Wedding fees	50	0	0	50	180
Coffee mornings, fairs etc.	5,443	0	0	5,443	6,252
	5,493	0	0	5,493	6,432

* The transfer in 2013 was in respect of rental income from a telecommunications mast.
The transfer in 2012 comprised rental income from the telecommunications mast and also a transfer from the Refurbishment Appeal account 560100082 (see appendix 1) which was then used to pay down the loan from the General Trustees.

**Notes forming part of the financial statements (continued)
for the year ended 31 December 2013**

	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Endowment Funds 2013 £	Total 2013 £	Restated Total 2012 £
5. Analysis of resources expended					
Costs of generating funds					
Offering envelopes	(195)	0	0	(195)	(271)
Interest payable	0	(67)	0	(67)	(1,314)
	<u>(195)</u>	<u>(67)</u>	<u>0</u>	<u>(262)</u>	<u>(1,585)</u>
Charitable activities					
Ministries and Mission Contribution*	(46,142)	0	0	(46,142)	(32,939)
Presbytery dues	(1,427)	0	0	(1,427)	(1,318)
	<u>(47,569)</u>	<u>0</u>	<u>0</u>	<u>(47,569)</u>	<u>(34,257)</u>
Minister's and manse expenses	(5,157)	0	0	(5,157)	(3,680)
Salary costs	(12,499)	0	0	(12,499)	(12,259)
Pulpit supply and locum fees	(2,529)	0	0	(2,529)	(2,140)
Fabric repairs and maintenance	(3,072)	(9,826)	0	(12,898)	(22,563)
Buildings insurance	(8,189)	0	0	(8,189)	(7,862)
Energy and other occupancy costs	(8,158)	0	0	(8,158)	(6,574)
Church office expenses	(1,470)	0	0	(1,470)	(1,544)
Organ and music	(561)	(753)	0	(1,314)	(639)
Other expenses	(3,063)	(671)	0	(3,734)	(4,235)
Transfer to General Trustee a/c 560100082	0	0	0	0	0
	<u>(92,267)</u>	<u>(11,250)</u>	<u>0</u>	<u>(103,517)</u>	<u>(95,753)</u>
Total	<u>(92,462)</u>	<u>(11,317)</u>	<u>0</u>	<u>(103,779)</u>	<u>(97,338)</u>

* Net of Consolidated Stipend Fund Income of £3,148 (2012: £3,142).

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.

The 2012 figures have been restated to reallocate interest expense from Charitable activities to Costs of generating funds.

	2013 £	2012 £
6. Staff costs and numbers		
Salaries and wages	12,394	12,121
Social security costs	105	138
	<u>12,499</u>	<u>12,259</u>

The average number of employees during the year was as follows:

	2013 Number	2012 Number
Ministerial support	1	1
Music staff	1	1
	<u>2</u>	<u>2</u>

Notes forming part of the financial statements (continued)
for the year ended 31 December 2013

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 £25,253 and the maximum stipend (in the fifth and subsequent years) £31,035.

7. Trustees remuneration and related party transactions

The manse was occupied by Rev. G McGeoch from 1 May 2013. During the year, Council Tax of £1,527 was paid in respect of that period of occupation. The Minister was reimbursed for £342 of travel expenses and £1,690 in respect of removal costs and disturbance allowances. In addition, sums were collected from the congregation for the benefit of the Minister and the Interim Moderator (these are disclosed at note 16 below). No other trustee received any remuneration or reimbursement of expenses during the year.

8. Tangible fixed assets

	Buildings	Musical Instruments	Total
<u>Cost or valuation</u>			
At 31 December 2012	300,000	4,312	304,312
Additions	0	0	0
At 31 December 2013	<u>300,000</u>	<u>4,312</u>	<u>304,312</u>
<u>Accumulated depreciation</u>			
At 31 December 2012	0	(647)	(647)
Charge for year	0	(215)	(215)
At 31 December 2013	<u>0</u>	<u>(862)</u>	<u>(862)</u>
<u>Net book value</u>			
At 31 December 2012	<u>300,000</u>	<u>3,665</u>	<u>303,665</u>
At 31 December 2013	<u>300,000</u>	<u>3,450</u>	<u>303,450</u>

The heritable fixed assets owned by the charity are detailed in the Statement of Accounting Policies above. The musical instrument comprise two pianos acquired during 2010. Other tangible fixed assets owned by the charity were acquired more than 10 years ago and are regarded as fully depreciated.

	2013 £	2012 £
9. Investments		
Market value at previous 31 December	152,714	149,514
Gain/(loss) on revaluation or sale of investments	16,165	3,200
Market value at 31 December	<u>168,879</u>	<u>152,714</u>
<u>The investments held comprise:</u>		
Church of Scotland Investors Trust Growth Fund: 35,251 units (2012: 31,875 units)	145,588	112,519
Church of Scotland Investors Trust Deposit Fund	0	13,674
3.5% War Stock (£28,917.60)	23,291	26,521
Market value at 31 December	<u>168,879</u>	<u>152,714</u>
Investments at cost	<u>139,068</u>	<u>139,069</u>

Notes forming part of the financial statements (continued)
for the year ended 31 December 2013

	2013 £	2012 £
10. Debtors		
Gift Aid tax refund due	6,243	5,710
Other debtors	5,436	5,418
	<u>11,679</u>	<u>11,128</u>
11. Cash		
Current accounts	13,426	16,518
Short term deposit account	25,505	11,831
	<u>38,931</u>	<u>28,349</u>
12. Creditors		
Rental income received in advance	8,902	8,903
Accrued expenses and other creditors	3,398	3,996
	<u>12,300</u>	<u>12,899</u>
13. Loan		
Loan from the General Trustees of the Church of Scotland	<u>0</u>	<u>4,151</u>

This loan was advanced to fund building work and the obligation to repay it was accounted for in the Refurbishment Fund. It was drawn down in stages from October 2009 onwards and the maximum amount outstanding was £167,000. The final repayment was made during 2013.

14. Analysis of net assets between funds

	Undesignated £	Designated £	Restricted £	Endowment £	Total £
Fixed assets	237	300,000	3,213	0	303,450
Investments	29,911	0	0	138,968	168,879
Current assets	33,302	0	17,308	0	50,610
	<u>63,450</u>	<u>300,000</u>	<u>20,521</u>	<u>138,968</u>	<u>522,939</u>
Current liabilities	(11,286)	0	(1,014)	0	(12,300)
Loans between funds	2,280	0	(2,280)	0	0
Net Assets at 31 December 2013	<u>54,444</u>	<u>300,000</u>	<u>17,227</u>	<u>138,968</u>	<u>510,639</u>

Notes forming part of the financial statements (continued)
for the year ended 31 December 2013

15. Movement in funds

	Balance as at	Incoming	Revaluation	Outgoing	Transfers	Balance as at 31/12/2013	
	01/01/2013	Resources	Gains	Resources		Capital	Revenue
	£	£	£	£	£	£	£
<u>Endowment funds</u>							
Bellevue Fund	1,348	63	230	0	(63)	1,020	558
Miss M. Wemyss Memorial	1,567	73	267	0	(73)	999	835
Mrs J. McNeill Memorial	907	5	18	0	(5)	907	18
Mrs J. Irvine Memorial	3,043	142	517	0	(142)	2,500	1,060
Other General Fund							
Legacies	12,367	108	379	0	(109)	12,186	559
A.G. Bryson Memorial	72,623	3,395	12,343	0	(3,395)	71,870	13,096
Miss M. Sim Memorial	939	44	160	0	(44)	928	171
Other Fabric Fund							
Legacies	766	36	130	0	(36)	618	278
J. Spence Memorial	335	16	57	0	(16)	392	0
Mrs Naismith Memorial	632	30	107	0	(30)	739	0
Lawrence S. Miller Memorial (Sunday Club)	960	45	163	0	(45)	726	397
Lawrence S. Miller Memorial (Ministerial Support)	2,347	110	399	0	(110)	1,897	849
Congregation Benevolent Legacies	2,109	89	167	0	(88)	1,294	983
James Kirkhope Bequest	1,209	46	(147)	0	(46)	597	465
Ann Padon Bequest	513	20	(62)	0	(20)	253	198
Braidwood Bequest	1,061	41	(129)	0	(41)	524	408
Broughton Lady Visitor Fund	2,921	111	(356)	0	(111)	1,442	1,123
Dorcas Society Fund	1,514	24	(37)	0	(26)	1,275	200
Canongate Fund	3,158	121	(384)	0	(121)	1,559	1,215
Rutherford Bequest	986	38	(120)	0	(38)	487	379
Miss Jack Legacy	1,120	43	(137)	0	(43)	553	430
General Fund							
Legacies (KS)	300	2	6	0	(2)	300	6
Mrs Mackie Bequest	175	7	(21)	0	(7)	86	68
Miss Simpson Bequest	1,594	61	(194)	0	(61)	787	613
Isabella Cook Memorial	1,125	43	(137)	0	(43)	555	433
Missionary Society Funds	8,492	324	(1,035)	0	(324)	4,190	3,267
Sutherland Bequest	127	3	(9)	0	(2)	90	29
Callendar Bequest	1,130	43	(138)	0	(43)	557	435
Dr. G.S. Gunn Memorial	1,098	42	(134)	0	(42)	542	422
Neill & Davidson Bequests	377	14	(46)	0	(14)	186	145
J. Sommerville Bequest Special Calls	306	12	(37)	0	(12)	151	118
	127,149	5,151	11,820	0	(5,152)	110,210	28,758

Notes forming part of the financial statements (continued)
for the year ended 31 December 2013

15. Movement in funds (continued)

	Balance as at	Incoming	Revaluation	Outgoing	Transfers	Balance as at 31/12/2013	
	01/01/2013	Resources	Gains	Resources		Capital	Revenue
	£	£	£	£	£	£	£
<u>Restricted funds</u>							
Ministerial Support							
Fund	1,390	1	0	0	110	0	1,501
Organ Maintenance							
Fund	269	210	0	(552)	45	0	(28)
Flower Fund	186	38	0	0	14	0	238
Refurbishment Fund	(19,661)	18,300	0	(67)	0	0	(1,428)
Benevolent Fund	4,155	12	0	(176)	331	0	4,322
Mission & Worship	(246)	0	0	(8)	201	0	(53)
Youth Fund	179	0	0	0	3	0	182
Senior Citizens Fund	990	0	0	0	43	0	1,033
Bible Presentation							
Fund	53	0	0	(30)	42	0	65
Special Calls Fund	128	0	0	0	12	0	140
Youth & Choral Fund	336	0	0	0	0	0	336
Adult Education Fund	21	0	0	(15)	0	0	6
Sunday Club Fund	210	369	0	(344)	45	0	280
Minute for Mission	1,859	615	0	0	0	0	2,474
Music Fund	3,824	0	0	(201)	0	0	3,623
Fabric Fund	8,337	2,500	0	(9,826)	3,474	0	4,485
Messy Church	44	50	0	(98)	0	0	(4)
20s & 30s Fund	55	0	0	0	0	0	55
	2,129	22,095	0	(11,317)	4,320	0	17,227
<u>Unrestricted funds</u>							
Designated Manse							
Fund	300,000	0	0	0	0	0	300,000
Legacy Fund	11,814	506	0	0	0	0	12,320
General Fund	37,714	91,695	4,345	(92,462)	832	0	42,124
	349,528	92,201	4,345	(92,462)	832	0	354,444
Total Funds	478,806	119,447	16,165	(103,779)	0	110,210	400,429

Notes forming part of the financial statements (continued)
for the year ended 31 December 2013

15. Movement in funds (continued)

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

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	Other Fabric Fund Legacies.
Miss M. Sim Memorial	

The income from the following endowments is to be used for the purpose of maintaining the organ and other musical instruments used in the conduct of worship:

J. Spence Memorial	Mrs Naismith Memorial.
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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	Braidwood Bequest
James Kirkhope Bequest	Broughton Lady Visitors Fund
Ann Padon Bequest	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	Miss Jack Legacy
Rutherford Bequest	

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 Contribution 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.

Notes forming part of the financial statements (continued)
for the year ended 31 December 2013

15. Movement in funds (continued)

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.

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.

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

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.

Refurbishment Fund: The congregation launched an appeal to raise £1.7 million to carry out a major refurbishment of the Church building in Bellevue Crescent. All the income which is raised is transferred to the Church of Scotland General Trustee Account 560100082 (see Appendix 1). The funds in this account are designated to meet the costs of carrying out the refurbishment.

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.

Notes forming part of the financial statements (continued)
for the year ended 31 December 2013

15. Movement in funds (continued)

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

Sunday Club Fund: This fund is used for the provision of resources to enable the Sunday Club to meet the objectives that have been set by the Kirk Session.

Minute for Mission Fund: This fund is to support the further education of a former pupil of Cannonmills school within the parish.

Music Fund: This fund was established in 2010 originally to fund the costs of a new piano and it has been agreed with the relevant donor that surplus funds should be applied for Music purposes.

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. From 2011 onwards, this fund has been regarded as a restricted fund rather than a designated fund as the fund's income is substantially all from donations or endowment income which are specified as being for fabric purposes.

Messy Church Fund: This fund was established in 2011 to run activities for young children.

20s & 30s Fund: This fund was established in 2011 to contribute to the costs of running events for members of our worshipping community in their 20s and 30s.

Purposes of unrestricted funds

Manse Fund: This fund is a designated fund and represents the capital value of the manse and garage.

Legacy Fund: The legacy fund represents unrestricted legacies. For the purposes of identification such legacies are accounted for separately from other unrestricted funds. No specific purpose has been designated by the Trustees.

16. Special collections

In addition to the General Fund income, the following special collections were received and distributed:

	2013
	£
Waverley Care	293
Child Survival in Malawi	950
Rev. I. Scott	541
Rev. G. McGeoch	494
Rev. P Bluett	156
Soldiers, Sailors & Airmen Families Association	45
L'Arche Edinburgh	51
	<hr/> <hr/> 2,530

Financial Statements

Year ended 31 December 2013

**Appendix 1: Consolidated Fabric Funds held on behalf of the Congregation
by the Church of Scotland General Trustees**

	2013 £	2012 £
Capital Account		
Account 550100082 credit balance at cost	3,714	3,714
Market values of above balances	4,717	4,271
Revenue Account		
Account 500100081 Credit balance	15,111	14,281
Reconciliation between opening and closing balances		
Aggregate of opening balances at cost	17,995	24,281
Transfer from/(to) Congregation towards refurbishment costs	0	(7,287)
Investment income	330	501
Net rental income received from mobile phone companies	13,853	13,853
Rental income remitted to Congregation	(13,353)	(13,353)
Aggregate of above closing balances at cost	18,825	17,995

Appendix 2: Trust fund administered by congregational Treasurer

	2013 £	2012 £
Revenue account		
<i>Income</i>		
Investment income	145	156
<i>Expenses</i>		
Paid to Mrs McArthur, widow of former minister	(145)	(156)
Balance carried forward	0	0
Capital at cost		
<i>Bryson Trust Fund</i>		
208 Units Church of Scotland Investors Trust: Income Fund	1,748	1,748
<i>Mrs A.C.M. Lawrence Trust Fund</i>		
63 Units Church of Scotland Investors Trust: Income Fund	497	497
	2,245	2,245
Market value of above investments	2,981	2,978

Financial Statements

Year ended 31 December 2013

Appendix 3: Special Appeal for Church Refurbishment

The following is a summary of transactions since the launch of the appeal in 2005.

Receipts (other than loans)

Congregation giving: Gift Aided	205,103	
Tax refund	56,680	
Congregational giving: Ordinary	41,854	
Grants and donations	387,125	
Deposit interest	70,255	
Church Centre sale proceeds	750,000	
Gain on sale of shares	10,251	
Opening Funds in General Trustee Account	47,721	
Legacies	2,000	
Income from letting premises	13,725	
Other income (including fundraising)	6,659	
	<u>6,659</u>	1,591,373

Expenditure

Administration and marketing costs	(11,896)	
Less Transfer from General Fund	9,946	
	<u>(1,950)</u>	
Professional Fees	(399,341)	
Construction Costs	(1,153,008)	
Cost of sale of Church Centre	(13,632)	
Planning application fees	(5,487)	
CFF loan Interest	(1,414)	
Interest paid on GT loan	(9,699)	
Notional interest on loans from other funds	(1,166)	
Handrail	(4,888)	
Other	(3,068)	
	<u>(3,068)</u>	(1,593,653)

Excess of expenditure over income (2,280)

Accrued Gift Aid 852

Balance in congregational Refurbishment Appeal Fund *Note 15* (1,428)

Represented by the following assets and liabilities

Accrued Gift Aid 852

Loan from unrestricted and Fabric funds *Note 14* (2,280)

Balance in congregational Refurbishment Appeal Fund *per above* (1,428)