

**The Church of Scotland
Udny & Pitmedden Parish Church**



**CONGREGATIONAL ACCOUNTS FOR YEAR ENDED
31-Dec-2017**

Congregation No: 331996

Charity No: SC 006056

Receipts and Payments

ACCOUNTS PREPARED BY: Garth Entwistle, Church Treasurer

Reference and Administrative Information

Charity Name: Udney & Pitmedden Parish Church

Charity Registration Number: SC 006056

Congregation Reference No: 331996

Contact Address: c/o Mr G Entwistle
Gilmorton
Udney Green
Ellon
Aberdeenshire AB41 6ST

Trustees:

Mr A Barclay, Mrs E Barclay, Mr C Black, Mrs H Black, Mrs Tara Daniel Buckley, Dr. R Burnett, Mrs A Bruce, Mr G Bruce, Mr A Burslem, Mrs S Burslem, Mr G Entwistle, Mrs Fiona Entwistle, Mrs A Goar, Mrs A Grant, Mrs Mary Gray, Mr B Hartley, Rev. Gillean Maclean, Mr A Marr, Mr C Marr, Mrs C Marr, Mrs P Marr, Mrs M Milne, Mr L Moffat, Mr James Moncur, Mr G Moore, Mrs K Moore, Mr A Rae, Mr Alan Smith, Mrs J Sleight, Mr Alun Walker, Mrs Maria Weeds Mrs Jane White,

Principal Office Bearers:

Minister: Rev. Gillean Maclean

Session Clerk: Mr Les Moffat

Treasurer Mr Garth Entwistle

Independent Examiner: Mrs Linda Smith,
20 Hawthorn Av. Udney Green, Ellon,
Aberdeenshire AB41 7RW

Bankers: Clydesdale Bank PLC, 28 Market St. Ellon,
Aberdeenshire, AB41 9JE

Trustee's Annual Report Year Ending 31 December 2017

Structure, Governance and Management

Governing Document

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

Recruitment and Appointment of Trustees

Members of the Kirk Session and the Congregational Board 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 the appropriate gifts and skill. The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery.

Organisational Structure

The Kirk Session, which meets approximately (9) times a year, is responsible for spiritual affairs within the church. Certain responsibilities are delegated to the Finance Committee and to the Property Committee as appropriate.

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 ordinance 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.

There are morning services in Udney Green on the first Sunday of every month and at Pitmedden on every other Sunday. The Youth Church and Sunday-School meet each Sunday during the second half of the 10.00 am services at Pitmedden. There are regular meetings of the Guild on the first Wednesday of the month (excluding May to September). In addition, there are active Prayer and Bible Study groups and a weekly "Kirk Café" on Wednesday mornings. Messy-Church now meets approx. 4 times a year and a new "Senior Service" for those who find it difficult to get to a morning service is arranged at other times of the year. A "Big Breakfast" is held each month at the back of Pitmedden church. The Good Companions meet on the third Wednesday of every month. There is an active Boys Brigade meeting at Udney Green, providing fun and a spiritual environment for boys and young men.

On Tuesday mornings a Mainly Music Group meets in Pitmedden Church for pre-school children and their parents/carers to enjoy music, dance and rhythm. The Ladies Fellowship meets occasionally in Pitmedden church and a popular Youth Café opens at the church on Saturday evening from 7.00 – 9.00 during term time with a good attendance.

Trustee's Annual Report (cont') Year Ending 31 December 2017

Achievements and Performance

Church activity continues to expand with our various church groupings reaching out to an increasing number of families outside our regular Sunday services. This involves those families with young people attending the Youth Café, the Mainly Music people as well as the Messy Church people. All these are joined by those coming into Church for our regular Big Breakfast, Senior Church and all the other associated events, like Christian Aid, run by our church and by our full-time Children's & Youth Worker – Claire Bell. Clair returned from Maternity Leave soon after Easter 2017. In her absence, a part-time Youth Worker – Mike McIntosh – had been appointed to support on-going activities and had added to what was already built up within this project.

Claire was first employed for 12 months by Udney & Pitmedden – working in partnership with (3) neighbouring parishes - within an initial Pilot Programme in 2014. In 2015, following a successful pilot, this has become a long-term project with a large number of its own activities involving children and young people across the participating (4) parishes and beyond. The **“Be, Belong, and Believe”** mission statement of this: the Formartine Youth Project – continues to describe and drive its activities:

We want to help our young people to “BE” themselves, develop relationships to “BELONG” in their communities, schools and churches, and encourage them to “BELIEVE” in who they are as unique individuals.

The challenge for Udney & Pitmedden, as it is for other similar churches, is to reach out to all these people and involve them more actively in the life of the church and help them in their faith journey. A “restricted fund” has been created in 2017 to help finance Udney & Pitmedden's £3,000 pa. contribution to the Formartine Youth Project (FYP). This fund is financed by specific Gift Aid from members of the congregation.

Alongside this activity, the various fund raising groups within the church support their own activities which involve more people in the life of the church. This includes the Big Breakfast Team, the Kirk Café and others who support the church. Collectively, their efforts are impressive.

The churches “fabric team” gives its attention to the upkeep and further development of the two church buildings; Udney Green Church and Pitmedden Church, as well as the Manse. A restricted “Udney Refurbishment Fund” was established in 2016, initially for just the Udney Green Church but now extended as the “Restricted Building Fund” to cover all the buildings held by the church. Specific fund-raising events are held, specifically for this fund. In 2017 this involved a very successful “Gourmet Auction” plus (3) other events with a total income of £5,445 and “Big Breakfast” activities of £3,036. Total income to this fund was £8,481 in 2017.

Outreach and the worship of God remains, however, the churches central focus with constant attention given to these issues.

Trustee's Annual Report (cont') - Year Ending 31 December 2017

Financial Review

The principal source of income is from members of the congregation; this can be through bank standing order, weekly envelopes or "loose" collections during the service. Where Gift Aid forms have been signed basic rate income tax is recovered from HM Revenue and Customs. Congregational giving's, combined with this tax recovery increased in 2017 to £43,062. This increase was encouraged by a successful 2016 Stewardship Campaign. This campaign brought in new funds to the church and has significantly lifted the regular giving of church members. Total "giving", including Gift Aid recovered, increased in 2017 by approx. 10% to £63,700.

Total church income in 2017 was up by £7,217 at £85,592. Expenditure, however, increased by £7,971 to £81,279. Reserves held by Udney & Pitmedden increased from £13,937 to £16,896, though this was now split between an Unrestricted Fund (£13,608) and the Restricted "Buildings Fund" (£3,290). Our aim is to hold around £20,000 in reserve, representing approx. 25% of annual expenditure. Udney & Pitmedden will continue to give attention to the rebuilding of these reserves.

The Income for the year is summarised as follows:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Regular Giving (Gift Aid)	43,062	41,685	38,218
Tax Recovery	12,819	10,893	11,209
Open Plate	7,155	5,321	4,891
Weddings, Funerals and other	<u>22,556</u>	<u>21,782</u>	<u>20,817</u>
	<u>85,592</u>	<u>79,681</u>	<u>75,135</u>

Reserves Policy

It is the Trustees policy to hold reserves of approximately three months expenditure representing £20,000 approximately, including designated funds. At the year end the Trustees held restricted and unrestricted funds of £16,896. This represents about 20% of budgeted expenditures in 2017 – approximately 10 weeks of expenditure – and is considered inadequate for the smooth running of the Church. Further attention will be given in 2018 to the rebuilding of reserves.

Statement of Trustees Responsibilities

The members of the Kirk Session / Congregational Board must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of the church during the financial year. The members of the Kirk Session / Congregational Board are responsible for keeping proper accounting records which, on request, must reflect the financial position of the Church at that time. This must be done to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006 and the Regulations Anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007. They are also responsible for safeguarding the assets of the church and must take reasonable steps to for the prevention and/or detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf,

L. Moffat, Session Clerk

Date

Receipts and Payments Account Year ended 31 December 2017

	Unrestricted Funds	Restricted FYP ¹ Fund	Endowment Funds (General Trustees)	Restricted Building Fund	Total	Total
Note	2017	2017	2017	2017	2017	2016
	£	£	£	£	£	£
Receipts						
Congregational Giving	64,048	3,000			67,048	58,030
Fund Raising events	2,035			8,481	10,516	10,083
Bank & Deposit interest						0
Investment income	964		1,354		2,318	3,688
Total	67,047	3,000	1,354	8,481	79,882	71,801
Rental of premises	2,225				2,225	1,450
Weddings & Funerals	2,970				2,970	2,433
Sale of Life & Work	425				425	603
Miscellaneous Income	90				90	3,335
Grants						59
Total Receipts	72,757	3,000	1,354	8,481	85,592	79,681
Payments						
Costs of generating funds	743				743	475
Charitable activities 1	72,345	3,000		5,191	80,536	74,060
Purchase of Assets						-
Governance Cost						-
Total Payments	73,088	3,000		5,191	81,279	74,535
Excess of Receipts over Payments for the year before transfers	(-) 331	0	(+) 1,354	(+) 3,290	(+) 4,313	
Transfers	0	0	0	0		0
Excess of Receipts over Payments for the year	(-) 331	0	(+) 1,354	(+) 3,290	(+) 4,313	
Statement of Balances 2/3/4					TOTAL	TOTAL
Bank & Deposit Balances	Unrestricted	Restricted FYP	Endowment	Restricted Building Fund	2017	2016
Balance brought forward	13,937	0	25,530	0	39,467	34,323
Movement in the year:						
Excess of receipts over payments	(-) 331	0	(+) 1,354	(+) 3,290	(+) 4,313	(+) 5,146
Bank & Deposit balances carried forward	13,606	0	26,884	3,290	43,780	39,469

(1) FYP represents the "Formartine Youth Project"

Accounts approved by the Kirk Session on

For and on behalf of the Kirk Session

Session
Clerk

Treasurer

Udny & Pitmedden Parish Church – Account Year ending 31st December 2017

Udny & Pitmedden Church		Statement of Balances				
Movements in Funds						
		At 1 Jan				At 31 Dec
		2017	Receipts	Payments	Transfers	2017
		£	£	£	£	£
	Unrestricted Fund held by Udny & Pitmedden	13,937	72,757	73,088	0	13,606
	Restricted Formartine Youth Project (FYP) Fund held by Udny & Pitmedden	0	3,000	3,000	0	0
	Restricted Endowment Fund held by General Trustees	25,530	1,354	0	0	26,884
	Restricted “Buildings Fund” held by Udny & Pitmedden – established in 2016 as the “Udny Refurbishment Fund”	0	8,481	5,191	0	3,290
	Total Funds	39,467	85,592	81,279	0	43,780
Purposes of designated funds:						
Unrestricted Funds are held by Udny & Pitmedden Church for church purposes						
Restricted FYP Funds are held by Udny & Pitmedden to support the Formartine Youth Project						
Restricted “Endowment” Funds are held by the General Trustees, arising from the Lockhart Bequest and the Irvine Bequest, generating interest for the general fund of Udny & Pitmedden Church.						
A restricted “Buildings Fund”, established in 2016 as the Udny Refurbishment Fund is held by Udny & Pitmedden for the upkeep and general maintenance of the (2) church buildings, the Udny Green Kirk and Pitmedden Church, as well as the Manse in Udny Green.						

Notes to Accounts:

- (1) Trustee Remuneration and Related Party Transactions
During the year (1) Trustee received reimbursements of expenses incurred totalling £4,124 which covered for the most part the Ministers Travel expenses and Messy Church expenses.
- (2) Endowments are valued at Market Price (31/12/17) – as reported by General Trustees

Analysis of Income and Expenditure – 2017

			Unrestricted Funds	Restricted FYP Fund	Endowment Funds	Restricted Building Fund	Total	Total
			2017	2017	2017	2017	2017	2016
			£	£	£	£	£	£
3. Analysis of Donations								
	WFO Scheme							
	Gift Aid Donations		40,662	2,400			43,062	41,685
	Tax Recovered Gift Aid		12,219	600			12,819	10,893
	Ordinary Offerings		7,819				7,819	5,321
	Other Offerings, Donations etc.		12,057		1,354	8,481	21,892	21,782
	TOTAL		<u>72,757</u>	<u>3,000</u>	<u>1,354</u>	<u>8,481</u>	<u>85,592</u>	<u>79,681</u>
4. Analysis of Payments								
Costs of generating funds								
	Investment Managers' fees							
	Fund raising costs		742				742	475
Charitable activities								
	Ministries & Mission allocation		39,107				39,107	37,857
	Presbytery dues		527				527	328
	Minister's expenses		4,124				4,124	3,596
	Pulpit supply		395				395	110
	Locum's Salary							-
	Other staffing costs		3,810	3,000			6,810	5,985
	Fabric repairs & maintenance		4,656			5,191	9,847	5,730
	Council Tax		2,828				2,828	2,709
	Heat and light		6,738				6,738	6,930
	Insurance		4,225				4,225	4,118
	Church office expenses							-
	Organ & music		403				403	256
	Printing, stationery and postage		39				39	193
	Outreach		3,542				3,542	3,843
	Other expenses		1,950				1,950	2,405
Governance costs								
	Independent examiner's fees							
Other payments								
	Purchase of assets							
	Purchase of investments							
	TOTAL PAYMENTS		<u>73,088</u>	<u>3,000</u>		<u>5,191</u>	<u>81,279</u>	<u>74,535</u>

5. Ministers Stipend

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers stipends and employer's contributions for national insurance, pension and housing and loan fund.

Ministers stipends are paid in accordance with the national stipend scale, which is related to years in service. For the year under review the minimum stipend was £26,644 and the maximum stipend after 5 years £32,743

APPENDIX

FUNDS HELD ON BEHALF OF THE CONGREGATION			
BY THE CHURCH OF SCOTLAND GENERAL TRUSTEES			
	2017		2016
	£		£
<u>CAPITAL ACCOUNT</u>			
Credit Balances held at 31 December at cost	2,996		2,996
Market Value of Balances at 31 December	8,583		7,994
<u>REVENUE ACCOUNT</u>			
Credit Balance at 31 December at cost	10,105		10,105
<u>TEMPORARY ACCOUNT</u>			
Credit Balance at 31 December	0000		0000

Source: Church of Scotland Investors Trust
Certificate of Investments Held at 31/12/2017

Udny & Pitmedden Church - Statement of Balances - at 31 December 2017

				Unrestricted Funds	Restricted FYP Funds	Restricted Endowment Funds	Restricted Building Fund		
								Total	Total
				2017	2017	2017	2017	2017	2016
				£	£	£	£	£	£
Bank & Deposit Balances									
Bank & deposit balances				13,937	0	25,530	0	39,467	34,323
brought forward									
Movement in year:									
Excess of Receipts over Payments for the year				(-) 331	0	(+) 1,354	(+) 3,290	(+) 4,313	(+) 5,144
Bank & deposit balances				13,606	0	26,884	3,290	43,780	39,467
carried forward									
Note (1): Balance carried forward within "Unrestricted Fund" and "Restricted Building Fund" is held within one single bank account totalling £16,898									
Accounts approved by the Kirk Session and Financial Board on									
For and on behalf of the Kirk Session and Financial Board									
Session Clerk									
Treasurer									

Independent Examiners Report to the Trustees of Udney & Pitmedden Church

Report on the accounts of the charity for the year ended 31st December 2017 – as set out on the pages 1-10.

Respective responsibilities of trustee and examiner

The charity's trustees consider that the audit requirement of Regulation 10(I) (d) of the Accounts Regulation does not apply. It is my responsibility to examine the accounts as required under Section 44 (I) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

An 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:
 - a. To keep accounting records in accordance with Section 44 (I) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulation, and
 - b. To prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulation 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.

Name: Mrs Linda Smith

20 Hawthorn Av., Udney Green, Ellon, Aberdeenshire AB41 7RW

Date:

Signed: