

Church of Scotland

Parish of Ardchattan

Congregational Accounts for the year
2017

Congregation Number 211299
Charity Number SC000680

Trustees' Annual Report
Year ended 31 December 2017

Structure, Governance and Management

Governing Document

The Church is administered in accordance with the terms of the Deed of Constitution.

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 appropriate gifts and skills.

The Minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery. The Congregational Board is appointed from within the congregation and members of the congregation are invited to nominate individuals who are believed to have the skills and commitment to contribute to the management affairs of the Church, to become members of the Board. Board Members are then appointed at the Stated Annual Meeting and serve for a period of three years after which they must seek re-election at the next Stated Annual Meeting.

Organisational Structure

The Congregational Board is normally chaired by the Minister and meets four times in a year. In the absence of the Minister, however, the Board has authority to select one of its members to act temporarily as Chair. Certain responsibilities are delegated to the Finance Committee and the Property Committee as appropriate.

The Kirk Session, which normally meets four times a year for business, is responsible for spiritual affairs within the church and is chaired by the Minister. The Kirk Session oversees the local congregation and parish, and consists of 9 elders presided over by the Minister.

Objectives and Activities

The Parish of Ardchattan provides public worship within the parish on every Sunday of the year. This worship is widely advertised and open to all who wish to attend. Services of worship are also held within Ford Spence Court on a monthly basis & periodically within the Lynn of Lorne Care Home as invited.

Worship in the Church of Scotland continues to be a mixture of continuity and change. Each year there are changes in the manner in which worship is undertaken, both on a Sunday and on other occasions through the year. During part of 2017 a monthly Half Hour Happening continued to use a variety of approaches to worship.

Achievements and Performance

During the year, the Kirk Session continued to focus on four key areas: Nurture, Pastoral, Worship and Welcome. The Lead Elders appointed for Pastoral, Worship and Welcome recruited and selected individuals from the wider congregation to support this work. The Kirk Session has ratified those recruited and selected for the Worship and Welcome teams. To date, however, no names have been disclosed for those selected for the Pastoral team until they have undergone the necessary safeguarding checks and training. To date no Lead Elder has been appointed for Nurture

Christian nurture programmes are provided most Sunday mornings for children ranging from age three to their teenage years. In 2017 the nurture materials supporting this work have been ROOTS – Worship and Learning For The Whole Church and BibleTime. Further information on these can be found on the internet. The teachers of the All Stars continue to explore teaching materials available. This year, additional Christian nurture for the children who attend Oban High School has been provided through Sunday Soul which is held in Oban and run by H2O. . Additional Christian nurture for adults in the parish is provided through Lent and Advent study groups, and through Bible study and prayer groups.

The Church Hall is also used by a number of community organisations on weekdays throughout the year, offering a range of activities for all ages, and providing a valuable contribution to the Church's revenue. Club Nan Caraidean started in the autumn of 2011 with the aim of creating a venue where older members of the community can meet together for social interaction & fellowship from September to April/May. Meetings continue being held twice a month from September to April/May in The Campbell Memorial Hall, with a wide range of themes reflecting the seasons & wider issues. Numbers attending this Club are high and the two co-ordinators of the club are ably supported by a number of volunteers. The importance of this area of community outreach cannot be overemphasised.

The Church also supports the local Badminton Club, which meets weekly, excluding school holidays, from September until April/May. Mrs M Cattanach and Mrs M MacColl have now been running this club for more than 30 years. In 2017 a second young adult was appropriately recruited and underwent the Church of Scotland's safeguarding training. One of the young adults, Michael Strathern, received the award of Young Coach of the year from Argyll and Bute Council.

The minister of the congregation is Chaplain, and has been a very regular visitor during the year, to the primary schools of the parish, Barcaldine and Lochnell. The children from the primary schools also attended services of worship in St Modan's Church during the year.

Baptisms, weddings & funerals are a part of the congregation's annual life. The majority of weddings & funeral services are provided on request for non-members of the congregation as part of The Parish of Ardchattan's ongoing work.

For five mornings in the spring & five mornings in the autumn children's Holiday Clubs, with a strong Christian ethos, are held. These are well attended & well appreciated events. This year, the numbers of children attending increased significantly, and It was noted that a higher proportion was in the younger age range. Located in the North Connel Hall it is necessary for the majority of children to be brought by adults. That they do so is its own testimony.

Late in October, the Minister informed the Kirk Session and the wider members of the congregation that he had been invited to preach as sole nominee at Callander Kirk. As a result, the Parish of Ardchattan will be moving into a Vacancy, and it is recognised that this will bring its own challenges and opportunities.

Funding continues to be a major challenge for the congregation as a study of the accounts will indicate. 2017 saw the third year of a rolling Stewardship programme, focusing on the theme of talents. This raised £2,905 an increase of £578 over 2016.

Trustees' Annual Report (cont)

Year ended 31 December 2017

Financial Review

There was an operating deficit of £698 during the year (2016 deficit £41).

While donations increased, with a particularly satisfactory increase during Giving Month of £578, this was more than offset by the increase in M&M Allocation (+7.8%) and Ministry Travel expenses (+19.5%). This increase is due to the carry forward of a charge of £698 in respect of 2016 not being invoiced by the Church of Scotland until March 2017.

Cash Flow has benefited from tax on donations being recovered from HMRC on a quarterly basis.

Expenditure on the replacement of Manse windows and external doors was paid for by the Cowan fund and the release of £7,746 from the Church of Scotland Consolidated Fabric Fund revenue account. There was an increase in charitable giving to £1,895 (2016 £955) in part funded by the lunch for the East Africa Appeal.

Reserves Policy

The reserves policy continues to be that adopted in 2015 when members of the Congregational Board and Kirk Session agreed that, in order to expedite and progress the required maintenance work both at the Manse and at St Modan's Church, the Reserves and other monies available would be released and allocated specifically for the work required. This work was identified in professional reports forming part of the Local Church Review process.

Statement of Trustees' Responsibilities

The members of the Kirk Session and 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 and 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 for the prevention and/or detection of fraud and other irregularities.

The financial statements of clubs and groups associated with the church are appended, but do not all form part of the finances of the Church and are not all the responsibility of Congregational Board.

Stewardship

The congregation has continued to address Stewardship. There is increase in monthly giving, partly due to encouragement to members to give by Standing Order. The income received from Hall lets is also very welcome. The Congregational Board has adopted a "rolling stewardship programme", with October being designated as Stewardship month. The theme during October 2017 was talents, and this resulted in an additional giving of £578 over 2016.

Approved by the Trustees and signed on their behalf,

**C. Robb,
Session Clerk**

Date.....

Independent Examiner's Report to the Trustees of the Parish of Ardchattan

I report on the accounts of the charity for the year ended 31st December, 2012, which are set out on pages 1 to 12.

Respective responsibility 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) (d) of the Accounts Regulations does 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 examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulation 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 explanation 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:
 - 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 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.

Signed

Name: Mr K McLeod

Address: Dorus-Uaine
North Connel
OBAN
PA37 1RA

Date:

**Parish of Ardchattan
Receipts and Payments Account
Year to 31st December 2017**

| | Unrestricted Funds General | Restricted Funds Cowan | Unrestricted Funds Fabric | Total | Total |
|--|---|---------------------------------------|--|----------------|---------------|
| Receipts | 2017 | 2017 | 2017 | 2017 | 2016 |
| | £ | £ | £ | £ | £ |
| Donations | 26,191 | | | 26,191 | 23,825 |
| Activities for generating funds | 2,905 | | | 2,905 | 2,327 |
| Bank and Deposit Interest | | | | | - |
| Investment Income | 106 | 1,487 | 638 | 2,231 | 2,230 |
| Use of Premises | 1,873 | | | 1,873 | 2,204 |
| Other Receipts | 236 | 44 | | 280 | 943 |
| Other incoming resources | | | | | |
| Transfer from C of S Rev Fabric Fund | | | 7,746 | 7,746 | - |
| Total Receipts | 31,311 | 1,531 | 8,384 | 41,226 | 31,529 |
| Payments | | | | | |
| Costs of generating funds | | | 335 | 335 | 624 |
| Charitable activities | 32,009 | | | 32,009 | 30,945 |
| Other resources expended | | 15,640 | 2,860 | 18,500 | - |
| Total Payments | 32,009 | 15,640 | 3,195 | 50,844 | 31,570 |
| Excess of Receipts over Payments | | | | | |
| For the Year before transfers | (698) | (14,109) | 5,189 | (9,618) | (41) |
| Transfers | | | | | |
| Gross Transfers between funds-in | | | | | 1,106 |
| Gross transfer between funds - out | | | | | (1,106) |
| Excess of Receipts over Payments for the Year | (698) | (14,109) | 5,189 | (9,618) | (41) |

Signed on behalf of the Trustees

Session Clerk

Treasurer

Analysis of Receipts and Payments
Period: 01 January 2017 to 31December 2017

Receipts

| Source | General Fund | Cowan Fund | Fabric Fund | Total 2017 | Total 2016 |
|---|---------------|--------------|--------------|---------------|---------------|
| Donations | | | | | |
| Gift Aid Donations | 8,670 | | | 8,670 | 8,114 |
| Tax Recovered | 5,460 | | | 5,460 | 3,356 |
| Ordinary Offerings | 4,262 | | | 4,262 | 4,330 |
| Free Will Offerings | 5,055 | | | 5,055 | 5,563 |
| Donations | 362 | | | 362 | 1,218 |
| Weddings & Funerals | 350 | | | 350 | 150 |
| Retiring Offerings | 2,032 | | | 2,032 | 1,091 |
| Total Donations | 26,191 | | | 26,191 | 23,825 |
| | | | | | |
| Regular Fund Raising | 3,021 | 44 | | 3065 | 2,327 |
| | | | | | |
| Investment income | 106 | 1,487 | 638 | 2,231 | 2,230 |
| | | | | | |
| Use of Premises | 1,873 | | | 1,873 | 2,204 |
| | | | | | |
| Miscellaneous Income | | | | | 621 |
| | | | | | |
| Life and Work | 120 | | | 120 | 319 |
| | | | | | |
| Transfer from C of S Revenue Fabric Fund | | | 7,746 | 7,746 | |
| Grand Total Receipts | 31,311 | 1,531 | 8,384 | 41,226 | 31,529 |
| | | | | | |
| | | | | | |

Payments

| Charitable Activities | General Fund | Cowan Fund | Fabric Fund | Total 2017 | Total 2016 |
|----------------------------------|---------------|---------------|--------------|---------------|---------------|
| Ministries – Mission Allocation | 16,611 | | | 16,611 | 15,407 |
| Presbytery Dues | 752 | | | 752 | 711 |
| Ministry travel expenses | 2,708 | | | 2,708 | 2,265 |
| Ministers Telephone | 641 | | | 641 | 703 |
| Ministers Other Expenses | 52 | | | 52 | 149 |
| Fund Raising Exp. Regular | 83 | | | 83 | 110 |
| Organists salary | 238 | | | 238 | 203 |
| Stationery | 383 | | | 383 | 229 |
| Photocopying | 202 | | | 202 | 138 |
| Postage | 66 | | | 66 | 64 |
| Bibles & Hymn Books | | | | | 79 |
| Life & Work Expenses | 409 | | | 409 | 360 |
| Publicity & Advertising | | | | | 29 |
| Training For Mission | | | | | 62 |
| Outreach/Holiday Club | | | | | 879 |
| Sunday School Expenses | 106 | | | 106 | 339 |
| Miscellaneous Expenses | 181 | | | 181 | 108 |
| Fabric Maintenance Church | 64 | | | 64 | 600 |
| Electricity Church | 1,295 | | | 1,295 | 1,401 |
| Insurance Church | 3,437 | | | 3,437 | 3,872 |
| Fabric Maintenance Manse | 220 | 15,640 | 2,860 | 18,720 | 94 |
| Council Tax Manse | 2,666 | | | 2,666 | 2,290 |
| Donations to Third Parties | 1,895 | | | 1,895 | 955 |
| TOTAL CHARITABLE PAYMENTS | 32,009 | 15,640 | 2,860 | 50,509 | 31,056 |
| PURCHASE FIXED ASSETS | | | 335 | 335 | 514 |
| GRAND TOTAL PAYMENTS | 32,009 | 15,640 | 3,195 | 50,844 | 31,570 |

Notes forming part of the financial statements

1. Trustee Remuneration and Related Party Transactions

The following payments were made on behalf of the minister:

| | |
|-------------|--------|
| Council Tax | £2,666 |
| Travel | £2,708 |
| Telephone | £ 641 |

Mrs F McCormick received £238 for playing the organ during the year.

2. Movement of Funds

Parish of Ardchattan
Fund movement Summary
Period: 01 January 2017 to 31 December 2017

| Fund | Balance B/ F | Incomings | Outgoings | Transfers In | Balance C/F |
|---------------------|-------------------------|------------------|------------------|-------------------------|------------------------|
| Cowan Fund | £16,664 | £1,531 | £15,640 | | £2,555 |
| Fabric Fund | £1,003 | £638 | £3,195 | £7,746 | £6,192 |
| General Fund | £4,317 | £31,311 | £32,009 | | £3,619 |
| TOTAL FUNDS | £21,984 | £33,480 | £50,844 | £7,746 | £12,366 |

£ 7,746 transferred from the Church of Scotland Revenue Fabric Fund.

Purposes of Restricted Funds

Cowan Fund is held by the Kirk Session for behoof of the Parish of Ardchattan

Purposes of Designated Funds

Fabric Fund: The Trustees have set aside funds for the maintenance of Church property.

Notes forming part of the Financial Statements (cont.)

3. Minister's Stipend

From 2004, congregations no longer pay directly for the stipend and related costs of their own minister. All congregations now contribute to the National Stipend fund which bears the cost of all minister's stipends and employer's contributions for National Insurance, pension and housing and Loan Fund. Minister's stipends are paid in accordance with the National Stipend Scale, which is related to years of service. For the 2017 year, the minimum stipend was £23,139 and the maximum stipend (in the 10th and subsequent years of service) was £30,426.

4. Donations to Third Parties

The following income from Retiring Offerings and Fund Raising Events for special purposes was Received and disbursed to other Charities:

| | <u>2017</u> | <u>2016</u> |
|--|-------------|-------------|
| Christian Aid | £448 | £254 |
| Earl Haig/Poppy Scotland | £35 | £109 |
| Erskine Hospital | £139 | £133 |
| Scottish Bible Society | £46 | £34 |
| Scottish National Institute for the War Blinded | £139 | £133 |
| North Argyll Eventide Home | £80 | £75 |
| Mary's Meals | - | £130 |
| East Africa Appeal | £860 | - |

Appendix 1

Funds held by the Church of Scotland On behalf of Ardchattan Parish Congregation 211299

| | | |
|-----------|--|-----------------------|
| 50 | <u>Consolidated Fabric Fund</u> | <u>Revenue</u> |
| | Opening Balance | £7,733.90 |
| Add | Interest £26.80 | |
| | Share Dividend <u>£313.91</u> | <u>£340.71</u> |
| | | £8,074.61 |
| Less | Transfer to Fabric Fund | <u>£7,746.19</u> |
| | Closing Balance | <u>£ 328.42</u> |

| | | |
|-----------|--|-------------------------|
| 55 | <u>Consolidated Fabric Fund</u> | <u>Capital</u> |
| | Opening Balance | 6,216.00 Units |
| | Cost of Units | <u>£6,216.00</u> |
| | Market Value | <u>£9,510.48</u> |

Growth Fund

| Fund | No of Units | Cost of Units | Market Value |
|--------------------|---------------|-------------------|--------------------|
| Cowan Fund | 8,875 | £ 23,495.23 | £ 45,262.50 |
| Fabric Fund | 3,810 | £ 10,640.05 | £ 19,431.00 |
| Bequest Fund | 634 | £ 1,838.60 | £ 3,233.40 |
| Grand Total | 13,319 | £35,973.88 | £ 67,926.90 |

Grand Total of Funds with Church of Scotland £ 77,765.80

Income from the Bequest Fund is for distribution within the parish by the minister.

APPENDIX 2

Receipts and Payments statements for clubs associated with the Parish but not forming part of the Parish Accounts.

Club Nan Caraidean

Income and Expenditure Account For the year to 30th April 2017

| | £ | £ |
|--------------------|---------------|-----------------|
| Opening balance | | 837.97 |
| Add: Income | | |
| Member's Donations | 477.83 | |
| Other Donations | <u>852.53</u> | 1,330.36 |
| Less: Expenditure | | |
| Club sundries | 181.83 | |
| Club Activities | 230.74 | |
| Gifts | 24.23 | |
| Club Excursions | <u>546.00</u> | <u>(982.80)</u> |
| Closing Balance | | <u>1,185.53</u> |

Represented By

| | |
|--------------|-----------------|
| Cash in Hand | 99.88 |
| Bank Account | <u>1,085.65</u> |
| | <u>1,185.53</u> |