

The Church of Scotland
Killearnan Parish Church

RECEIPTS AND PAYMENTS ACCOUNTS

Congregation No: 392209

Charity No: SC 010319

Reference and Administrative Information

Charity Name: Killearnan Parish Church

Charity Registration Number: **SC010319**

Congregation Reference No: **392209**

Contact Address: Miss S.Riach,
Allt Dubh,
Scatwell,
Muir of Ord,
Ross-shire
IV6 7QG

Trustees

Kirk Session: Rev Susan Cord, Mr Angus Bethune, Mrs Elspeth Brown, Mr Ian Cameron, Mr Fred Fraser, Mrs Elizabeth Fraser, Mrs Anne Gunstone, Mr Ron Gunstone, Mrs Jane Jones, Mrs Anne McConachie, Mrs Margaret MacKenzie, Miss Sheila MacLennan, Mrs Joan McLennan, Mrs Christine Paul, Miss Sandra Riach, Mr Robert Tilford, Mrs Jill Tilford.

Principal Office-bearers

Minister: Rev Susan Cord

Session Clerk: Mr Angus Bethune

Minute Secretary: Miss Sandra Riach

Church Treasurer: Mr Bob Tilford

Independent Examiner

Miss Hilary Ross

10 Chapelton Place, Muir of Ord, Ross-shire IV6 7TC

Bankers

Royal Bank of Scotland,

Beauly,

Ross-shire

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 Model Deed of Constitution.

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 the appropriate gifts and skills. The Minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery.

Organisational Structure

In January, the Congregation approved a change to a Unitary Constitution. The Congregational Board was disbanded, and the following committees were set up: Finance; Property; Fellowship; and Communication; all reporting to the Kirk Session. At least one member of each committee is an Elder, the other members being drawn from the wider congregation and who have the appropriate skills for that committee. The Kirk Session meets five times a year, and is responsible for the spiritual, and all other affairs within the church.

Objectives and Activities

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

The church has a service of worship each Sunday at 10.15am, and shares services with Knockbain Church on the fifth Sunday of a month. There is also a monthly service at Urray House Residential home. It provides Christian education and activities for children aged five to fifteen. It provides a crèche for children under five during the time of worship. It organises various social activities, such as quizzes, charity evenings, and meals, through the year.

The church organises various collections of money and goods for local and international charities, such as Christian Aid, Dr Graham's Homes, RNLI, Alzheimers (Scotland), Marys Meals, Prostrate Cancer UK, Mikeysline, and Blytheswood Care.

Trustees' Annual Report (cont)

Year ended 31 December 2017

Achievements and Performance

The congregation shares in study groups at Lent and Advent with members of Knockbain Church of Scotland. Members of Session support the education of a student of Dr Graham's Homes, Kalimpong and donated £815.00 for this purpose. The Congregation have sent approximately 60 "shoe" boxes of food, clothing, and soaps etc to Blytheswood Care for distribution to their food bank, and for the homeless. The majority of the gifts from our Harvest Thanksgiving were given to the food bank – the perishable items were made into soup, which was distributed to some of the elderly members of our Congregation.

Financial Review

The principle source of income is from the weekly offerings, gift aid, open plate and FWO, (see attached chart). Fundraising for seven charities, Christian Aid, Dr Graham's Homes, Blytheswood Care, RNLI, Alzheimers Scotland, Mary's Meals, Prostrate Cancer UK, and Mikeysline with £2,171.55 being raised.

Church Income

Reserves Policy

It is the Trustees' policy to hold reserves of approximately six months expenditure including designated funds. At the year end the Church held unrestricted cash funds of £19,152 of which £10,000 had been designated for fabric fund.

Trustees' Annual Report (cont)
Year ended 31 December 2015

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 for the prevention and/or detection of fraud and other irregularities.

Approved by the by the Session on 7th March 2018 and signed on their behalf,

Angus Bethune

Session Clerk

Date

Killearnan Parish Church
Receipts and Payments Account
Year ended 31st December 2017

	Unrestricted Funds	Unrestricted Funds
<u>Receipts</u>	<u>2017</u>	<u>2016</u>
Donations	£ 30,250.00	£29,961.00
Tax Recovered	£ 3,695.00	£ 3,421.00
Bank Interest	£ 63.00	£ 234.00
Transfer from Reserve (121, Edin)	£ 10,821.00	£ 4,971.00
Refund from Purchase of Income Units	£ 11.00	£ 0.00
Total	<u>£ 44,840.00</u>	<u>£38,587.00</u>

Payments

Charitable Activities	£47,667.00	£38,347.00
Purchase of Income Units	£26,000.00	£ 0.00
Total	<u>£73,667.00</u>	<u>£38,347.00</u>

Deficit for the Year	<u>£28,827.00</u>	<u>£ 240.00</u>
Purchase of Income Units	£26,000.00	
True Deficit for the Year	£ 2,827.00	

**Killearnan Parish Church
Statement of Balances**

At 31st December 2017

	Unrestricted Funds 2017	Unrestricted Funds 2016
Bank & Deposit Balances Brought forward	£47,979.00	£ 47,739.00
<u>Movement in Year:</u>		
Deficit for the Year	£28,827.00	£ 240.00
Purchase of Income Units	£26,000.00	
True Deficit for the Year	£ 2,827.00	
Bank & deposit Balances Carried forward	£19,152.00	£47,979.00
<u>Assets</u>		
Tax on Gift Aid	£ 3,695.00	£ 3,421.00
<u>Liabilities</u>	NIL	NIL

The accounts were approved by the Kirk Session and Financial Board on -----

For and on behalf of the Kirk Session and Financial Board

_____ **Session Clerk**

_____ **Treasurer**

Killearnan Parish Church
Notes to the Accounts

Trustee Remuneration and Related Party Transactions

Mr Angus Bethune, who is a member of the Kirk Session
Received £2,400.00 for providing his services as organist during the year.

Rev Susan Cord benefited from the Council Tax of £2568.49 for the Manse at 14 First Field Avenue,
North Kessock, IV1 3JB being paid by the Congregations at Killearnan, and Knockbain

In January, the Congregations of Killearnan, linked with Knockbain, purchased a new Manse for £285,000,
and sold the previous Manse in June for £225,000. The Manse was sold to the son of an Elder at
Killearnan Church – the sale was handled exclusively by the Church of Scotland Solicitor, with the
authority of the Church of Scotland General Trustees, at the pre-market value of £225,000, which was
confirmed by Allied Surveyors (Scotland) as being the full market value. None of the Elders were
involved in the sale process

No other trustee or person related to a trustee received any remuneration
Or reimbursement of expenses during the year

Movement in Funds

At 1st Jan			At 31st Dec
2017	Receipts	Payments	2017
£47,979.00	£44,840.00	£ 73,667.00	£19,152.00

	Unrestricted Funds 2017	2016
Analysis of Donations		
FWO (non gift aid)	£ 3,191.00	£ 3,350.00
Gift Aid Donations	£12,838.00	£ 11,904.00
Tax Recovered on Gift Aid	£ 3,695.00	£ 3,421.00
Open Plate	£ 2,948.00	£ 3,949.00
Other Donations	£ 2,783.00	£ 2,775.00
Weddings & Funerals	£ 772.00	£ 1,330.00
Bank Interest	£ 63.00	£ 235.00
Transfer from Reserve (121, Edin)	£10,821.00	£ 4,971.00
Fundraising	£ 3,015.00	£ 3,230.00
Charities	£ 2,172.00	£ 2,980.00
Council Tax Refund	£ 1,731.00	£ 0.00
Miscellaneous	£ 800.00	£ 442.00
Refund from Purchase of Income Units	£ 11.00	£ 0.00
	<u>£44,840.00</u>	<u>£38,587.00</u>

Analysis of Payments

Charitable activities

Ministries & Mission Allocation	£ 14,176.00	£15,828.00
Presbytery dues	£ 0.00	£ 767.00
Travel expenses	£ 1,774.00	£ 1,466.00
Pulpit supply	£ 652.00	£ 1,575.00
Ministry expenses (50/50)	£ 80.00	£ 47.00
Organist & Church Officer	£ 5,620.00	£ 5,536.00
Manse (50/50)	£ 5,554.00	£14,263.00
Insurance	£ 1,570.00	£ 1,476.00
Repairs & Maintenance	£ 2,890.00	£ 266.00
Heat & Light	£ 1,934.00	£ 2,379.00
Glebe Rent	£ 97.00	£ 106.00
Copyright licence	£ 192.00	£ 189.00
Printing & Stationary	£ 408.00	£ 2030.00
Misc	£ 1,798.00	£ 1,798.00
Charities	£ 1,910.00	£ 2,885.00
Repairs to Church	£ 150.00	£ 316.00
Transfer to Fabric Fund	£ 0.00	£ 0.00
Purchase of C of S Investments	£ 10,821.00	£ 0.00
Purchase of Recording Equipment	£ 1,179.00	£ 0.00
Sunday Club	£ 0.00	£ 60.00
Purchase of Income Units	£ 26,000.00	£ 0.00
	<u>£ 76,805.00</u>	<u>£49,160.00</u>

Less expenses from Knockbain	£ -3,138.00	£-5,270.00
Less Refund of Manse Expenditure	£ 0.00	£-4,268.00
Less Disturbance Allowance Refund	£ 0.00	£-1,275.00

	<u>£ 73,667.00</u>	<u>£38,347.00</u>
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Minister's 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 of service.

For the year under review the minimum stipend was £26,644 and the maximum stipend (in the fifth and subsequent years) £32,743.

Collections for Third Parties in	2017	2016
Christian Aid	£ 156.80	£ 268.40
Ross Presbytery– Nepal Appeal	£ 0.00	£ 25.00
Christian Aid – Romania Appeal	£ 0.00	£ 140.00
Christian Aid – Malawi Famine Appeal	£ 0.00	£ 272.74
RNLI	£ 100.00	£ 79.05
Ekwendenni Hospital	£ 0.00	£ 1,491.70
MacMillan Nurses	£ 0.00	£ 164.00
Blytheswood Care Foodbank	£ 0.00	£ 20.00
Dr Graham Homes	£ 1,189.00	£ 287.50
Ross-shire Guides	£ 0.00	£ 136.85
Alzheimers Scotland	£ 85.80	£ 0.00
Mary's Meals	£ 378.00	£ 0.00
Prostrate Cancer UK	£ 75.00	£ 0.00
Mikeysline	£ 186.95	£ 0.00
Total	£ 2,171.55	£ 2,885.24

APPENDIX

Funds held on behalf of the Congregation by the Church of Scotland General Trustees

<u>Deposit Fund</u>	<u>2017</u>	<u>2016</u>
Credit balance at 31 st December	£5,003.40	£5,003.40
<u>Revenue Account</u>		
Credit Balance at 31 st December	£ 4,383.56	£13,602.37
<u>Capital Account</u>		
Credit Balance at 31 st December *	£89,436.26	£122,105.88

*Note: These funds are invested in the Church of Scotland Investors Trust as follows:

	No of Units	Cost of Units
1. Growth Fund -	12,525	£63,000.75
2. Income Fund -	2,173	£26,423.68
3. Deposit Fund -		£ 11.83

Killearnan Fabric Fund

Following funds are invested in the Church of Scotland Investors Trust as follows:

	No of Units	Cost of Units
1. Income Fund	3,025	£36,809.68

Killearnan Parish Church
SC010319

Independent Examiner's Report to the Trustees of Killearnan Parish Church

I report on the accounts of the charity for the year ended 31 December 2017 which are set out on pages 1 to 12.

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) (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) 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 [other than disclosed below*]

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 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.

My Examination was completed on the 16th February 2018.

Name: Hilary A Ross

Address: 10 Chapleton Place, Muir of Ord, IV6 7QG

Date:

* Please delete the words in brackets if they do not apply. If the words do apply set out those matters which have come to your attention.