

Strathkinness Parish Church

Receipt and Payment Accounts

For year ending 31 December 2010

The Church of Scotland

Congregation No: 261580

Charity No: SC014710

Reference and Administrative Information

Charity Name: Strathkinness Parish Church of Scotland
Charity Registration Number: SC014710
Congregational Reference Number 261580
Contact Address Strathkinness Parish Church
16 Church Road
Strathkinness
St. Andrews
KY16 9XR

Trustees

Kirk Session Members

David Arnott, Minister and Moderator (until 22 July 2010)
Arthur Christie, Interim Moderator (from 23 July 2010)
Sheila Adam
Frank Armstrong
Fiona Armstrong
Alexander Lawson
Elizabeth Lawson
Alec McCallum
Peter Royds
Janet Royds
David Sinclair
Veronica Smart
Henry Topping
Marie Ward
Elaine Whyte

Congregational Board Members (in addition to the above)

James Backhouse
Claire Gammie
Isobel Scott

Principal Office-bearers

Minister	David Arnott (until 22 July 2010)
Session Clerk	Alexander Lawson
Clerk to the Board	Elizabeth Lawson
Church Treasurer	Peter Royds

Independent Examiner

Mr. W. J. Sutherland F.C.M.A.
7 Brownhills Steadings
St. Andrews
KY16 8PL

Bankers

Royal Bank of Scotland
113/115 South Street
St. Andrews
KY16 9QB

Trustees' Annual Report Year ended 31 December 2010

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 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 the 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 to 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 chaired by the minister and meetings are called as they may be required but at least once every year and normally about five times. Certain responsibilities are delegated to the Treasurer and Property convenor as appropriate.

The Kirk Session meetings are called as required and usually five times every year. It is responsible for the spiritual affairs within the church.

Linkage

Strathkinness Parish Church is linked to Hope Park Church, St. Andrews in that the minister of that church has been appointed minister of both charges and there are some joint services and shared activities. As a consequence of the arrangement shared expenses are settled between the two churches.

Objects and Activities

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in policy. 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.

Services of Worship

Services of public worship are held in Strathkinness every Sunday morning with very occasional exceptions when the congregation are invited to share worship with another church. There are additional services within Strathkinness Church and elsewhere at Easter, Advent, Christmas and New Year. The Sacrament of Holy Communion is celebrated on at least four occasions during the year.

Activities for Children and youths

The minister has frequent contacts with the local Primary School including services in church but there is insufficient attendance of young people to make it possible to maintain a Sunday School or Youth Club. The Church has, however, made a hall available for a youth club outwith church governance.

Community Activities

A principal activity is the publication of a monthly "Kirk and Community" newsletter which aims to spread information about church activities and also other village civil and social events. It has been made available for outside organisations and villagers to contribute and distributes almost 400 copies to homes.

The Church has made its hall available for meetings of a Mothers and Toddlers group, Dancing classes, Pilates classes, Planning presentations and Election polling stations. The under-hall is wholly given over to the Youth Club.

Periodically there are sales of Fair Trade goods at the end of services.

The Church provides hall premises for the Friendship Club which is a weekly social gathering for elderly villagers.

Achievements and Performances

During the year, the Church Roll contained some 116 names though attendance at services on a Sunday morning were typically 20 with larger congregations at Services of Holy Communion, Easter and Christmas. During the Easter season there was a special service of "Communion in the Round" which was shared with members of the linked charge of Hope Park, St. Andrews.

Special family services were periodically held, suitable for all ages and Strathkinness Primary School attended at some occasions in the school year.

Members received invitations from Hope Park Church to participate in events relating to worship, social occasions and outings and some took part in these to a greater extent than previously.

Rev. David Arnott retired from his charge as minister, which included responsibility as a trustee, on 22 July 2010 and procedures were started to replace him but no appointment had been made by the end of the year. From 23 July 2010 Rev. Arthur C Christie was appointed to the role as Interim Moderator for the remainder of the year by which time the new minister had been offered and accepted the position.

Financial Review

Income The principal source of income for Strathkinness Church is donations by members. In 2010 these totalled £14,389 (£15,139 in 2009) including the Gift Day which raised £4,305 (£3,935). Of that total, £11,275 (£11,790) was donated under the Gift Aid scheme. Gift Aid donations can qualify for tax rebate and the tax recovered on donations during 2010 amounted to £2,912 (£2,111). Some 30 members contributed their donations in 2010 under the scheme. 11 members make their contributions by Standing Order.

The response to the Gift Day was again extremely positive. The members continue to be encouraged to donate under the Gift Aid scheme, which involves signing a simple declaration. It is appreciated, however, that not all members necessarily pay tax or wish to join the scheme. Donations (gift aid and non-gift aid), together with the tax recovered, totalled £17,301 in 2010 (£17,250). It remains the case that the major part of the donations are contributed by a relatively small proportion of the congregation as a whole.

Church fund raising activities undertaken in 2010 included a Strawberry Tea, and a Coffee Morning which raised a combined total of £763 after expenses. The remainder of the income for 2010 came principally from the various groups who regularly use the church hall. The total income was £4,558 (£5,136). It is the Trustees' policy to review the level of charges annually since this is a critical source

of income. Withdrawals from the Consolidated Fabric Fund (Manse Fund) are now included in the accounts as receipts. These totalled £4,166 (£2,225). Income and Receipts for 2010 amounted in total to £29,547 (£28,845).

Expenditure The total of all payments for the year amounted to £26,608 (£25,581) The most significant item of annual expenditure is the payment for the Ministries and Mission allocation which was £11,020 in 2010. This was down by £748 on 2009 and in addition a Vacancy Allowance of £490 was deducted in July. There was an increase from £1,656 to £4,965 in expenditure on essential property items. Apart from these headings, the 2010 expenditure shows no undue variation from 2009 except for the unavoidable extra expenditure in relation to the appointment of a new Minister, particularly advertising costs.

Areas of concern The main area for future financial concern is the impact of any reduction in the membership of a congregation which depends heavily on the contributions of a relatively small number of members for most of its income.

The second area of concern is the dependence on the Manse Fund. If it was not available to meet property and insurance costs, the funding of any major expenditure on repairs and maintenance would present a much more significant challenge. At the end of 2010, the Manse Fund stands at £40,265 (£39,958), the increase being due to the rise in share prices (6%)

Reserves Policy The total balances on all funds held by the Church at the year end amount to £33,141 (£30,202) as detailed in the accounts. Of that sum £32,095 is held in a variety of interest bearing deposits with the Church of Scotland Investors Trust. Most of these are relatively modest sums for designated or restricted purposes although £2,000 was transferred to the Hall Fund from the General Fund during the year as a contingency for expenditure on the hall which is now almost 17 years old (e.g. heating system). The General Fund is the Church's bank current account, (year end balance £1,046).

The largest of the deposit funds is the General Fund Reserve amounting to £12,794 which is held to augment the General Fund (the bank current account) in the event, for example, of any downturn in members' donations. This fund represents about 50% of anticipated annual outgoings.

The Consolidated Fabric Fund (Manse Fund) is not included as a fund belonging to Strathkinness Church although the importance to its reserves policy has already been stressed. This fund was established on the sale of the Manse (which belonged to the General Trustees) and is held and administered by the General Trustees on behalf of the Congregation for fabric expenditure but not running costs.. The profile of the fund is shown in an Appendix to the accounts.

**Trustees Annual Report
Year ended 31 December 2010**

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 Trustees and signed on their behalf,

Alexander Lawson
Session Clerk

Date.....

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

I report on the accounts of the charity for the year ended 31 December 2010 which are set out on pages 7 to 11

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

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 Accounting 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.

W.J. Sutherland F.C.M.A.
7 Brownhills Steadings
St. Andrews
KY16 8PL

Date March 2011

Strathkinness Parish Church
Receipts and Payments Account
Year ended 31 December 2010

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		Unrestricted	Restricted	Endowment	Total	Total
		Funds	Funds	Funds	2010	2009
	Note	2010	2010	2010	2010	2009
		£	£	£	£	£
Receipts						
Donation	3	17051	250	0	17301	17250
Legacies		0	0	0	0	0
Activities for Generating Funds		826	0	0	826	2096
Bank & Deposit interest		395	10	0	405	936
Interest on Tax Recovered		1	0	0	1	1
		<u>18273</u>	<u>260</u>	<u>0</u>	<u>18533</u>	<u>20283</u>
Receipts from General Trustees		4166	0	0	4166	2225
Rental of premises		4558	0	0	4558	5136
Weddings & Funerals		120	0	0	120	185
Life & Work Subscriptions		109	0	0	109	109
Refund of 2008 and 2009 Joint Expenses		0	0	0	0	152
Closure of Guild Fund		0	0	0	0	204
Electricity rebate		1536	0	0	1536	0
Other Receipts		525	0	0	525	351
Total Receipts		<u>29287</u>	<u>260</u>	<u>0</u>	<u>29547</u>	<u>28845</u>
Payments	4					
Costs of generating funds		144	0	0	144	99
Charitable activities		26434	30	0	26464	25482
Governance costs		0	0	0	0	0
Total Payments		<u>26578</u>	<u>30</u>	<u>0</u>	<u>26608</u>	<u>25581</u>
Excess of Receipts over Payments for the year before transfers		2709	230	0	2939	3264
Transfers		0	0	0	0	0
Excess of Receipts over Payments For the year		<u>2709</u>	<u>230</u>	<u>0</u>	<u>2939</u>	<u>3264</u>

Strathkinness Parish Church
Statement of Fund Balances
At 31 December 2010

	Unrestricted	Restricted	Endowment	Total	Total
	Funds	Funds	Funds	2010	2009
	2010	2010	2010	2010	2009
	1	£	£	£	£
	Note				
<u>Bank & Deposit Balances</u>					
Bank & deposit balances at 1/01/10		29599	603	0	30202
					26938
<u>Movement in year:</u>					
	2				
Excess of receipts over payments		2709	230	0	2939
					3264
Bank & deposit balances carried forward at 31/12/10		<u>32308</u>	<u>833</u>	<u>0</u>	<u>33141</u>
					<u>30202</u>
<u>Investments at market value</u>		0	0	0	0
<u>Assets</u>					
Gift Aid Tax Receivable(and transitional relief)		3442	0	0	3261
<u>Liabilities</u>					
		0	0	0	0

The accounts were approved by the Kirk Session and Financial Board on 9/03/11

For and on behalf of the Kirk Session and Financial Board

_____ Session Clerk

_____ Treasurer

Strathkinness Parish Church Notes to the Accounts

1. Trustee Remuneration and Related Party Transactions

During the year 2 trustees received reimbursement of expenses incurred totalling £159

In addition, the Minister, Rev. D Arnott received an additional voluntary stipend of £160 and travel expenses of £257.

Contributions of £71 and £155 respectively were paid towards the Minister's telephone expenses and the council tax for the Manse.

Rev. Arnott retired on 22 July 2010 and the Interim Moderator Rev. A Christie, received travel expenses of £17.

No trustee or person related to a trustee had any personal interest in any contract or transaction entered into by the Church during the year.

2. Movements in Funds

	At 1 Jan				At 31 Dec
	2010	Receipts	Payments	Transfers	2010
	£	£	£	£	£
Unrestricted funds					
Fabric Fund	2,013	28	0	0	2,041
Hall Fund	8,897	113	0	2,000	11,010
Orphat Fund	2,430	34	0	0	2,464
Benevolent Fund	251	4	0	-100	155
Legacies Fund	2,759	39	0	0	2,798
General Fund	632	29,142	26,608	-2,120	1,046
General Fund Reserve	12,617	177	0	0	12,794
	<u>29,599</u>	<u>29,537</u>	<u>26,608</u>	<u>-220</u>	<u>32,308</u>
Restricted funds					
Flower Fund	268	4	0	-30	242
Kirk & Community Fund	335	6	0	250	591
	<u>603</u>	<u>10</u>	<u>0</u>	<u>220</u>	<u>833</u>
Total funds	<u>30,202</u>	<u>29,547</u>	<u>26,608</u>	<u>0</u>	<u>33,141</u>

Purposes of Designated Funds

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

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

Orphat Fund: The Trustees have established this fund for church fabric and related purposes in name of the original benefactor.

Benevolent Fund: The Trustees have set aside funds for benevolent purposes within the parish.

Legacies Fund: The Trustees have established this fund with legacies from A Webster, A Bremner and M McKellar for special purposes.

General Fund: This fund is the current bank account of the church.

General Fund Reserve: The Trustees have placed these funds on deposit to augment the General Fund as necessary.

Purposes of Restricted Funds

Flower Fund: This is a fund to provide flowers for display during services of worship.

Kirk & Community Fund: This fund assists with the cost of producing the village " Kirk and Community" newsletter each month.

3. Analysis of Donations

	Unrestricted	Restricted	Endowment	Total	Total
	Funds	Funds	Funds	2010	2009
	2010	2010	2010	2010	2009
	£	£	£	£	£
Gift Aid Donations	7,120	0	0	7,120	8,100
Gift Aid from Gift Day	4,155	0	0	4,155	3,690
Tax Recovered on Gift Aid Donations	2,912	0	0	2,912	2,111
Ordinary Offerings (Open Plate)	2,714	0	0	2,714	2,884
Donations, Gift Day excluding Gift Aid	150	250	0	400	465
	<u>17,051</u>	<u>250</u>	<u>0</u>	<u>17,301</u>	<u>17,250</u>

		10 Unrestricted		Restricted	Endowment	Total 2010	Total 2009
		Funds			Funds		
		2010	2010	2010	2010		
4	Analysis of Payments	Note					
	Costs of generating funds						
	Fundraising Expenses		63	0	0	63	32
	Offering envelopes		67	0	0	67	67
	Offering Certificates		14	0	0	14	0
			<u>144</u>	<u>0</u>	<u>0</u>	<u>144</u>	<u>99</u>
	Charitable activities						
	Ministries & Mission allocation	5	11020	0	0	11020	11768
	Vacancy allowance	5	cr. 490	0	0	cr. 490	0
	Presbytery dues		267	0	0	267	119
	Voluntary Additional Stipend	6	160	0	0	160	310
	Minister's travel expenses	6	257	0	0	257	484
	Minister's telephone	6	71	0	0	71	94
	Locum Minister's salary	6	175	0	0	175	0
	Interim Moderator's travel	6	17	0	0	17	0
	Pulpit supply	6	38	0	0	38	58
	Organist		3245	0	0	3245	3375
	Fabric repairs & maintenance		4965	0	0	4965	1656
	Manse Council Tax	6	155	0	0	155	378
	Manse expenses	6	201	0	0	201	57
	Heat and light		2352	0	0	2352	3284
	Insurance		1698	0	0	1698	1636
	Kirk & Community		0	0	0	0	349
	K2 donation		100	0	0	100	0
	Life & Work subscriptions		109	0	0	109	109
	Advertisements of services	6	161	0	0	161	164
	Cleaning supplies		86	0	0	86	61
	Stationery, postage and photocopying		69	0	0	69	58
	Church cleaner		383	0	0	383	357
	Hall cleaner		558	0	0	558	603
	Appointment of new minister	6	608	0	0	608	0
	Guild Capitation Fees	7	0	0	0	0	77
	Guild Expenses	7	0	0	0	0	94
	Other expenses		229	30	0	259	393
			<u>26578</u>	<u>30</u>	<u>0</u>	<u>26608</u>	<u>25583</u>

5 **Governance costs** Independent examiner's fees 0 0 0 0 0 0

5 **Minister's Stipend**

All Church of Scotland congregations contribute to the National Stipend Fund which bears the cost of all minister's 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 the years of service. For the year under review, the minimum stipend was £23139 and the maximum stipend scale, (in the tenth and subsequent years) £30426.

The vacancy allowance of £490 for 2010 was deducted from the ministers and mission allocation following the retirement of the Rev. David Arnott in July 2010. During the vacancy, expenses will be paid to the locum minister, Rev. I Petrie (salary and travel) and the Interim Moderator Rev. A Christie (travel)

6 **Joint expenses** These figures (a total of £1843) represent Strathkinness' 15% share of the total payments by Hope Park and Strathkinness churches

7 **Guild** The receipts and payments for 2010 no longer include receipts and payments for the Guild which was disbanded in April 2009

APPENDIX

FUNDS HELD ON BEHALF OF THE CONGREGATION
OF STRATHKINNESS PARISH CHURCH
BY THE CHURCH OF SCOTLAND GENERAL TRUSTEES

	2010 £	2009 £
CAPITAL ACCOUNT - Consolidated Fabric Fund		
Credit Balances held at 31 December at cost	<u>33,161</u>	<u>36,336</u>
Market Value of Balances at 31 December	<u>37,732</u>	<u>38,829</u>
REVENUE ACCOUNT - Consolidated Fabric Fund		
Credit Balance at 31 December	<u>2,533</u>	<u>1,129</u>
Note - Consolidated Fabric Fund		
Balance at 1 January on Capital and Revenue Accounts	39,958	36,110
Add interest earned	2,112	2119
Gain on sale of shares	<u>283</u> <u>2,395</u>	<u>3954</u> <u>6073</u>
	42,353	42,183
Less payments towards fabric repairs etc.	4,166	2,225
Add gain on revaluation of assets	<u>2,078</u>	<u>0</u>
Balances at 31 December	<u>40,265</u>	<u>39,958</u>

STRATHKINNESS PARISH CHURCH
Receipts and Payments Account Budget
Year ended 31 December 2011

	Unrestricted Funds 2010 £	Restricted Funds 2011 £	Endowment Funds 2011 £	Total 2011 £	Actual 2010 £
Receipts					
Donations	15900	100	0	16000	17301
Legacies	500	0	0	500	0
Activities for Generating Funds	800	0	0	800	826
Bank & Deposit interest	475	25	0	500	405
Interest on Tax Recovered	2	0	0	2	1
	17677	125	0	17802	18533
Receipts from General Trustees	5200	0	0	5200	4166
Rental of premises	5000	0	0	5000	4558
Weddings and Funerals	150	0	0	150	120
Life & Work Subscriptions	120	0	0	120	109
Other Receipts	450	0	0	450	2061
Total Receipts	28597	125	0	28722	29547
Payments					
Costs of generating funds	140	0	0	140	144
Ministries & Mission Allocation	11100	0	0	11100	10530
Voluntary Additional Stipend	0	0	0	0	160
Minister's expenses	600	0	0	600	328
Locum Minister's salary	800	0	0	800	175
Interim Moderator's travel	30	0	0	30	17
Pulpit Supply	100	0	0	100	38
Organist	3300	0	0	3300	3245
Fabric repairs and maintenance	3000	0	0	3000	4965
Manse Council Tax	350	0	0	350	155
Manse expenses	2000	0	0	2000	201
Heat and Light	2500	0	0	2500	2352
Insurance	1750	0	0	1750	1698
Cleaners	950	0	0	950	941
Appointment of new minister	300	0	0	300	608
Other Payments	1100	0	0	1100	1051
Total Payments	28020	125	0	28020	26608
Excess of receipts over payments	577	125	0	702	2939