

**Augustine United Church**

**Financial statements**

**31 December 2017**

**Charity Number SC000385**

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## **Office bearers and professional advisers**

### **The Board of Trustees**

Revd. Fiona Bennett  
Mrs. Doris Caldwell  
Ms. Harriet Davidson  
Mr. Ben Forsyth  
Mr. Stephen Hoare  
Mrs. Della Morris  
Mr. Tom Murray  
Mrs. Ivy Ng  
Dr. Alex Peden  
Revd. Maxwell Reay  
Dr. Nicola Robinson  
Mrs. Kathleen Ziffo

### **Charity Secretary**

Kathleen Ziffo

### **Principal Address**

41 George IV Bridge  
Edinburgh  
EH1 1EL

### **Auditors**

Henderson Loggie  
34 Melville Street  
EDINBURGH  
EH3 7HA

### **Bankers**

Bank of Scotland  
300 Lawnmarket  
Edinburgh  
EH1 2PH

## **Trustees' report**

### ***for the year ended 31 December 2017***

The Trustees present their report and the financial statements of the charity for the year ended 31 December 2017.

#### **Structure, governance and management**

Augustine United Church is an unincorporated trust and a registered charity, number SC 000385. As a congregation of the United Reformed Church day-to-day oversight of Church life is exercised by a Church Council Meeting consisting of the elders, office bearers and the ministers who are the Trustees, elected by the authoritative meeting of the Church Members known as Church Meeting. AUC brings together Christians from Congregational, Presbyterian, Churches of Christ and the Metropolitan Community Church origins. It is part of a Local Ecumenical Covenant with St Columba's-by-the-Castle, Scottish Episcopal Church and Greyfriars Kirk, Church of Scotland, with whom it is committed to work to establish a united and positive Christian presence in the centre of Edinburgh. The Church Centre situated on George IV Bridge offers a permanent home to Christian Aid and Jubilee Scotland. We welcome in the name of Christ all who wish to use our building for the promotion of peace, freedom of thought and freedom of expression.

#### **Church Life Review**

##### ***Who we are***

Augustine United Church is an active, inclusive Christian Community. We affirm and include people of all ages, abilities, sexualities, gender identities, races and faiths. Our purpose is to worship, work and grow together to promote justice and wellbeing in our lives, community and globally.

##### ***Over Recent years***

There has been a transformation in the age profile of the congregation, ranging from infants to the very elderly, with a significant number of younger or early middle-aged adults. Following completion of our Roof and Communications project in 2016, we have sought to exploit the new resources for congregational activity.

#### **Things to celebrate in 2017**

- the Church Centre has been more intensively used by the community than at any time in the building's history, with over 40,000 people coming through our doors.
- A continued increase in enquiries, attendances at worship, participation in Church life, and some increased interest in church membership.
- An increase in the number of lay people involved in leading worship and enriching our services with their musical skills.
- Continued larger attendances at the drop-ins and church social events mainly during the day midweek, and at educational and social activities on Sunday afternoons.
- The financial commitment of people from all walks of life and, often, limited means
- The lives, generosity and contribution to the church community of several long committed people who have died in the past year.

#### **Based on our Vision for the next seven years our priorities are:**

- To build up our community.
- To raise our profile in the city, by using better and more up-to-date technology and advertising to connect with people who might have a common ethos or some common concerns, and feel able to join us.
- To respond to the prospect of fewer professional ministers being available to serve with congregations of the United Reformed Church (URC).
- To become financially self-sufficient

## **Trustees' report** *(continued)* **for the year ended 31 December 2017**

### **How we plan to meet some of the challenges facing us.**

- We will try to engage more effectively with the talents and enthusiasms displayed by new members from a variety of Christian backgrounds, and none, while continuing to try to attract new people to join with us.
- In engaging more with newer members, we have the opportunity to plan for succession by training people in leadership roles and to give opportunities to contribute their skills, whether financial, hospitality, craft, caring for others, teaching adults and children or as communicators with good modern technology skills.
- We will build on our ecumenical covenant with Greyfriars Kirk and St Columba's by the Castle in 'living the Gospel' in the Old Town of Edinburgh and by finding more ways to share and develop ministry and mission outreach with them.
- In preparing for the future we have set up two new ministry teams:
  - a **Communications Ministry Team**, working to advertise and communicate our ethos, activities and services to those within our community, and to those outside, by improved use of Facebook, Twitter, our internal electronic displays and by developing a more user friendly web-site while maintaining more traditional notices and newsletters.
  - a **Visitor Ministry Team** working to capitalise on years of heavy capital expenditure to use the building and improved audio visual equipment to better engage with the many thousands of visitors crossing our threshold. Starting from the Heritage research undertaken in earlier projects, this new Ministry will program tours of our building and develop Urban Pilgrimages. These will offer visitors to Edinburgh the chance to consider issues of justice and wellbeing through the heritage of our church and locality. We are grateful for a grant from the URC's 'Vision 20/20' programme to develop these plans over three years.
- We will build upon our tradition of inclusive and progressive worship, education for children, young people and adults, pastoral care and concern for the World and further develop our distinctive ministries to LGBTQI people and (in partnership with NHS Lothian) to people with mental health issues.

### **Financial review**

We must begin our financial review by recording our gratitude for a legacy of £20,000 from the estate of Michael Smyth who died in October 2017. Michael and his late wife, Mary, spent long lives in service and financial support to Augustine United Church and this is just the last of many gifts. It transforms our results for 2017 and has a lasting impact on our future capacity as a congregation.

In our 2016 Report we set ourselves a number of broad financial objectives:

- To maximise voluntary and rental income;
- To scrutinise expenditure; while
- As resources permit, to maintain our programme of maintenance to pre-empt avoidable repair costs.

In the event, excluding the legacy, we had a modest surplus of £6,946 but within this figure there are, as always, a number of positive and negative currents.

### **Income**

We have mentioned in the past that we are experiencing a generational change with the passing of older and wealthier members while being blessed with increased numbers and involvement of younger, but less financially established, supporters. An overall increase of 7% in regular giving indicates that people are addressing the need. However, we will have to achieve further real increases in 2018 to cover known reductions in income as a result of deaths.



## **Trustees' report** *(continued)* **for the year ended 31 December 2017**

### **Income** *(continued)*

An increase of 8% in rental income comes entirely from increased demand for rooms and success in recovering overhead costs as we have not raised our prices for some years. The building is probably more heavily used now than for almost 100 years and there is a growing demand from the voluntary sector for good but inexpensive rooms in the City Centre. We are grateful for the efforts of our staff whose welcome to visitors is much appreciated by users and well reflects our ethos. During 2018 we will be embarking on the delicate task of increasing our letting rates to enable us to maintain the building and the standard of the accommodation provided. We will also have to address staffing and management issues for the Church Centre as increasing demand strains the capacity of the existing small team of staff and volunteers who run the letting activity.

### **Costs**

We have had mixed results in managing costs with some success in restricting routine expenditure but adversely impacted by water rate charges (the result of the grants received for the roof project in 2016 taking us temporarily beyond the exemption levels) and, hopefully one-off, impacts on professional fees and staffing costs. Costs will continue to have careful attention.

### **Pre-emptive maintenance**

With the very heavy expenditure on the building and equipment under the umbrella of the Roof and Heritage project in 2016, we undertook a much reduced £5,000 of repair work on the building in 2017. We will undoubtedly exceed that amount in 2018 which reinforces the case for continued fund raising to rebuild the Fabric Fund which is our reserve for future care of the building.

We wish to close with our thanks to all who have contributed money and talents to building the congregational life of Augustine and restoring our reserves to prepare us for future mission in the City.

### **Responsibilities of the trustees**

Law applicable to charities in Scotland require the trustees to prepare an annual report and financial statements for each financial year which give a true and fair view of the state of affairs of the charity's financial activities during the year and of its financial position at the year end. The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP). In preparing those financial statements, which give a true and fair view, the trustees should follow best practice and:

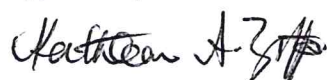
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with The Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as required). The trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Approval of the report**

At the time of approving the report the trustees are aware of no relevant audit information of which the charity's auditors are unaware and have taken all steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the trustees on 1 May 2018 and signed on their behalf by:



**Kathleen Ziffo**  
(Church Secretary)

# **Independent auditors' report to the trustees of Augustine United Church**

## **Opinion**

We have audited the financial statements of Augustine United Church (the 'charity') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

## **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# **Independent auditors' report to the trustees of Augustine United Church**

(continued)

## **Opinions on other matters prescribed by the Charities Accounts (Scotland) Regulations 2006 (as amended)**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' responsibilities the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

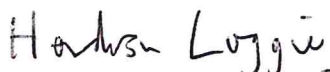
In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the trustees, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body for our audit work, for this report, or for the opinions we have formed.



**Henderson Loggie**

Statutory Auditors

(Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)

Edinburgh

1 May 2018



**Statement of financial activities (including income and expenditure account)**  
**for the year ended 31 December 2017**

	Note	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Endowment Funds £	2017 Total Funds £	2016 Total Funds £
<b>Income</b>						
Donations and legacies	2	77,252	17,096	-	94,348	251,612
Income from charitable activities	4	110,285	-	-	110,285	101,841
Income from investments		-	45	-	45	128
<b>Total income and endowments</b>		<b>187,537</b>	<b>17,141</b>	<b>-</b>	<b>204,678</b>	<b>353,581</b>
<b>Expenditure</b>						
Expenditure on raising funds	5	55,375	-	-	55,375	47,123
<i>Expenditure on charitable activities:</i>						
Ministry and mission costs	6	50,625	-	-	50,625	50,566
Worship costs	7	58,857	12,712	-	71,569	101,957
Roof and communications	9	163	-	-	163	237,989
<b>Total expenditure</b>		<b>165,020</b>	<b>12,712</b>	<b>-</b>	<b>177,732</b>	<b>437,635</b>
<b>Net income/(expenditure)</b>		<b>22,517</b>	<b>4,429</b>	<b>-</b>	<b>26,946</b>	<b>(84,054)</b>
Loss on revaluation of fixed assets		-	-	-	-	(700,000)
<b>Net movement in funds</b>		<b>22,517</b>	<b>4,429</b>	<b>-</b>	<b>26,946</b>	<b>(784,054)</b>
Total funds brought forward	18	13,378	248,640	5,200,000	5,462,018	6,246,072
<b>Total funds carried forward</b>	<b>18</b>	<b>35,895</b>	<b>253,069</b>	<b>5,200,000</b>	<b>5,488,964</b>	<b>5,462,018</b>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

**Balance sheet**  
**at 31 December 2017**

	Note	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Tangible fixed assets	15		5,225,854		5,239,228
<b>Current assets</b>					
Debtors	16	45,933		59,316	
Cash at bank and in hand		230,419		181,990	
		<u>276,352</u>		<u>241,306</u>	
<b>Current liabilities</b>					
Creditors falling due within one year	17	(13,242)		(18,516)	
<b>Net current assets</b>			<u>263,110</u>		<u>222,790</u>
<b>Total assets less current liabilities</b>			<u>5,488,964</u>		<u>5,462,018</u>
<b>Funds</b>					
Unrestricted funds	18,19		35,895		13,378
Restricted funds	18,19		253,069		248,640
Endowment funds	18,19		5,200,000		5,200,000
<b>Total funds</b>	18,19		<u>5,488,964</u>		<u>5,462,018</u>

The notes on pages 10 to 17 form part of these financial statements.

Signed:



**Kathleen Ziffo**  
Trustee

Approved and authorised for issue by the Trustees on 1 May 2018.

**Statement of cash flows**  
*for the year ended 31 December 2017*

	2017 £	2017 £	2016 £	2016 £
<b>Cash flows from operating activities</b>				
Net Income	26,946		(84,054)	
Depreciation charges	13,374		13,375	
Decrease/(increase) in debtors	13,383		298	
(Decrease)/increase in creditors	(5,274)		(10,820)	
Investment income	(45)		(128)	
	<hr/>		<hr/>	
<b>Cash used in operating activities</b>		48,384		(81,329)
<b>Cash flows from investing activities</b>				
Interest received	45		128	
Payments to acquire fixed assets	-		(50,848)	
	<hr/>		<hr/>	
<b>Cash used in investing activities</b>		45		(50,720)
		<hr/>		<hr/>
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		48,429		(132,049)
Cash and cash equivalents at beginning of year		181,990		314,039
		<hr/>		<hr/>
<b>Cash and cash equivalents at end of year</b>		230,419		181,990
		<hr/> <hr/>		<hr/> <hr/>
<b>Cash and cash equivalents comprise:</b>				
Cash at bank and in hand		230,419		181,990
		<hr/> <hr/>		<hr/> <hr/>



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### **Basis of accounting**

The principal accounting policies adopted in the preparation of the financial statements are set out below.

#### **Basis of preparation**

The financial statements have been prepared under the historical cost accounting rules, and in accordance with applicable accounting standards, as modified by the revaluation of UK listed investments. The charity is a Public Benefit Entity and the financial statements comply with the charity's Constitution, the Statement of Recommended Practice (SORP) FRS 102 'Accounting and Reporting by Charities', FRS 102, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **Going concern**

The financial statements are drawn up on a going concern basis as the Church has adequate funding for the next 12 months. There are no material uncertainties that exist or material changes in the way the charity operates and the Trustees consider it appropriate to prepare financial statements on a going concern basis.

#### **Income**

Income is recognised when the charity has entitlement to the funds, when it is probable that the income will be received and the amount can be measured reliably. Donations, legacies and similar income sources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is credited to the statement of financial activities on the basis of interest receivable during the year.

#### **Expenditure**

Expenditure, which includes irrecoverable VAT, is recognised on an accruals basis when there is a legal or constructive obligation to pay for expenditure.

- Expenditure on raising funds are those costs incurred in rental of the Church buildings and relate to the costs of maintaining the property. These costs are apportioned 70% to cost of raising funds and 30% to worship expenses.
- Expenditure on charitable activities include costs associated with worship and other general church expenses.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. They are attributed as support cost to worship and other general church expenditure.

**Notes** (continued)  
(forming part of the financial statements)

**1 Accounting policies** (continued)

**Fixed assets**

Fixed assets are included on the balance sheet at cost or valuation on relevant expenditure above £500. Depreciation is provided in the year in which the fixed assets are purchased. The rate of depreciation is calculated so as to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:

Equipment and furnishings	25% straight line
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No depreciation is provided on the land and buildings since the expected useful life of the Church exceeds 50 years. Buildings are maintained and funding sought for major repair works. Where the trustees consider there is a permanent diminution in the value of the property, full provision is made in the statement of financial activities.

**Financial instruments**

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Cash and cash equivalents**

Cash at bank and in hand includes cash and highly liquid short term investments with a maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account.

**Debtors**

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Funds structure**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor.

The endowment fund is made up of the value of the Church building.

**2 Donations and legacies**

	Unrestricted £	Restricted £	2017 £	Unrestricted £	Restricted £	2016 £
<b>Offerings</b>						
Freewill offerings	44,475	-	44,475	41,541	-	41,541
Open offerings	7,828	-	7,828	7,216	-	7,216
<b>Donations</b>						
Donations for benevolent purposes	674	-	674	1,169	-	1,169
Donations	21,979	17,096	39,075	1,498	16,519	18,017
Grants receivable (note 3)	2,296	-	2,296	991	182,678	183,669
	<u>77,252</u>	<u>17,096</u>	<u>94,348</u>	<u>52,415</u>	<u>199,197</u>	<u>251,612</u>

## Notes (continued)

### 3 Grants receivable

	Unrestricted £	Restricted £	Total 2017 £	Unrestricted 2016 £
Listed places of worship	1,096	-	1,096	38,991
URC National Synod of Scotland	600	-	600	300
NHS Lothian	600	-	600	-
Heritage Lottery Fund	-	-	-	72,189
Historic Environment Scotland	-	-	-	72,189
	<u>2,296</u>	<u>-</u>	<u>2,296</u>	<u>183,669</u>

### 4 Income from charitable activities

	Unrestricted 2017 £	Unrestricted 2016 £
<i>Income from use of premises</i>		
Rents	43,750	39,222
Service charges	5,022	3,351
Other uses of premises	61,513	59,268
	<u>110,285</u>	<u>101,841</u>

### 5 Expenditure on raising funds

	Unrestricted 2017 £	Unrestricted 2016 £
Bad debts written off/(written back)	397	85
Premises costs (note 8)	54,978	47,038
	<u>55,375</u>	<u>47,123</u>

### 6 Expenditure on charitable activities - Ministry and Mission costs

	Unrestricted 2017 £	Unrestricted 2016 £
Ministry and mission	40,296	39,600
Ministers' expenses	7,061	7,354
Pulpit supply	275	1,011
Organ	1,890	1,375
URC Synod	1,103	1,226
	<u>50,625</u>	<u>50,566</u>



## Notes (continued)

### 7 Expenditure on charitable activities - Worship and general expenses

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	2016 £
Benevolent payments	1,645	-	1,645	2,047
Office and miscellaneous expenses	5,038	-	5,038	5,103
Worship and other ministry	5,691	-	5,691	4,604
Website costs	299	-	299	699
Maintenance costs	18,360	-	18,360	52,489
Depreciation	662	12,712	13,374	13,375
Governance costs (note 11)	3,600	-	3,600	3,480
Premises costs (note 8)	23,562	-	23,562	20,160
	<u>58,857</u>	<u>12,712</u>	<u>71,569</u>	<u>101,957</u>

### 8 Premises costs

	Unrestricted 2017 £	Unrestricted 2016 £
Rates and council tax	2,441	141
Furniture and equipment	643	2,572
Heating and lighting	15,323	12,129
Insurance	4,516	5,197
Professional fees	4,824	-
Salaries and employment costs (note 10)	50,410	46,318
Exceptional room hire costs	383	841
	<u>78,540</u>	<u>67,198</u>
Allocated to expenditure on raising funds (note 5)	54,978	47,038
Allocated to worship and general expenses (note 7)	23,562	20,160

Premises costs are allocated to cost of generating funds and worship expenses. The allocation has been calculated by the trustees at 70% to cost of generating funds and 30% worship expenses.

### 9 Roof and communications project

	Unrestricted 2017 £	Restricted 2016 £
Delivery phase costs	163	237,989

## Notes (continued)

### 10 Analysis of staff costs

	2017 £	2016 £
Salaries and wages	48,865	45,566
Social security costs	-	462
Other employment costs	433	72
Employer pension contribution	1,112	218
	<u>50,410</u>	<u>46,318</u>

Staff costs include the salary costs of the lay staff.

All key management personnel are unpaid volunteers, except the Minister who is paid a stipend by the United Reform Church. In 2017 her stipend was £26,599.

No employee was paid in excess of £60,000.

### 11 Governance costs

	Unrestricted 2017 £	Unrestricted 2016 £
Audit and accountancy fee	3,600	3,480

### 12 Trustees remuneration

During the year payments of expenses totalling £1,449 (2016: £145) were made to 3 trustees (2016: 1 trustee). In addition the minister received expenses and allowances of £6,341 (2016: £6,553) and was paid a stipend and received benefit from a pension contribution from the United Reformed Church Ministry and Mission Fund. The contribution from the Church to this fund in the year was £40,296 (2016: £39,600). During the year the Trustees, acting in accordance with section 67(2) & (3) of the Charities and Trustee Investment (Scotland) Act 2005, entered into a contract of employment with Dr Nicola Robinson, a Trustee, to provide maternity leave cover during the absence of our administrator. A salary of £5,648 and pension contributions of £181 were paid in respect of this employment.

### 13 Staff numbers

The average number of full time equivalent employees (including casual and part time staff) during the year was as follows:

	2017	2016
Lay members of staff	4	4

### 14 Auditors' remuneration

The auditors' remuneration of £3,600 (2016: £3,480) related solely to the audit.

## Notes (continued)

### 15 Fixed assets

	Land and buildings – specialised property £	Equipment & furnishing £	Total £
<b>Cost or valuation</b>			
At start and end of year	5,200,000	81,916	5,281,916
<b>Depreciation</b>			
At start of year	-	42,688	42,688
Charge for year	-	13,374	13,374
At end of year	-	56,062	56,062
<b>Net book value</b>			
At 31 December 2017	<b>5,200,000</b>	<b>25,854</b>	<b>5,225,854</b>
At 31 December 2016	5,200,000	39,228	5,239,228

The following information relates to tangible fixed assets carried at valuations:

	£
Land and buildings	
Church building – valued at depreciated replacement cost	<b>5,200,000</b>

The value of the Church building is based on the latest valuation performed by Allied Scotland (Chartered Surveyors) in January 2017.

The trustees are not aware of any material change in value and therefore the valuations set out above have not been updated.

### 16 Debtors

	2017 £	2016 £
Prepayments and accrued income	<b>44,566</b>	21,036
Grants receivable	<b>1,367</b>	38,280
	<b>45,933</b>	59,316

### 17 Creditors

	2017 £	2016 £
Other creditors and accruals	<b>13,242</b>	18,516



## Notes (continued)

### 18 Analysis of fund movements

	Balance at 1 January 2017 £	Income £	Expenditure £	Losses on revaluation £	Balance at 31 December 2017 £
<b>Unrestricted fund</b>					
- General fund	13,378	187,537	(165,020)	-	35,895
<b>Restricted funds</b>					
- Fabric Fund	38,198	17,096	(12,712)	-	42,582
- Ministerial Accommodation	210,442	45	-	-	210,487
	248,640	17,141	(12,712)	-	253,069
<b>Capital Endowment Fund</b>	5,200,000	-	-	-	5,200,000
<b>Total funds</b>	5,462,018	204,678	(177,732)	-	5,488,964

The Fabric Fund was set up to provide for major renovation work which may be needed. The church is a listed building which has required substantial building work in recent years and it will require continuing work. During the current year work was completed on the "Delivery Phase" of the Roof and Communications Project.

Incoming resources in the Fabric Fund includes congregational fundraising and grants receivable. Resources expended includes all costs of this Phase. In accordance with our accounting policies, equipment and furnishings installed as part of the project have been capitalised in the Fabric Fund and will be depreciated at the rate of 25%. The balance on the Fund is essentially the net book value of those items at 31 December 2017.

The Ministerial Accommodation fund has been set up to hold the proceeds of sale of the former Manse for use in the event that future Ministers need housing assistance.

The Capital Endowment Fund reflects the value of the Church building.

	Balance at 1 January 2016 £	Income £	Expenditure £	Losses on revaluation £	Balance at 31 December 2016 £
<b>Unrestricted fund</b>					
- General fund	25,328	154,384	(166,334)	-	13,378
<b>Restricted funds</b>					
- Fabric Fund	110,302	199,197	(271,301)	-	38,198
- Ministerial Accommodation	210,442	-	-	-	210,442
	320,744	199,197	(271,301)	-	248,640
<b>Capital Endowment Fund</b>	5,900,000	-	-	(700,000)	5,200,000
<b>Total funds</b>	6,246,072	353,581	(437,635)	(700,000)	5,462,018

## Notes (continued)

### 19 Analysis of group net assets between funds

2017	Unrestricted funds £	Restricted funds £	Capital endowment £	Total funds £
Fixed assets	430	25,424	5,200,000	5,225,854
Net current assets	35,465	227,645	-	263,110
	<hr/>	<hr/>	<hr/>	<hr/>
	35,895	253,069	5,200,000	5,488,964
	<hr/>	<hr/>	<hr/>	<hr/>
2016	Unrestricted funds £	Restricted funds £	Capital endowment £	Total funds £
Fixed assets	1,092	38,136	5,200,000	5,239,228
Net current assets	12,286	210,504	-	222,790
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	13,378	248,640	5,200,000	5,462,018
	<hr/>	<hr/>	<hr/>	<hr/>

### 20 Ultimate controlling party

The charity is constituted by Trust Deed and is controlled by the elected trustees.