Augustine United Church

Financial statements

31 December 2018

Charity Number SC000385

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Office bearers and professional advisers

Annual Report 2018
Office bearers and professional advisers

The Board of Trustees
Revd. Fiona Bennett
Ms. Eilidh Carmichael (appointed January 2018)
Ms. Harriet Davidson
Dr. Anne MacKenzie (appointed January 2018)
Mrs. Della Morris (retired December 2018)
Mr. Tom Murray
Mrs. Ivy Ng
Dr. Alex Peden (retired December 2018)
Revd. Maxwell Reay
Dr. Nicola Robinson (retired June 2018)
Mrs. Kathleen Ziffo
Mr. Ben Forsyth (appointed January 2019)
Mr. Stephen Hoare (appointed January 2019)
Ms. Linda Harrison (appointed January 2019)

Charity Secretary
Kathleen Ziffo

Principal Address
41 George IV Bridge
Edinburgh
EH1 1EL

Auditors
MHA Henderson Loggie
11-15 Thistle Street
Edinburgh
EH2 1DF

Bankers
Bank of Scotland
300 Lawnmarket
Edinburgh
EH1 2PH

Trustees' report
for the year ended 31 December 2018

The Trustees present their report and the financial statements of the charity for the year ended 31 December 2018.

Structure, governance and management
Augustine United Church is an unincorporated trust and a Scottish 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.

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.

Things to celebrate in 2018
- Increased lay participation in leading worship, following training this past year
- New Sunday opportunities for Lay education, Bible and spirituality study
- New Website developed - now up and running
- Maintenance of last year's level of Congregational Membership and Giving
- Gaining an Eco-congregation Scotland Silver Award
- Grants for mission projects
- The Church Centre had over 41,000 people coming through our doors

All this happened despite unexpected building repairs and consequent deficit for the year.

2018 Priorities

1. To build up our community
2. 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.
3. To respond to the prospect of fewer professional ministers being able to serve with congregations of the United Reformed Church (URC).
4. To become financially self-sufficient.

Trustees' report *(continued)*
for the year ended 31 December 2018

How these priorities have progressed in 2018

1. **Building up our community**
During 2018 we have worked to sustain and develop the many opportunities there are within AUC to develop supportive relationships and offer mutual pastoral support. Church Lunches; Coffee, Cake & Conversation; Home & Hospital Visitors Team; Junior Church; TLC Youth Group; The Mental Health Drop-In; Walk & Talk Sessions; Our Tribe LGBTQI Ministry; Adult Christian Education Sessions; are all activities which happen throughout each month and each activity has been sustained & developed in different ways throughout 2018.

We have also maintained participation in the Church Life Ministry teams which enables members to serve in different aspects of church life, with new members joining several of the teams. Our Tribe CLMT hosted a final year Ministry student on placement with them. The Membership team was replaced by a Communications Team which reflected a more strategic remit, and the Visitors & Heritage CLMT started its work.

Building on work begun through the 2018/18 Roof and Communication project, we were awarded a grant by the URC to fund a worker to develop this ministry to communicate our Heritage amidst Visitors and Tourists. So far the project has put in place Open Doors days with a good base of trained guides, an internal pilgrimage and effective hosting, which has brought many visitors into the Church.

2. **Raising our Profile**
The AUC Communication Ministry Team have worked very hard through 2018 to overcome several technical challenges and the new augustine.org.uk website was launched in Feb 2019. The current site is fresh, appealing to modern visitors and we have full control over its build and editing which limited us in the last incarnation. Combined with the monthly newsletter Seeds, the Social Media strands and the emailed and paper weekly notices sheets, we have a good infrastructure for communication in place.

3. **Prospect of fewer Ministers**
In 2018 we have continued to address this ongoing situation through our community building and by training and starting to deploy a group of lay members to lead worship.

4. **To become financially self-sufficient.**
Throughout 2018 the financial commitment and support of members, often with limited means, remains quite remarkable. We saw a steady increase in new attendees and maintained member numbers. However, we continue to need to persevere in attracting and engaging new members. In particular we are still in urgent need of new members with the time and ability to take on the roles of Office Bearers, to support the administration of congregational life and the running of the Church Centre, which now contributes about 60% of the revenue of the Church as a whole. We are aware that the contribution from letting, which could be building up a Fabric Fund, is disproportionately required to support the wider work of the Congregation. We plan to review our total congregational expenditure, whilst continuing to encourage increased congregational giving to achieve a better balance.

Financial Review
2018 has brought with it a significant financial challenge as we incurred more than £40,000 of exceptional repair expenditure; especially on replacement of the entire ceiling in our Studio theatre which developed threatening cracks at the peak of the Festival Fringe season. In addition to the cost of repairs there was an impact on our rental income and costs. As is evident from the accounts the result is a deficit for the year of £39,410 and a consequent reduction in our reserves which requires more detailed discussion later in this report.

Trustees' report *(continued)*
for the year ended 31 December 2018

Financial Review *(continued)*

Income
Notwithstanding the overall result for the year there are a number of more positive outcomes to report. After adjusting for a generous £20,000 legacy in 2017, congregational giving and membership numbers were maintained in 2018 and we count this a success given the challenge we described in earlier reports of adjusting to generational change with the deaths of older and more prosperous members and the recruitment of younger but less affluent members.

Our substantial rental income shows an overall increase of 3.1% in 2018 which is heartening given the disruption to our lettings during repair work. Within the rental income there is the beginning of change in the mix as we renegotiate the leases of our larger tenants which should increase our total rental income in future but reduce somewhat the space available for sessional renting to smaller community and charity users. Our management efforts are now directed towards maintaining our service to the community and charitable sector.

Costs
Cost control continues to be a challenge as our larger costs, aside from building maintenance, are payments to the URC centrally, staff salaries and pensions and utilities which are all under upward pressure. While we are making renewed efforts to control costs we must balance the need for careful control with the requirement to build an active and welcoming congregational life.

Any report on our activities requires grateful thanks to our staff and volunteers who are essential to the running of our building and congregation and in making our Church Centre an attractive resource for the Edinburgh community. We are especially grateful through the past year's staff transitions, (including maternity leave and turnover), for our staff's flexibility, adaptability and good humour.

Reserves
Our policy has been to maintain reasonable reserves particularly as a buffer against the recurring need for maintenance of a 150 year old listed building. Our hope for 2018 was that we would begin to rebuild reserves depleted by the Roof and Communications Project of 2016/2017. In the event, repair costs resulted in further depletion of reserves.

The General and Fabric Funds are readily available for use by the Trustees but there are restrictions on use of the Ministerial Accommodation Fund without the prior consent of the URC National Synod of Scotland. The Trustees were concerned that the congregation's useable reserves were becoming very tight and a number of actions have begun to rectify the position from 2019:

- The Trustees and Congregation have begun steps to refresh congregational life to expand congregational numbers, participation and financial commitment;
- Action has already been taken to increase rental income and further control costs; and
- Agreement has been reached with the Synod of Scotland for the transfer of £75,000 from the Ministerial Accommodation Fund to the Fabric Fund to be available against future needs.

Following the agreed transfer our reserves at 31 December 2018 were:

General Fund	£30,958
Fabric Fund	£83,063
Ministerial Accommodation Fund	£135,533

Trustees' report *(continued)*
for the year ended 31 December 2018

Financial Review *(continued)*

How we plan to meet the challenges facing us in 2019

1. **Maintaining an outward focus**
   In order to address our priorities it is important we maintain our broader sense of identity and purpose in seeking justice & joy for people & planet. We will do this by continuing to focuss on topics such as those brought to our attention by the like of Christian Aid and Amnesty International, FairTrade and Climate Change organisations and locally through Freshstart, Streetwork and the Grassmarket Community, in our worship, study and by campaigning for an inclusive and healthy world.

2. **To strengthen our participation & communication**
   We will further utilise the new website to showcase more of AUC's life making our worship, education, social action and pastoral connection accessible to more people. In our CLMT's, we aim to use and celebrate the gifts of new people, continue to develop lay worship leaders, encourage mutual pastoral care and in doing so building a better understanding of Christian community.

   We will move on with our development plan for the Visitors & Heritage Ministry; particularly developing our local Heritage Pilgrimages, based on social justice themes. We also plan to offer further Open Days. Through this we hope to recruit some local people to join us whilst engaging with tourists and passers- by.

3. **To become financially self sufficient**
   We will address this collectively by increasing our membership and the ease and opportunities through which people can donate to AUC. We will aim to apply for grant funding for projects and to review both our congregational giving and expenditure. A substantial Fabric Fund needs to be maintained to cover exceptional expenses.

4. **To strengthen our organisation**
   Mindful both of our shortage of large funds and of volunteers to serve as Office Bearers, we have begun working with a consultant to identify if there might be other organisational and business models to address these shortages. We hope to complete a familiarisation phase by May 2019 and for any project to be concluded by our 2019 Annual Report.

Trustees' report *(continued)*
for the year ended 31 December 2018

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 5 May 2019 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 2018 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 2018 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.

Independent auditors' report to the trustees of Augustine United Church
(continued)

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.

MHA Henderson Loggie

MHA Henderson Loggie
Chartered accountants
Statutory Auditor
(Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)
11-15 Thistle Street
Edinburgh
EH2 1DF

MHA Henderson Loggie is a trading name of Henderson Loggie LLP

5 May 2019

Statement of financial activities (including income and expenditure account)

for the year ended 31 December 2018

	Note	2018 Unrestricted Funds £	2018 Restricted Funds £	2018 Endowment Funds £	2018 Total Funds £	2017 Total Funds £
Income						
Donations and legacies	2	65,035	16,178	-	81,213	94,348
Income from charitable activities	4	113,726	-	-	113,726	110,285
Income from investments		-	46	-	46	45
Total income and endowments		178,761	16,224	-	194,985	204,678
Expenditure						
Expenditure on raising funds	5	59,342	-	-	59,342	55,375
Expenditure on charitable activities:						
Ministry and mission costs	6	57,134	-	-	57,134	50,625
Worship costs	7	67,222	50,697	-	117,919	71,569
Roof and communications	9	-	-	-	-	163
Total expenditure		183,698	50,697	-	234,395	177,732
Net (expenditure)/income		(4,937)	(34,473)	-	(39,410)	26,946
Loss on revaluation of fixed assets		-	-	-	-	-
Net movement in funds		(4,937)	(34,473)	-	(39,410)	26,946
Total funds brought forward	18	35,895	253,069	5,200,000	5,488,964	5,462,018
Total funds carried forward	18	30,958	218,596	5,200,000	5,449,554	5,488,964

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 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible fixed assets	*15*		**5,214,338**		5,225,854
Current assets					
Debtors	*16*	**42,718**		45,933	
Cash at bank and in hand		**216,954**		230,419	
		259,672		276,352	
Current liabilities					
Creditors falling due within one year	*17*	**(24,456)**		(13,242)	
Net current assets			**235,216**		263,110
Total assets less current liabilities			**5,449,554**		5,488,964
Funds					
Unrestricted funds	*18,19*		**30,958**		35,895
Restricted funds	*18,19*		**218,596**		253,069
Endowment funds	*18,19*		**5,200,000**		5,200,000
Total funds	*18,19*		**5,449,554**		5,488,964

The notes on pages 13 to 21 form part of these financial statements.

Signed:

Kathleen Ziffo
Trustee

Approved and authorised for issue by the Trustees on 5 May 2019.

Statement of cash flows

for the year ended 31 December 2018

	2018 £	2018 £	2017 £	2017 £
Cash flows from operating activities				
Net Income	(39,410)		26,946	
Depreciation charges	13,683		13,374	
Decrease in debtors	3,215		13,383	
Increase/(decrease) in creditors	11,214		(5,274)	
Investment income	(46)		(45)	
Cash (used in)/provided by operating activities		(11,344)		48,384
Cash flows from investing activities				
Interest received	46		45	
Payments to acquire fixed assets	(2,167)		-	
Cash (used in)/provided by investing activities		(2,121)		45
(Decrease)/increase in cash and cash equivalents in the year		(13,465)		48,429
Cash and cash equivalents at beginning of year		230,419		181,990
Cash and cash equivalents at end of year		216,954		230,419
Cash and cash equivalents comprise:				
Cash at bank and in hand		216,954		230,419

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).

These financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

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.

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

Judgements in applying key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these financial statements, the trustees have made the following judgements:

- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

2 Donations and legacies

	Unrestricted	**Restricted**	**2018**	Unrestricted	Restricted	2017
	£	**£**	**£**	£	£	£
Offerings						
Freewill offerings	**44,479**	**-**	**44,479**	44,475	-	44,475
Open offerings	**7,047**	**-**	**7,047**	7,828	-	7,828
Donations						
Donations for benevolent purposes	**383**	**-**	**383**	674	-	674
Donations	**3,634**	**16,178**	**19,812**	21,979	17,096	39,075
Grants receivable (note 3)	**9,492**	**-**	**9,492**	2,296	-	2,296
	65,035	**16,178**	**81,213**	77,252	17,096	94,348

Notes *(continued)*

3 Grants receivable

	Unrestricted £	Restricted £	Total 2018 £	Unrestricted 2017 £
Listed places of worship	6,892	-	6,892	1,096
URC National Synod of Scotland	-	-	-	600
NHS Lothian	600	-	600	600
URC Vision 2020	2,000	-	2,000	-
	9,492	-	9,492	2,296

4 Income from charitable activities

	Unrestricted 2018 £	Unrestricted 2017 £
Income from use of premises		
Rents	49,423	43,750
Service charges	7,304	5,022
Other uses of premises	56,999	61,513
	113,726	110,285

5 Expenditure on raising funds

	Unrestricted 2018 £	Unrestricted 2017 £
Bad debts written off	309	397
Premises costs (note 8)	59,033	54,978
	59,342	55,375

6 Expenditure on charitable activities - Ministry and Mission costs

	Unrestricted 2018 £	Unrestricted 2017 £
Ministry and mission		
Ministers' expenses	42,180	40,296
Pulpit supply	8,240	7,061
Organ	-	275
URC Synod	1,595	1,890
Visitor Ministry project	874	1,103
	4,245	-
	57,134	50,625

Notes *(continued)*

7 Expenditure on charitable activities - Worship and general expenses

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	2017 £
Benevolent payments	1,080	-	1,080	1,645
Office and miscellaneous expenses	5,662	-	5,662	5,038
Worship and other ministry	7,180	-	7,180	5,691
Website costs	438	-	438	299
Maintenance costs	22,871	37,985	60,856	18,360
Depreciation	971	12,712	13,683	13,374
Governance costs (note 11)	3,720	-	3,720	3,600
Premises costs (note 8)	25,300	-	25,300	23,562
	67,222	50,697	117,919	71,569

8 Premises costs

	Unrestricted 2018 £	Unrestricted 2017 £
Rates and council tax	3,125	2,441
Furniture and equipment	1,042	643
Heating and lighting	16,979	15,323
Insurance	3,272	4,516
Professional fees	2,760	4,824
Salaries and employment costs (note 10)	54,467	50,410
Exceptional room hire costs	2,688	383
	84,333	78,540
Allocated to expenditure on raising funds (note 5)	59,033	54,978
Allocated to worship and general expenses (note 7)	25,300	23,562

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 2018 £	Unrestricted 2017 £
Delivery phase costs	-	163

Notes *(continued)*

10 Analysis of staff costs

	2018 £	2017 £
Salaries and wages	52,462	48,865
Social security costs	455	-
Other employment costs	156	433
Employer pension contribution	1,394	1,112
	54,467	50,410

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 2018 her stipend was £26,184.

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

11 Governance costs

	Unrestricted 2018 £	Unrestricted 2017 £
Audit and accountancy fee	3,720	3,600

12 Trustees remuneration

During the year payments of expenses totalling £1,968 *(2017: £1,449)* were made to 2 trustees *(2017: 3 trustees)*. In addition, the minister received expenses and allowances of £6,559 *(2017: £6,341)* 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 £41,508 *(2017: £40,296)*. In 2017 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 £7,165 *(2017: £5,648)* and pension contributions of £287 *(2017: £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:

	2018	2017
Lay members of staff	4	4

14 Auditors' remuneration

The auditors' remuneration of £3,720 (*2017: £3,600*) related solely to the audit.

Notes *(continued)*

15 Fixed assets

	Land and buildings – specialised property £	Equipment & furnishing £	Total £
Cost or valuation			
At start of year	5,200,000	81,916	5,281,916
Additions	-	2,167	2,167
At end of year	5,200,000	84,083	5,284,083
Depreciation			
At start of year	-	56,062	56,062
Charge for year	-	13,683	13,683
At end of year	-	69,745	69,745
Net book value			
At 31 December 2018	**5,200,000**	**14,338**	**5,214,338**
At 31 December 2017	5,200,000	25,854	5,225,854

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

Land and buildings	£
Church building – valued at depreciated replacement cost	**5,200,000**

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

	2018 £	2017 £
Prepayments and accrued income	**35,826**	44,566
Grants receivable	**6,892**	1,367
	42,718	45,933

17 Creditors

	2018 £	2017 £
Other creditors and accruals	**24,456**	13,242

Notes *(continued)*

18 Analysis of fund movements

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2018 £
Unrestricted fund					
- General fund	35,895	178,761	(183,698)	-	30,958
Restricted funds					
- Fabric Fund	42,582	16,178	(50,697)	75,000	83,063
- Ministerial Accommodation	210,487	46	-	(75,000)	135,533
	253,069	16,224	(50,697)	-	218,596
Capital Endowment Fund	5,200,000	-	-	-	5,200,000
Total funds	5,488,964	194,985	(234,395)	-	5,449,554

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.

Incoming resources in the Fabric Fund includes congregational fundraising and grants receivable. Resources expended includes all maintenance costs and depreciation.

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. A transfer was made from the Ministerial Accommodation fund to the Fabric Fund to be available against future needs with agreement from the Synod of Scotland.

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

	Balance at 1 January 2017 £	Income £	Expenditure £	Losses on revaluation £	Balance at 31 December 2017 £
Unrestricted fund					
- General fund	13,378	187,537	(165,020)	-	35,895
Restricted funds					
- 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
Capital Endowment Fund	5,200,000	-	-	-	5,200,000
Total funds	5,462,018	204,678	(177,732)	-	5,488,964

Notes *(continued)*

19 Analysis of group net assets between funds

2018

	Unrestricted funds £	Restricted funds £	Capital endowment £	Total funds £
Fixed assets	1,626	12,712	5,200,000	5,214,338
Net current assets	29,332	205,884	-	235,216
	30,958	218,596	5,200,000	5,449,554

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
	35,895	253,069	5,200,000	5,488,964

20 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	6,892	1,367

Debt instruments measured at amortised cost comprise other debtors.

Carrying amount of financial liabilities		
Measured at amortised cost	23,389	13,242

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

21 Ultimate controlling party

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