

Augustine United Church

Trustees Report and Unaudited Financial Statements

For the year ended 31 December 2021

Charity Number SC000385

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Office bearers and professional advisers

Annual Report 2021

Office bearers and professional advisers

The Board of Trustees

Revd. Fiona Bennett
Ms. Harriet Davidson
Mr. Ben Forsyth
Mrs. Linda Harrison
Mr. Stephen Hoare
Dr. Anne MacKenzie
Dr Alexander Peden
Revd. Maxwell Reay
Dr. Ewen Harley
Mr. Thomas McPolin
Mr. Denis Mallon
Ms. Sheila Storrier
Ms. Katrina Tweedie

Charity Secretary

Mrs. Linda Harrison

Principal Address

41 George IV Bridge
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EH1 1EL

Independent Examiner

Jaslin Bhagrath
Henderson Loggie LLP
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Edinburgh
EH2 1DF

Bankers

Bank of Scotland
300 Lawnmarket
Edinburgh
EH1 2PH

Trustees' report

for the year ended 31 December 2021

The Trustees present their report and the financial statements of the charity for the year ended 31 December 2021.

Structure, governance and management

Augustine United Church (AUC) is an unincorporated trust and a registered charity, number SCO00385. 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.

A strong core of serving Elders, with connection to each of the Church Life Ministry Teams (CLMTs) ensured the priorities of the church could be considered effectively. We were particularly fortunate to have two serving Elders from the Pastoral CLMT as we worked out the pastoral care for all through our emergence from the pandemic. As the year drew to a close, three Elders stepped back from Church Council, each having given faithful service over a considerable number of years. The core strength and connection to the CLMTs remains in the 10 serving Elders on Church Council, to be joined in January 2022 by one of the younger members of the congregation who is actively involved in the areas of technology and singing, aspects that are being developed as we go forward.

In March 2021, the Trustees reflected together on the role of Elders on Church Council through the twelve collective responsibilities of the URC Elders' Meeting. Trustees attended Exploring Borderline Personality Disorder with Merrick Pope, together with members of the Pastoral CLMT, in deepening our understanding of the AUC Mental Health ministry.

AUC brings together Christians from Congregational, Presbyterian, Churches of Christ and the Metropolitan Community Church. 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 center of Edinburgh. The Church Centre ('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.

Trustees' report *(continued)* **for the year ended 31 December 2021**

2021 Priorities

AUC, like many in 2020 and continuing throughout 2021, have addressed the moving tide of the COVID-19 pandemic. The Shaping a Healthy Future (SHF) priorities have been addressed as far as possible within the constraints, resolving the most urgent key person dependency risk, and have continued to be the focus of all CLMTs in 2021:

1. **Accommodation, Staff & Finance:** to grow all income streams to address the financial viability risk; to carefully plan, manage and monitor Augustine's financial future; to monitor alternative accommodation options; to re-energise the Centre, Property & Finance function; to celebrate & raise awareness & ownership of the AUC centre ministry.
2. **Church Life Ministry Teams and Lay Leadership:** to refresh awareness of each CLMT and the CLMT model; to offer a programme of conversations to enliven and sustain lay participation; to create and maintain role descriptions for key lay roles.
3. **Congregation:** to raise Edinburgh's awareness of Augustine's inclusive community; to review and improve the experience of newcomers and visitors; to develop online services & community; to continue the worship, social, pastoral and education programmes; to develop Heritage & Visitor ministry.

Reflection on each of the Priorities has continued within the CLMTs throughout 2021, whilst meeting the constraints placed upon us all by COVID-19, finding our direction being channeled into pastoral care for all and alternative ways of being congregation at this time. It is encouraging that several new members have joined CLMTs, with teams becoming enlivened in their particular area of service within the church. It has been disappointing that progress to grow our centre ministry has been hampered by restrictions caused by the pandemic. However, the diligence of the Centre Manager in maintaining connections throughout this difficult time is reaping mutual rewards as regular Lets begin to return to the building and enquiries are on the increase. Church Council have maintained the oversight for priorities progression in this changing world.

A whole congregation Away Day is planned in 2022 to re-vision our mission and ministry priorities as we emerge from the pandemic.

Things to celebrate in 2021

There was much to be celebrated as AUC moved into 2021. Eight came into membership, taking church membership to 91, as one member had sadly passed away early in the year. Pledges in support of the mission and ministry of the church following Shaping a Healthy Future were taken up as far as that was possible in a life-changing scene that continued throughout the year. Excellent support was offered by the AUC Staff Team and members to ensure the move to worship, and events online was enhanced by an increased base of technical equipment to meet the new need for the congregation and lettings alike.

The new Church Treasurer took up the role at the start of the year, with the further appointment of an Assistant Treasurer in support of the Treasurer. This additional appointment, along with those of Centre Manager and Building Manager, have addressed the urgent priority for 2021 of key person dependency risk.

Church Council were pleased to endorse the positive report towards MCC ordained ministry at the conclusion of Kai Miller's placement with AUC.

The **Communications CLMT** have responded to the ever-changing need as worship began to be streamed live from the building, with members of the congregation beginning to join for occasional services, monthly and eventually each week, leading up to the introduction of a small singing group and then to the installation of crowd mics and masked singing in the congregation. Swift response was met with similar determination to offer the best experience to all as the number of Omicron variant cases rose

Trustees' report *(continued)* **for the year ended 31 December 2021**

swiftly towards the end of the year. At the same time the development of SEEDS, with two new editors, has been exemplary and has meant that the congregation, and those reading the magazine online, are served by excellent communication and challenge through a wealth of current articles. The website continued to receive many hours of attention, enhancing our hub of current information, with anticipated traffic to our website as our minister takes up the elected role of General Assembly Moderator in July 2022.

Centre, Property & Finance (CP&F) continued to work with the Staff Team to support them as the furlough scheme wound down. The Team was pleased to return to the building as far as Government Guidance would allow, with the Centre Manager always in close contact with the four staff and with the AUC regular Lets to ensure all were fully informed every step of the way. The busyness for the Team increased as lockdown eased, with all indebted to the gracious response swiftly offered as their work was met by new needs. CP&F have expertly overseen the ongoing needs of the building, whilst keeping a very careful eye to the financial position of the church in such difficult times. The congregation were encouraged to look to their giving, with positive results, and asked to consider moving their giving online, rather than through an envelope system, and to take up Gift Aid where that was possible.

The **Worship & Education CLMT** continued to develop the online worship responsively with the Communications CLMT. Contextual Bible Study was offered three times across each week, with between 5 and 7 attending each group, from within and out-with the congregation. A fortnightly online book group exploring the Spirituality of Julian of Norwich has run for 4 months with around 10 participants. The group continues and will move to look at *The Divine Dance* by Richard Rohr in March 2022. Junior Church have used material from Sparkhouse to tie in with the Narrative lectionary used in the services of worship. The Church Meeting has endorsed one URC Discipleship Development Fund grant, with a second in process as the year ended. Involvement in worship leading has increased, with the option for pre-recorded readings, prayers and music contributions, allowing all who wish to take part. A move back to the pattern of Leader and Preacher has begun and will pick up momentum as our Minister takes up the role of Moderator in the summer. Attendance has modified over the year, as some returned to the building, an option that was warmly welcomed with the trepidation to be expected as people ventured back to being 'in person'. Numbers in Zoom and Facebook dropped to an average of 30, at the same time as 'in building' numbers rose to an average 40 in the autumn. This means a small increase was seen to an average of 70 taking the amalgamation of online and in building figures. As 'in building' worship opened once again, members of the congregation were encouraged by a number of new faces in the congregation. Our worship and social times continued to be joined regularly by people from around the UK and the USA. Towards the end of 2021, streaming directly to Facebook had become unreliable, with a move to YouTube with a link posted on Facebook. This will continue to be monitored in 2022, but the signs of reliability are encouraging. The recordings are available following Sunday services, with between 50 and 70 hits each week between Sundays.

Joint worship was able to continue online with our ecumenical partners, St Columba's by the Castle and Greyfriars Kirk, with a successful move to hybrid worship from the Greyfriars Kirk building and through YouTube. The experience of excellent music from this building encouraged the introduction of a singing group once a month in AUC worship, singing to help to lead the congregation being offered initially behind a screen, but hugely appreciated by those in person and online. The introduction of served communion, rather than the elements being available on individual plates, evolved during the year. Both bread and wine were served in individual glasses, spaced out on the communion trays, with the one-meter distancing of seats allowing the servers to move easily between rows to serve the elements safely.

Trustees' report *(continued)*
for the year ended 31 December 2021

The **Pastoral CLMT** continued to ensure phone links to folk across the congregation held the sense of connection to our warm, inclusive community even as some wariness of being in public places continued. The minister continued to send out monthly communications to all members in the form of letters, cards and postcards. Daily Facebook posts have continued to go out for encouragement and support, with a justice & peace theme weekly. Following on from the successful use of the URC Advent boxes in 2020, Real Chocolate Advent Calendars were sent to Junior Church families and to families associated with the church, the calendars each containing a message from the church and a booklet of daily readings through the Christmas story. The CLMT are conscious of the drawing to a close of the Murrayfield activity packs, which had been an ecumenical initiative much appreciated by a good number of the older members of the congregation. The Post-service Social Time following Worship each Sunday continued throughout the year, with numbers reducing as the numbers in the building increased. Those joining the social time online thoroughly appreciated the conversation within resultant smaller numbers, whilst welcoming familiar faces back in intervening weeks. It is intended to continue this social time and to find alternative ways to enhance the offering in 2022. The Wednesday lunchtime social drop-in for an hour each week has been renamed *Wednesday Blether* and is hugely appreciated by those who attend. Discussion of returning to "Coffee, Cake & Conversation" has begun to consider opening up to a wider audience beyond the church once again. The online Burns Ceilidh in January, including live bagpipes played by one of our members, was a great success. However, the Picnic on the Meadows, a fund raising event for the Trussell Trust, was cancelled once for inclement weather, and finally held on a pleasant afternoon in June, was well attended and a welcome outing in the safety of an outdoor setting. A fabulous picnic tea, pre-ordered and individually presented in a brown paper bag, was carefully prepared by a member of the congregation. A similar event took place following the Nativity service, and before the Service of the Longest Night, but this time in the church, distanced around tables and with table service for the refreshments. Refreshments following the service, much requested to return, has been introduced once a month in a COVID-safe way.

It is hoped to increase the frequency of offering refreshments in this way, with a cautious approach being implemented.

Junior Church made use of the Families on Faith Adventures weekly materials during the early part of the year, returning to the building on weeks when worship services were in building. The congregation warmly welcomed being in the presence of our families once again. The Nativity service involved all who wished to take part. The Christmas gifts for the older members of the congregation were created once more and were much appreciated as always. The number of volunteers willing to serve with the committed Junior Church Team as 'an extra pair of hands' has begun to welcome new people to this vital area of support for our congregational need, although this has required additional work on the part of our Safeguarding Officer in liaison with the PVG scheme as all pass through this process before volunteering.

The **TLC Youth group** continued to meet regularly with an engaging programme on offer. The numbers are small, but consistent, and increased with one of the Junior Church moving up during the year and have included one regular attender from the USA when online. Occasional in person meetings, held outdoors, were able to happen.

The faithful commitment and support of those who work with our children and young people, and in pastoral support of the whole congregation, continues to be hugely valued and outstanding in its service.

Our LGBTQI+ ministry "**Our Tribe**" continues to work in partnership with the worldwide denomination of Metropolitan Community Churches. Meetings have continued monthly throughout the year, continuing online, with a range of visiting speakers, discussions and worship. Pastoral support beyond the monthly meetings has been ongoing. A Queer Theology Conference is being planned for 2022.

Trustees' report *(continued)*
for the year ended 31 December 2021

The **Visitor & Heritage** project continued to develop, with an opportunity to share HerStory with our TLC partners taking part. There was very positive feedback and work continues to develop EcoStory and GreenStory. Along with the AUC's heritage video and the virtual tour of the building our story continues to be shared with people locally and across the world and potential for this ministry in Edinburgh and online continues to be sought. Plans are underway to celebrate the 220th anniversary of the original Augustine congregation in 2022.

With a new Convener appointed towards the end of 2021, the **Justice & Peace CLMT** has continued to work closely with worship, SEEDS, weekly Notices and weekly Facebook posts. An initiative early in the year displayed 'What if . . . ?' posters as door displays, inviting all to prepare a poster, including the young people. Throughout the year, themes were picked up by each member of the team, carrying their focus through quadrants of the year with the support of the CLMT. The main themes were Prisons, Climate Justice, LGBTQI rights and Food Poverty, with articles on the themes appearing in SEEDS as well as being supported through the weekly Notices and our worship. Plastics Free July was encouraged across the congregation, with regular reminders in the months following. Reflection on Climate Change was encouraged in the run up to COP26 in Glasgow, with Junior Church preparing a part of the two patchwork banners suspended from the towers of New College on The Mound and an informative presentation and quiz challenged all who attended online. The year concluded in support of the Amnesty International Write for Rights campaign, the opportunity to write cards offered in the building, making use of technology to reduce the risks from COVID, and encouraging those not attending in person to follow the online instructions at home.

AUC were able to continue to increase awareness of and support financially several charities and causes: Amnesty International; Christian Aid; Edinburgh Direct Aid (Syrian refugees); Eco-Congregation Scotland; Fairtrade; Fresh Start; Food Bank; Global Justice Institute; Grassmarket Community Project meals; and Royal Edinburgh Hospital. Through the autumn the congregation were encouraged to support our Christmas Appeals directly or through donations collected and distributed by AUC, with individual articles highlighting each charity in SEEDS.

During 2021, action was taken by Edinburgh Council to address distancing guidance, including the temporary extension of the kerbs to reduce the width of the roads around George IV Bridge. These measures impacted on the options for parking around the church and removed the bus stop closest to the church. AUC continues to keep a watching eye on the implications on the Church, along with the other City of Edinburgh Churches, of the City Mobility Plan 2021-2030, to become a net zero city by 2030.

AUC has been able to offer support to the local community and projects during 2021. It became clear that refurbishment work at the Grassmarket Community Project would require many of their services to move out of the building for a significant number of months. AUC has been able to offer rooms throughout the week to allow their work to continue during this phase and will continue to support the project in this way into 2022. Repairs following the fire in late August 2021, causing severe damage to Patisserie Valerie and the Elephant House directly opposite AUC, mean these businesses will be out of action for many months. Out of this extremely unfortunate happening, AUC has been able to offer space for meetings to take place in close proximity where those may be required.

Trustees' report *(continued)* **for the year ended 31 December 2021**

Continued response through the COVID-19 pandemic

During April the congregation received a survey seeking responses on concerns and hopes as worship opened up in the building and to seek direction of travel for our SHF priorities. The high value the congregation places on our online worship and activities was the major response, confirming the direction of travel to continue our work towards hybrid options beyond the pandemic. The results were presented to the Church Meeting in May, with a small task group working on the finer detail to inform Church Council and with ongoing reference to Government Guidance. Particular attention was paid to a small number of comments made by those who have felt marginalised at this time, informing the action of the Pastoral CLMT.

Risk Assessment has been continually reviewed and reported to Church Council by the Centre Manager. This work has been vital throughout 2021 and the attention to detail has been exemplary. Flexible furlough continued for the Centre Staff Team until the scheme reached its conclusion in early autumn. The committed effort of the Centre Manager and Staff Team to respond to ever changing restrictions is highly praiseworthy and has allowed the congregation and Lets to move in a new direction to encompass technology, with our pathway confirmed by the Church Survey.

Although a further interruption developed through the arrival of the Omicron variant in late autumn, the church finds itself in an effective position to respond through its evolving understanding of our new way of working. The church looks forward with enthusiasm to develop our priorities throughout 2022, based on a wealth of experience and changing understanding that thankfully allows AUC to emerge with renewed maturity and invigorated faith beyond 2020 and 2021.

Financial Review

2021 was a year of huge uncertainty in our finances, as the long awaited "return to normality" remained well out of reach. There were false starts with the recovery of sessional lettings due to successive waves of the Pandemic. Despite early hopes it was not possible for our Festival Fringe tenant to put on a programme in August. During the year there have been many challenges. Our Centre Manager, Staff Team, Office Bearers, Trustees, CLMT and many helpers have worked together to keep the building available for use as permitted under Government regulations and guidelines. We ended the year on a more hopeful note with bookings increasing to pre-Pandemic levels and increased optimism about the use of our building in 2022.

Key features of the finances include:

- The continued strength of congregational giving. Although regular giving reduced by 5% there was an increase in giving on our Gift Day.
- Income from sessional letting increased from the very low 2020 figure, although overall letting was lower. This was still only 31% of the 2019 figure.
- Regular lease payments were received from our tenants with the exception of the Fringe lease.
- We were able to make space available to the Grassmarket Community Project for 6 months while building work is done on their premises. This has provided a regular income for us.
- £18,543 of government job support grants (lower than 2021 following the winding down and then closure of the scheme in September).
- Insurance payments of almost £40,000 following claims for storm damage to the weathervane finial in 2020 and for loss of income related to the Pandemic.
- Full payment of our 2021 pledge to the URC's Ministry and Mission Fund, as well as payment to clear our temporary reduction in contributions during 3 months of 2020.
- Keeping our Staff Team in post and awarding salary increases.

Trustees' report (continued)

for the year ended 31 December 2021

- Investing £5,500 in further equipment to improve the quality of live streaming. This is important for congregational life and for the use of our building by hirers.
- Spending on building maintenance, particularly issues identified in the Quinquennial inspection in 2020. This year we have upgraded the pigeon proofing, improved rainwater drainage, and investigated damp in the north wall.
- Replacement of the defective storage heaters in the Sanctuary at a cost of £4,400. Alternative heating arrangements were explored but this remains the most effective solution in the short to medium term.

Our total income, at £209,550, rose by 12% compared to 2020. Our total expenditure (excluding the impairment loss), at £176,377, also rose, but by a much lower percentage: 3%.

This enables us to record a pre-impairment surplus of £33,173 for the year. Without the level of insurance payment and job support grants we would have had to use some of our reserves during the year. This had been anticipated and it was felt that our reserves were sufficient.

Reserves policy

During the year the charity undertook a review of the fair value of the Church building. In the absence of the availability of a formal valuation, the charity reviewed the value of similar properties in the area, based on market transactions. As a result of this review the charity have deemed a value of £1.5 million to be an appropriate valuation, as a result an impairment loss has been recognised which has reduced the endowment fund to £1.5million.

Free reserves at the 31 December 2021 of £310,154 are considered adequate for the immediate future.

Plans for the future

As we look ahead to 2022 we recognise that there is still significant uncertainty. We can be more confident about our income from rentals and room hire. We will face significant planned maintenance costs. The tower finial repair work part funded by the insurers will cost approximately £38,000. The planned upgrade of our fire detection system, which had been recognised as an essential improvement, will cost £19,500.

While continuing to be aware of the financial cost of looking after our building, we must not allow that consideration to dominate our financial affairs. We should always remember that our financial resources are there to support all aspects of our mission and ministry.

Trustees' report (continued)

for the year ended 31 December 2021

Statement of trustees' responsibilities

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue to operate.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable it to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The attached financial statements fulfil these obligations.

Approved by the trustees on 3 May 2022 and signed on their behalf by:


Linda Harrison - 2022-05-05, 10:01:43 UTC

Linda Harrison
(Church Secretary)

Independent Examiner's report to the trustees of Augustine United Church

I report on the accounts of Augustine United Church for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

This report is made solely to the charity's trustees, as a body, in accordance with the terms of my engagement. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law I do not accept or assume responsibility to anyone other than the charity and the charity's trustees, as a body, for my examination, for this report, or for the opinions I have formed.

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 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) 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.

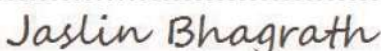
Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention other than as disclosed below:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended);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.


Jaslin Bhagrath - 2022-05-05, 10:49:17 UTC

Jaslin Bhagrath CA
Independent Examiner
Henderson Loggie LLP
11-15 Thistle Street
Edinburgh
EH2 1DF

3 May 2022

Statement of financial activities
for the year ended 31 December 2021

	Note	2021 Unrestricted Funds £	2021 Endowment Funds £	2021 Total Funds £	2020 Total funds £
Income					
Donations and legacies	2	107,632	-	107,632	108,532
Income from charitable activities	4	61,861	-	61,861	77,827
Income from investments		62	-	62	87
Other income – insurance claims	5	39,995	-	39,995	-
Total income and endowments		209,550	-	209,550	186,446
Expenditure					
Expenditure on raising funds	6	51,580	-	51,580	51,390
<i>Expenditure on charitable activities:</i>					
Ministry and mission costs	7	61,602	-	61,602	53,021
Worship costs	8	63,195	-	63,195	66,373
Impairment loss	12	-	3,700,000	3,700,000	-
Total expenditure		176,377	3,700,000	3,876,377	170,784
Net (expenditure)/(income)		33,173	(3,700,000)	(3,666,827)	15,662
Transfers between funds	15	-	-	-	-
Net movement in funds		33,173	(3,700,000)	(3,666,827)	15,662
Total funds brought forward	15	276,981	5,200,000	5,476,981	5,461,319
Total funds carried forward		310,154	1,500,000	1,810,154	5,476,981

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 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible fixed assets	12		1,509,061		5,205,344
Current assets					
Debtors	13	23,680		48,354	
Cash at bank and in hand		300,691		236,989	
			<u>324,371</u>	<u>285,343</u>	
Current liabilities					
Creditors falling due within one year	14	(23,278)		(13,706)	
Net current assets			<u>301,093</u>	<u>271,637</u>	
Total assets less current liabilities			<u>1,810,154</u>	<u>5,476,981</u>	
Funds					
Unrestricted funds	15		310,154		276,981
Endowment funds	15		1,500,000		5,200,000
Total funds			<u>1,810,154</u>	<u>5,476,981</u>	

The notes on pages 11 to 17 form part of these financial statements.

Signed:


Linda Harrison - 2022-05-05, 10:01:43 UTC

Linda Harrison
Trustee

Approved and authorised for issue by the Trustees on 3 May 2022

Notes

(forming part of the financial statements)

1 Accounting policies

General information

Augustine United Church is a registered Scottish Charity with registration number SC000385. Its principal address is 41 George IV Bridge, Edinburgh, EH1 1EL.

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 £.

The charity has adopted the exemption afforded to small entities by FRS 102 from preparing a Statement of Cash Flows.

Going concern

The trustees have considered the impact of the COVID-19 pandemic and consider it appropriate to prepare the financial statements on a going concern basis for the reasons as set on pages 5-6.

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)

Tangible fixed assets

No depreciation is charged on the church building due to the length of the economic life and the residual value.

Depreciation on equipment and furnishings is charged at 25% straight line.

At each reporting period end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in 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.

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.

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

2 Donations and legacies

	Unrestricted 2021 £	Unrestricted 2020 £
Offerings		
Freewill offerings	54,107	55,927
Open offerings	-	1,306
Donations		
Donations for benevolent purposes	381	961
General donations and legacies	32,487	23,944
Grants receivable (note 3)	20,657	26,392
	<hr/>	<hr/>
	107,632	108,530
	<hr/>	<hr/>

3 Grants receivable

	Unrestricted 2021 £	Unrestricted 2020 £
Listed places of worship	1,814	2,261
URC National Synod of Scotland	150	2,120
Our Tribe	150	-
CJRS Grants	18,543	22,011
	<hr/>	<hr/>
	20,657	26,392
	<hr/>	<hr/>

4 Income from charitable activities

	Unrestricted 2021 £	Unrestricted 2020 £
Income from use of premises		
Rents	39,324	59,754
Service charges	2,583	4,224
Other uses of premises	19,954	13,849
	<hr/>	<hr/>
	61,861	77,827
	<hr/>	<hr/>

5 Other income

	Unrestricted 2021 £	Unrestricted 2020 £
Insurance claim – loss of earnings	17,500	-
Insurance claim – tower damage	22,495	-
	<hr/>	<hr/>
	39,995	-
	<hr/>	<hr/>

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

6 Expenditure on raising funds

	Unrestricted 2021 £	Unrestricted 2020 £
Bad debts written off	-	443
Premises costs (note 9)	51,580	50,946
	<hr/>	<hr/>
	51,580	51,390
	<hr/>	<hr/>

7 Expenditure on charitable activities - Ministry and Mission costs

	Unrestricted 2021 £	Unrestricted 2020 £
Ministry and mission	50,018	38,902
Ministers' expenses	8,891	6,126
Organ	-	1,110
URC Synod	-	1,059
Visitor Ministry project	2,693	5,824
	<hr/>	<hr/>
	61,602	53,021
	<hr/>	<hr/>

8 Expenditure on charitable activities - Worship and general expenses

	Unrestricted 2021 £	Unrestricted 2020 £
Benevolent payments	1,790	1,875
Office and miscellaneous expenses	5,772	6,660
Worship and other ministry	1,920	4,580
Maintenance costs	24,928	22,946
Depreciation	4,095	2,142
Governance costs (note 11)	2,520	2,400
Premises costs (note 9)	22,106	21,834
Bank charges	64	-
Consultancy fees	-	3,915
Miscellaneous	-	21
	<hr/>	<hr/>
	63,195	66,373
	<hr/>	<hr/>

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

9 Premises costs

	Unrestricted 2021 £	Unrestricted 2020 £
Rates and council tax	1,626	2,434
Furniture and equipment	1,029	696
Heating and lighting	10,069	8,494
Insurance	3,886	3,670
Professional fees	-	1,440
Salaries and employment costs (note 10)	57,076	56,046
	<hr/>	<hr/>
	73,686	72,780
	<hr/>	<hr/>
Allocated to expenditure on raising funds (note 6)	51,580	50,946
Allocated to worship and general expenses (note 8)	22,106	21,834
	<hr/>	<hr/>

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.

10 Analysis of staff costs

	2021 £	2020 £
Salaries and wages	54,543	53,495
Employer pension contribution	2,533	2,490
Other staff costs	-	61
	<hr/>	<hr/>
	57,076	56,046
	<hr/>	<hr/>

Staff costs include the salary costs of the lay staff.

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

	2021	2020
Lay members of staff	3	3
	<hr/>	<hr/>

All key management personnel are unpaid volunteers, except the Minister who is paid a stipend by the United Reform Church. In 2021 her stipend was £27,600 (2020: £27,600).

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

Trustees remuneration and expenses

During the year payments of expenses totalling £739 (2020: £720) were made to two trustees (2020: 1 trustee). In addition, the minister received expenses and allowances of £8,172 (2020: £5,405) 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 £50,018 (2020: £38,902).

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

11 Governance costs

	Unrestricted 2021 £	Unrestricted 2020 £
Independent examination fee	2,520	2,400

12 Fixed assets

	Church building £	Equipment & furnishing £	Total £
Cost or valuation			
At 1 January 2020	5,200,000	90,485	5,290,485
Additions	-	7,813	7,813
Impairment	(3,700,000)	-	(3,700,000)
	<u>1,500,000</u>	<u>98,298</u>	<u>1,598,298</u>
At 31 December 2020			
Depreciation			
At 1 January 2020	-	85,141	85,141
Charge for year	-	4,096	4,096
	<u>-</u>	<u>89,237</u>	<u>89,237</u>
At 31 December 2020			
Net book value			
At 31 December 2021	<u>1,500,000</u>	<u>9,061</u>	<u>1,509,061</u>
At 31 December 2020	<u>5,200,000</u>	<u>5,344</u>	<u>5,205,344</u>

During the year the charity undertook a review of the fair value of the Church building. In the absence of the availability of a formal valuation, the charity reviewed the value of similar properties in the area, based on market transactions. As a result of this review the charity have deemed a value of £1.5 million to be an appropriate valuation.

The title of the church is held in trust by The United Reformed Church (Synod of Scotland) Nominees Limited.

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

13 Debtors

	2021 £	2020 £
Prepayments and accrued income	22,081	45,857
Grants receivable	1,599	2,497
	<hr/>	<hr/>
	23,680	48,354
	<hr/>	<hr/>

14 Creditors

	2021 £	2020 £
Trade creditors	6,532	1,684
Accruals and deferred income	16,121	12,022
Other creditors	625	-
	<hr/>	<hr/>
	23,278	13,706
	<hr/>	<hr/>

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

15 Analysis of fund movements

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2021 £
Unrestricted fund					
- General fund	35,224	209,550	(176,377)	106,042	174,439
Designated funds					
- Fabric Fund	106,042	-	-	(106,042)	-
- Ministerial Accommodation	135,715	-	-	-	135,715
	<u>276,981</u>	<u>209,550</u>	<u>(176,377)</u>	<u>-</u>	<u>310,154</u>
Capital Endowment Fund	<u>5,200,000</u>	<u>-</u>	<u>(3,700,000)</u>	<u>-</u>	<u>1,500,000</u>
Total funds	<u>5,476,981</u>	<u>209,550</u>	<u>(3,876,377)</u>	<u>-</u>	<u>1,810,154</u>

The Fabric Fund was originally set up to provide for major renovation work which may be needed. However, the trustees confirm that it is no longer helpful to have a separate designated fund for this purpose. Therefore at the year-end, a transfer was made from the designated Fabric Fund to unrestricted General Funds, representing the unspent funds that were previously set aside.

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.

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

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Unrestricted fund					
- General fund	35,271	186,446	(170,784)	(15,709)	35,224
Designated funds					
- Fabric Fund	90,420	-	-	15,622	106,042
- Ministerial Accommodation	135,628	-	-	87	135,715
	<u>261,319</u>	<u>186,446</u>	<u>(170,784)</u>	<u>-</u>	<u>276,981</u>
Capital Endowment Fund	<u>5,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,200,000</u>
Total funds	<u>5,461,319</u>	<u>186,446</u>	<u>(170,784)</u>	<u>-</u>	<u>5,476,981</u>

With effect from 31 December 2019, and with agreement of the Synod of Scotland, both the Fabric Fund and Ministerial Funds shall be held as designated funds and available to support the ongoing activities of Augustine United Church as Church Council shall decide.

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

16 Analysis of group net assets between funds

2021	Unrestricted funds £	Capital endowment £	Total funds £
Fixed assets	9,061	1,500,000	1,509,061
Net current assets	301,093	-	301,093
	<hr/>	<hr/>	<hr/>
	310,154	1,500,000	1,810,154
	<hr/>	<hr/>	<hr/>
2020	Unrestricted funds £	Capital endowment £	Total funds £
Fixed assets	5,344	5,200,000	5,205,344
Net current assets	271,637	-	271,637
	<hr/>	<hr/>	<hr/>
	276,981	5,200,000	5,476,981
	<hr/>	<hr/>	<hr/>

17 Ultimate controlling party

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