

The Church of Scotland
East Kilbride South Parish Church of Scotland

CONGREGATIONAL ACCOUNTS
Year ended 31 December 2010

Congregation No: 171107

Scottish Charity No: SC 008332

SORP accounts

East Kilbride South Parish Church of Scotland SC 008332
Trustees' Annual Report
Year ended 31 December 2010

The trustees present the annual report and accounts for East Kilbride South Parish Church of Scotland for the year ended 31 December 2010.

Reference and Administrative Information

Charity Name: East Kilbride South Parish Church of Scotland
 Charity Registration Number: SC008332
 Congregation Reference No: 171107
 Contact Address: 19 Strathmore Grove
 Hairmyres
 East Kilbride
 G75 8GF

Trustees

Kirk Session

A.Brown	D Johnston	K Offor
C Buchanan	W Kerr	T Orr
H Campbell	G Lockie	A Parker
I Campbell	M Lockie	J Reardon
J Clelland	M McCallum	A Rush
B Crawford	A McFarlane	J C Sharp
D Crawford	M McFarlane	J Sinclair
E Crawford	S McIlroy	A Sutherland
M Douglas	A Macintyre	M Sweeney
M Dyer	E Mair	A Wilson
P.Ferrie	E Meechan	M Wilson
A Gardner	G Meechan	A Wilcock
D Gardiner	C Miller	E Woodburn
J Hamilton	D Offor	

Congregational Board

Appointed 2008	Appointed 2009	Appointed 2010
F McEwan	S Cooper	J Douglas
	J Gordon	U Gracie
	D McIntosh	J Izatt
	P Patterson	ALinton

	A Thomson	D Parker
--	-----------	----------

Church Treasurer: Gordon Lockie
Session Clerk: Archie Gardner
Minister: John C Sharp

Independent Examiner

Ian Campbell C.A.

Bankers

Clydesdale Bank, Olympia , East Kilbride

East Kilbride South Parish Church of Scotland SC 008332

Trustees' Annual Report Year ended 31 December 2010

Structure, Governance and Management

Governing Document

The Church is administered in accordance with the terms of the Deed of Constitution.

Recruitment and Appointment of Trustees

Members of the Kirk Session and the Congregational Board are the charity trustees. The Kirk Session members are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. The Congregational Board is appointed from within the congregation and members of the congregation are invited to nominate individuals, who are believed to have the skills and commitment to contribute to the management affairs of the Church, to become members of the Board. Board Members are then appointed at the Stated Annual Meeting and serve for a period of three years after which they must seek re-election at the next Stated Annual Meeting.

Organisational Structure

The Congregational Board is chaired by the minister and meets five times in a year. Certain responsibilities are delegated to the Stewardship Committee and the Property Committee as appropriate. The Kirk Session, which meets eight times a year, is responsible for spiritual affairs within the church.

Objectives and Activities

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

The main objectives of the church are to help people grow to spiritual maturity, grow together in worship and grow out in service. These objectives find expression in various ways. Two public services of worship continue to be held every week. During the year 'Christianity Explored' and 'Developing you Faith' courses were run and which were attended by people from outwith the congregation.

There are various youth organisations serving the wider community including Sunday School and Sunday Youth Group, Girls' Brigade, Boys' Brigade. The Sunday Youth Group participated in the conduct of services. Adult organisations include The Guild and the 2 o'clock club. Occasional social events take place including Summer and Christmas Fairs.

Contact is maintained with a local primary school through the minister who fulfils the role of chaplain.

A number of outside agencies utilise the halls from time to time, with one regular external let made to a local dance group. The Blood Transfusion Service uses the halls four times a year. The church halls were again used as a polling station when local and national elections. The Blood Transfusion Service uses the halls four times a year.

East Kilbride South Parish Church of Scotland SC 008332
Trustees' Annual Report (cont)
Year ended 31 December 2010

Achievements and Performance

Attendance at public worship ranges from 100 to 150 in the morning and from 15 to 30 in the evening. The Worship Team (minister and others drawn from the congregation) continues to work together in the leading of worship. There is an ongoing use of multi-media in the context of worship, with several members producing individual contributions. Youth groups continue to have healthy numbers attending. The youth organisations planned and carried out together a special Easter event for young people.

Financial Review

The principal source of income during the year was the weekly offering which accounted for 63% of total income. These offerings showed a 2% decrease from 2009. The number of Gift Aid donors in the year decreased from 80 to 76, whilst those giving by standing order remained static at 18. Expenditure on fabric repairs in 2010 was lower than in 2009 and was substantially lower than the average expenditure over recent years. Fabric expenditure in 2011 is expected to be substantial as remedial work on both the manse and the church building are now essential.

Reserves Policy

It is the Trustees' policy to hold reserves for emergency expenditure. At the year end the Church held unrestricted funds of £82,176 of which £18,901 had been designated for fabric fund. The remaining balance of £63,275 includes £10,600 of legacy money from which the Trustees have agreed to restrict the amount spent on building works. Furthermore, this balance has risen in the last year mainly as a result of the recovery in the value of investments but is still significantly short of the 2008 value and this may restrict expenditure in 2010.

The church also held £27,052 of restricted funds which have been provided for the purposes specified in Note 13.

East Kilbride South Parish Church of Scotland SC 008332
Trustees' Annual Report (cont)
Year ended 31 December 2010

Statement of Trustees' Responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

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

Approved by the Trustees and signed on their behalf,

A Gardner

Session Clerk

Date 21st February 2011

East Kilbride South Parish Church of Scotland SC 008332
Report of the Independent Examiner to the Trustees of East Kilbride South Parish Church of Scotland

I report on the accounts of the charity for the year ended 31 December 2010 which are set out on pages 8 to 17.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking 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 of the statement of account for the year ended 31 December 2010, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect:
 - accounting records have not been kept in accordance with Section 44 (1)(a) of the Charities and Trustee Investments (Scotland) Act 2005 and Regulation 4 of The Charities Accounts (Scotland) Regulations 2006
 - the accounts do not accord with those records
 - the statement of account do not comply with any of the requirements of Regulation 8 of The Charities Accounts (Scotland) Regulations 2006
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

I Campbell
Chartered Accountant/ Institute of Chartered Accountants of Scotland
2 Tamar Drive
East Kilbride

Date

East Kilbride South Parish Church of Scotland

Statement of Financial Activities

<u>Year ended 31 December 2010</u>	Note	Unrestricted Funds 2010	Restricted Funds 2010	Endowment Funds 2010	Total 2010	Total 2009
<u>Incoming Resources</u>						
Incoming resources from generated funds						
Voluntary income	1	74,451	250		74,701	75,434
Activities for generating funds	2	18,182			18,182	20,901
Investment income	3	2,732	990		3,722	3,626
Incoming resources from charitable activities	4	-			-	-
Other incoming resources						
<u>Total Incoming Resources</u>		95,365	1,240		96,605	99,961
<u>Resources Expended</u>						
Costs of generating funds						
Charitable activities		86,923	200		87,123	98,735
Governance costs		-			-	-
<u>Total Resources Expended</u>		86,923	200		87,123	98,735
Net incoming/outgoing resources before transfers		8,442	1,040		9,482	1,226
Transfers between funds						
Net incoming/outgoing resources before other recognised gains and losses						
Gain/Loss on revaluation of investments		3,804	1,886		5,690	7,020
Net movement in funds		12,246	2,926		15,172	8,246
Total funds brought forward		69,930	24,126		94,056	85,810
<u>Total funds carried forward</u>		82,176	27,052		109,228	94,056

East Kilbride South Parish Church of Scotland

Balance Sheet

At 31 December 2010

		2010	2009
	<u>Note</u>		
Fixed Assets			
Tangible Fixed assets	8	-	-
Investments	9	76,470	70,780
		<u>76,470</u>	<u>70,780</u>
Current Assets			
Debtors	10	3,000	2,883
Bank and cash		30,498	25,308
		<u>33,498</u>	<u>28,191</u>
Creditors			
Falling due within one year	11	740	4,915
Net Current Assets		<u>32,758</u>	<u>23,276</u>
Net Assets		<u><u>109,228</u></u>	<u><u>94,056</u></u>
Unrestricted Funds	13		
General funds		63,275	54,328
Designated funds		18,901	15,602
		82,176	69,930
Restricted Funds	13	27,052	24,126
Endowment Funds	13	-	-
Total Funds		<u><u>109,228</u></u>	<u><u>94,056</u></u>

The accounts were approved by the Kirk Session/ Congregational Board on 21/02/11.

For and on behalf of the Kirk Session/ Congregational Board

Session Clerk

Treasurer

East Kilbride South Parish Church of Scotland

Accounting Policies

The principal accounting policies, which have been applied consistently in the current and preceding year in dealing with items which are considered material to the accounts, are set out below.

The charity has adopted the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (issued February 2005) for the first time. Accordingly, the accounts of the charity, previously prepared on a receipts and payments basis, have been restated.

Basis of preparation

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention, modified to reflect the inclusion of investments at market value, and in accordance with the Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006, the Regulations anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007 and the Statement of Recommended Practice: Accounting and Reporting by Charities (2005).

Funds

Funds are classified as either restricted funds or unrestricted funds, defined as follows.

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Endowment funds are funds which have been given on the condition that the original capital sum is not reduced, but the income there from is used for the purpose defined in accordance with the objects of the charity.

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

Incoming resources

All donations and gifts are included within incoming resources under either unrestricted or restricted funds according to the terms under which the donation is made and when the amount can be quantified with reasonable certainty. Donations and gifts in kind are brought into the accounts at their market value to the charity.

Resources expended

Expenditure is recognised on an accruals basis as the liability is incurred.

East Kilbride South Parish Church of Scotland

Accounting Policies (continued)

Tangible fixed assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church, halls and manse, vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets. Expenditure incurred on the repair and maintenance of these assets is charged as resources expended in the statement of financial activities in the period in which the liability arises.

All tangible fixed assets having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Depreciation is provided on a straight-line basis to write off the cost or initial value, less residual value, of tangible fixed assets over their estimated useful lives:

Fixtures, fittings and office equipment	4 years
---	---------

Investments

Fixed asset investments are stated at market value at the balance sheet date. Unrealised gains and losses represent the difference between the market value at the beginning and end of the financial year or, if purchased in the year, the difference between cost and market value at the end of the year. Realised gains and losses represent the difference between the proceeds on disposal and the market value at the start of the year or cost if purchased in the year.

Taxation

East Kilbride South Parish Church is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is not registered for VAT and resources expended therefore include irrecoverable input VAT.

East Kilbride South Parish Church of Scotland
Notes forming part of the financial
statements
for the year ended 31 December 2010

	Unrestricted Funds 2010	Restricted Funds 2010	Endowment Funds 2010	Total 2010	2009
1 Voluntary income					
Offerings	61,024			61,024	62,245
Tax recovered on Gift Aid	12,396			12,396	11,961
Legacies	-			-	-
Contributions from Congregational Organisations	-			-	-
Endowment income	-			-	-
Other	1,031	250		1,281	1,228
	<u>74,451</u>	<u>250</u>		<u>74,701</u>	<u>75,434</u>
2 Activities for Generating Funds					
Regular Fundraising Events	1,680			1,680	2,244
Use of Premises	5,791			5,791	5,205
Other	4,675			4,675	6,598
Congregational Organisations	6,036			6,036	6,854
	<u>18,182</u>			<u>18,182</u>	<u>20,901</u>
3 Investment income					
Deposit interest	152			152	21
Dividends received	2,580	990		3,570	3,605
Bank interest	-			-	-
	<u>2,732</u>	<u>990</u>		<u>3,722</u>	<u>3,626</u>
Incoming Resources from					
4 Charitable Activities					
Weddings and Funerals	-			-	-
Other	-			-	-
	<u>-</u>			<u>-</u>	<u>-</u>

East Kilbride South Parish Church of Scotland

Notes forming part of the financial statements for the year ended 31 December 2010

	Unrestricted Funds 2010	Restricted Funds 2010	Total 2010	2009
5 Analysis of Resources Expended				
Ministries and Mission Allocation	53,383		53,383	52,192
Less: Vacancy allowance	-		-	-
Presbytery Dues	727		727	708
	<u>54,110</u>		<u>54,110</u>	<u>52,900</u>
Voluntary Additional Stipend	-		-	-
Minister's Expenses	4,835		4,835	4,155
Ministerial Assistance	-		-	-
Pulpit Supply	216		216	72
Other salary costs	3,669		3,669	5,042
Fabric Repairs & Maintenance	1,473		1,473	9,037
Council Tax	2,159		2,159	2,157
Other Buildings Costs	9,212		9,212	12,670
Church Office Expenses	1,609		1,609	1,733
Organ & Music	2,040		2,040	2,040
Other expenses	1,296	200	1,496	1,478
Organisations	6,304		6,304	7,451
	<u>86,923</u>	<u>200</u>	<u>87,123</u>	<u>98,735</u>

Support costs have not been separately identified as the trustees consider there is only one charitable activity. Therefore support costs relate wholly to that activity and have not been separately identified.

East Kilbride South Parish Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2010

	2010	2009
	£	£
6 Staff costs and numbers		
Salaries and wages	3,669	5,042
Social security costs	-	-
Total	<u><u>3,669</u></u>	<u><u>5,042</u></u>

The average number of employees during the year, calculated on the basis of a head count, was as follows:

	2010	2009
	Number	Number
Ministerial support		
Administration		
Music staff		
Premises maintenance	1	1
	<u><u>1</u></u>	<u><u>1</u></u>

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pension and housing and loan fund. Ministers' stipends are paid in accordance with the national stipend scale, which is related to years of service. For the year under review the minimum stipend was £23,139 and the maximum stipend (after 10 years) £30,426.

7 Trustee Remuneration and Related Party Transactions

The only trustee to receive any remuneration in the year was the minister, John C Sharp.

	2010	2009
Minister's Expenses	4,835	4,155
Manse Council Tax	2,159	2,157

East Kilbride South Parish Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2010

8 Tangible Fixed Assets

	Buildings	Office Equipment	Total
Cost			
At 1 January 2010		3,114	3,114
Additions			
Disposals			
At 31 December 2010		3,114	3,114
Accumulated Depreciation			
At 1 January 2010		3,114	3,114
Charge for year			
Eliminated on Disposals			
At 31 December 2010		3,114	3,114
Net Book Value			
At 31 December 2010		-	-
At 31 December 2009		-	-

9 Investments

	2010	2009
	£	£
Market value at 31 December 2009	70,780	63,760
Unrealised (loss)gain on investments	5,690	7,020
Market value at 31 December 2010	76,470	70,780
Investments at cost	71,030	71,030

The following investments are held:

Church of Scotland Investors Trust :
 Growth Fund 18,000 units
 Income Fund 1,000 units

East Kilbride South Parish Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2010

10 Debtors

	2010	2009
	£	£
Gift Aid Tax Refund Due	3,000	2,883
Other	-	-
	<u>3,000</u>	<u>2,883</u>

11 Creditors

	2010	2009
	£	£
Accruals	740	4,915
Other	-	-
	<u>740</u>	<u>4,915</u>

12 Analysis of Net Assets Between Funds

	General	Designated	Restricted	Endowment	Total
	£	£	£	£	£
Fixed Assets					
Investments	32,717	18,901	24,852		76,470
Current Assets	31,298		2,200		33,498
Current Liabilities	(740)				(740)
Net assets at 31 Dec	<u>63,275</u>	<u>18,901</u>	<u>27,052</u>		<u>109,228</u>
2010	<u>63,275</u>	<u>18,901</u>	<u>27,052</u>		<u>109,228</u>

East Kilbride South Parish Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2010

13 Movements in Funds

	At 1 January 2010 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 Dec 2010 £
Endowment funds					
Restricted funds					
Flower Fund	657	250	200		707
John Allan Legacy	23,469	2,876	-		26,345
	24,126	3,126	200		27,052
Unrestricted funds					
Other Legacies	10,600				10,600
Organisations	5,175	7,067	7,184		5,058
Fabric Fund	15,602	4,772	1,473		18,901
Reserve Fund	19,170				19,170
General Fund	19,383	87,330	78,266		28,447
	69,930	99,169	86,923		82,176
Total funds	94,056	102,295	87,123		109,228

Purposes of Restricted Funds

Flower Fund: This is a fund to provide flowers for display during services of worship.
John Allan Legacy: This is a fund which is to be used at the discretion of the Trustees with the restriction that it is not to be spent on fabric repairs and maintenance.

Purposes of Designated Funds

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