

The Church of Scotland

**Lochgelly and Benarty St. Serf's
Parish Church of Scotland**

2016

RECEIPTS AND PAYMENTS ACCOUNTS

Congregation No: 281481

Charity No: SC 032353

Reference and Administrative Information

Charity Name: **Lochgelly and Benarty St Serf's Parish Church of Scotland**

Charity Registration Number: **SC 032353**

Congregation Reference No: **281481**

Contact Address: **50 Raith Drive, Kirkcaldy, Fife KY2 5NR**

Trustees

The Trustees during 2016 were the following members of the Kirk Session i.e. the interim moderator and the active Elders of the Congregation:-

Reverend Hugh Steele (appointed as interim moderator January 2014 discharged March 2016), Reverend Muriel Willoughby (appointed as interim moderator March 2016), Mrs Jean Adams, Mr John Blamey, Mrs Ethne Brown, Mr Ian Brown, Mrs Helga Campbell, Mr Ronald Campbell, Mr Jim Carlisle, Mrs Margaret Carlisle, Miss Elizabeth Cousland, Mrs Susan Dawkes, Mrs Violet Fotheringham, Mrs Joyce Goodall, Mr Roy Graham, Mrs June Hutton, Mrs June Kerr, Mrs Anne Lockhart, Mr Peter Lockhart, Mrs Marion Lumsden, Mr James McGaw, Ms Linda McGregor, Mrs Lorraine McLean, Mrs Elizabeth McMahon, Mrs Elizabeth Martin, Mrs Margaret Mateos, Mrs Alexis Michalski, Mr Brian Michalski, Mr Robin Millar, Miss Ella Moffat (resigned January 2016), Mr David Moore, Mrs Agnes Moore, Mrs Margaret Morgan, Mrs Moira Neilson, Mrs Nancy Olszok, Mr Ian Patrick, Mrs Laura Pepperday, Mrs Anne Scott, Mrs Sandra Scott, Mrs Agnes Seath, Mr George Seath, Mrs Evelyn Smith, Mrs Margaret Swan, Ms Margaret Wilkie (deceased November 2016)

The following elders have retired from activities and no longer attend and take part in decision-making at the Kirk Session. They remain elders but are not trustees:-

Ms Lindsay McMillan non-active from September 2015

Mr Archie Page non-active from January 2016

Principal Office-bearers

Minister: charge vacant (Locum in post March to December)

Interim Moderator (and Trustee): Reverend Hugh Steele – until March 2016
Reverend Muriel Willoughby – from March 2016

Session Clerk: Ian Brown

Church Treasurer: Robin Millar

Independent Examiner

Stuart Kerr
5 Greig Place
Lochgelly
KY5 9PD

Bankers

Bank of Scotland,
67 Bank Street,
Lochgelly.
KY5 9QN

Trustees' Annual Report

Year ended 31 December 2016

Structure, Governance and Management

Governing Document

The church is administered in accordance with the terms of the Deed of Constitution (Unitary Form).

Recruitment and Appointment of Trustees

Members of the Kirk Session 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 minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery. The Kirk Session ensures that elders who have elected not to continue as active elders resign and take no part in Kirk Session decisions.

Organisational Structure

The Kirk Session meets four times in a year. Certain responsibilities are delegated as appropriate to Committees (Groups) whose conveners are elders or members of the congregation. The remit of each Group has been agreed by the Kirk Session. The following are the main Groups that have been set up: Finance and Stewardship, Pastoral Care, Property, Youth & Children's Ministry, Ways and Means, Worship and Education, Admin and Publicity. The Group members are a mixture of elders and church members. The Kirk Session is responsible for further groups in addition to those already mentioned. There are: the Newsletter Production Team, the Newsletter Delivery Team, Website and Facebook Maintenance, the Children's Ministry Team, Messy Church, the Youth Ministry, the Fellowship/Bible Study Group, the Shoe Box Appeal Group, the Flower Group, the Welfare Group, the Healing Ministry Group, the Eco Group, the Craft Group, the Tuesday Afternoon Group, the 'Drop In', the Men's Bowling Club, the Women's Bowling Club, the Sunday Teas Group, the Hospitality Team, and the Church Readers Group. The Kirk Session complies with the advice of Dunfermline Presbytery in relation to Data Protection requirements.

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

Trustees' Annual Report (cont)

Year ended 31 December 2016

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 Congregation provides varied services of worship within its two buildings involving Office Bearers and members of the Congregation. These include special all age/ family services such as Palm Sunday, Nativity, Pentecost, Harvest and Advent. A Sunday Club for children is held in both buildings on a Sunday. The elders conduct at least one service every year. The 'J' Team which is for teenagers has not been active during the year due to the vacancy. The Messy Church for young children and their parents/carers has continued to grow in both Benarty and Lochgelly. The monthly Healing service has been suspended during the vacancy.

Social events are organised by the Ways and Means Group throughout the year and take the form of meals, entertainments, Burn's supper and concerts. Members of the Kirk Session are involved with Benarty and Lochgelly Churches Together which encourages different Christian denominations to work together to organise additional Christian events during the year. The church buildings were made available for Masonic services resulting in additional financial support. The congregation actively supported the extension of the Dunfermline Foodbank into Benarty. Food donations are accepted every week at both church buildings.

Achievements and Performance.

This Congregation provides spiritual growth and service to the parish and local community. There are groups within the Congregation which are responsible for maintaining current achievements and standards and for setting new goals and aspirations. These groups provide the structure by which this Congregation functions and reviews their achievements and future plans at least annually in their reports to the Kirk Session. There is an annual Elders' event arranged to motivate the Elders to help meet the needs of the Congregation. Over the last year the Congregation has supported events which have been held within the church and also in the community such as musical concerts and initiatives organised by Benarty and Lochgelly Churches Together. The Kirk Session is continuing to provide active support for the Street Pastor initiative covering Lochgelly, Cowdenbeath and Kelty.

The charge remained vacant throughout 2016, with pulpit supply being organised on a weekly basis. For nine months in 2016, from March to December, a locum minister was in post. This locum appointment continues into 2017.

A Nominating Committee was elected by the members of the Congregation and it is actively involved in seeking out a new Minister.

At the end of 2015 dry rot was discovered in the kitchen and this led to remedial work being carried out, involving a refit of kitchen sink units and new carpeting in the foyer. Grant

Trustees' Annual Report (cont)

Year ended 31 December 2016

funding was secured from the Lochgelly Going Forward Project to assist with the cost. This work has improved the facilities available to groups using the church halls for activities. The church halls are used throughout the week supporting local community groups and charities eg. the Lochgelly Womens' Creative Arts and Craft Group, Lochgelly and District Amateur Musical Association, Probus Club, slimming and fitness clubs. Recent developments have seen the halls being available and used by local organisations for training purposes. The church provides a valued service to the local community.

Due to the retiral of one organist and the long term sickness of another, the church has purchased recorded music to allow Sunday services to proceed with musical accompaniment to hymn singing. This portable system is also available to groups like Benarty and Lochgelly Churches Together and is used for monthly services in a nearby nursing home.

Financial Review

The Church's principal source of income is a traditional Free will offering collected through weekly envelopes. In 2016 about 100 sets of envelopes were issued to members but as in previous years not all of these members returned filled envelopes. At the year end 15 members were making regular payments to the church by way of standing order, an increase from 9 in 2015. The Church is increasingly reliant on substantial fundraising efforts and generating income from letting out the halls. During 2016 the Church received a large bequest (the Kerr Bequest). There were no restrictions placed on the use of the monies and the Kirk Session decided to divide the proceeds equally between repair and maintenance fabric work and upgrading the communications and computing equipment which are increasingly required for effective engagement with members and the wider public.

Reserves Policy

The members of the Kirk Session have reviewed their policy of holding reserves of approximately three months' expenditure including designated funds and have determined to increase reserves to allow for at least six months' expenditure and the maintenance costs associated with four buildings, three of which are listed as of architectural interest. At the year end the Congregation held unrestricted funds in cash and investments of £114,486 of which £31,464 has been designated for fabric fund.

Statement of Trustees' Responsibilities

The members of the Kirk Session must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of the Church during the financial year. The members of the Kirk Session are responsible for keeping proper accounting records which, on request, must reflect the financial position of the Church at that time. This must

Trustees' Annual Report (cont)
Year ended 31 December 2016

be done to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Regulations Anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007. They are also responsible for safeguarding the assets of the Church and must take reasonable steps for the prevention and/or detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf

Date : 21 February 2017

"Ian A Brown"

Session Clerk

Independent Examiner's Report to the Trustees of Lochgelly and Benarty: St Serf's

I report on the accounts of the charity for the year ended 31 December 2016 which are set out on pages 1 to 13.

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

Basis of independent examiner's statement

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

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
to keep accounting records in accordance with Section 44 (1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name

"STUART KERR"

Address:

5 Greig Place
Lochgelly
Fife KY5 9PD

Date:

26th March 2017

Lochgelly and Benarty: St Serf's
Receipts and Payments Account
Year ended 31 December 2016

		Unrestricted Funds 2016 £	Restricted Funds 2016 £	Endowment Funds 2016 £	Total 2016 £	Total 2015 £
<u>Receipts</u>	Note					
Donations	3	52,089	2,045	-	54,134	55,077
Legacies		44,685	-	-	44,685	-
Grants			2,347	-	2,347	1,000
Fundraising activities		8,156	301	-	8,457	7,788
Bank & Deposit interest		89	-	-	89	-
Investment income		2,638	-	84	2,722	2,359
		107,657	4,693	84	112,434	66,224
Rental of premises		7,868	-	-	7,868	9,914
Proceeds from sale of investments		-	-	-	-	-
Receipts from General Trustees		3,955			3,955	-
Other receipts		-	-	-	-	-
<u>Total Receipts</u>		119,480	4,693	84	124,257	76,138
<u>Payments</u>	4					
Costs of generating funds		268	-	-	268	299
Charitable activities		76,815	3,987	84	80,886	85,281
Governance costs		100	-	-	100	100
Other Payments		424	2,347	-	2,771	65
<u>Total Payments</u>		77,607	6,334	84	84,025	85,745
Excess of Receipts over Payments for the year before transfers		41,873	- 1,641	-	40,232	- 9,607
Transfers to investments		- 19,990		-	- 19,990	-
Excess of Receipts over Payments for the year		21,883	- 1,641	-	20,242	- 9,607

Lochgelly and Benarty: St Serf's
Statement of Balances
At 31 December 2016

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Endowment Funds 2016 £	Total 2016 £	Total 2015 £
Note					
<u>Bank & Deposit Balances</u>					
Bank & deposit balances brought fwd	19,992	6,954	0	26,946	36,553
<u>Movement in year:</u>					
Excess of Receipts over Payments for the year	21,883	-1,641	0	20,242	-9,607
Bank & deposit balances carried fwd	41,875	5,313	0	47,188	26,946
<u>Investments</u>					
Church of Scotland Investors Trust Income Fund					
4,568 Units (market value £ 54,313 at 31/12/16)	52,967	0	2,032	54,999	54,999
1,752 Units (market value £20,831 at 31/12/16)	19,990			19,990	0
	72,957	0	2,032	74,989	54,999
<u>Assets</u>					
Paye overpayment claim	742			742	0

The accounts were approved by the Kirk Session on 21 February 2017
For and on behalf of the Kirk Session

Session Clerk

Treasurer

"Ian A. Brown"
"R.J. Miller"

Lochgelly and Benarty: St Serf's
Year ended 31 December 2016
Notes to the Accounts

1. Trustee Remuneration and Related Party Transactions

During the year Rev. Hugh Steele and Rev M Willoughby as Interim Moderators and Trustees received £85 and £197 respectively by way of travelling expenses. In addition the following members of the Kirk Session received the sums stated for providing services as organists, church officers and security officer during the year: (1) J Adams church officer £384; (2) J R Graham organist £672; (3) J McGaw church officer £960; (4) L Pepperday church officer £1,101; (5) S Scott organist £1,440; and (6) G Seath security officer £653.

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

2. Movements in Funds

	At 1 Jan 2016 £	Receipts £	Payments £	Transfers £	At 31 Dec 2016 £
Unrestricted funds					
Designated Fabric Fund	13,628	1,069	3,233	20,000	31,464
Designated IT Fund (Kerr Bequest)	-	-	300	20,000	19,700
General Fund	59,331	118,411	74,074	40,000	63,668
	<u>72,959</u>	<u>119,480</u>	<u>77,607</u>	<u>0</u>	<u>114,832</u>
Restricted funds					
Audio Visual Equipment Fund	249	-	-	-	249
Chairs Fund	81	-	-	-	81
Eco Group Fund	86	-	-	-	86
Flower Fund	824	1694	1697	-	821
Hymnal Fund	0	2347	2347	-	0
J Team Fund	558	-	-	-	558
Lochgelly Kitchen Fund	1,550	-	1550	-	0
Messy Church Fund	364	-	84	-	280
Minister's Robes etc Fund	260	-	-	-	260
Pastoral Group Fund	200	-	112	-	88
Samaritan Fund	1,186	25	15	-	1,196
Sunday Club's Fund	1,339	627	529	-	1,437
Benarty Car Park Fund	53	-	-	-	53
Benarty Special Projects	204	-	-	-	204
	<u>6,954</u>	<u>4693</u>	<u>6334</u>	<u>-</u>	<u>5,313</u>
Endowment funds					
The Williamson Bequest	2,032	84	84	-	2,032
	<u>2,032</u>	<u>84</u>	<u>84</u>	<u>-</u>	<u>2,032</u>
Total funds	<u>81,945</u>	<u>124,257</u>	<u>84,025</u>	<u>-</u>	<u>122,177</u>

Lochgelly and Benarty: St Serf's
Year ended 31 December 2016
Notes to the Accounts (cont)

Purposes of Designated Funds

Fabric Fund: The Trustees have set aside funds for the maintenance of the Church property
 IT Fund: The Trustees have set aside legacy monies to improve the IT infrastructure

Purposes of Restricted Funds

Audio Visual Equipment Fund: This is a fund to assist with the cost of producing tapes of church services
 Benarty Car Park Fund: This is a fund to assist with the provision of a car park adjacent to the church building in Benarty
 Benarty Special Projects: This is a fund to hold monies donated for specific projects relating to the church building in Benarty
 Chairs Fund: This is a fund to assist with the cost of furnishings for the churches
 Eco Group Fund: This is a fund used to support the work of the church eco group
 Flower Fund: This is a fund to provide flowers for use in church activities
 Hymnal Fund: This fund is now closed following purchase of a hymnal for use in church activities with a grant received from Four Winds Trust
 J Team Fund: This is a fund used in J Team (Youth Group) activities
 Lochgelly Kitchen Fund: This fund is now closed following completion of repairs to the Lochgelly Church Kitchen
 Messy Church Fund: This is a fund created with a grant received to support Messy Church activities and initiatives
 Minister's Robes etc Fund: This is a fund to assist with the cost of robes for the Minister and other presentations
 Pastoral Group Fund: This is a fund used to support the work of the Pastoral Group
 Samaritan Fund: This is a fund used by the Minister for Samaritan purposes
 Sunday Club's Fund: This is a fund used in Sunday Club activities

Purposes of Endowment Funds

Income from the Williamson Bequest is used to provide welfare to elderly members of the congregation.

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Endowment Funds 2016 £	Total 2016 £	Total 2015 £
3. Analysis of Donations					
WFO Scheme (non Gift Aid)	11,897		-	11,897	13,027
Gift Aid Donations	21,921	670	-	22,591	23,557
Tax Recovered on Gift Aid Donations	8,225	-	-	8,225	8,428
Ordinary Offerings (Open Plate)	3,002	-	-	3,002	3,168
Other Offerings, Donations etc	7,044	1,375	-	8,419	6,896
	<u>52,089</u>	<u>2,045</u>	<u>-</u>	<u>54,134</u>	<u>55,076</u>

Lochgelly and Benarty: St Serf's**Year ended 31 December 2016****Notes to the Accounts (cont)****4. Analysis of Payments****Costs of generating funds**

Offering envelopes

Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Total
2016	2016	2016	2016	2015
£	£	£	£	£
268	-	-	268	299
<u>268</u>	<u>-</u>	<u>-</u>	<u>268</u>	<u>299</u>

Charitable activities

Ministries & Mission contribution	30,978	-	-	30,978	30,976
Presbytery dues	986	-	-	986	1,050
Ministry expenses during vacancy	10,687	-	-	10,687	8,726
Other staffing costs (inc PAYE)	7,409	-	-	7,409	7,867
Flower Fund costs	-	1,697	-	1,697	1,538
Fabric repairs & maintenance	7,188	1,550	-	8,738	15,175
Council Tax	1,479	-	-	1,479	814
Heat and light	6,841	-	-	6,841	8,929
Insurance	4,920	-	-	4,920	4,839
Licences, Website etc.	696	-	-	696	495
Cleaning (inc materials)	2,339	-	-	2,339	1,925
Church and Manse garden costs	639	-	-	639	472
Sunday club costs	139	529	-	668	716
Printing and Stationery	1,586	-	-	1,586	856
Publicity and Advertising	916	-	-	916	663
Bequest income to Welfare Group	-	-	84	84	84
Other expenses	12	211	-	223	155
	<u>76,815</u>	<u>3,987</u>	<u>84</u>	<u>80,886</u>	<u>85,280</u>

Governance costs

Independent examiner's fees

100	-	-	100	100
<u>100</u>	<u>-</u>	<u>-</u>	<u>100</u>	<u>100</u>

Other payments

Purchase of New equipment etc.

424	2,347	-	2,771	65
<u>424</u>	<u>2,347</u>	<u>-</u>	<u>2,771</u>	<u>65</u>

Lochgelly and Benarty: St Serf's
Year ended 31 December 2016
Notes to the Accounts (cont)

5. Central Funds

The Ministries and Mission Contribution for 2016 was originally £42,687 and was revised to £30,978 to take into account a vacancy allowance of £10,920 and a reduction of £789 granted by Presbytery in September 2015. The reduced contribution has been paid in full.

6. Collections for Third Parties in 2016

	2016	2015
Build a house in Nepal	881	0
Christian Aid	625	700
Church of Scotland HIV Programme	0	196
Macmillan Cancer Support	0	315
Poppy Scotland (collection cans)	235	138
Queen Margaret Hospice Ward	151	0
Romanian Children	50	100
SANDS Fife	0	145
Scripture Union Holiday Programme	0	65
UNESCO Jars of Change	0	276
	<u>1942</u>	<u>1935</u>

7. Minister's Stipend

All Church of Scotland congregations contribute to the National Stipend Fund which bears the cost 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 £26,380 and the maximum stipend (in the fifth and subsequent years of service) £32,419.

8. Cash in Bank and Deposits at 31 December 2016

Bank of Scotland	34039	13881
Investors Trust Deposit Fund	13149	13060
	<u>47188</u>	<u>26941</u>

APPENDIX

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

	2016 £	2015 £
<u>CONSOLIDATED FABRIC FUND CAPITAL ACCOUNT 552414812</u>		
Credit Balance held at 31 December 2016 at cost	<u>18,320</u>	<u>18,320</u>
Market Value at 31 December 2016	<u>23,346</u>	<u>21,295</u>
<u>CONSOLIDATED FABRIC FUND REVENUE ACCOUNT 502414811</u>		
Credit Balance held at 31 December 2016	<u>17,329</u>	<u>18,238</u>
<u>CAPITAL ACCOUNT 56241812 - invested in Church of Scotland Investors Trust Deposit Fund</u>		
Credit Balance held at 31 December 2016	<u>9,699</u>	<u>9,699</u>

St Serf's Church Lochgelly and Benarty: 2017 Proposed Budget

EXPENDITURE	2016 Budget	2016 Actual	2017 Budget
NATIONAL MINISTRY			
Ministries and Mission Allocation	32,551	30,978	32,713
Presbytery Dues	1,000	986	1,000
LOCAL STAFFING COSTS			
Ministry Team Travelling Expenses	800	648	800
Ministry Team Telephone/Stationer	500	313	800
Pulpit Supply and Locum	10,920	9,726	7,000
Salaries: Organists	3,800	2,152	2,200
Church Officers	3,600	3,098	3,100
Cleaners	0	353	2,500
PAYE & NI	1,000	1,806	1,000
BUILDING COSTS			
Heating and Lighting	7,500	6,841	7,500
Insurance	5,008	4,920	4,600
Council Tax	1,000	1,479	1,000
OTHER LOCAL COSTS			
Printing and Stationery (net)	1,100	1,586	1,100
Publicity and Advertising	900	916	900
Cleaning Contract, materials etc.	2,500	2,685	500
Church and Manse garden expense	500	639	600
Sunday School books and material	100	139	150
Licences	560	696	700
New Projects	0	0	0
New Equipment	0	424	0
Miscellaneous	150	12	100
TOTAL PAYMENTS	73,489	70,397	68,263
LESS ORDINARY GENERAL INCOME			
Congregational Organisations	3,000	2,697	2,700
Income from use of premises	11,000	7,868	8,000
Income from weddings and funeral	2,100	2,580	1,000
Regular fundraising	7,700	8,156	8,000
Dividends and Interest	2,200	2,727	2,727
	<u>26,000</u>	<u>24,028</u>	<u>22,427</u>
NET EXPENDITURE	47,489	46,369	45,836
OFFERINGS			
WFO Scheme (non Gift Aid)	12,500	11,897	12,500
Gift Aid Donations	22,000	22,267	22,000
Tax recovered on Gift Aid	8,000	8,225	8,000
Ordinary Offerings	3,000	3,002	3,000
Other Offerings, Donations etc.	2,000	1,421	2,000
	<u>47,500</u>	<u>46,812</u>	<u>47,500</u>
SURPLUS/DEFICIT	11	443	1,664