

The Church of Scotland

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

2018

RECEIPTS AND PAYMENTS ACCOUNTS

Congregation No: 241481

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 2018 were the following members of the Kirk Session i.e. the interim moderator and the active Elders of the Congregation:-

Reverend Muriel Willoughby (discharged as interim moderator March 2018), Miss Morag Crawford DCS (appointed as interim moderator April 2018), Mrs Jean Adams, Mr John Blamey (to July 2018), Mrs Ethne Brown, Mr Ian Brown, Mrs Helga Campbell, Mr Ronald Campbell, Mr Jim Carlisle, Mrs Margaret Carlisle, Miss Elizabeth Cousland, Mrs Violet Fotheringham, Mrs Joyce Goodall, Mr Roy Graham, Mrs June Hutton, Mrs June Kerr, Mrs Marion Lumsden, Ms Linda McGregor, Mrs Elizabeth McMahon, Mrs Elizabeth Martin, Mrs Alexis Michalski, Mr Brian Michalski, Mr Robin Millar, 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.

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:-

Mrs Margaret Mateos non-active from August 2017

Mrs Susan Dawkes, Mr. Peter Lockhart, Mrs Anne Lockhart, Mrs Lorraine McLean,
non-active from November 2017.

Principal Office-bearers

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

Interim Moderator (and Trustee): Reverend Muriel Willoughby – to March 2018

Miss Morag Crawford DCS – from April 2018

Deacon (from Sept 2018) Pamela Scott DCS

Session Clerk: Ian Brown (resigned March 2018)

Betty Martin (appointed March 2018)

Session Clerk (pro tem) Laura Pepperday (appointed August 2018)

Church Treasurer: Robin Millar

Independent Examiner

Stuart Kerr
25 Penrice Park
Lundin Links
Fife
KY8 6DZ

Bankers

Bank of Scotland,
349/351 High Street,
Cowdenbeath
Fife
KY4 9QJ

Trustees' Annual Report

Year ended 31 December 2018

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 to administer the business of the church. Other meetings are called by the interim moderator when necessary. 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, Worship & Children's Ministry, Ways and Means, , 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, Messy Church, the Fellowship/Bible Study Group, the Shoe Box Appeal Group, the Flower Group, the Welfare 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 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.

Trustees' Annual Report (cont)

Year ended 31 December 2018

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, and Harvest. 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. The Messy Church for young children and their parents/carers has continued to grow in Benarty. The Deacon works with the local primary schools to encourage connection between the church and young people.

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. The Congregation through the Ministry team is 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 a Masonic service resulting in additional financial support. The congregation continues to actively support the Dunfermline Foodbank's extension into Benarty. Food donations are accepted every week at both church buildings.

The church provides a valued service to the local community. The church halls are used regularly by various community organisations including Probus, Fife Young Carers and Lochgelly Amateur Dramatic and Musical Association. There are also a number of local groups using the halls to provide, amongst other activities, Substance abuse support, Highland Dancing, Craft work, and Slimming (both WeightWatchers and Scottish Slimmers hold meetings).

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. For part of the year the premises were made available to the Street Pastor initiative covering Lochgelly, Cowdenbeath and Kelty. Contact with local schools has been successfully expanded by the members of the Ministry Team

The charge remained vacant throughout 2018 with a locum, Reverend Geoffrey Probert in post. Rev. Probert's appointment was confirmed until March 2019, by his entering into a contract, with the support and guidance of the HR and legal departments of the Church of Scotland.

In August 2018 the Congregation sought and obtained the re- designation of the former post of Parish Assistant as a Deacon's post for the current post holder Mrs Pamela Scott.

Trustees' Annual Report (cont)

Year ended 31 December 2018

A part-time outreach worker, Mrs Aileen Christie, was appointed in February 2018. As a member of the Ministry Team she is assisting with a wide range of family, congregational and community related duties.

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

The church has a Hymnal Plus music system 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 two nearby nursing homes.

A new audio-visual system for the Benarty church was acquired during the year using monies from the Kerr Bequest.

Financial Review

The Church's principal source of income remains the traditional Free will offering collected through weekly envelopes. In 2018, 130 sets of envelopes were issued to members but as in previous years not all of these members returned filled envelopes. 74 persons made donations under gift aid declarations allowing tax on these payments to be recovered by the Church. The Church also benefitted from the Gift Aid Small Donations Scheme reclaiming tax on small donations made at both the Lochgelly and Benarty places of worship. At the yearend, 17 members were making regular payments to the church by way of standing order. The Church remains increasingly reliant on substantial fundraising efforts and generating income from letting out the halls.

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 £85,072 of which £11,810 has been designated as a fabric fund to go towards a number of outstanding property improvement and maintenance work including toilet upgrading at Lochgelly, manse sustainability and decoration at Benarty. A further £8,203 was designated for improvements to the IT infrastructure of both church buildings.

Trustees' Annual Report (cont)

Year ended 31 December 2018

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 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.

The annual accounts are published on the church website when approved by the Kirk Session and presented to the congregation at the Annual Stated meeting.

Approved by the Trustees and signed on their behalf on 10 MARCH 2019

'Laura Pepperday' 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 2018 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:

Date: 19 MARCH 2019

Lochgelly and Benarty: St Serf's
Receipts and Payments Account
Year ended 31 December 2018

		Unrestricted	Restricted	Endowment		
		Funds	Funds	Funds	Total	Total
		2018	2018	2018	2018	2017
<u>Receipts</u>	Note	£	£	£	£	£
Donations	3	52,382	2,998	-	55,380	55,113
Legacies		-	-	-	-	-
Grants		-	-	-	-	3,500
Fundraising activities		8,611	208	-	8,819	9,139
Bank & Deposit interest		68	-	-	68	72
Investment income		3,072	-	88	3,160	3,160
		<u>64,133</u>	<u>3,206</u>	<u>88</u>	<u>67,427</u>	<u>70,984</u>
Rental of premises		8,947	-	-	8,947	9,145
Proceeds from sale of investments		-	-	-	-	-
Receipts from General Trustees		1,771	-	-	1,771	-
Other receipts (insurance claim)		649	-	-	649	-
<u>Total Receipts</u>		<u><u>75,500</u></u>	<u><u>3,206</u></u>	<u><u>88</u></u>	<u><u>78,794</u></u>	<u><u>80,129</u></u>
<u>Payments</u>	4					
Costs of generating funds		263	-	-	263	275
Charitable activities		81,365	2,324	88	83,777	88,420
Governance costs		100	-	-	100	100
Other payments		8,042	453	-	8,495	3,495
<u>Total Payments</u>		<u><u>89,770</u></u>	<u><u>2,777</u></u>	<u><u>88</u></u>	<u><u>92,635</u></u>	<u><u>92,290</u></u>
Excess of Payments over Receipts for the year before transfers		- 14,270	429	-	- 13,841	- 12,161
Transfers		-	-	-	-	-
Excess of Payments over Receipts for the year		<u><u>- 14,270</u></u>	<u><u>429</u></u>	<u><u>-</u></u>	<u><u>- 13,841</u></u>	<u><u>- 12,161</u></u>

Lochgelly and Benarty: St Serf's
Statement of Balances
At 31 December 2018

	Note	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Endowment Funds 2018 £	Total 2018 £	Total 2017 £
<u>Bank & Deposit Balances</u>						
Bank & deposit balances brought fwd		26,385	8,642	0	35,027	47,188
Movement in year:						
Excess of Payments over Receipts for the year		-14,270	429	0	-13,841	-12,161
Bank & deposit balances carried fwd	8	<u>12,115</u>	<u>9,071</u>	<u>0</u>	<u>21,186</u>	<u>35,027</u>
<u>Investments</u>						
Church of Scotland Investors Trust Income Fund						
4,568 Units (market value £ 54,633 at 31/12/18)		52,967	0	2,032	54,999	54,999
1,752 Units (market value £19,990 at 31/12/18)		19,990			19,990	19,990
		<u>72,957</u>	<u>0</u>	<u>2,032</u>	<u>74,989</u>	<u>74,989</u>
<u>Total Funds</u>					<u>96,175</u>	<u>110,016</u>

The accounts were approved by the Kirk Session on 10 MARCH 2019
For and on behalf of the Kirk Session

'Laura Pepperday'

Session Clerk

'R J Millar'

Treasurer

Lochgelly and Benarty: St Serf's
Year ended 31 December 2018
Notes to the Accounts

1. Trustee Remuneration and Related Party Transactions

During the year Rev M Willoughby as Interim Moderator and Trustee received £95 by way of travelling expenses. In addition the following Trustees and members of the Kirk Session received the sums stated for providing services as organists and church officers during the year: (1) J R Graham organist £320; (2) J McGaw church officer £960; (3) L Pepperday church officer £1,200; (4) S Scott organist £1,520; and (5) G Seath church officer £951.

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 2018 £	Receipts £	Payments £	Transfers £	At 31 Dec 2018 £
Unrestricted funds					
Designated Fabric Fund	18,662	4,632	11,484	-	11,810
Designated IT Fund (Kerr Bequest)	16,245	-	8,042	-	8,203
General Fund	64,435	70,868	70,244	-	65,059
	<u>99,342</u>	<u>75,500</u>	<u>89,770</u>	<u>-</u>	<u>85,072</u>
Restricted funds					
Audio Visual Equipment Fund	249	-	249	-	0
Chairs Fund	81	-	-	-	81
Eco Group Fund	86	-	-	-	86
Flower Fund	1,001	1,748	1,767	-	982
J Team Fund	558	-	57	-	501
Lochgelly Community Use Improveme	3,500	1,000	-	-	4,500
Messy Church Fund	280	-	-	-	280
Minister's Robes etc Fund	260	-	-	-	260
Pastoral Group Fund	43	-	43	-	0
Samaritan Fund	1,252	70	-	-	1,322
Sunday Club's Fund	1,075	388	457	-	1,006
Benarty Car Park Fund	53	-	-	-	53
Benarty Special Projects	204	-	204	-	0
	<u>8,642</u>	<u>3,206</u>	<u>2,777</u>	<u>-</u>	<u>9,071</u>
Endowment funds					
The Williamson Bequest	2,032	88	88	-	2,032
	<u>2,032</u>	<u>88</u>	<u>88</u>	<u>-</u>	<u>2,032</u>
Total funds	<u>110,016</u>	<u>78,794</u>	<u>92,635</u>	<u>-</u>	<u>96,175</u>

Lochgelly and Benarty: St Serf's

Year ended 31 December 2018

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 fund is now closed after being used to part-purchase the Benarty AV system

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 fund is now closed after being used to part-purchase the Benarty AV system

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

J Team Fund: This is a fund used in J Team (Youth Group) activities

Lochgelly Community Use Improvements Fund: This is a fund intended to be used to upgrade toilets in the Lochgelly church

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 fund is now closed after use for pastoral purposes

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 2018 £	Restricted Funds 2018 £	Endowment Funds 2018 £	Total 2018 £	Total 2017 £
3. Analysis of Donations					
WFO Scheme (non Gift Aid)	11,516		-	11,516	12,515
Gift Aid Donations	22,064	525	-	22,589	23,403
Tax Recovered on Gift Aid Donations	9,271	-	-	9,271	8,991
Ordinary Offerings (Open Plate)	3,702	-	-	3,702	4,069
Other Offerings, Donations etc	5,829	2,473	-	8,302	6,135
	<u>52,382</u>	<u>2,998</u>	<u>-</u>	<u>55,380</u>	<u>55,113</u>

Lochgelly and Benarty: St Serf's**Year ended 31 December 2018****Notes to the Accounts (cont)**

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Total
4. Analysis of Payments	2018	2018	2018	2018	2017
	£	£	£	£	£
Costs of generating funds					
Offering envelopes	263	-	-	263	275
	<u>263</u>	<u>-</u>	<u>-</u>	<u>263</u>	<u>275</u>
Charitable activities					
Ministries & Mission contribution	28,818	-	-	28,818	32,713
Presbytery dues	1,501	-	-	1,501	976
Ministry expenses	13,529	-	-	13,529	12,441
Other staffing costs (inc PAYE)	9,476	-	-	9,476	8,855
Flower Fund costs	-	1,768	-	1,768	1,651
Fabric repairs & maintenance	11,484	-	-	11,484	13,993
Council Tax	1,564	-	-	1,564	1,392
Heat and light	6,346	-	-	6,346	7,179
Insurance	4,580	-	-	4,580	4,554
Telephone, Licences, Website etc.	1,572	-	-	1,572	1,317
Cleaning materials	94	-	-	94	349
Church and Manse garden costs	735	-	-	735	629
Sunday club costs	108	457	-	565	972
Printing and Stationery	743	-	-	743	639
Publicity and Advertising	597	-	-	597	563
Bequest income to Welfare Group	-	-	88	88	88
Other expenses	218	99	-	317	109
	<u>81,365</u>	<u>2,324</u>	<u>88</u>	<u>83,777</u>	<u>88,420</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	8,042	453	-	8,495	3,495
	<u>8,042</u>	<u>453</u>	<u>-</u>	<u>8,495</u>	<u>3,495</u>

Lochgelly and Benarty: St Serf's
Year ended 31 December 2018
Notes to the Accounts (cont)

5. Central Funds

The Ministries and Mission Contribution for 2018 was originally £40,014 and was revised to £28,818 to take into account a vacancy allowance of £11,196. The reduced contribution has been paid in full.

6. Collections for Third Parties in 2018

	2018	2017
Victoria Hospice	180	0
Christian Aid	489	553
Poppy Scotland (including collection cans in both churches)	218	297
Romanian Children	0	50
CHAS	0	110
	<u>887</u>	<u>1,010</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 £27,044 and the maximum stipend (in the fifth and subsequent years of service) £33,234

8. Cash in Bank and Deposits at 31 December 2018

	2018	2017
Bank of Scotland	7,897	21,806
Investors Trust Deposit Fund	13,289	13,221
	<u>21,186</u>	<u>35,027</u>

APPENDIX

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

	2018 £	2017 £
<u>CONSOLIDATED FABRIC FUND CAPITAL ACCOUNT 552414812</u>		
Credit Balance held at 31 December 2018 at cost	<u>18,320</u>	<u>18,320</u>
Market Value at 31 December 2018	<u>23,188</u>	<u>24,134</u>
<u>CONSOLIDATED FABRIC FUND REVENUE ACCOUNT 502414811</u>		
Credit Balance held at 31 December 2018	<u>25,484</u>	<u>21,917</u>
<u>CAPITAL ACCOUNT 56241812 - invested in Church of Scotland Investors Trust Deposit Fund</u>		
Credit Balance held at 31 December 2018	<u>9,699</u>	<u>9,699</u>