



# **NEWPORT - ON - TAY CHURCH OF SCOTLAND**

Scottish Charity No. SC006758

Church of Scotland Reference No. 261572

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**ANNUAL REPORT**

**AND ACCOUNTS**

for the Year Ended 31 December 2018

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**Newport-on-Tay Church of Scotland  
Trustees' Annual Report  
Year Ended 31 December 2018**

The trustees present their annual report and financial statements of Newport-on-Tay Church of Scotland for the year ended 31 December 2018. The financial statements have been prepared in accordance with the accounting policies set out on pages 12 & 13 of these accounts and comply with the General Assembly Regulations for Congregational Finance, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with their Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

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**Reference and Administrative Information**

**Trustees**

**Kirk Session:** Rev Dr Amos Chewachong #, Isabel Armstrong \*, Patricia Barclay, William Berry, Ronald Caird \*, Kevin Campbell #, Moira Clark (to 31 December 2018) \*, Dorothy Collison, Stewart Cram \* (to 1 July 2018), Lesley Gray \*, Fiona Harris \*, Alison Heywood \*, Margaret Imlay \*, William Imlay, Graham Johnston, Sheila Johnston \*, Careen Lindsay \* (to 18 March 2018), Muriel McCabe \*, Colin McCowan, Donald MacLeod #, Margaret McNicol \*, Richard McNicol \*, Neil Merrylees \*, Diane Miller \*, Susan Myles, Eleanor Owen \*, Philip Owen #, Nancy Pong \*, Fraser Ritchie \*, Francis Robertson, Mairi Shiels \*, Avril Waugh\*, Iain Waugh\*, Margaret Wright \*.

\* also a member of Congregational Board for full period from 1 January 2018 to its dissolution on 24 June 2018

**Newport-on-Tay Church of Scotland  
Trustees' Annual Report (cont)  
Year Ended 31 December 2018**

**Trustees (cont)**

Congregational Board (Elected Members) for full period from 1 January 2018 to its dissolution on 24 June 2018: Jane Johnston +, Claire Owen +, Miriam Rennet #, Linda Robertson +, Elizabeth Thomson (Gift Aid Convener) #.

# *ex officio* member of Congregational Board

+ member of Congregational Board

**Principal Office-Bearers**

Minister:	Rev Dr Amos B Chewachong
Session Clerk:	Francis Robertson (from 10 October 2018) [Kevin Campbell to that date]
Clerk to the Board (to 24 June 2018):	Miriam Rennet
Finance Convener:	Philip Owen

**Principal Office:** Kirk House Complex,  
3 Blyth Street,  
Newport-on-Tay,  
Fife, DD6 8DB  
Tel. 01382 543525  
email: [newportcos@btinternet.com](mailto:newportcos@btinternet.com)  
Website: [www.notchurch.co.uk](http://www.notchurch.co.uk)

Charity Registration Number: SC006758

Church of Scotland Reference Number 261572

**Independent Examiner**

Andrew Blakeman, Chartered Accountant, 18 Rennell Road, Dundee, DD4 7DS.

**Bankers**

Clydesdale Bank plc, 7/8 High Street, Dundee, DD1 1SS.

***Structure, Governance and Management***

The congregation is a registered charity, number SC006758; it is administered in accordance with the terms of the Model Deed of Constitution and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

Members of the Kirk Session and the Congregational Board were the charity trustees at the beginning of 2018. A major change in our organisational structure took place during 2018. As recommended by the General Assembly of the Church of Scotland, at a meeting on 24 June 2018 the congregation agreed to adopt the Unitary Constitution and the Congregational Board was then dissolved and its members who were not elders therefore relinquished their roles as trustees at that time. The formal document has since been issued to us by the Delegation of Assembly. This means there is now a single governing body – the Kirk Session. The Kirk Session has produced its own set of guidelines for the operation of this new constitution, identifying a number of committees, which are capable of having members who are not elders; these committees will be closely monitored by Session, and will have various powers delegated to them. The process of developing these committees is currently under way and this will move forward significantly following the proposed ordination of a number of new elders in early 2019. Meetings of Session are scheduled on a monthly basis (excluding the summer months), with committees, which are free to meet as required during the year reporting to Session on a rotational basis.

## Newport-on-Tay Church of Scotland Trustees' Annual Report (cont) Year Ended 31 December 2018

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, Christian maturity and skills. The Minister, who is a member of the Kirk Session, is elected by the congregation and inducted by St. Andrews Presbytery; in the absence of a minister, St Andrews Presbytery appoint an interim moderator to take his/her place. The Congregational Board comprised certain *ex officio* office-bearers, fifteen elders appointed by the Kirk Session for a three-year period on a rota basis, and an equivalent number of people appointed from within the congregation. Members of the congregation were invited to nominate individuals who are believed to have the secular skills and commitment to contribute to the management affairs of the congregation, to become members of the Board. Board Members were then appointed at the next Stated Annual Meeting and served for a period of three years, after which they sought re-election.

### **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.

Our Vision is "*To be a Church which inspires people with the Good News of Jesus Christ through our enthusiasm, worship, witness, nurture and service*".

In Newport-on-Tay, services of worship are held at 11a.m. every Sunday and more frequently at special times (e.g. Easter, Christmas). Our evening services, at 6.30pm, are less formal, last approx. 30 minutes, and vary each week from a traditional style to a Contemporary Style, Communion Round the Table and Taize. Worship is normally conducted by the Minister, while, in addition, lay members of the Church's Worship Team (all of whom have undertaken "Weaving Worship" Training conducted by Presbytery) lead some of the services. There is weekly involvement of the congregation's members with readings and, from time to time, prayers and other elements of the service. The singing is led by the organist and choir, while some of the Church youth (also under the guidance of our organist) help to lead more contemporary music. After morning worship, tea / coffee is served in the main hall to provide an opportunity for fellowship.

During the service, there is a crèche for those under three years old, while in term time there is an active Sunday Club for children aged three to eleven, supplemented by Funday Sundays during holidays to provide continuity of interest for the children. A full-time youth worker leads Youth Seekers (for those of secondary school age), although for most of 2018 this was undertaken by members of the congregation while this post was vacant, until Chris Cameron was appointed in mid-October. Chris is steadily establishing his work here in Newport and the surrounding area, while 2019 should see many of his developments bear fruit. A Holiday Club is run during the final week of the school summer holidays for primary school age children. The 1<sup>st</sup> Newport / Wormit Boys' Brigade Company is attached to this Church and also to the neighbouring Wormit Parish Church.

On the wider front there are ecumenical services shared with the Roman Catholic, Scottish Episcopal and Wormit Parish Churches (such as Good Friday Service, World Day of Prayer Service, etc.) and a number of shared ventures - e.g. the Remembrance Sunday Service at the War Memorial (co-ordinated by the Community Council) - are well supported. This year's Remembrance Day commemorations were particularly poignant due to the centenary of the end of World War One and we displayed a number of soldier silhouettes as part of the national "There But Not There" event. Alongside this there are a number of scheduled services in the local care homes, as well as a continuing presence of the Minister and/or youth worker in the local Primary School via assemblies and end of term services.

St Andrews Presbytery is divided into six 'Clusters', with us being part of the North Fife Cluster, together with Balmerino linked with Wormit, Creich, Flisk & Kilmany, Leuchars St Athernase and Tayport. This year has seen the continuation of the Cluster Exchange Sundays with ministers swapping pulpits on a rotational basis. In addition, Presbytery's Strategy & Resourcing Committee has undertaken a Local Church Review with the Churches in the North Fife Cluster. This has helped us to identify a number of specific objectives to be pursued within our own Parish in the forthcoming years and has also encouraged the Cluster to look at ways of working together and supporting each other.

Our Prayer Ministry Group plays a leading part in the prayer life of the Church and meets each Sunday prior to morning worship and there is a box available for prayer requests in the Church and in *mana*. A weekly Bible Study Group is also popular with its enthusiastic attendees. The weekly distribution of flowers following the Sunday morning services continues to be of significant comfort to many in our community.

## **Newport-on-Tay Church of Scotland Trustees' Annual Report (cont) Year Ended 31 December 2018**

Our Pastoral Care Team continues to visit and care for the members of our Church and others who are part of the wider community, including hospital and home visits where appropriate. There is also a programme of funeral and hospital follow-up visits and regular contact with the care homes in the parish. The team also administer the delivery of an appropriate card to those who have attained a significant birthday, anniversary, etc.

A number of House Groups operate on differing days and times, ensuring availability to suit all who wish to attend. Each group determines their own bible study and discussion programme, overseen by the Minister.

### ***Achievements and Performance***

With his family having settled into life in Newport following his induction as our Minister in May 2017, Rev Dr Amos B Chewachong has built on his wealth of experience and ministry from his homeland of Cameroon and from his years of studying and his ministry in Edinburgh.

During the year under review our work in the local community and beyond has continued. This has been achieved by diligent ministry of the fundamentals of the Christian faith at our regular Sunday services of worship as supplemented by the work of our Prayer and House Groups and, for the younger members, the meetings of our Sunday Club and Youth Seekers.

*manna*, our café & gift shop, founded in March 2006, continues by way of volunteer workers to provide a worthwhile focal point for the community and also provides an opportunity to demonstrate Christian values in action to a wider audience. The net proceeds continue to finance the employment of the full-time Youth Worker, which remains at the forefront of our efforts to engage with the youth in our community. *manna* is a member of the Newport-on-Tay Traders Association and was again involved in their various activities during the year, especially, the mid-summer festival and surrounding the switching-on of the local Christmas lights. Late last year, Newport High Street won the 'Rising Star' category in the Great British High Street Awards 2018.

We are also engaged with the local Tay Bridgehead Food Bank, with *manna* being a collection point for donations; in addition, donations of food were coordinated by our Sunday Club during Lent and the Harvest Thanksgiving Service. We also support a Food Cupboard Ministry at St Salvador's Church in Dundee, which deals specifically with a struggling section of their community; our Harvest Appeal offerings were shared between this project, the Christian Aid Harvest Appeal and World Vision's Philippines Disaster Appeal.

The Kirk House Complex of halls, meeting rooms, etc., is well used by Church organisations and by the local community – including children's parties and organisations such as Brownies, Probus Club, dancing, keep fit classes, a Mother & Toddlers Group, etc. As such, it provides a valuable community asset in terms of a large central suite of halls that can be used at low cost by a wide range of groups and organisations.

Communication between our congregation and the wider community remains effective by means of our Journal, website and a Facebook page.

Our Sunday Club continues to support Rimberto, a young boy in Bolivia, through the offices of World Vision and this, along with our support of national charities such as Christian Aid, augment more local efforts via the two food banks mentioned above. After a time of relative inactivity, it was felt that the Malawi Gwengwere Project was unable to progress further and it was decided in 2015 to enter into a three-year partnership with Christian Aid to support their Balaka Community Programme. This project, which received match-funding from the Scottish Government, aimed to address the health services available in the Balaka Region in southern Malawi. During 2017 our fund-raising total reached and exceeded the £5,000 target set for our involvement.

In December 2017, it was also decided to bring our Malawi Gwengwere Project to a close and the remaining funds (£4,161) were paid to Mary's Meals to support their children's feeding programme in Malawi; this donation was match-funded by other supporters of Mary's Meals. This focus has now turned to supporting initiatives in Cameroon, our Minister's home country. Fundraising and the identification of suitable projects/programmes are still at an early stage.

In conjunction with all other organisations, large and small, we have examined the requirements of GDPR (General Data Protection Regulations). One of our Kirk Session members is undertaking the task of implementing the necessary procedures and policies.

# Newport-on-Tay Church of Scotland Trustees' Annual Report (cont) Year Ended 31 December 2018

## *Financial Review*

The total Net Income for the year was £1,433, compared to net income of £8,855 in 2017. A major reason for the change was a net loss on the revaluation of our investments (-£9,651) (2017 : gain £9,485).

The balances carried forward on the General Fund (after allowing for this Fund's proportion of investment revaluation) were £35,704 (Capital) and £2,427 (Revenue).

## Income

Income from our Offerings in 2018 was £60,416 (2017 : £61,686) a decrease of 2.1% (£1,270) on 2017. This reflects an excellent result, despite the current economic pressures on households and the loss of a small number of generous regular donors.

62 (an increase of 2) out of a membership of 334 actively use the Gift Aid scheme and 26 of these contribute by means of a standing order through their bank.

Other Donations totalled £6,066, a decrease of £2,020; in addition, members also contributed £5,086 to other charitable causes during the year (2017 : £4,914). These figures include our Harvest Appeal, which raised £2,137 and was split between the Food Cupboard Ministry of St Salvador's Church Dundee, Christian Aid's Harvest Appeal and World Vision's Philippines Disaster Appeal. Other significant income related to sundry donations (£1,815), donations from Sunday & Wednesday Coffees (£1,500), Christian Aid's Tay Road Bridge Cross (£944) and Christian Aid Week (£778).

Income from the use of our hall complex fell by £1,575 (due to a general decrease in usage of the premises by regular users), while the gross income from our shops rose by £2,049. The trading income from manna showed an excellent increase of £8,551 (11.8%) to £81,046.

The vacancy until the appointment of our Youth Worker in October 2018 has given rise to a net increase in the (Restricted) Youth Work Fund of £11,983 as we continued to transfer a monthly contribution into this fund from manna (also a Restricted Fund).

## Expenditure

Total Expenditure in 2018 was £156,939, a decrease of £5,729 (3.5%) on 2017. There was a reduction in ministerial and other expenditure (£5,959), mainly relating to the vacancy, along with a welcomed reduction in our Ministries & Mission Allocation for this year of £4,351. In addition, there were no payments made in respect of Special Collections for either our own Malawi Project or the Balaka Project in 2018 (2017 : £6,052).

However, there was increased expenditure on salaries (£4,577) chiefly due to the Youth Worker post being filled for longer this year, and higher expenditure on fabric repairs & maintenance (£5,846) – see below.

2017 saw the end of a tendency in recent years to have a generally reactive approach to the care of our properties and our Property Manager has adopted a proactive role regarding the maintenance and condition of our properties. A major review has been undertaken this year and a five-year programme of maintenance has been drawn up; this will incur a significant level of expenditure over that period and additional sources of funding are being pursued. The repair and maintenance of our properties in 2018 cost £9,607, which was initially charged to the Fabric Fund and was subsequently compensated by a transfer of £1,500 from the Stewardship Committee Funds and £5,000 from the General Fund. These costs included roof repairs at the Church (£1,740) and Kirk House Complex (£660), together with insulation of the lofts in the Church and Kirk House Complex (£618), Kirk House Complex heating repairs (£1,013), electrical works at 12 Kerr Street (£1,224), while a start was made to the decoration of the Church's vestry, choir room, toilet and corridor (£1,334).

## Legacies

No legacies were received during the year (2017 : £Nil).

# Newport-on-Tay Church of Scotland Trustees' Annual Report (cont) Year Ended 31 December 2018

## *Investment Policy and Performance*

Recognising the lack of expertise within the trustees to manage the Church's portfolio of investments (currently approx. £122,000), it was decided some years ago to transfer this responsibility to Barclays Wealth (with an appropriate fee payable). Following changes to regulations, Barclays discontinued their Non-Discretionary Investment Management Service and the recommendation was accepted to convert the individual shareholdings into units in Barclays Charity Fund; this provides the benefits of belonging to a large fund (with its spread of investments and risk, together with a lower management fee).

Our investment criteria are currently held as a "Discretionary Account" with a "Balanced Portfolio" prime investment objective and a "Moderate Risk Tolerance". The Fund was established in 2013 and its performance and income received to date are in line with current market trends and results, while income is similar to last year.

## *Risk Management*

The Church frequently reviews the principal risks and uncertainties that it faces. While there are no immediate risks, we have established and implemented policies, systems and procedures to mitigate those that can be managed, thereby minimising any potential impact should these risks materialise. The Church has insurance cover through the Church of Scotland Insurance Company and the level of cover is reviewed annually to ensure that it is adequate; in addition, Protection of Vulnerable Groups and GDPR remain a priority with appropriate steps undertaken in this area.

Risks can be shown in two main categories – financial and non-financial.

The financial risks are, in general, related to the non-financial ones; they concern :-

- a) a reduction in income (due to an ageing and falling membership) - which would be addressed by a combination of expenditure reduction and the implementation of a stewardship campaign.
- b) significant reduction in takings at **manna** – addressed initially by utilising accumulated reserves, while consideration is given to the longer-term viability of its operation and the ability to fund our youth worker.
- c) increased expenditure on fabric repairs (a growing concern, due to the ageing nature of our buildings) – initial drawing from reserves is an option, though not sustainable in the longer-term and additional specific fund-raising would then be required.
- d) a significant loss of value in the investments would require the use of our limited cash reserves in the short-term, with the expectation that values would recover within a relatively short period of time.
- e) the risk from the introduction of internet banking (with the loss of the requirement for counter-signatories on larger cheques) will be mitigated by ensuring that proper internal controls and segregation of duties are implemented.

The current non-financial risks include :-

- i) an ageing congregation and falling numbers of children and young adults – which would be addressed by additional evangelical promotion work within the community.
- ii) our Minister has been appointed to a seven-year tenure (from May 2017), reviewable by St Andrews Presbytery. There are obvious risks attached to the future direction and state of this congregation, but these will crystallise as the review period approaches.
- iii) as the number of ministers in the Church of Scotland continues to fall significantly, there are growing concerns regarding the future workload of ministers (such as ours) currently in a charge who will have to provide support for other charges in Presbytery which are currently vacant and may continue as such for a considerable time. In addition, other churches in our Cluster will become vacant within the next few years – prior to the review of our Minister's tenure. These matters are currently receiving much thought and discussion both at Presbytery and at national level.
- iv) in society today, an increasing risk concerns the Protection of Vulnerable Groups. To this end, our attention has been strengthened by the training supplied to members of the Kirk Session, together with the establishment of a Safeguarding Panel and an increased focus on this whole issue.
- v) Health & Safety / food hygiene, etc., are addressed respectively by the Property Manager preparing and addressing schedules of areas of concern (incl. electrical testing, etc.) and by the **manna** manager ensuring that appropriate training is given to key staff and volunteers (whether serving in the café, baking, or otherwise preparing or handling food, etc.).

**Newport-on-Tay Church of Scotland  
Trustees' Annual Report (cont)  
Year Ended 31 December 2018**

***Reserves Policy***

The charity trustees have considered the reserves required and have taken into account their current and future liabilities. It is the trustees' policy to hold reserves of approximately six months expenditure excluding endowment, restricted and designated funds. At the year-end the Church held unrestricted funds of £180,658 of which £65,000 was the Building Valuation Fund and £77,527 had been designated for Fabric Fund, Choir & Organ Fund, etc. The remaining £38,131 represented approx. 6.1 months' expenditure.

The Church also held £79,565 in restricted funds and £18,255 in Endowment Funds, which have been provided for the purposes specified in Note 15.

***Trustees' Responsibilities in Relation to the Financial Statements***

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the method and principles in the applicable Charities SORP;
- make judgements 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;
- 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 (as amended). 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information on the congregation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf,

***Francis Robertson***

Session Clerk

13 February 2019



**Newport-on-Tay Church of Scotland  
Independent Examiner's Report to the Trustees of Newport-on-Tay Church of Scotland  
Year Ended 31 December 2018**

I report on the accounts of Newport-on-Tay Church of Scotland for the year ended 31 December 2018 which are set out on pages 9 to 19.

**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's 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 (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

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 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.

*Andrew Blakeman*

Andrew Blakeman  
Chartered Accountant  
18 Rennell Road  
Dundee  
DD4 7DS

27 February 2019

**Newport-on-Tay Church of Scotland  
Statement of Financial Activities  
Year Ended 31 December 2018**

		<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>	<u>Total</u>
	<u>Note</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>2018</u>	<u>2017</u>
		<u>2018</u>	<u>2018</u>	<u>2018</u>	<u>2018</u>	<u>2017</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>Income and Endowments from:</b>						
Donations and Legacies	1	65,902	580	0	66,482	69,772
Charitable Activities	2	5,038	2,030	0	7,068	7,763
Other Trading Activities	3	8,586	81,046	0	89,632	79,032
Investments	4	3,954	192	715	4,861	4,631
Other	5	0	0	0	0	840
<b>Total Income</b>		<b>83,480</b>	<b>83,848</b>	<b>715</b>	<b>168,043</b>	<b>162,038</b>
<b>Expenditure on:</b>						
Raising Funds	6	581	0	0	581	576
Charitable Activities		91,682	64,676	0	156,358	162,092
<b>Total Expenditure</b>		<b>92,263</b>	<b>64,676</b>	<b>0</b>	<b>156,939</b>	<b>162,668</b>
<b>Net Income / (Expenditure) before Gains and Losses on Investments</b>		<b>(8,783)</b>	<b>19,172</b>	<b>715</b>	<b>11,104</b>	<b>(630)</b>
Net Gains / (Losses) on Disposal of Investments		(17)	0	(3)	(20)	0
Net Gains / (Losses) on Revaluation of Investments	10	(8,076)	0	(1,575)	(9,651)	9,485
<b>Net Income / (Expenditure)</b>		<b>(16,876)</b>	<b>19,172</b>	<b>(863)</b>	<b>1,433</b>	<b>8,855</b>
Transfers between Funds	15	715	0	(715)	0	0
<b>Net Movement in Funds</b>		<b>(16,161)</b>	<b>19,172</b>	<b>(1,578)</b>	<b>1,433</b>	<b>8,855</b>
<b>Reconciliation of Funds:</b>						
Total Funds Brought Forward		196,819	60,393	19,833	277,045	268,190
<b>Total Funds Carried Forward</b>		<b>180,658</b>	<b>79,565</b>	<b>18,255</b>	<b>278,478</b>	<b>277,045</b>

**Newport-on-Tay Church of Scotland  
Balance Sheet at 31 December 2018**

	Note	2018		2017	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Fixed Assets	9		65,000		70,000
Investments	10		122,011		131,979
			-----		-----
			187,011		201,979
<b>Current Assets</b>					
Debtors	11	3,334		3,212	
Cash at Bank and in Hand		92,370		74,084	
		-----		-----	
<b>Total Current Assets</b>		<b>95,704</b>		<b>77,296</b>	
<b>Liabilities</b>					
Creditors Falling Due Within One Year	12	(4,237)		(2,230)	
		-----		-----	
<b>Net Current Assets</b>			<b>91,467</b>		<b>75,066</b>
			-----		-----
<b>Net Assets</b>			<b>278,478</b>		<b>277,045</b>
			=====		=====
<b>The Funds of the Charity:</b>					
Endowment Funds	15		18,255		19,833
Restricted Income Funds	15		79,565		60,393
Unrestricted Income Funds					
General Fund	15	38,131		43,529	
Designated Funds	15	142,527		153,290	
		-----		-----	
			180,658		196,819
			-----		-----
<b>Total Charity Funds</b>			<b>278,478</b>		<b>277,045</b>
			=====		=====

The accounts were approved by the trustees on Wednesday 13 February 2019

For and on behalf of the Kirk Session

***Francis Robertson***

Session Clerk

***Philip Owen***

Finance Convener

**Newport-on-Tay Church of Scotland  
Statement of Cash Flows  
Year Ended 31 December 2018**

	<u>Note</u>	<u>Total Funds 2018 £</u>	<u>Total Funds 2017 £</u>
<b>Net Cash used in Operating Activities</b>	16	13,128	(539)
<b>Cash flows from Investing Activities</b>			
Interest and dividends	4	4,861	4,631
Proceeds from sale of investments		297	0
<b>Net Cash Provided by Investing Activities</b>		5,158	4,631
<b>Change in Cash and Cash Equivalents in the Year</b>		18,286	4,092
Cash and Cash Equivalents Brought Forward		74,084	69,992
<b>Cash and Cash Equivalents Carried Forward</b>		92,370	74,084

# Newport-on-Tay Church of Scotland

## Year Ended 31 December 2018

### **Accounting Policies**

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

#### **Basis of Preparation**

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **Fund Accounting**

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**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

#### **Donated Services and Facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102) the general volunteer time of congregational members is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised as expenditure in the period of receipt.

#### **Interest Receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

#### **Fixed Assets**

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church, Kirk House Complex, Manse (17 East Station Place) and house (12 Kerr Street), all vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets. Ownership of four shops (two currently occupied by *manna*) in Cupar Road (nos. 11, 13, 17, 19) is vested locally.

Expenditure incurred on the repair and maintenance of all these assets (excluding the four shops) is charged to the Fabric Fund as resources expended in the Statement of Financial Activities in the period in which the liability arises.

Expenditure incurred on the maintenance and management of the four shop properties is charged to the General Fund and recorded in the statement of financial activities in the period in which the liability arises.

All tangible fixed assets costing in excess of £5,000 and 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; depreciation is charged in the year of acquisition but not in the year of disposal. The only such assets held by the charity are the above freehold properties (Cupar Road shops), which are depreciated over 20 years.

**Newport-on-Tay Church of Scotland**  
**Year ended 31 December 2017**

***Accounting Policies (ctd.)***

**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 the cost and the 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 the cost if purchased in the year.

**Taxation**

Newport-on-Tay Church of Scotland 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.

Newport-on-Tay Church of Scotland  
Notes forming part of the Financial Statements  
Year Ended 31 December 2018

	<u>Unrestricted</u> <u>Funds</u> <u>2018</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>2018</u> <u>£</u>	<u>Endowment</u> <u>Funds</u> <u>2018</u> <u>£</u>	<u>TOTAL</u> <u>2018</u> <u>£</u>	<u>2017</u> <u>£</u>
<b>1 Donations and Legacies</b>					
Offerings	49,718			49,718	49,858
Tax Recovered on Gift Aid	10,698			10,698	11,828
Other	5,486	580		6,066	8,086
	-----	-----	-----	-----	-----
	65,902	580	0	66,482	69,772
	=====	=====	=====	=====	=====
<b>2 Income from Charitable Activities</b>					
Weddings and Funerals	750			750	380
Use of Premises	4,288	2,030		6,318	7,383
	-----	-----	-----	-----	-----
	5,038	2,030	0	7,068	7,763
	=====	=====	=====	=====	=====
<b>3 Income from Other Trading Activities</b>					
Trading Income, etc. from manna		81,046		81,046	72,495
Shop Rents Received (Gross)	8,586			8,586	6,537
	-----	-----	-----	-----	-----
	8,586	81,046	0	89,632	79,032
	=====	=====	=====	=====	=====
<b>4 Investment Income</b>					
Interest & Dividends Received	3,954	192	715	4,861	4,631
	-----	-----	-----	-----	-----
	3,954	192	715	4,861	4,631
	=====	=====	=====	=====	=====
<b>5 Other Income</b>					
Transfers from General Trustees	0	0	0	0	840
	-----	-----	-----	-----	-----
	0	0	0	0	840
	=====	=====	=====	=====	=====
<b>6 Analysis of Expenditure</b>					
<u>Raising Funds</u>					
Investment Managers' Fees	372			372	378
Offering Envelopes	209			209	198
	-----	-----	-----	-----	-----
	581	0	0	581	576
	=====	=====	=====	=====	=====
<u>Charitable Activities</u>					
Ministries and Mission Allocation	45,460			45,460	49,811
Less : Vacancy Allowance	0			0	(4,110)
Less : Endowment Income & Glebe Rents	(3,229)			(3,229)	(3,242)
	-----	-----	-----	-----	-----
	42,231	0	0	42,231	42,459
Ministry, etc., Payments re Vacancy	0			0	3,309
Presbytery Dues	1,601			1,601	1,634
Minister's Expenses (Note 8)	4,051			4,051	10,811
Pulpit Supply	0			0	0
Other Salary, etc. Costs (Note 7)	11,391	32,014		43,405	38,828
Fabric Repairs and Maintenance	9,607			9,607	3,761
Council Tax (Note 8)	2,407			2,407	1,564
Other Buildings Costs	10,050			10,050	11,359
Church Office Expenses	1,515			1,515	1,626
Organ & Music	551			551	587
Donations Made	284	0		284	6,341
Other Expenses	2,994	0		2,994	1,245
Trading Expenses, etc., of manna	0	32,662		32,662	33,568
Depreciation of Property (Note 9)	5,000			5,000	5,000
	-----	-----	-----	-----	-----
	91,682	64,676	0	156,358	162,092
	=====	=====	=====	=====	=====

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.

**Newport-on-Tay Church of Scotland**  
**Notes forming part of the Financial Statements (ctd.)**  
**Year Ended 31 December 2018**

**7 Staff Costs, etc. and Numbers**

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Salaries and Wages, etc.	42,307	37,945
Social Security Costs	0	0
Employer's Contributions to Pensions	1,098	883
	-----	-----
Total	<u>43,405</u>	<u>38,828</u>
	=====	=====

The average number of employees, etc., during the year was as follows:

	<u>2018</u>	<u>2017</u>
	<u>Number</u>	<u>Number</u>
Ministerial Support (Youth Worker) - Full-time (Vacant to 13 October 2018)	0	0
Music Staff, etc.	1	1
Premises Maintenance	2	2
manna Coffee Shop Manager - Full-time	1	1
manna Coffee Shop Assistant Manager - Part-time	1	1
	-----	-----
	5	5
	===	===

No employee had employee benefits in excess of £50,000 (2017 : Nil).

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 & 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) £33,234.

No pulpit Supply costs were incurred during the year as all Services during the Minister's absence on annual leave, etc., were conducted by members of the Congregation.

**8 Trustee Remuneration and Related Party Transactions**

During the year, one trustee received reimbursement of expenses totalling £6,458.

Mrs Diane Miller, who is a member of both the Kirk Session and the Congregational Board, received £16,000 in respect of her employment as the manager of manna.

Mrs Eleanor Owen, who is a member of both the Kirk Session and the Congregational Board, received £400 for providing her services as Supply Organist during the year.

No other trustees received or waived any reimbursement of expenses during the year.

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

During the year a total of £19,290 was donated to the congregation by trustees.

**9 Tangible Fixed Assets - Buildings**

<b>Cupar Road Shops</b>	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
<b>COST</b>		
At 1 January 2018	100,000	100,000
Additions	0	0
Disposals	0	0
	-----	-----
At 31 December 2018	100,000	100,000
	-----	-----
<b>ACCUMULATED DEPRECIATION</b>		
At 1 January 2018	30,000	25,000
Charge for Year	5,000	5,000
	-----	-----
At 31 December 2018	35,000	30,000
	-----	-----
<b>NET BOOK VALUE</b>		
At 31 December 2018	65,000	70,000
	-----	-----
At 31 December 2017	70,000	75,000
	-----	-----



#### 10 Investments

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Market Value at start of year	131,979	122,494
<u>Less</u> : Market Value at start of year of investments sold during year	(317)	0
	-----	-----
	131,662	122,494
Unrealised Gain / (Loss) on Investments	(9,651)	9,485
	-----	-----
Market Value at end of year	122,011	131,979
	=====	=====
Investments at Cost	112,778	113,056
	=====	=====

The following investments are held:

	<u>2018</u>		<u>2017</u>
	<u>£</u>	<u>%</u>	<u>%</u>
Managed by Barclays Wealth			
UK Equities - Barclays Charity Fund	118,321	97.0%	97.1%
Funds Deposited with Church of Scotland Investors Trust			
Church of Scotland Growth Fund Units	3,690	3.0%	2.9%
	-----	-----	-----
TOTAL	122,011	100.0%	100.0%
	=====	=====	=====

#### 11 Debtors

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Gift Aid Tax Refund Due	3,031	2,890
Gift Aid Tax Refund Due - Harvest Appeal	303	322
	-----	-----
	3,334	3,212
	=====	=====

#### 12 Creditors

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Energy Accruals	492	769
Rent Receipt in advance re 17 - 19 Cupar Road	1,972	131
Management Fees Outstanding re 11 - 19 Cupar Road Rents	744	250
Investment Managers' Fee	89	96
Income Received re Future Expenditure	870	420
Fabric Repairs	0	564
Other Expenditure	70	0
	-----	-----
	4,237	2,230
	=====	=====

#### 13 Analysis of Net Assets Among Funds

	<u>General</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fixed Assets	0	65,000	0	0	65,000
Investments	36,827	59,697	7,232	18,255	122,011
Current Assets	5,541	17,830	72,333	0	95,704
Current Liabilities	(4,237)	0	0	0	(4,237)
	-----	-----	-----	-----	-----
Net Assets at 31 December 2018	38,131	142,527	79,565	18,255	278,478
	=====	=====	=====	=====	=====

#### 14 Volunteers

In common with all congregations of the Church of Scotland the congregation benefits from the significant contribution made by volunteers who give their time and talents willingly for the benefit of the Church. The areas of congregational life which rely on the contribution of volunteers are many and varied and much of the activity would be unable to continue were it not for the commitment shown by them.

Newport-on-Tay Church of Scotland  
Notes forming part of the Financial Statements (ctd.)  
Year Ended 31 December 2018

15 Movement in Funds

	At 1 January 2018 £	Incoming Resources £	Outgoing Resources £	Gain/Loss on Investments £	Transfers £	At 31 December 2018 £
<b>Endowment Funds</b>						
<b>Capital</b>						
Mission and Aid Bequests	19,833	715	0	(1,578)	(715)	18,255
	-----	-----	-----	-----	-----	-----
	19,833	715	0	(1,578)	(715)	18,255
	=====	=====	=====	=====	=====	=====
<b>Restricted Funds</b>						
<b>Revenue</b>						
manna	40,988	83,318	(59,859)		(16,800)	47,647
Youth Work	19,118	0	(4,817)		16,800	31,101
Newport Church / Cameroon Project	287	530	0			817
	-----	-----	-----	-----	-----	-----
	60,393	83,848	(64,676)	0	0	79,565
	=====	=====	=====	=====	=====	=====
<b>Unrestricted Funds - Designated</b>						
<b>Capital</b>						
Building Valuation Fund	70,000		(5,000)			65,000
Benevolent Fund	12,345			(982)		11,363
Choir & Organ Fund	54			(4)		50
Fabric Fund	34,036			(2,708)		31,328
Journal Fund	2,087			(166)		1,921
Parish Development Fund	12,871			(1,024)		11,847
Sunday School Fund	1,527			(122)		1,405
<b>Revenue</b>						
Benevolent Fund	5,111	387	(1,500)			3,998
Choir & Organ Fund	5,315	1,172	0			6,487
Fabric Fund	4,813	1,468	(9,607)		6,500	3,174
Parish Development Fund	4,654	903	(373)		62	5,246
<b>Funds for Church Groups / Organisations</b>						
Stewardship Committee	250	1,500	0		(1,500)	250
Sunday School Collections	(293)	234	(284)		343	0
Gardening Club	458	0	0			458
Alpha Group	16	0	0		(16)	0
Hillwalking & Rambling Club	46				(46)	0
	-----	-----	-----	-----	-----	-----
	153,290	5,664	(16,764)	(5,006)	5,343	142,527
	=====	=====	=====	=====	=====	=====
<b>Unrestricted Funds</b>						
<b>Capital</b>						
General Fund	38,791			(3,087)		35,704
<b>Revenue</b>						
General Fund	4,738	77,816	(75,499)		(4,628)	2,427
	-----	-----	-----	-----	-----	-----
	43,529	77,816	(75,499)	(3,087)	(4,628)	38,131
	=====	=====	=====	=====	=====	=====
<b>Total Funds</b>	277,045	168,043	(156,939)	(9,671)	0	278,478
	=====	=====	=====	=====	=====	=====

**15 Movement in Funds (ctd.)**

Purposes of Endowment Funds

Income from the Mission and Aid Bequests is to be used to help meet the Ministries and Mission Allocation. Income received is transferred to the General Fund annually.

Purposes of Restricted Funds

manna : café whose proceeds contribute significantly towards the costs of employing our youth worker.

Youth Work : income regularly transferred from manna to finance the costs of our youth worker.

Newport Church / Cameroon Project : this will finance one or more projects (still to be identified) in Cameroon to support the education and welfare there, especially with regard to children and their education.

Purposes of Unrestricted Funds (set aside by the trustees)

Building Valuation Fund : to record the estimated value of locally-held property (shop units at 11 - 19 Cupar Road).

Benevolent Fund : to provide sundry cash payments and appropriate gifts to those in need.

Choir & Organ Fund: to finance the maintenance of the organ and the acquisition of music and other musical instruments.

Fabric Fund : for the maintenance of the Church's properties.

Journal Fund : to assist with the costs of producing the charity's magazine (nine times per year).

Parish Development Fund : to finance projects to promote the charity, especially within the local parish and community.

Sunday School Fund : to assist with the costs of running the Sunday School.

Church Groups / Organisations

Stewardship Committee : principally funded by Wednesday and Sunday serving of teas & coffees; income used for variety of uses within this charity.

Sunday School Collections : offerings distributed to other charitable organisations. Due to the recent deficit on this Fund, a transfer was made from the General Fund to clear this balance at 31 December 2018.

Gardening Club : net income from members, currently held by the charity while club is in abeyance.

\* Alpha Group : net income from running of Alpha courses.

\* Hillwalking & Rambling Club : net income from outings attended by members and friends of the charity, currently held by the charity while the club is in abeyance.

\* These two funds, whose balances are unchanged for many years, have been transferred into the Parish Development Fund.

**16 Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities**

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Net Movement in Funds (per Statement of Financial Activities)	1,433	8,855
Add back Depreciation Charge	5,000	5,000
Deduct Investment Income	(4,861)	(4,631)
Deduct Gains / add back Losses on Investments	9,671	(9,485)
Decrease (Increase) in Debtors	(122)	931
Increase (Decrease) in Creditors	2,007	(1,209)
	-----	-----
<b>Net Cash used in Operating Activities</b>	<b>13,128</b>	<b>(539)</b>
	=====	=====

**17 Collections for Third Parties**

The following income from Special Collections for special purposes was received and disbursed during the year to other charities.

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
Collections for Christian Aid Week	778	373
Tay Road Bridge Cross Sponsorship (Christian Aid)	944	862
Christmas Appeal (Christian Aid)	160	210
Lent Lunch, etc. (Christian Aid)	470	0
Kerala Floods Appeal (Christian Aid)	352	0
South Asia Floods Emergency Appeal (Christian Aid)	0	420
Christian Aid - Harvest Appeal 2018 (Harvest Appeal)	709	0
St Salvador's Food Cupboard Ministry (Harvest Appeal)	709	1,106
World Vision - Philippines Disaster Appeal (Harvest Appeal)	719	0
Remembrance Sunday Collection (Poppyscotland)	245	52
	-----	-----
	<b>5,086</b>	<b>3,023</b>
	=====	=====
 Newport Church / Balaka Community Programme (Harvest Appeal, etc.)	 <b>0</b>	 <b>1,891</b>
	=====	=====

**APPENDIX**

**Newport-on-Tay Church of Scotland  
Year Ended 31 December 2018  
Funds Held on Behalf of the Congregation  
by The Church of Scotland General Trustees**

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
<b><u>Temporary Account - No. 852615721</u></b>		
Credit Balance at 31 December	<b>13,640</b>	13,572
	=====	=====

These funds represent the current balance available from the net proceeds of the sale of the Manse at 8 Gowrie Street. Subsequent relevant expenditure on temporary accommodation and the replacement Manse at 17 East Station Place was met from these funds. The title of the (new) manse is held by the Church of Scotland General Trustees.