



NEWPORT - ON - TAY CHURCH OF SCOTLAND

Scottish Charity No. SC006758

Church of Scotland Reference No. 261572

ANNUAL REPORT

AND ACCOUNTS

for the Year Ended 31 December 2017

Newport-on-Tay Church of Scotland Trustees' Annual Report Year Ended 31 December 2017

The trustees present their annual report and financial statements of Newport-on-Tay Church of Scotland for the year ended 31 December 2017. 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.

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). Last autumn, evening services were reintroduced after a gap of some decades; these are less formal, last approx. 30 minutes, and vary each week from a traditional style to Communion Round the Table, Taize and Prayers for Healing. 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 worship. 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 2017 this was undertaken by members of the congregation while this post was vacant. A Holiday Club is run during the final week of the school summer holidays for primary school age children and this has now extended to regular "Extra" events, reaching out to those unaccustomed to attending Sunday Club. The 1st 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. 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.

Our Prayer Ministry Group plays a leading part in the prayer life of the Church and meets each Sunday prior to morning worship. The group also meets on a weekday and there is a box available for prayer requests in the Church and in **man**na. The weekly distribution of flowers following the Sunday morning services continues to be of significant comfort to many in our community.

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.

Newport-on-Tay Church of Scotland Trustees' Annual Report (cont) Year Ended 31 December 2017

Achievements and Performance

On 17th May 2017, we were delighted that Rev Amos B Chewachong was inducted as our minister in succession to Rev Stanley A Brook who retired in June 2016. Prior to becoming a Church of Scotland minister, Amos was a minister in the Presbyterian Church of Cameroon and draws on a wealth of experience from that time in his homeland and from his years of studying for his PhD and his ministry in Edinburgh. Not only that, Amos has brought with him his wife, Florence, and their four young children!

This brought to a conclusion the hard and conscientious work of our Interim Moderator, Rev Brian Oxburgh, and our grateful thanks are due to him and to our Nominating Committee under the chairmanship of Francis Robertson.

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.

We are currently advertising to recruit a Youth Worker and the importance of this role has been emphasised by the noticeable reduction in contact with the local young people during this vacancy. We anticipate that the new incumbent will build on the previous workers' role of reaching out to local youths and bringing them closer to Christ.

manna, our café & gift shop, which celebrated its 11th birthday in March 2017, 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.

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 received during the Harvest Thanksgiving Service in September and the Advent Gift Service. We also support a Food Cupboard Ministry in Dundee, which deals specifically with a struggling section of their community; our Harvest Appeal offerings were shared between this project and a Christian Aid Programme in Malawi (see below).

The Kirk House Complex of halls, meeting rooms, etc., is well used by Church organisations and shows continuing usage by the local community - by individuals and organisations such as Brownies, Probus Clubs, 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.

The Church also provides a number of other outreach activities, such as Shop 'n' Peace in early December, which provides a crèche to allow parents free time for Christmas shopping, etc. Communication between our congregation and the wider community remains effective by means of our Journal, website and Facebook page.

In March 2017 the culmination of much work in the design and installation of three stained glass windows in memory of Mr & Mrs French was achieved with their dedication during a special service.

Our Sunday Club continues to support a child 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. The work of the local charity knitting group also adds to a collage of activities that demonstrate the wider focus of our Church. 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, 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.

Newport-on-Tay Church of Scotland Trustees' Annual Report (cont) Year Ended 31 December 2017

Financial Review

The total Net Income for the year was £8,855, compared to net income of £18,014 in 2016. The principal reason was a net gain on the revaluation of our investments (£9,485) (2016 : £14,055).

The balances carried forward on the General Fund (after allowing for this Fund's proportion of investment revaluation) were £38,791 (Capital) and £4,738 (Revenue).

Income

Income from our Offerings in 2017 was £61,686 (2016 : £61,777) a decrease of 0.1% (£91) on 2016. This reflects an excellent result, despite the current economic pressures on households.

60 (a decrease of 1) out of a membership of 337 actively use the Gift Aid scheme and 27 of these contribute by means of a standing order through their bank.

Other Donations and Legacies were £8,086, an increase of £28; in addition, members also contributed £3,023 to other charitable causes during the year (2016 : £2,190). These figures include our Harvest Appeal, which raised £2,232 and was split between the Food Cupboard Ministry of St Salvador's Episcopal Church Dundee and Christian Aid's Balaka Community Programme; other significant income related to sundry donations (£2,725), donations from Sunday & Wednesday Coffees (£1,000), Christian Aid's Tay Road Bridge Cross (£862) and two special Christian Aid appeals (£630).

Income from the use of our hall complex fell by £1,151 (due to a general decrease in usage of the premises by regular users), while the gross income from our shops rose by £2,793 reflecting the vacancy at 19 Cupar Road in 2016. The trading income from **manna** fell by £4,681 (6.1%) to £72,495.

Other Income shows the reimbursement (from funds held by the Church of Scotland General Trustees arising out of the sale of our manse) of legal costs incurred in the search for a replacement manse.

The vacancy after the departure of our Youth Worker early in the year has given rise to a net increase in the (Restricted) Youth Work Fund of £13,792 as we continued to transfer a monthly contribution into this fund from **manna** (also a Restricted Fund).

Expenditure

Total Expenditure in 2017 was £162,668, a decrease of £41 on 2016. There was reduced expenditure on salaries (£10,572) chiefly due to the vacant Youth Worker post for most of the year, and lower expenditure on fabric repairs & maintenance (£5,481). However, there was an increase in the ministerial payments incurred during and immediately following the vacancy (£2,531) – together with a reduced Vacancy Allowance of £1,355 - while there were the increased payments made in respect of the higher amount of Special Collections in 2017 (£3,792).

The repair and maintenance of our properties cost £3,761, which was initially charged to the Fabric Fund and was subsequently compensated by a transfer of £2,500 from the Stewardship Committee Funds. These costs included heating repairs at the Church (£1,561) and Kirk House Complex (£564), together with repairs to stonework at the Church's main door (£1,317). 2017 saw the end of a tendency in recent years to have a generally reactive approach to the care of our properties and our recently appointed Property Convener has adopted a more proactive role regarding maintenance and regular formal reviews of the condition of our properties.

Legacies

No legacies were received during the year (2016 : £Nil).

Newport-on-Tay Church of Scotland

Trustees' Annual Report (cont)

Year Ended 31 December 2017

Investment Policy and Performance

Recognising the lack of expertise within the trustees to manage the Church's portfolio of investments (currently approx. £132,000), it was decided some years ago to transfer this responsibility to Barclays Wealth (with an appropriate fee payable). Following recent 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, policies, systems and procedures are established and implemented 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 remains 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 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) is being 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 evangelical promotion work within the community.
- ii) our minister has been appointed to a seven-year tenure, 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) being unable to fill the Youth Worker vacancy. Hopefully this will not take an excessive period of time to conclude, but during that time, the Young Peoples Ministry will undertake the ongoing work with the church's youngsters, though outreach to those in the community is not too practical due to constraints on the available time of members.
- iv) in society today, an increasing risk concerns the Protection of Vulnerable Groups. To this end, our attention has been strengthened this year by 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 Convener 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 2017**

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 designated funds. At the year-end the Church held unrestricted funds of £196,819 of which £70,000 was the Building Valuation Fund and £83,290 had been designated for Fabric Fund, Choir & Organ Fund, etc. The remaining £43,529 represented approx. 6.1 months' expenditure.

The Church also held £60,393 of restricted funds and £19,833 in Endowment Funds, which have been provided for the purposes specified in Note 15.

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 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 spiritual gifts 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 comprises 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 are 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 are then appointed at the next Stated Annual Meeting and serve for a period of three years, after which they must seek re-election.

The Congregational Board is chaired by the minister and meets as required, approximately three times in a year. Certain responsibilities are delegated to the Finance Committee and the Property Committee as appropriate. The Kirk Session, also chaired by the minister (or interim moderator), meets approximately eight times per year (excluding Communion Services) for spiritual affairs within the Church.

**Newport-on-Tay Church of Scotland
Trustees' Annual Report (cont)
Year Ended 31 December 2017**

Reference and Administrative Information

Trustees

Kirk Session: Rev. Amos Chewachong (from 17 May 2017) #, Rev Brian Oxburgh (Interim Moderator – to 17 May 2017) #, Louise Abercrombie (to 19 April 2017) ****, Isabel Armstrong *, Patricia Barclay, William Berry, Ronald Caird *, Edith Campbell (to 29 August 2017) ****, Kevin Campbell #, Moira Clark *, Dorothy Collison, Stewart Cram *, Lesley Gray **, Joyce Hagan (to 31 December 2017) ****, Fiona Harris ***, Alison Heywood *, Margaret Imlay *, William Imlay **, Graham Johnston **, Sheila Johnston **, Careen Lindsay *, Muriel McCabe *, Jean MacCallum (to 31 December 2017), 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 *, June Steen (to 11 January 2017), Avril Waugh*, Iain Waugh*, Margaret Wright *.

- * also a member of Congregational Board for full period
- ** also a member of Congregational Board from 1 January 2017 to 22 March 2017
- *** also a member of Congregational Board from 22 March 2017 to date of approval of these accounts
- **** also a member of Congregational Board from 1 January 2017 to date shown

Congregational Board (Elected Members): Jane Johnston +, Alister McNicol +, Claire Milne +, Charles Moodie (Fabric Convener to 13 December 2017) ##, Claire Owen +, Miriam Rennet #, Linda Robertson +, Elizabeth Thomson (Gift Aid Convener) #.

- # *ex officio* member of Congregational Board
- ## *ex officio* member of Congregational Board to 13 December 2017
- ### *ex officio* member of Congregational Board from 13 December 2017 to date of approval of these accounts
- + member of Congregational Board for full period

Principal Office-Bearers

Minister: Rev Amos B Chewachong (from 17 May 2017)
Interim Moderator : Rev Brian Oxburgh (to 17 May 2017)
Session Clerk: Kevin Campbell
Clerk to the Board: 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
Website: www.notchurch.co.uk

Charity Registration Number: SC006758

Independent Examiner

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

Bankers

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

**Newport-on-Tay Church of Scotland
Trustees' Annual Report (cont)
Year Ended 31 December 2017**

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,

Kevin Campbell

Session Clerk

14 March 2018

Newport-on-Tay Church of Scotland

Independent Examiner's Report to the Trustees of Newport-on-Tay Church of Scotland

Year Ended 31 December 2017

I report on the accounts of Newport-on-Tay Church of Scotland for the year ended 31 December 2017 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

21 March 2018

Newport-on-Tay Church of Scotland
Statement of Financial Activities
Year Ended 31 December 2017

		<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment</u>		
	<u>Note</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>Total</u>
		<u>2017</u>	<u>2017</u>	<u>2017</u>	<u>2017</u>	<u>2016</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Income and Endowments from:						
Donations and Legacies	1	67,390	2,382	0	69,772	69,835
Charitable Activities	2	6,243	1,520	0	7,763	9,344
Other Trading Activities	3	6,537	72,495	0	79,032	80,920
Investments	4	3,821	119	691	4,631	4,694
Other	5	840	0	0	840	1,828
Total Income		84,831	76,516	691	162,038	166,621
Expenditure on:	6					
Raising Funds		576	0	0	576	529
Charitable Activities		93,709	68,383	0	162,092	162,180
Total Expenditure		94,285	68,383	0	162,668	162,709
Net Income / (Expenditure) before Gains and Losses on Investments		(9,454)	8,133	691	(630)	3,912
Net Gains / (Losses) on Disposal of Investments		0	0	0	0	47
Net Gains / (Losses) on Revaluation of Investments	10	7,937	0	1,548	9,485	14,055
Net Income / (Expenditure)		(1,517)	8,133	2,239	8,855	18,014
Transfers between Funds	15	691	0	(691)	0	0
Net Movement in Funds		(826)	8,133	1,548	8,855	18,014
Reconciliation of Funds:						
Total Funds Brought Forward		197,645	52,260	18,285	268,190	250,176
Total Funds Carried Forward		196,819	60,393	19,833	277,045	268,190
		=====	=====	=====	=====	=====

Newport-on-Tay Church of Scotland
Balance Sheet at 31 December 2017

	Note	<u>2017</u>		<u>2016</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Fixed Assets</u>					
Tangible Fixed Assets	9		70,000		75,000
Investments	10		131,979		122,494
			-----		-----
			201,979		197,494
<u>Current Assets</u>					
Debtors	11	3,212		4,143	
Cash at Bank and in Hand		74,084		69,992	
		-----		-----	
Total Current Assets		77,296		74,135	
<u>Liabilities</u>					
Creditors Falling Due Within One Year	12	(2,230)		(3,439)	
		-----		-----	
Net Current Assets			75,066		70,696
			-----		-----
Net Assets			277,045		268,190
			=====		=====
The Funds of the Charity:					
Endowment Funds	15		19,833		18,285
Restricted Income Funds	15		60,393		52,260
Unrestricted Income Funds					
General Fund	15	43,529		44,645	
Designated Funds	15	153,290		153,000	
		-----		-----	
			196,819		197,645
			-----		-----
Total Charity Funds			277,045		268,190
			=====		=====

The accounts were approved by the trustees on Wednesday 14 March 2018

For and on behalf of the Kirk Session & Congregational Board

Kevin Campbell

Session Clerk

Philip Owen

Finance Convener

Newport-on-Tay Church of Scotland
Statement of Cash Flows
Year Ended 31 December 2017

	<u>Note</u>	<u>Total Funds 2017 £</u>	<u>Total Funds 2016 £</u>
Net Cash used in Operating Activities	16	(539)	8,686
Cash flows from Investing Activities			
Interest and dividends	4	4,631	4,694
Proceeds from sale of investments		0	763
Net Cash Provided by Investing Activities		4,631	5,457
Change in Cash and Cash Equivalents in the Year		4,092	14,143
Cash and Cash Equivalents Brought Forward		69,992	55,849
Cash and Cash Equivalents Carried Forward		74,084	69,992

Newport-on-Tay Church of Scotland

Year Ended 31 December 2017

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 therefrom 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 2017

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Endowment Funds 2017 £	TOTAL 2017 £	2016 £
1 Donations and Legacies					
Offerings	49,858			49,858	50,963
Tax Recovered on Gift Aid	11,828			11,828	10,814
Other	5,704	2,382		8,086	8,058
	67,390	2,382	0	69,772	69,835
	=====	=====	=====	=====	=====
2 Income from Charitable Activities					
Weddings and Funerals	380			380	810
Use of Premises	5,863	1,520		7,383	8,534
	6,243	1,520	0	7,763	9,344
	=====	=====	=====	=====	=====
3 Income from Other Trading Activities					
Trading Income, etc. from manna		72,495		72,495	77,176
Shop Rents Received (Gross)	6,537			6,537	3,744
	6,537	72,495	0	79,032	80,920
	=====	=====	=====	=====	=====
4 Investment Income					
Interest & Dividends Received	3,821	119	691	4,631	4,694
	3,821	119	691	4,631	4,694
	=====	=====	=====	=====	=====
5 Other Income					
Transfers from General Trustees	840	0	0	840	1,828
	840	0	0	840	1,828
	=====	=====	=====	=====	=====
6 Analysis of Expenditure					
<u>Raising Funds</u>					
Investment Managers' Fees	378			378	346
Offering Envelopes	198			198	183
	576	0	0	576	529
	=====	=====	=====	=====	=====
<u>Charitable Activities</u>					
Ministries and Mission Allocation	49,811			49,811	49,400
<u>Less</u> : Vacancy Allowance	(4,110)			(4,110)	(5,465)
<u>Less</u> : Endowment Income & Glebe Rents	(3,242)			(3,242)	(3,200)
	42,459	0	0	42,459	40,735
Ministry, etc., Payments re Vacancy	3,309			3,309	778
Presbytery Dues	1,634			1,634	1,652
Minister's Expenses (Note 8)	10,811			10,811	1,366
Pulpit Supply	0			0	0
Other Salary, etc. Costs (Note 7)	10,065	28,763		38,828	49,415
Fabric Repairs and Maintenance	3,761			3,761	9,242
Council Tax (Note 8)	1,564			1,564	1,150
Other Buildings Costs	11,359			11,359	12,410
Church Office Expenses	1,626			1,626	1,374
Organ & Music	587			587	696
Donations Made	289	6,052		6,341	2,549
Other Expenses	1,245	0		1,245	1,313
Trading Expenses, etc., of manna	0	33,568		33,568	34,500
Depreciation of Property (Note 9)	5,000			5,000	5,000
	93,709	68,383	0	162,092	162,180
	=====	=====	=====	=====	=====

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 2017

7 Staff Costs, etc. and Numbers

	<u>2017</u>	<u>2016</u>
	<u>£</u>	<u>£</u>
Salaries and Wages, etc.	37,945	49,166
Social Security Costs	0	249
Employer's Contributions to Pensions	883	0
Total	<u>38,828</u>	<u>49,415</u>
	=====	=====

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

	<u>2017</u>	<u>2016</u>
	<u>Number</u>	<u>Number</u>
Ministerial Support (Youth Worker) - Full-time (Vacant from 1 March 2017)	0	1
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
	<u>5</u>	<u>6</u>
	===	===

No employee had employee benefits in excess of £50,000 (2016 : 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 £26,644 and the maximum stipend (in the fifth and subsequent years) £32,743.

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 £12,375.

Mrs Diane Miller, who is a member of both the Kirk Session and the Congregational Board, received £15,300 in respect of her employment as the manager of manna.

Mrs Eleanor Owen, who was a member of the Congregational Board from 22 March 2017 and is a member of the Kirk Session, received £240 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 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 £21,505 was donated to the congregation by trustees.

9 Tangible Fixed Assets - Buildings

Cupar Road Shops	<u>2017</u>	<u>2016</u>
	<u>£</u>	<u>£</u>
COST		
At 1 January 2017	100,000	100,000
Additions	0	0
Disposals	0	0
At 31 December 2017	<u>100,000</u>	<u>100,000</u>
	-----	-----
ACCUMULATED DEPRECIATION		
At 1 January 2017	25,000	20,000
Charge for Year	5,000	5,000
At 31 December 2017	<u>30,000</u>	<u>25,000</u>
	-----	-----
NET BOOK VALUE		
At 31 December 2017	<u>70,000</u>	<u>75,000</u>
	-----	-----
At 31 December 2016	<u>75,000</u>	<u>80,000</u>
	-----	-----

10 Investments

	<u>2017</u>	<u>2016</u>
	<u>£</u>	<u>£</u>
Market Value at start of year	122,494	109,155
<u>Less</u> : Market Value at start of year of investments sold during year	0	(716)
	-----	-----
	122,494	108,439
Unrealised Gain / (Loss) on Investments	9,485	14,055
	-----	-----
Market Value at end of year	131,979	122,494
	=====	=====
Investments at Cost	113,056	113,056
	=====	=====

The following investments are held:

	<u>2017</u>		<u>2016</u>
	<u>£</u>	<u>%</u>	<u>%</u>
Managed by Barclays Wealth			
UK Equities - Barclays Charity Fund	128,154	97.1%	97.1%
Funds Deposited with Church of Scotland Investors Trust			
Church of Scotland Growth Fund Units	3,825	2.9%	2.9%
	-----	-----	-----
TOTAL	131,979	100.0%	100.0%
	=====	=====	=====

11 Debtors

	<u>2017</u>	<u>2016</u>
	<u>£</u>	<u>£</u>
Gift Aid Tax Refund Due	2,890	2,844
Gift Aid Tax Refund Due - Harvest Appeal	322	246
Rent Receipts Outstanding at 11 - 19 Cupar Road	0	1,053
	-----	-----
	3,212	4,143
	=====	=====

12 Creditors

	<u>2017</u>	<u>2016</u>
	<u>£</u>	<u>£</u>
Energy Accruals	769	1,393
Management Fees Outstanding re 11 - 19 Cupar Road Rents	250	125
Rent Receipt in advance re 11 - 19 Cupar Road	131	1,276
Investment Managers' Fee	96	120
Income Received re Future Expenditure	420	480
Fabric Repairs	564	0
Other Expenditure	0	45
	-----	-----
	2,230	3,439
	=====	=====

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	70,000	0	0	70,000
Investments	38,442	65,640	8,064	19,833	131,979
Current Assets	7,317	17,650	52,329	0	77,296
Current Liabilities	(2,230)	0	0	0	(2,230)
	-----	-----	-----	-----	-----
Net Assets at 31 December 2017	43,529	153,290	60,393	19,833	277,045
	=====	=====	=====	=====	=====

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 2017

15 Movement in Funds

	At 1 January 2017 £	Incoming Resources £	Outgoing Resources £	Gain/Loss on Investments £	Transfers £	At 31 December 2017 £
<u>Endowment Funds</u>						
<u>Capital</u>						
Mission and Aid Bequests	18,285	691	0	1,548	(691)	19,833
	-----	-----	-----	-----	-----	-----
	18,285	691	0	1,548	(691)	19,833
	=====	=====	=====	=====	=====	=====
<u>Restricted Funds</u>						
<u>Revenue</u>						
manna	42,773	74,134	(75,919)			40,988
Youth Work	5,326	204	13,588			19,118
Balaka Community Programme	0	1,891	(1,891)			0
Newport Church / Gwengwere Project	4,161	0	(4,161)			0
Newport Church / Cameroon Project	0	287	0			287
	-----	-----	-----	-----	-----	-----
	52,260	76,516	(68,383)	0	0	60,393
	=====	=====	=====	=====	=====	=====
<u>Unrestricted Funds - Designated</u>						
<u>Capital</u>						
Building Valuation Fund	75,000		(5,000)			70,000
Benevolent Fund	11,382			963		12,345
Choir & Organ Fund	50			4		54
Fabric Fund	31,380			2,656		34,036
Journal Fund	1,924			163		2,087
Parish Development Fund	11,867			1,004		12,871
Sunday School Fund	1,408			119		1,527
<u>Revenue</u>						
Benevolent Fund	4,737	374	0			5,111
Choir & Organ Fund	4,203	1,172	(60)			5,315
Fabric Fund	5,042	1,032	(3,761)		2,500	4,813
Parish Development Fund	3,889	890	(125)			4,654
<u>Funds for Church Groups / Organisations</u>						
Stewardship Committee	1,750	1,000	0		(2,500)	250
Sunday School Collections	(152)	148	(289)			(293)
Alpha Group	16	0	0			16
Gardening Club	458	0	0			458
Hillwalking & Rambling Club	46					46
	-----	-----	-----	-----	-----	-----
	153,000	4,616	(9,235)	4,909	0	153,290
	=====	=====	=====	=====	=====	=====
<u>Unrestricted Funds</u>						
<u>Capital</u>						
General Fund	35,763			3,028		38,791
<u>Revenue</u>						
General Fund	8,882	80,215	(85,050)		691	4,738
	-----	-----	-----	-----	-----	-----
	44,645	80,215	(85,050)	3,028	691	43,529
	=====	=====	=====	=====	=====	=====
Total Funds	-----	-----	-----	-----	-----	-----
	268,190	162,038	(162,668)	9,485	0	277,045
	=====	=====	=====	=====	=====	=====

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.

The Balaka Community Programme was a 3-year commitment to raise £5,000 to support this Christian Aid project to improve maternal and child healthcare in the Balaka Region of southern Malawi. During 2017, that target was exceeded - a few months ahead of schedule.

Newport Church / Gwengwere Project : the Project supported various initiatives of benefit to the Gwengwere Community in the Dedza Region of Malawi. In 2017, after a period of inactivity, the balance was paid to Mary's Meals towards their work in Malawi.

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.

Alpha Group : net income from running of Alpha courses.

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

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.

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

	2017	2016
	£	£
Net Movement in Funds (per Statement of Financial Activities)	8,855	18,014
Add back Depreciation Charge	5,000	5,000
Deduct Investment Income	(4,631)	(4,694)
Deduct Gains / add back Losses on Investments	(9,485)	(14,102)
Decrease (Increase) in Debtors	931	1,457
Increase (Decrease) in Creditors	(1,209)	3,011
Net Cash used in Operating Activities	(539)	8,686
	=====	=====

17 Collections for Third Parties

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

	2017	2016
	£	£
Collections for Christian Aid Week	373	345
Tay Road Bridge Cross Sponsorship (Christian Aid)	862	720
South Asia Floods Emergency Appeal (Christian Aid)	420	0
Christmas Appeal (Christian Aid)	210	0
St Salvador's Food Cupboard Ministry (Harvest Appeal)	1,106	889
Remembrance Sunday Collection (Poppyscotland)	52	158
Tay Bridgehead Food Bank (Shop 'n' Peace)	0	23
Carol Service (B.B. (C of S) World Mission Fund)	0	55
	3,023	2,190
	=====	=====
Newport Church / Balaka Community Programme (Harvest Appeal, etc.)	1,891	2,270
	=====	=====

APPENDIX

**Newport-on-Tay Church of Scotland
Year Ended 31 December 2017
Funds Held on Behalf of the Congregation
by The Church of Scotland General Trustees**

	<u>2017</u>	<u>2016</u>
	<u>£</u>	<u>£</u>
<u>Temporary Account - No. 852615721</u>		
Credit Balance at 31 December	13,572	14,336
	=====	=====

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.