

# The Church of Scotland Helensburgh Parish Church

## TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2020



**Congregation No: 181225**  
**Scottish Charity No: SC 012053**



**Helensburgh Parish Church  
Trustees' Annual Report  
Year ended 31 December 2020**

The trustees present the annual report and accounts for Helensburgh Parish Church for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out later in this document 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 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

### **Objectives and Activities**

Helensburgh Parish Church (HPC) is now the sole Church of Scotland congregation in the town. It was formed in 2015 in the last of a series of unions between congregations. HPC is linked with Rhu & Shandon: the two congregations share a ministry team but are otherwise independent, controlling their own property and funds.

As part of the Church of Scotland, HPC has a distinctive call and duty to bring the ordinances of religion to all the inhabitants of the parish. 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. We strive to have an active, vibrant and outwardly caring spirit that responds to the needs of the community, acting where appropriate in co-operation with other Christian denominations in the area.

Our vision is that the church becomes the place to be for as many local people as possible, whether active church members or not: a place where they can find support, friendship, an activity to enjoy, or just a place to sit and talk. Activities offered in pursuit of the vision include worship services, youth organisations, house and fellowship groups, pastoral care, outreach activities and social events. These activities are discussed in detail below.

### **Achievements and Performance**



When we planned for the church's 5th birthday in May, we did not dream that the buildings would then have been closed since 17 March. After 10 weeks of normal, busy church life, everything came to a sudden stop. We spent spring and summer working out what could be done online and by telephone, and ensuring that older and more isolated members of the church family received practical support and pastoral care. Autumn saw a cautious re-start, but the year finished with another abrupt shutdown.

In February we were able to say goodbye and good luck properly to our probationer minister, Ian Millar, when he left to take up his new post after ordination. This was no longer possible at the funeral of Rev Malcolm Wright, a much loved member of the congregation who had regularly helped with services. Tina Kemp, our Associate Minister, returned from sick leave in the summer to a changed world.

At lockdown we had partly completed reorganising the teams under the Unitary Constitution, but this and the actions from the strategic plan have been on hold since then.

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**Ministry and Worship**

The Minister, with the help of Emily Harvey-Cartmell our Director of Youth & Families Ministry, and Gordon Whitelaw our IT convener, was quick to start online services on YouTube - the first went out on 22 March immediately after lockdown. Recorded in advance, these were high quality and well attended: over 1,000 views each week during the early months, settling down to around 300 later in the year.

The musical content - congregational singing, choir, praise band and organ - benefited from the library of recordings of services over the previous 4 years.

Emily and the young people made especially creative use of IT in online services, producing a socially distanced Nativity Play with customised backgrounds, and a Zoom Christingle where the materials were delivered by hand to participants.



The sanctuary opened for private prayer and reflection in late September, and live services started again on the first Sunday in Advent. However, the COVID-compliant conditions were quite harsh: soft furnishings had to be removed; no orders of service could be handed out; social distancing had to be observed; there was no opportunity for fellowship afterwards; and the doors had to be left open. The sanctuary can accommodate a maximum of 50 with social distancing, so the services were live-streamed to the main hall as well as on YouTube. But by Christmas the buildings were locked down again.

The Sunday online service remains our core worship activity. Young Church resumed online classes towards the end of the year, with younger children on a Sunday morning, and older teenagers in the evening. A couple of the young people however prefer not to join until in person meetings are allowed. Wednesday worship continued to be well attended in the 6 weeks up to lockdown but is currently on hold, and the Monday evening house group started up again online after Easter with 8 regular members.

**Life of the Congregation**



The church family year got off to a good start with very successful Burns Supper where participants were waited on by the young people. The Link Group held their annual Jazz evening, and everyone was busy planning coffee mornings, fundraisers and lunches, to culminate in a grand 5<sup>th</sup> birthday party in May.

Lockdown threw all this into confusion. The first priority was for district elders and visitors to phone everyone in the congregation – regular attenders or not – to find out how they were situated. A network of volunteers was established to shop for those unable to go out. The Pastoral Care Team sent cards with contact phone numbers to everyone on their list.

Zoom coffee mornings were started up after Easter and continued into the summer. A weekly e-bulletin goes to everyone online, and many elders post these on to regular attenders in their district who do not have email. A monthly broadsheet, 'In Touch', with news of the church family was set up at the end of the year and is posted out to everyone on the roll who is not online. However, keeping adequately in touch with those without IT remains a challenge.

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Kirk Session and team meetings had a short hiatus in the spring but resumed by Zoom in the autumn. The Boys' Brigade disbanded in the summer because they could not find replacement leaders, but the Girls' Brigade started meeting by Zoom in the autumn. The Guild and Link Group have been suspended until autumn 2021.

**Engagement with Community and World**

The Christian Action Team was able to distribute 23 Starter Packs containing basic household items to those who are being re-housed by the council, in spite of the difficulties in purchasing the requisite goods with many shops closed or too distant. The local Foodbank continued to be well supported by donations and volunteers from the church all through the lockdown, including the annual Reverse Advent Calendar.

£4,200 was distributed in donations to local, national and international charities, and the Guild and Link donated another £600 even though their season was cut short. A grant of £3,100 was again made to local Christian youth project Contraflow. While the halls were open we continued to donate space to Christian Aid, and the Child Contact Centre. However, lockdown affected the annual joint churches Christian Aid collections which in spite of lots of individual fundraising came to only £2,500. The Link Group managed to hold their annual Jazz Night before lockdown, raising £664.



In July the Youth Team set up their Uniform Bank to tackle the high cost of school uniform and clothing waste. Even during lockdown they have been able to provide a full uniform for one family each month.

The annual Christmas community singalong run by the choir went online this year, and attracted as many viewers as would normally attend in person. This together with Christmas cakes baked by a member of the congregation, raised £1,500 for Macmillan Cancer Care.

After a record-breaking 10 weeks at the start of the year, halls lettings ceased except for a few exercise classes which were permitted from October-December. It is sad to see these buildings shut and unused, instead of the bustle of over 50 different groups coming and going. On a positive note, many groups had paid ahead for bookings in spring 2020, and most have been content to leave the payments to cover bookings in the future.

**Infrastructure and Administration**

With the lockdown we are increasingly reliant on the quality of our IT and AV systems, and these received some upgrades during the year. We started a YouTube channel in the spring, and a Just Giving Page in July – this latter raised £2,500 in (mainly anonymous) donations.

All our staff remained on full pay throughout as a matter of principle. Most were working part time to manage buildings and support online services, so we did not register for the initial Coronavirus Job Retention Scheme. However, since November we have been using the second version of the scheme which does not carry any implication of redundancy.

MIDAS, our new integrated system for managing halls bookings, invoicing and payments, went live in February. Sorting through invoices, overdue payments and cancelled prepaid bookings gave the new system a good early workout.



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A positive note at the end of the year was receiving new banners, pulpit fall and communion cloth in time to be used at the December live-streamed communion service. These had been commissioned to commemorate Samuel Murray whose legacy is enabling the Youth Strategy work.

We followed the guidelines issued by the Church of Scotland to manage safety and security of the buildings during lockdown. Any maintenance problems were identified and fixed during a weekly inspection by the caretaker. Annual systems maintenance was squeezed in during the autumn. The only non-routine work was mending the artificial grass installed in 2019.

The tenant of our commercial rental property at 41 West King Street moved out in November. After approaches from several interested parties, we decided to keep part of the ground floor ourselves for a Youth Café, and are currently negotiating to let the rest of the building to a local dance school. This will allow us to meet one of our top strategic aims while also bringing in some much needed rental income.



#### Future plans

At the time of writing it is not clear when it will be possible to start up physical church life again and under what conditions. Our challenge will be to continue to keep the church family together over a long lockdown and provide them with adequate spiritual nourishment, social interaction and pastoral care. We also want to use this lengthy disruption to catalyse changes rather than rushing back to how things used to be, so we will prepare for starting up again by bedding in the new constitution, finalising new team remits and refreshing their membership.

The main elements of the strategic plan remain unchanged, although their implementation will have to be reviewed in the context of the emerging new normal. The traditional Sunday service has had a forced makeover during the pandemic, and we will look to retain those elements that make it easier for the non-churched to take part, at different times and ways. And we must find a means soon to hold a memorial service to thank the people whose legacies are giving us the financial security to dream and plan big things.

With the church building closed through Lent, we have prepared an activity to involve the community as well as the congregation. The Lent Photo Challenge invites people to contribute photographs for an online blog which will offer daily words of reflection from Ash Wednesday to Easter Sunday. Holy Week will see a cross placed outside the church with passers-by invited to pause and reflect.

Even during lockdown we can start to realise the Youth Team's ambition to open a dedicated Youth Café for young teens and pre-teens who don't have anywhere else to hang out. We will be progressing planning permissions and building works, developing joint use of our rental property with the Dance School whose aims and values are congruent with ours.

The Youth Café should in turn facilitate other planned activities with young people in the town and their families - especially Navy families moving into the area and migrant families. Plans include more Toasted Café and homework afternoons, movie and games nights, and youth services with the LOUD music desired by our young people.



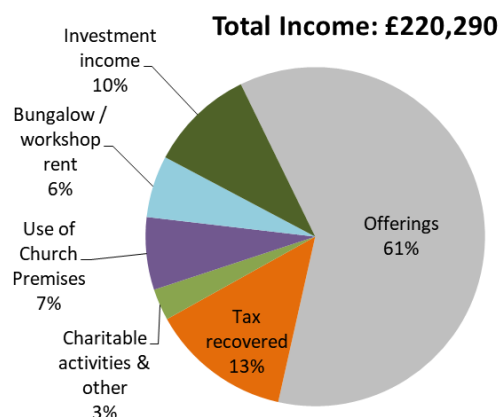
Lockdown has already precipitated changes in the communication process between Ministry Team, elders and congregation, and this will continue to evolve. It has also made acute the need to find a different solution for traditional elders' districts.

All these existing and new activities will need a broader volunteer base. A thank you/ re-dedication event, to recognise the work of our current volunteers and invite others to give of their time and talents, has had to be postponed but not shelved. And we must find a way for the whole church family to celebrate together again, that we are still here and still together.

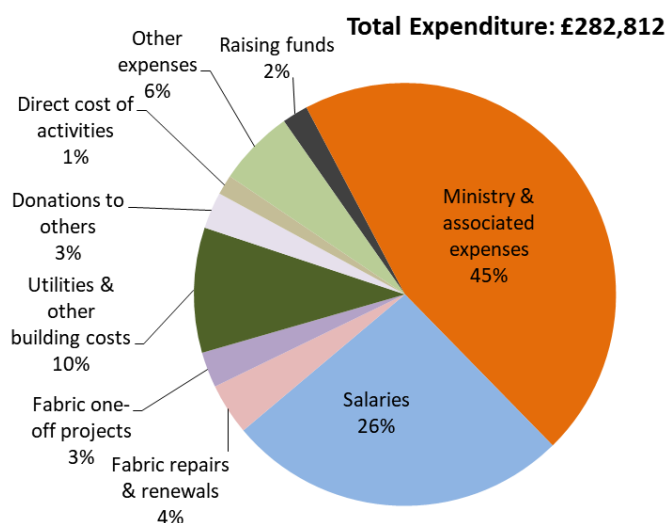
## Financial Review

In 2020 the net assets of the congregation decreased by £88,574 to £1,881,867. Income was £119,846 less than last year: £44,481 of the difference was because of a legacy received in 2019, but each item of underlying income was affected by the pandemic since March.

Donations including Gift Aid declined by £18,558. More than half was the loss of Open Plate offerings, the rest largely due to deaths. Regular donations held up well, only 5 donors appear to have drifted away during lockdown. The buildings closure meant that halls lettings were £37,093, and team activities £13,056 less than last year.



Investment income declined by £6,315 as interest rates fell and dividends were cut in the second half year. Rental income also fell by £1,250, because we gave the commercial property tenant a 2-month rental holiday while he was unable to operate.



Underlying expenditure excluding one-off projects was £23,563 less than in 2019. Salary increases at the start of the year meant an increase of £1,004 over 2019 in spite of the CJRS subsidy. Tilney investment management costs also went up slightly.

All other items of expenditure were less than last year because of reduced activity. Building operating costs were £7,841 down and fabric repairs and planned renewals were £6,100 lower, even with extra cleaning and costs of making the buildings COVID compliant.

Direct costs of church activities and the associated overheads were £7,875 less than in 2019. Ministry related expenses were £2,372 lower because the Ministers were not travelling.

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With the buildings closed, we spent only £7,689 on one-off fabric projects, £57,041 less than last year. Half of this expenditure was on repairs to the artificial grass, the rest went on improving the audio-visual and IT system and on repairs and cleaning up after a radiator leak in the sanctuary.

In the autumn we realised that the pandemic was going to be with us for a long time. Our income streams had all contracted, but expenditure was not contracting at the same rate, even though the Church of Scotland cut our Ministry & Mission contribution for 2021 by 15%. A small group from the Finance Team was tasked to look at the next 5 years and come up with proposals for emergency life support: how to reorganise our funds, and allocate investment income, so as to give breathing space to make operational changes that will assure our long term future. A funds restructuring plan was approved by Session in November. This involved reallocating reserves within unrestricted funds, channelling investment income into the General Fund rather than allocating based on fund value; and using up restricted funds where possible. A side benefit will be fewer funds, and simpler accounting.

We still expect to make a large underlying deficit in 2021, but we believe that we have sufficient free reserves in the right funds to support the ministry team and staff, maintain our buildings to a high standard, and fund outreach activities over the next 3-5 years. We trust that the actions we will be taking to implement the Youth Strategy and the congregational strategic plan will lead to a long term stable congregation and financial framework.

### **Investment Policy and Performance**

Since 2018 we have held the bulk of our long-term investments under a discretionary service with the stockbroker Tilney. A 5-person Investment Committee oversees this as well as other smaller direct investments and interest bearing deposits. 2020 was a year of uncertainty with Brexit, the US elections and Coronavirus making for a rollercoaster stock market.

We added another £50,000 to our Tilney account in February, and at the year end our total investment of £495,529 with them included a net £17,779 unrealised gain. We also held £82,968 in 3 Aviva bonds and £145,674 with the Church of Scotland's Growth and Income Funds. Average return on investments for the year was 2.3%.

As well as investments, we held £243,537 in interest bearing deposits at the end of the year, including £88,429 with Cambridge & Counties Bank which will mature next August. A 2-year bond with Hampshire Trust Bank finished in mid-2020. The average interest rate was 1.5%.

### **Risk Management**

The Trustees recognise the risks inherent in resourcing and delivering a challenging programme of worship and mission in an era of increasing financial constraints and the trend to reduced volunteer effort. They have assessed the major risks to which we are exposed, in particular those related to the operations and finances of the Church and the use of the buildings. They are satisfied that systems are in place to mitigate our exposure to the major risks. COVID-19 has added a new dimension to these challenges, and our risk management efforts in 2020 were directed primarily at maintaining scrupulous hygiene and social distancing when people are in church, and conducting daily and weekly walkarounds in the buildings when they were shut. Other risk management measures include: Safeguarding policy; data protection policy; health and safety assessments; succession planning for key roles; financial control procedures; credit control on halls users; and quarterly management reporting on all funds. We are insured



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through the Church of Scotland Insurance Company and the level of cover is reviewed annually to ensure that it is adequate. A bottom-up insurance valuation was completed in early 2019.

### **Reserves Policy**

Over 80% of unrestricted income - excluding legacies - arises in the General Fund. This fund bears the full cost of our allocation to the Ministries and Mission Fund, helping to support the costs incurred by the national church in providing ministers in less affluent areas. In the long term the Trustees aim to raise enough income in the General Fund to cover day to day expenditure on ministry, staffing, buildings and administrative support. In normal times 75% of this income comes from the congregation's voluntary offerings – however, with the collapse of halls lettings this proportion rose to 86%.

It is our policy to hold reserves for future expenditure partly in designated funds. At the year end the congregation held unrestricted funds totalling £746,034, an decrease on 2019 (£813,109). Of these, £300,845 (2019: £338,038) is designated for Young Church, Congregational Development and benevolent activities, and £258,860 (as 2019) is held as a revaluation reserve on investment properties. £117,168 (2019: £139,556) is designated for fabric and organ refurbishment. Free reserves of £69,161 (2019: £76,655) are now held in the General Fund following the November restructuring.

The congregation also held £109,983 (2019: £114,284) in Endowment Funds and £1,025,850 (2019: £1,043,048) in Restricted Funds. These funds have been provided for the purposes specified in Note 17. 54% of the Restricted Funds are represented by the value of the manse at 35 East Argyle St, vested in local trustees.

### **Structure, Governance and Management**

The congregation is a registered charity, administered in accordance with the terms of the Unitary Constitution and subject to the Acts and Regulations of the General Assembly of the Church of Scotland. Charity Trustees comprise members of the Kirk Session, which includes the Minister and Associate Minister.

The Kirk Session is responsible for the spiritual and temporal affairs of the congregation. Its members are ordained elders who serve for life. They are chosen from those in the church who are considered to have appropriate gifts and skills. The Minister is elected by the congregation and inducted by Presbytery. The Session meets at least four times a year in plenary session, and has delegated responsibility for day to day activities to a number of teams. These teams may co-opt non-elders with the appropriate skills and experience to help carry out their tasks.

**Worship & Discipleship** assists the Ministers in the development of appropriate forms of worship, and nurtures young people and old in the Christian faith through house and fellowship groups, Young Church as well as outreach through the cross-denominational Messy Church. The Youth Forum also forms part of its responsibilities.

**Congregational Life** promotes social interaction and communicates church activities and the love of Christ to the church the wider community, via social and fundraising events, the magazine 'Connections', and the website.

**Christian Action** oversees pastoral care within the congregation, and promotes charitable work in the community both locally and further afield.

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**Finance** looks after the financial affairs of the congregation: donations, payments, bank accounts, bookkeeping, reporting, payroll, pensions, insurance, halls lettings and investment property rental. A separate Investment Committee advises on how to deploy funds that are not required in the short term, and its chairman sits on the Financial Administration Team.

**Properties & Systems** manages all the properties of the congregation: day-to-day operation of the sanctuary and halls complex, maintenance of buildings and building services, IT, planned fabric renewals, Health and Safety and other regulatory compliance.

## **Reference and Administrative Information**

Charity Trustees comprise those members of the Kirk Session who served at any time during the year up to the date when the accounts were signed.

Ministers and Kirk Session:

Rev David T Young (Moderator of the Kirk Session), Rev Tina Kemp (on leave due to illness until Sep 2020)

Susan Adams, Annis Anderson (retired Jan 2021), Andrew Black, Neil Black, Jean Burns, Jean Butler, Kati Byrne, Colin Campbell, Lilian Carson, John Christie, Margaret Christie, Elaine Craddock, Kevin Craddock, Elspeth Davis, Ronnie Dunachie, Joanne Fagan, Evelyn Fishwick, Pauline Forrest, Kathleen Gorrie, Roy Greer, Ewan Howieson, Joanne Hulley, Tony Kent, Jane Lindsay, Mary Louden (retired Nov 2020), Mike Louden (retired Nov 2020), Michael Low, Patricia Low, Sandy Kerr, Hugh McColl, Rosemary McGinley, Diana Macintosh, Neil Macleod, Sheila Mathers, Alistair McMath, John McPherson, David Mitchell, Anne Mitchelson, Karen Mullen (leave of absence from Nov 2018), David Nicoll, June O'Neill, Graham Philips, Jean Ramsay, David Reid, Beatrice Robertson, Douglas Sammon, Elisabeth Sammon, Colin Shannon, David Sinclair, Elizabeth Smith, Kenneth Speirs, Lyndsay Spence (retired Nov 2020), Douglas Stewart, Iain Talman, Anne Thomson, Helen Turnbull, Neil Turnbull, Jean Walker, Eric Wallace, Jim Weldon (retired Jan 2020), Gordon Whitelaw, Douglas Wylie

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**Principal Office-bearers**

|  |  |
|--|--|
| Minister:                              | Rev David T Young                          |
| Associate Minister                     | Rev Tina Kemp                              |
| Director of Youth & Families Ministry: | Emily Harvey-Cartmell                      |
| Session Clerk(s):                      | Elaine & Kevin Craddock (to December 2020) |
| Chairman, Finance Committee:           | David Mitchell                             |
| Congregational Treasurer:              | Kati Byrne                                 |
| Funds Treasurer                        | Colin Shannon                              |
| Chairman, Investment Committee         | Michael Low                                |
| Data Protection Officer                | Kevin Craddock (to December 2020)          |

**Principal Office:** The Church Office, 27 Colquhoun Street, Helensburgh G84 8UP

**Charity Number:** SC012053

**Independent Examiner:** Shona Brown CA  
Clements, Chartered Accountants  
17 Colquhoun Square  
Helensburgh  
G84 8AD

**Banker:** Bank of Scotland, 26 Colquhoun Square, Helensburgh G84 8AP

**Statistical Return 2020**

|   |     |
|---|-----|
| Members and adherents on congregational roll      | 880 |
| Average live and online attendance                | 285 |
| Number of persons on supplementary roll           | 0   |
| Average number in Young Church                    | 16  |
| Number of families committed to regular offerings | 267 |
| Number of baptisms                                | 0   |
| Number of weddings                                | 0   |
| Number of funerals                                | 23  |

## **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 methods and principles in the applicable Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (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,



Rev David T Young  
Moderator of Kirk Session  
13 May 2021

## **Independent Examiner's Report to the Trustees of Helensburgh Parish Church Year ended 31 December 2020**

I report on the accounts of the charity for the year ended 31 December 2020 which are set out on pages 13 to 26.

### **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 trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

### **Basis of independent examiner's statement**

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 of 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.



Shona Brown CA  
Clements, Chartered Accountants  
17 Colquhoun Square  
Helensburgh  
G84 8AD

Date: 13th May 2021



**Independent Examiner’s Report to the Trustees of Helensburgh Parish Church  
Year ended 31 December 2020**

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**Helensburgh Parish Church**  
**Statement of Financial Activities**  
**Year ended 31 December 2020**

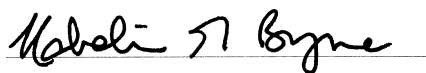
|   | Note | Unrestricted<br>Funds<br>2020<br>£ | Restricted<br>Funds<br>2020<br>£ | Endowment<br>Funds<br>2020<br>£ | Total<br>2020<br>£ | Unrestricted<br>Funds<br>2019<br>£ | Restricted<br>Funds<br>2019<br>£ | Endowment<br>Funds<br>2019<br>£ | Total<br>2019<br>£ |
|---|------|------------------------------------|----------------------------------|---------------------------------|--------------------|------------------------------------|----------------------------------|---------------------------------|--------------------|
| <b>Income and endowments from</b>                                       |      |                                    |                                  |                                 |                    |                                    |                                  |                                 |                    |
| Donations and legacies  | 1    | 161,044                            | 3,475                            | -                               | 164,519            | 192,260                            | 36,066                           | -                               | 228,326            |
| Charitable activities   | 2    | 3,591                              | 941                              | -                               | 4,532              | 14,224                             | 2,596                            | -                               | 16,820             |
| Other trading activities  | 3    | 15,240                             | -                                | -                               | 15,240             | 52,333                             | -                                | -                               | 52,333             |
| Investments   | 4    | 30,052                             | 5,040                            | -                               | 35,092             | 33,654                             | 9,003                            | -                               | 42,657             |
| <b>Other income</b>   | 5    | 907                                | -                                | -                               | 907                | -                                  | -                                | -                               | -                  |
| <b>Total Income and endowments</b>                                      |      | <u>210,834</u>                     | <u>9,456</u>                     | <u>-</u>                        | <u>220,290</u>     | <u>292,471</u>                     | <u>47,665</u>                    | <u>-</u>                        | <u>340,136</u>     |
| <b>Expenditure on</b>   | 6    |                                    |                                  |                                 |                    |                                    |                                  |                                 |                    |
| Raising funds   |      | 4,561                              | 1,073                            | -                               | 5,634              | 4,115                              | 1,364                            | -                               | 5,479              |
| Charitable activities   |      | 260,848                            | 16,330                           | -                               | 277,178            | 282,534                            | 75,403                           | -                               | 357,937            |
| <b>Total Expenditure</b>  |      | <u>265,409</u>                     | <u>17,403</u>                    | <u>-</u>                        | <u>282,812</u>     | <u>286,649</u>                     | <u>76,767</u>                    | <u>-</u>                        | <u>363,416</u>     |
| <b>Net income/(expenditure) before gains and losses on investments</b>  |      | (54,575)                           | (7,947)                          | -                               | (62,522)           | 5,822                              | (29,102)                         | -                               | (23,280)           |
| Gains/ (losses) on revaluation and disposal of investments & properties |      | (12,500)                           | (9,251)                          | (4,301)                         | (26,052)           | 30,804                             | 19,943                           | 13,517                          | 64,264             |
| <b>Net income/(expenditure)</b>   |      | <u>(67,075)</u>                    | <u>(17,198)</u>                  | <u>(4,301)</u>                  | <u>(88,574)</u>    | <u>36,626</u>                      | <u>(9,159)</u>                   | <u>13,517</u>                   | <u>40,984</u>      |
| <b>Transfers between Funds</b>  |      | -                                  | -                                | -                               | -                  | (849)                              | 849                              | -                               | -                  |
| <b>Net Movement in Funds</b>  |      | <u>(67,075)</u>                    | <u>(17,198)</u>                  | <u>(4,301)</u>                  | <u>(88,574)</u>    | <u>35,777</u>                      | <u>(8,310)</u>                   | <u>13,517</u>                   | <u>40,984</u>      |
| <b>Reconciliation of Funds</b>  |      |                                    |                                  |                                 |                    |                                    |                                  |                                 |                    |
| Funds brought forward at 1 January                                      |      | 813,109                            | 1,043,048                        | 114,284                         | 1,970,441          | 777,332                            | 1,051,358                        | 100,767                         | 1,929,457          |
| <b>Funds carried forward at 31st December</b>                           |      | <u>746,034</u>                     | <u>1,025,850</u>                 | <u>109,983</u>                  | <u>1,881,867</u>   | <u>813,109</u>                     | <u>1,043,048</u>                 | <u>114,284</u>                  | <u>1,970,441</u>   |

**Helensburgh Parish Church**  
**Balance Sheet**  
**At 31 December 2020**

|   |             | 2020                    | 2019                    |
|---|-------------|-------------------------|-------------------------|
|   |             | £                       | £                       |
|   | <b>Note</b> |                         |                         |
| <b>Fixed Assets</b>                             |             |                         |                         |
| Tangible assets                                 | 10          | 550,000                 | 550,000                 |
| Investment properties                           | 11          | 266,000                 | 266,000                 |
| Investments                                     | 12          | <u>724,172</u>          | <u>699,058</u>          |
|   |             | 1,540,172               | 1,515,058               |
| <b>Current Assets</b>                           |             |                         |                         |
| Debtors   | 13          | 12,521                  | 14,899                  |
| Bank Term deposits & Notice accounts            |             | 182,172                 | 265,902                 |
| Church of Scotland Investors Trust deposit fund |             | 61,366                  | 141,366                 |
| Other bank accounts                             |             | <u>99,413</u>           | <u>50,814</u>           |
|   |             | 355,472                 | 472,981                 |
| <b>Creditors</b>                                |             |                         |                         |
| Falling due within one year                     | 14          | <u>(13,777)</u>         | <u>(17,598)</u>         |
| <b>Net Current Assets</b>                       |             | 341,695                 | 455,383                 |
| <b><u>Net Assets</u></b>                        |             | <u><u>1,881,867</u></u> | <u><u>1,970,441</u></u> |
| <b>The funds of the charity</b>                 |             |                         |                         |
| Endowment funds                                 | 17          | 109,983                 | 114,284                 |
| Restricted funds                                | 17          | 1,025,850               | 1,043,048               |
| Unrestricted funds                              | 17          |                         |                         |
| General funds                                   |             | 69,161                  | 6,477                   |
| Designated funds                                |             | <u>676,873</u>          | <u>806,632</u>          |
|   |             | 746,034                 | 813,109                 |
| <b><u>Total Funds</u></b>                       |             | <u><u>1,881,867</u></u> | <u><u>1,970,441</u></u> |

The accounts were approved by the Kirk Session on 13 May 2021  
For and on behalf of the Kirk Session and Congregational Board

  
Rev David T Young  
Minister

  
K M Byrne  
Treasurer

**Helensburgh Parish Church**  
**Statement of Cash Flows**  
**Year ended 31 December 2020**

|  | <b>Note</b> | <b>Total<br/>Funds<br/>2020<br/>£</b> | <b>Total<br/>Funds<br/>2019<br/>£</b> |
|--|-------------|---------------------------------------|---------------------------------------|
| <b>Net cash (used)/generated in operating activities</b> | <b>18</b>   | <u>(99,057)</u>                       | <u>(39,489)</u>                       |
| <b>Cash flows from investing activities:</b>             |             |                                       |                                       |
| Interest, dividends and rent                             |             | 35,092                                | 42,657                                |
| Purchases of property                                    |             | -                                     | -                                     |
| Proceeds from sale of investments                        |             | 86,576                                | 21,094                                |
| Purchases of investments                                 |             | <u>(137,742)</u>                      | <u>(98,709)</u>                       |
| <b>Net cash provided by investing activities</b>         |             | <u>(16,074)</u>                       | <u>(34,958)</u>                       |
| <b>Net cash provided by financing activities</b>         |             | <u>-</u>                              | <u>-</u>                              |
| <b>Change in cash and cash equivalents in the year</b>   |             | (115,131)                             | (74,447)                              |
| Cash and cash equivalents brought forward                |             | 458,082                               | 532,529                               |
| <b>Cash and cash equivalents carried forward</b>         | <b>19</b>   | <u><u>342,951</u></u>                 | <u><u>458,082</u></u>                 |

# Helensburgh Parish Church

## Year ended 31 December 2020

### Accounting Policies

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

#### **Basis of preparation and assessment of going concern**

The accounts (financial statements) 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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)
- the Charities and Trustee Investment (Scotland) Act 2005, and
- the Charities Accounts (Scotland) Regulations 2006 (as amended).

The accounts have been prepared under the historical cost convention, modified to reflect the inclusion of investments and heritable property at fair value which is equal to market value.

The trust constitutes a public benefit entity as defined by FRS 102.

In the context of the significant level of unrestricted funds, the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### **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.

#### **Income recognition**

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 congregation members is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity: 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 recognised as expenditure in the period of receipt.

Legacy gifts are recognised on a case by case basis when the administrator/ executor for the estate has obtained confirmation and communicated in writing both the amount and settlement date or, for interim payments, on receipt.



# Helensburgh Parish Church

## Year ended 31 December 2020

### Accounting Policies

#### **Interest and dividends 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 by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

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.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets costing in excess of £5,000 having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Depreciation is charged on a straight-line basis to write off the cost or initial value, less residual value, of such assets over their estimated useful lives.

Expenditure incurred on the repair and maintenance of fixed assets is charged as Expenditure in the Statement of Financial Activities in the period in which the liability arises. Expenditure that improves the property is shown as an addition to the asset value.

#### **Properties used by the Congregation for charitable purposes**

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the former West Kirk church and halls, vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets.

Title to the former Park Church sanctuary and halls was vested in local Trustees but subject to an "Assembly Control" clause, under which Church of Scotland General Trustees retained ultimate control over the property. Accordingly, this property was never included in the Church's accounts. When the property was sold in January 2016 the proceeds were received by General Trustees and credited to the Consolidated Fabric Fund (CFF) to be held on behalf of the congregation. The whole balance on the CFF was drawn down and spent during 2016 on two major building projects.

The Manse on Argyle Street is occupied by the Minister as his primary residence. Title to the property is vested in local Trustees, and it is included in the accounts at its estimated market value based on vacant possession. A full valuation is made every five years by independent professional valuers, and in the intervening years this valuation is reviewed by the Trustees and updated in the context of any significant changes in the local residential property market.

The Trustees have considered how the policy of charging depreciation on asset values (net of estimated residual values) should be applied to the Argyle St Manse. The property has been used as a manse for 61 years and was last valued at more than 70 times the cost paid when it was acquired by a predecessor congregation. The Trustees consider that the Manse will have a residual value equal to or in excess of its carrying value in these accounts and that the applicable rate of depreciation charged should be 0%.

# Helensburgh Parish Church

## Year ended 31 December 2020

### Accounting Policies

#### **Investment properties**

Title to a dwelling house and commercial property adjacent to the church is vested in local Trustees. The dwelling house provided office/meeting accommodation for the church whilst the new halls were being constructed but both properties are now rented out at commercial terms to provide income. Accordingly they have now been reclassified as investment properties. They are included in the accounts at fair value which is based upon a market value established by independent professional valuers every five years. In the intervening years this valuation is reviewed by the Trustees and updated in the context of any significant changes in the local property market.

#### **Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

Since 2017 investments and investment income are allocated across all funds in proportion to their value, with the exception of Endowments which are backed by specific units in the Church of Scotland Investment Trust's Growth Fund. In November 2020 Kirk Session agreed to channel investment income to the General Fund, except that allocated to the Benevolent and Starter Packs Funds. This is a medium-term measure to alleviate the impact of losing halls income during COVID-19 lockdown, and may last up to 5 years.

Investment income from endowments is paid into the fund(s) that meet the purpose specified by the donor.

Fees and service charges from an investment management company are allocated across all funds in the same proportion as investment income.

#### **Realised and unrealised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between net sales proceeds and original cost. Unrealised gains and losses are calculated as the difference between the valuation of investments at the balance sheet date and their original purchase price, or if they have been previously valued, their valuation at the last balance sheet date. The movement in unrealised gains and losses recognised in the year also includes the reversal of unrealised gains and losses recognised in earlier years in respect of investment disposals in the current period.

#### **Taxation**

Helensburgh Parish Church is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is not registered for VAT but may, in certain circumstances, recover VAT on works of repair and maintenance through the Listed Places of Worship Grant Scheme. Otherwise resources expended include irrecoverable input VAT.

**Helensburgh Parish Church**  
**Notes forming part of the financial statements**  
**Year ended 31 December 2020**

|   | Unrestricted Restricted Endowment |              |          |                | Unrestricted Restricted Endowment |               |          |                |
|---|-----------------------------------|--------------|----------|----------------|-----------------------------------|---------------|----------|----------------|
|   | Funds                             | Funds        | Funds    | Total          | Funds                             | Funds         | Funds    | Total          |
|   | 2020                              | 2020         | 2020     | 2020           | 2019                              | 2019          | 2019     | 2019           |
|   | £                                 | £            | £        | £              | £                                 | £             | £        | £              |
| <b>1 Donations and Legacies</b>               |                                   |              |          |                |                                   |               |          |                |
| <i>Normal income</i>                          |                                   |              |          |                |                                   |               |          |                |
| Offerings                                     | 131,090                           | 2,684        | -        | 133,774        | 147,104                           | 1,060         | -        | 148,164        |
| Tax recovered on Gift Aid                     | 28,850                            | 684          | -        | 29,534         | 33,402                            | 300           | -        | 33,702         |
| Legacies                                      | -                                 | -            | -        | -              | 10,000                            | 34,481        | -        | 44,481         |
| Other   | 1,104                             | 107          | -        | 1,211          | 1,754                             | 225           | -        | 1,979          |
|   | <u>161,044</u>                    | <u>3,475</u> | <u>-</u> | <u>164,519</u> | <u>192,260</u>                    | <u>36,066</u> | <u>-</u> | <u>228,326</u> |
| Grants  | -                                 | -            | -        | -              | -                                 | -             | -        | -              |
|   | <u>161,044</u>                    | <u>3,475</u> | <u>-</u> | <u>164,519</u> | <u>192,260</u>                    | <u>36,066</u> | <u>-</u> | <u>228,326</u> |
| <b>2 Income from charitable activities</b>    |                                   |              |          |                |                                   |               |          |                |
| Weddings and funerals                         | 200                               | -            | -        | 200            | 800                               | -             | -        | 800            |
| Congregational Life events                    | 982                               | -            | -        | 982            | 1,989                             | -             | -        | 1,989          |
| Wednesday lunches                             | 407                               | -            | -        | 407            | 1,603                             | -             | -        | 1,603          |
| Coffee Time                                   | 383                               | -            | -        | 383            | 1,557                             | -             | -        | 1,557          |
| Coffee mornings                               | 1,151                             | -            | -        | 1,151          | 7,652                             | -             | -        | 7,652          |
| Musical events                                | -                                 | 941          | -        | 941            | -                                 | 2,596         | -        | 2,596          |
| Other   | 468                               | -            | -        | 468            | 623                               | -             | -        | 623            |
|   | <u>3,591</u>                      | <u>941</u>   | <u>-</u> | <u>4,532</u>   | <u>14,224</u>                     | <u>2,596</u>  | <u>-</u> | <u>16,820</u>  |
| <b>3 Income from other trading activities</b> |                                   |              |          |                |                                   |               |          |                |
| Use of Church premises                        | 15,240                            | -            | -        | 15,240         | 52,333                            | -             | -        | 52,333         |
|   | <u>15,240</u>                     | <u>-</u>     | <u>-</u> | <u>15,240</u>  | <u>52,333</u>                     | <u>-</u>      | <u>-</u> | <u>52,333</u>  |
| <b>4 Income from Investments</b>              |                                   |              |          |                |                                   |               |          |                |
| Dividends received                            | 13,578                            | 3,493        | -        | 17,071         | 15,177                            | 6,947         | -        | 22,124         |
| Deposit interest                              | 3,474                             | 1,547        | -        | 5,021          | 4,227                             | 2,056         | -        | 6,283          |
| Bank interest                                 | -                                 | -            | -        | -              | -                                 | -             | -        | -              |
| Bungalow / workshop rent                      | 13,000                            | -            | -        | 13,000         | 14,250                            | -             | -        | 14,250         |
|   | <u>30,052</u>                     | <u>5,040</u> | <u>-</u> | <u>35,092</u>  | <u>33,654</u>                     | <u>9,003</u>  | <u>-</u> | <u>42,657</u>  |
| <b>5 Other Income</b>                         |                                   |              |          |                |                                   |               |          |                |
| Coronavirus Job Retention Scheme              |                                   |              |          |                |                                   |               |          |                |
| Grants Nov-Dec 2020                           | 907                               | -            | -        | 907            | -                                 | -             | -        | -              |
|   | <u>907</u>                        | <u>-</u>     | <u>-</u> | <u>907</u>     | <u>-</u>                          | <u>-</u>      | <u>-</u> | <u>-</u>       |

**Helensburgh Parish Church**  
**Notes forming part of the financial statements**  
**Year ended 31 December 2020**

|                                       | Unrestricted Restricted Endowment |               |          |                | Unrestricted Restricted Endowment |               |          |                |
|---------------------------------------|-----------------------------------|---------------|----------|----------------|-----------------------------------|---------------|----------|----------------|
|                                       | Funds                             | Funds         | Funds    | Total          | Funds                             | Funds         | Funds    | Total          |
|                                       | 2020                              | 2020          | 2020     | 2020           | 2019                              | 2019          | 2019     | 2019           |
|                                       | £                                 | £             | £        | £              | £                                 | £             | £        | £              |
| <b>6 Analysis of Expenditure</b>      |                                   |               |          |                |                                   |               |          |                |
| <b>Raising Funds</b>                  |                                   |               |          |                |                                   |               |          |                |
| Investment management costs           | 3,178                             | 1,073         | -        | 4,251          | 2,654                             | 1,364         | -        | 4,018          |
| Letting fees & offering envelopes     | 1,383                             | -             | -        | 1,383          | 1,461                             | -             | -        | 1,461          |
|                                       | <u>4,561</u>                      | <u>1,073</u>  | <u>-</u> | <u>5,634</u>   | <u>4,115</u>                      | <u>1,364</u>  | <u>-</u> | <u>5,479</u>   |
| <br>                                  |                                   |               |          |                |                                   |               |          |                |
| <b>Charitable Activities</b>          |                                   |               |          |                |                                   |               |          |                |
| Ministries and Mission allocation     | 123,759                           | -             | -        | 123,759        | 122,869                           | -             | -        | 122,869        |
| Presbytery dues                       | 1,453                             | -             | -        | 1,453          | 1,191                             | -             | -        | 1,191          |
| Ministry expenses                     | 3,160                             | -             | -        | 3,160          | 6,684                             | -             | -        | 6,684          |
| Other salary costs                    | 74,141                            | -             | -        | 74,141         | 72,230                            | -             | -        | 72,230         |
| Ordinary Fabric Repairs & Maintenan   | 11,171                            | -             | -        | 11,171         | 17,271                            | -             | -        | 17,271         |
| Extraordinary Fabric Repairs & Mainte | 1,618                             | 6,071         | -        | 7,689          | -                                 | 64,730        | -        | 64,730         |
| Insurance                             | 10,516                            | -             | -        | 10,516         | 10,385                            | -             | -        | 10,385         |
| Heating, lighting, water              | 11,769                            | -             | -        | 11,769         | 15,693                            | -             | -        | 15,693         |
| Other buildings costs                 | 2,728                             | -             | -        | 2,728          | 6,850                             | -             | -        | 6,850          |
| Manse Council Tax                     | 2,048                             | -             | -        | 2,048          | 1,974                             | -             | -        | 1,974          |
| Donations to organisations & people   | 600                               | 7,300         | -        | 7,900          | 4,040                             | 5,301         | -        | 9,341          |
| Organ, music and performers           | -                                 | 732           | -        | 732            | -                                 | 2,159         | -        | 2,159          |
| Direct cost of activities             | 1,644                             | 1,923         | -        | 3,567          | 4,995                             | 2,586         | -        | 7,581          |
| Other local expenses                  | 13,721                            | 304           | -        | 14,025         | 15,952                            | 627           | -        | 16,579         |
| Depreciation                          | -                                 | -             | -        | -              | -                                 | -             | -        | -              |
| Loss on disposal of property          | -                                 | -             | -        | -              | -                                 | -             | -        | -              |
| Examiner's fee                        | 2,520                             | -             | -        | 2,520          | 2,400                             | -             | -        | 2,400          |
|                                       | <u>260,848</u>                    | <u>16,330</u> | <u>-</u> | <u>277,178</u> | <u>282,534</u>                    | <u>75,403</u> | <u>-</u> | <u>357,937</u> |
| <b>Total</b>                          | <u>265,409</u>                    | <u>17,403</u> | <u>-</u> | <u>282,812</u> | <u>286,649</u>                    | <u>76,767</u> | <u>-</u> | <u>363,416</u> |

Support costs have not been separately identified as the trustees consider there is only one charitable activity and therefore all support costs relate to it alone.

The audit in 2018 generated £230 in bank charges in 2019. Banks and building societies were asked to provide direct confirmation to the auditors of the amount in each bank account: 7 current and 2 deposit accounts. These charges came through only after the 2018 accounts had been finalised.

**Helensburgh Parish Church**  
**Notes forming part of the financial statements**  
**Year ended 31 December 2020**

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

**7 Staff costs and numbers**

|                                 | 2020<br>£     | 2019<br>£     |                      | 2020<br>Number | 2019<br>Number |
|---------------------------------|---------------|---------------|----------------------|----------------|----------------|
| Salaries and wages              | 70,119        | 66,719        | Ministry assistance  | 1              | 1              |
| Social security costs           | -             | -             | Administration       | 1              | 1              |
| Employer's pension contribution | 1,382         | 1,205         | Organist             | 1              | 1              |
|                                 | <u>71,501</u> | <u>67,924</u> | Premises maintenance | 3              | 3              |
|                                 |               |               |                      | <u>6</u>       | <u>6</u>       |

No employee had employee benefits of over £60,000 (2019 - nil). 4 employees work 1 day or less per week. £907 was claimed under the Coronavirus Job Retention Scheme for 3 employees in flexible furlough in November-December.

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employers' contributions for national insurance, pension, and housing and loan fund. Ministers are paid according to the national stipend scale, which is related to years of service. For 2020 the minimum was £28,137 and the maximum stipend in the fifth and subsequent years was £34,577.

**8 Trustee Remuneration and Related Party Transactions**

During the year the Ministry Team received reimbursement of travelling expenses of £1,492 (2019:5,458). The charity paid Council Tax and telephone charges for the Manse and for mobile phones totalling £3,168 (2019: £3,712). Continuing Professional Development expenses of £47 (2019: £13) were also paid. These expenses were shared with the linked congregation of Rhu & Shandon in the proportion 4:1.

One trustee received £2,640 (2019: £2,006) as remuneration for locking up the church and halls on weeknights and for doing a daily walk around the premises during lockdown.

Mr Jeremy Bailey, a close family member of Mr Douglas Bailey of the Kirk Session, received £1,175 (2019: £673) for IT support.

Other than as disclosed above, no trustee or a person related to a trustee received any remuneration or had any personal interest in any contract or transaction entered into by the charity during the year.

During the year a total of £42,107 (2019: £43,592) was donated to the congregation by trustees.

**9 Independent Examiner's Remuneration**

The independent examiner's remuneration of £2,520 related entirely to examining this year's books. In 2019 there was an examination fee of £2,400. Additional costs of £230 in 2019 were bank charges made in 2019 for issuing confirmation letters for all the accounts.

**10 Tangible Fixed Assets**

|                                 | Properties<br>used as a<br>Manse<br>£ | Other<br>Property<br>£ | Total<br>2020<br>£ | Total<br>2019<br>£ |
|---------------------------------|---------------------------------------|------------------------|--------------------|--------------------|
| <b>Cost or Valuation</b>        |                                       |                        |                    |                    |
| At 1 January 2020               | 550,000                               | -                      | 550,000            | 550,000            |
| Reclassification                | -                                     | -                      | -                  | -                  |
| Additions                       | -                                     | -                      | -                  | -                  |
| Disposals                       | -                                     | -                      | -                  | -                  |
| Revaluation adjustment          | -                                     | -                      | -                  | -                  |
| At 31 December 2020             | <u>550,000</u>                        | <u>-</u>               | <u>550,000</u>     | <u>550,000</u>     |
| <b>Accumulated Depreciation</b> |                                       |                        |                    |                    |
| At 1 January 2020               | -                                     | -                      | -                  | -                  |
| Charge for the period           | -                                     | -                      | -                  | -                  |
| Eliminated on Disposals         | -                                     | -                      | -                  | -                  |
| At 31 December 2020             | <u>-</u>                              | <u>-</u>               | <u>-</u>           | <u>-</u>           |
| <b>Net Book Value</b>           |                                       |                        |                    |                    |
| At 31 December 2020             | <u>550,000</u>                        | <u>-</u>               | <u>550,000</u>     | <u>550,000</u>     |
| At 1 January 2020               | <u>550,000</u>                        | <u>-</u>               | <u>550,000</u>     | <u>550,000</u>     |

The Manse in East Argyle Street was purchased in May 1957 for £5,650 but the historical cost was not originally included in the church accounts. The building had originally been valued on an open market basis at end December 2015 when it was brought into the accounts after the union with Park Church. A new valuation was obtained in early February 2019 from Allied Scotland surveyors which gave a value of £550,000. The Trustees consider that the fair value of the property at 31 December 2020 would not be significantly different.



**Helensburgh Parish Church**  
**Notes forming part of the financial statements**  
**Year ended 31 December 2020**

**11 Investment Properties**

|                          | <b>Investment<br/>Property</b> | <b>Total<br/>2020</b> | <b>Total<br/>2019</b> |
|--------------------------|--------------------------------|-----------------------|-----------------------|
|                          | <b>£</b>                       | <b>£</b>              | <b>£</b>              |
| <b>Cost or Valuation</b> |                                |                       |                       |
| At 1 January 2020        | 266,000                        | 266,000               | 266,000               |
| Reclassification         | -                              | -                     | -                     |
| Additions                | -                              | -                     | -                     |
| Disposals                | -                              | -                     | -                     |
| Revaluation adjustment   | -                              | -                     | -                     |
| At 31 December 2020      | <u>266,000</u>                 | <u>266,000</u>        | <u>266,000</u>        |
| <b>Net Book Value</b>    |                                |                       |                       |
| At 31 December 2020      | <u>266,000</u>                 | <u>266,000</u>        | <u>266,000</u>        |
| At 1 January 2020        | <u>266,000</u>                 | <u>266,000</u>        | <u>266,000</u>        |

Investment properties comprise a dwelling house and commercial property in West King St, adjacent to the Church site. The historical cost of these properties is not known as they were not originally included in the church accounts. The dwelling house provided office/meeting accommodation for the church whilst the new halls were being constructed but both properties are now rented out at commercial terms to provide income. Accordingly they were reclassified in 2017 as investment properties, and an open market valuation was obtained at the end of 2017 from a local estate agent. The Trustees consider that the fair value of these properties at 31 December 2020 would not be significantly different to their value at 31 December 2017. In 2021 it is planned to upgrade the commercial property and split it, retaining about 25% of the floor area for church use and leasing the rest.

**12 Investments**

|                                       | <b>2020</b>     | <b>2019</b>    |
|---------------------------------------|-----------------|----------------|
|                                       | <b>£</b>        | <b>£</b>       |
| Market value at 31 December 2019      | 699,058         | 557,179        |
| Add: Additions to investments at cost | 137,742         | 98,709         |
| Less: Disposals                       | (86,576)        | (21,094)       |
| Add: Increase/(decrease) in gains     | <u>(26,052)</u> | <u>64,264</u>  |
| Market value at 31 December 2020      | <u>724,172</u>  | <u>699,058</u> |
| Investments at cost                   | <u>642,649</u>  | <u>597,052</u> |
| The following investments are held:   |                 |                |
| Equity shares                         | 427,721         | 393,218        |
| Government bonds                      | 57,377          | 58,254         |
| Other bonds                           | 82,968          | 87,879         |
| Real assets                           | 10,432          | 9,709          |
| Church of Scotland Growth Fund        | 120,991         | 125,723        |
| Church of Scotland Income Fund        | <u>24,683</u>   | <u>24,275</u>  |
|                                       | <u>724,172</u>  | <u>699,058</u> |

In May 2018 the Trustees decided to invest additional cash through a stockbroker to increase investment income. Tilney was selected, with an aim to manage for income while also maintaining the real value of the investment. An additional £50,000 was transferred into this holding during 2020 (2019: £100,000). During the year Tilney charged management fees of £4,251 (2019: £4,018) which have been paid from the capital account rather than netted off against dividends.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value.

The charity considers that it has invested in lower risk investments and that the performance of these investments poses no significant risk to its financial position.

**Helensburgh Parish Church**  
**Notes forming part of the financial statements**  
**Year ended 31 December 2020**

**13 Debtors**

|   | <b>2020</b>   | <b>2019</b>   |
|---|---------------|---------------|
|   | <b>£</b>      | <b>£</b>      |
| VAT recoverable under Listed Places of Worship scheme | 890           | 2,330         |
| Prepayments   | 3,094         | 3,684         |
| Gift Aid Tax Refund Due                               | 5,535         | 7,595         |
| Investment income and legacies receivable             | 39            | 292           |
| Rental income receivable                              | 114           | 503           |
| Other   | 2,849         | 495           |
|   | <u>12,521</u> | <u>14,899</u> |

**14 Creditors**

|   | <b>2020</b>   | <b>2019</b>   |
|---|---------------|---------------|
|   | <b>£</b>      | <b>£</b>      |
| Church of Scotland                                    | 844           | 1,094         |
| Accruals  | 7,677         | 9,307         |
| Prepayments & key deposits for halls rentals          | 1,425         | 1,716         |
| Macmillan Cancer Support ('Come and Sing' collection) | 1,460         | 3,430         |
| Funds held for Well Being Packs project               | 1,570         | 1,120         |
| Other   | 801           | 931           |
|   | <u>13,777</u> | <u>17,598</u> |

**15 Analysis of Net Assets Among Funds**

|   | <b>General</b> | <b>Designated</b> | <b>Restricted</b> | <b>Endowment</b> | <b>Total</b>     |
|---|----------------|-------------------|-------------------|------------------|------------------|
|   | <b>£</b>       | <b>£</b>          | <b>£</b>          | <b>£</b>         | <b>£</b>         |
| Tangible Fixed Assets                             |                |                   | 550,000           | -                | 550,000          |
| Investment Properties                             |                | 266,000           |                   |                  | 266,000          |
| Investments                                       | 44,529         | 308,630           | 261,030           | 109,983          | 724,172          |
| Building Society Notice Accounts                  | 15,667         | 73,233            | 93,272            | -                | 182,172          |
| Church of Scotland Investors Trust - Deposit Fund | 5,278          | 24,669            | 31,419            | -                | 61,366           |
| Bank Accounts and other cash                      | 3,483          | 2,301             | 93,629            | -                | 99,413           |
| Current Assets                                    | 10,252         | 2,238             | 31                | -                | 12,521           |
| Current Liabilities                               | (10,048)       | (198)             | (3,531)           | -                | (13,777)         |
| <b>Net assets at 31 December 2020</b>             | <u>69,161</u>  | <u>676,873</u>    | <u>1,025,850</u>  | <u>109,983</u>   | <u>1,881,867</u> |

**16 Volunteers**

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

**Helensburgh Parish Church**  
**Notes forming part of the financial statements**  
**Year ended 31 December 2020**

**17 Movements in Funds**

|                                       | At 1 Jan<br>2020<br>£ | Incoming<br>Resources<br>£ | Outgoing<br>Resources<br>£ | Investment<br>Gains &<br>Losses<br>£ | Transfers<br>In / (Out)<br>£ | At 31 Dec<br>2020<br>£ |
|---------------------------------------|-----------------------|----------------------------|----------------------------|--------------------------------------|------------------------------|------------------------|
| <b>Endowment funds</b>                |                       |                            |                            |                                      |                              |                        |
| Smellie Fund                          | 51,353                | -                          | -                          | (1,933)                              | -                            | 49,420                 |
| Galbax Fund                           | 12,109                | -                          | -                          | (456)                                | -                            | 11,653                 |
| Arnold Fleming - capital              | 41,448                | -                          | -                          | (1,560)                              | -                            | 39,888                 |
| Miss FS Wilson Legacies               | 9,374                 | -                          | -                          | (352)                                | -                            | 9,022                  |
|                                       | <u>114,284</u>        | <u>-</u>                   | <u>-</u>                   | <u>(4,301)</u>                       | <u>-</u>                     | <u>109,983</u>         |
| <b>Restricted funds</b>               |                       |                            |                            |                                      |                              |                        |
| Fabric Fund                           | 406,282               | 2,428                      | (6,653)                    | (7,356)                              | -                            | 394,701                |
| Manse Property Reserve                | 550,000               | -                          | -                          | -                                    | -                            | 550,000                |
| Outreach & Benevolent Fund            | 50,767                | 3,815                      | (4,658)                    | (1,471)                              | -                            | 48,453                 |
| Christian Action Fund (Starter Packs) | 5,493                 | 1,196                      | (2,134)                    | (74)                                 | -                            | 4,481                  |
| Music Fund                            | 15,792                | 1,685                      | (724)                      | (276)                                | -                            | 16,477                 |
| Flower Fund                           | 4,365                 | 166                        | (87)                       | (74)                                 | -                            | 4,370                  |
| McLaren Bequest                       | 10,349                | 166                        | (3,147)                    | -                                    | -                            | 7,368                  |
|                                       | <u>1,043,048</u>      | <u>9,456</u>               | <u>(17,403)</u>            | <u>(9,251)</u>                       | <u>-</u>                     | <u>1,025,850</u>       |
| <b>Unrestricted funds</b>             |                       |                            |                            |                                      |                              |                        |
| Fabric Fund                           | 105,055               | 15,692                     | (4,466)                    | (2,759)                              | (30,000)                     | 83,522                 |
| Organ Rebuild Fund                    | 34,501                | 446                        | (118)                      | (1,183)                              | -                            | 33,646                 |
| Property Reserve (Non worship)        | 258,860               | -                          | -                          | -                                    | -                            | 258,860                |
| Link Group                            | 779                   | 865                        | (236)                      | -                                    | (500)                        | 908                    |
| The Guild                             | 254                   | 669                        | (520)                      | -                                    | (400)                        | 3                      |
| Congregational Development Fund       | 316,615               | 4,802                      | (35,753)                   | (6,621)                              | -                            | 279,043                |
| Legacy Fund                           | -                     | -                          | -                          | -                                    | -                            | -                      |
| Young Church Fund                     | 20,390                | 1,269                      | (400)                      | (368)                                | -                            | 20,891                 |
| Operational Reserve Fund              | 70,178                | -                          | -                          | -                                    | (70,178)                     | -                      |
|                                       | <u>806,632</u>        | <u>23,743</u>              | <u>(41,493)</u>            | <u>(10,931)</u>                      | <u>(101,078)</u>             | <u>676,873</u>         |
| General Fund                          | -                     | 186,107                    | (223,916)                  | (1,569)                              | 108,539                      | 69,161                 |
| Arnold Fleming - revenue              | 6,477                 | 984                        | -                          | -                                    | (7,461)                      | -                      |
|                                       | <u>813,109</u>        | <u>210,834</u>             | <u>(265,409)</u>           | <u>(12,500)</u>                      | <u>-</u>                     | <u>746,034</u>         |
| <b>Total funds</b>                    | <u>1,970,441</u>      | <u>220,290</u>             | <u>(282,812)</u>           | <u>(26,052)</u>                      | <u>-</u>                     | <u>1,881,867</u>       |

**Purposes of Endowment Funds**

- **John Smellie Fund:** the income arising from this legacy is split with 2/3 going to the Young Church and 1/3 to the Choir, as required by the donor.
- **Galbax Fund:** anonymous donations received in 1980 and 1984, the income from which is shown in the General Fund as required by the donor.
- **J. Arnold Fleming Fund:** gifts of money and investments received from Mr J A Fleming from 1949-1963 were placed in a Special Endowment Fund. In 1954 the J. Arnold Fleming Fund was established through a gift of stocks, with the stipulation that the income was to be used by the Kirk Session for social work within the parish and for other charitable or benevolent purposes deemed proper by them.  
Following Mr Fleming's death in 1966, the two funds were amalgamated. With the implementation of the Unitary Constitution, the need for a dedicated Session discretionary fund disappeared and the accumulated income was amalgamated into the General Fund at the end of 2020.
- **Miss F.S. Wilson Legacies to the Trustees and the Guild for Mission work:** Two legacies received in 1966, the income from which is received directly by the Church of Scotland World Mission and National Mission Funds.

# Helensburgh Parish Church

## Notes forming part of the financial statements

### Year ended 31 December 2020

#### Purposes of Restricted Funds

- **Fabric Fund:** This fund was created in 2014 when the former St Columba manse was included in the accounts for the first time. The property became surplus following the union with Park Church and was sold in December 2015. The Paterson legacy of £448,071 was added over 2018-19. Until 2020, the fund was used only for one-off buildings and grounds projects. Going forwards, Session decided to use this fund for large maintenance and planned renewals as well as capital projects, to allow unrestricted funds to be used to bridge the income gap from having the premises locked down.
- **Manse Property Reserve:** This fund was created to record the initial carrying amount of the manse at 35 East Argyle St, vested in Local Trustees, which was transferred to Helensburgh Parish Church in 2015 as a result of the union with Park Church.
- **Outreach & Benevolent Fund (was Kirk Session Benevolent Fund):** Bequests received in 1931 and 1961 established a fund whose income is used for charitable distributions at the discretion of the Minister and Kirk Session. Three similar funds from Park Church were added in 2015, and two others inherited from the former St Columba Church in 2016. In September 2019 the residue of the Christian Action Fund was also added.
- **Christian Action Fund for Starter Packs:** Formerly 'Outreach Starter Packs'. Part of the Christian Action Fund where moneys are gifted to provide for young people looking to set up their first home and latterly for homeless who are being re-housed.
- **Music Fund:** The fund was created from the surplus of an appeal for the refurbishment of a grand piano. The residual balance remaining in the Hymn Book Replacement Fund was added to this fund in 2008. It also includes the surpluses arising from the 'Sunday at Seven' series of concerts arranged by the Church Organist, funded by retiring collections. The fund is used to pay for choir music, concert performers' fees, purchase and maintenance of musical instruments, and other similar activities.
- **Flower Fund:** moneys are gifted to provide flowers for display during services of worship, these flowers being subsequently delivered to members who are in hospital, ill or housebound. The fund is also used for other floral requisites eg. Christmas decorations.
- **Miss C.D. McLaren's Bequest Fund:** a legacy received in 1980 by a predecessor congregation (St Bride's church) was used to establish this fund. Miss McLaren desired that the bequest be used to assist young people connected with the church and also elderly members of the Congregation in need. In recent years, the income has been used to support work with young people in the town, such as Contraflow and the Boys' and Girls' Brigades.

#### Purposes of Designated Funds

- **Fabric Fund:** The Trustees have set aside funds for the general maintenance of the properties which are owned and managed by the congregation. Until 2020 this fund was used for larger maintenance and planned renewals to the properties over a 7-year cycle. In late 2020 Session resolved to use the fund to bridge the income gap arising from the COVID-19 lockdowns.
- **Organ Rebuild Fund :** The Trustees have set aside funds for the periodic major overhaul which the church organ requires.
- **Property Reserve (non-worship):** This fund was created in 2014 when two investment properties, vested in Local Trustees, were included in the accounts for the first time. The fund is a reserve for revaluations of these properties. The two properties are:
  - i) a bungalow at 39 West King St. It was formerly used as a dwelling house by the church caretaker, then let commercially. Was used temporarily for meetings and storage while the halls were being rebuilt, it was refurbished and let again in 2017.
  - ii) commercial premises at 41 West King St - the lease on this was given us in late 2020, and negotiations are under way with a potential new tenant.
- **The Guild:** The Guild manage their own funds in accordance with the rules of the Guild - all surplus funds are donated to charity.
- **Link Group :** This group was formed to provide a link between the former Young Wives Group and the Guild. The group manages its own funds in accordance with its own rules.
- **Congregational Development Fund:** This fund was created in late 2017 when the Trustees decided to devote the Samuel Murray legacy of £324k to fund initiatives to grow the congregation, especially among young people and families. The Director of Youth Ministry is paid from this fund, along with other expenditure to support implementing the strategy.
- **Legacy Fund:** Unrestricted legacies are initially credited to this fund, until the Trustees decide how the funds should be used.
- **Young Church Fund:** The Trustees have set aside funds for use by the Young Church.
- **Operational Reserve Fund:** This was set up in late 2017 to provide a pooled reserve to cover the activities of the Kirk Session Teams Fund and General Fund. The former Kirk Session Reserve Fund was rolled into the ORF, and transfers made from the unrestricted J Arnold Fleming Revenue and Fabric Funds. The ORF acted as a pooled reserve for the General Fund and the Kirk Session Teams Fund which operated with zero opening and closing balances. After the Unitary Constitution was put in place, the ORF and Kirk Session Teams Funds were amalgamated with the General Fund. The Session teams remain responsible for their own budgets.

**Helensburgh Parish Church**  
**Notes forming part of the financial statements**  
**Year ended 31 December 2020**

**18 Reconciliation of net movement in funds to net cash flow from operating activities**

|  | <b>2020</b>     | <b>2019</b>     |
|--|-----------------|-----------------|
|  | <b>£</b>        | <b>£</b>        |
| Net income/(expenditure) for reporting period from Statement of Financial Activities | (88,574)        | 40,984          |
| Add back depreciation charge   | -               | -               |
| Adjustments for:   |                 |                 |
| (Gains)/ losses on investments and properties  | 26,052          | (64,264)        |
| Dividends, interest and rent from investments  | (35,092)        | (42,657)        |
| (Increase)/ decrease in debtors  | 2,378           | 25,191          |
| Increase /(decrease) in creditors  | (3,821)         | 1,257           |
| Net cash from operating activities   | <u>(99,057)</u> | <u>(39,489)</u> |

**19 Analysis of cash and cash equivalents**

|   |                |                |
|---|----------------|----------------|
| Bank term deposits and notice accounts          | 182,172        | 265,902        |
| Church of Scotland Investors Trust deposit fund | 61,366         | 141,366        |
| Other bank accounts and cash                    | 99,413         | 50,814         |
| Total   | <u>342,951</u> | <u>458,082</u> |

**20 Collections for Third Parties**

|   |              |               |
|---|--------------|---------------|
| Macmillan Cancer Support                            | 4,419        | 3,192         |
| UNICEF  | 805          | 954           |
| Meeting Place: Helensburgh Dementia Resource Centre | 420          | 1,691         |
| Glasgow City Mission                                | -            | 712           |
| Tear Fund   | -            | 407           |
| Welcome In Café                                     | -            | 30            |
| Wellbeing Packs                                     | 552          | 715           |
| Womens' Refuge                                      | 274          | 406           |
| Young Church: Dumbarton Churches Gambia Ed'I Ass'n  | -            | 540           |
| Easter Bazaar (13 charities)                        | -            | 3,202         |
| Other (Christian Aid, Knitting for the Needy)       | 151          | 68            |
|   | <u>6,621</u> | <u>11,917</u> |

Amounts shown are as paid out to the third party where this is in cash. Where collections are made for donations in kind, the amount shown represents purchases of goods for handing out. Money collected but not yet paid out or used for purchases is shown under creditors.