

**The Church of Scotland**  
**TROON OLD PARISH CHURCH**

**Trustees Report and Financial Statements**  
**For the year ended 31<sup>st</sup> December 2013**

**The Stated Annual General Meeting of the Congregation will be held on  
Sunday 23<sup>rd</sup> March 2014 at 11:45 in the Church Hall**

**ALL MEMBERS OF THE CONGREGATION ARE ENCOURAGED TO ATTEND**

**Congregational Number 100598**

**Charity Number SC007246**

## Troon Old Parish Church

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The Trustees present the annual report and accounts for the Troon Old Parish Church of Scotland for the year ended 31<sup>st</sup> December 2013.

### Reference and Administrative Information

Charity Name:	Troon Old Parish Church of Scotland
Charity Registration Number	SC007246
Congregation Reference Number	100598
Contact Address	The Church Office, Ayr Street, Troon KA10 6EB

### TRUSTEES

The trustees who served at any time during the year and up to the date of signing of the accounts are as follows:

### KIRK SESSION

Revd D Prentice-Hyers (Minister from 10<sup>th</sup> September, 2013)

Revd E V Simpson (Interim Moderator until 10<sup>th</sup> September, 2013)

Mrs Joy Allan	Mr Andy Fell	Miss Elizabeth Magee
Mrs Morar Blair	Miss Aileen Fraser	Mr Ben Maxwell
Mrs Elizabeth Bone	Mrs Aileen Galloway	Mr Alex Miller
Mr David Bone	Mrs Moira Gemmell	Mrs Jean Morman
Mrs Margaret Bonnes	Mr Bob Gemmell	Mrs Julie Neal
Mr Tom Bonnes	Mr Angus Godden	Mrs Jean Parker
Mrs Mhari Boyd	Mr Andy Hamilton	Mrs Sandra Pirie
Mr Bob Brown	Mrs Marion Hamilton	Mr David Reid
Mrs Eleanor Butchart	Mrs Anne Holmes	Mr Tom Robb
Mr Hugh Calderwood	Mr Colin Irvine	Mr Harry Russell
Mr John Caldwell	Mr Brian Johnston	Mr Robin Samson
Mrs Ann Caldwell	Mrs Jean Lawson	Mrs Anne Shelley
Dr Martin Cheyne	Mrs Elizabeth McAughtrie	Mrs Moira Simpson
Miss Carol Clark	Mr Billy McCall	Mrs Isobel Smith
Mr David Clark	Mr Iain McColl	Mr Graham Sweet
Mr Alec Cowan	Mr Douglas McCreath	Mrs Sheila Sweet
Mr Alistair Crabb	Mrs Anne McCulloch	Mrs Sheila Thomson
Mrs Sheila Currie	Dr Laura MacDonald	Dr Tommy Whitelaw
Mr Brian Duncan	Mr Robin McEwan	Dr Judith Wilson
Mrs Joan Duncan	Mrs Lesley MacInnes	Mr Murray Wilson
Mr Adrian Eddolls	Mrs Nan McKinnell	
Mr Jim Edgar	Mr Bill McMichael	

### PRINCIPAL OFFICE BEARERS

Minister:	Revd D Prentice-Hyers
Session Clerk:	Andrew L Fell
Church Treasurer:	Moira Gemmell

### INDEPENDENT EXAMINER

Mr David Gordon C.A, 30 Fullarton Drive, Troon KA10 6LE

### BANKERS:

Royal Bank of Scotland PLC, Ayr Street, Troon KA10 6EE

### **Structure Government and Management - Governing Document:**

The Church and Parish Quoad Sacra of Troon Old was administered in accordance with the Deed of Constitution dated 20<sup>th</sup> September, 1933 until 6<sup>th</sup> September, 2010.

As of the 6<sup>th</sup> September, 2010 the Church and Parish Quoad Omnia of Troon Old was administered in accordance with the Deed of Constitution as agreed by the General Assembly of the Church of Scotland. This being a unitary constitution.

### **Recruitment and Appointment of Trustees:**

Members of the Kirk Session are the charity trustees. The Kirk Session members are elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. The minister, who is a member of the Kirk Session is elected by the congregation and inducted by Presbytery.

### **Organisational Structure**

The Kirk Session is chaired by the Minister and meets four times in the year. Certain responsibilities were delegated to the Finance committee and the Fabric committee as appropriate. The Kirk Session which meets four times a year is now responsible for spiritual affairs within the church as well as those previously captured by the Congregational board.

### **Objective and Activities**

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in polity. It exists to glorify God and to work for the advancement of Christ's Kingdom throughout the world. As a national Church, it acknowledges a distinctive call and duty to bring the ordinances of religion to the people in every parish of Scotland through a territorial ministry. It co-operates with other Churches in various ecumenical bodies in Scotland and beyond.

Activities include Service of Worship, Youth Fellowship, Sunday School, including Creche and mother & toddler group. Communion services are held three times per year plus two family communions.

### **Achievements and Performance:**

During the year we had no new admissions by certificate and none by resolution of the Kirk Session. There were 2 transfers out by certificate of transfer and 31 of our members died in 2013. Our membership at 31<sup>st</sup> December 2013 was 926. Weddings this year were 4 in total, christenings 8 and funerals 42.

The Sunday Schools, Toddler Group, Creche and Youth Fellowship continue to thrive and meet regularly. The attendance for the senior Sunday school and Youth Fellowship in particular are very healthy and show positive signs for the future.

Many fundraising events were held throughout the year particularly the Saturday Café, car boot sales, Sunday coffee, Burns Supper and St Andrews Ceilidh.

The main event of 2013 being the induction by Ayr Presbytery of the Rev D B Prentice-Hyers (M.Div) as the ninth minister of Troon Old Parish Church on 10<sup>th</sup> September, 2013.

### **Financial Review**

During the course of the year the Unrestricted Fund incurred an operational deficit of £12,300. Offerings and tax recovered on Gift Aid decreased from £121,153 in 2012 to £114,305 in 2013. Offerings in the first four months of 2012 benefited from increased attendances prior to Rev Alasdair Symington's retirement. The income from the use of halls decreased by £4,799 although the efforts of the Fundraising committee resulted in

increased income of £1,485. On the expenditure side of the Unrestricted Fund, this has increased from £153,017 to £156,878 which is mainly due to the increased cost of gas for heating the church and halls and also a slight increase in other salaries.

Our Restricted Funds comprise the Fabric Fund, Youth Ministry Fund, Graves Fund and the Relocation & Disturbance Fund. The purpose of these funds is set out in note 12 to the Accounts where there is also shown a breakdown between the different funds. At the beginning of 2013 these Funds were in deficit to the extent of £17,554 and at the end of 2013 were showing a surplus of £13,391. This positive swing of £30,945 which is mainly represented by the movement in the Fabric Fund from a deficit of £26,550 at the beginning of 2013 to a surplus of £38 by the end of 2013. The Fabric fund has benefited in the year from the continued giving through Pound Plus, a legacy and a transfer of £13,000 from the Unrestricted Fund to ensure that it returned to a surplus position at the end of 2013.

At 31 December 2013, total Funds were £61,135 which is an increase from 2012 of £6,818. Despite the Unrestricted Fund incurring a deficit in the year of £12,300 surplus arose from both the Fabric Fund (£13,588) and the Relocation & Disturbance Fund (£5,153) which results in an overall surplus.

### **Reserves Policy**

The trustees policy is to work towards a position where the costs of fabric expenditure can be provided for through giving to restricted funds set up for the purpose to relieve the mainstream giving of the need to provide for this item. The Trustees are of the belief that the church does not have a finite life and will go on from generation to generation. Consequently the reserve policy is to create a large reserve from any surplus on General Account or if any windfall receipts are received then these or part of these can be used to augment the last reserve. The trustees consider it prudent to hold General Funds to cover the normal expenditure for approximately three months.

### **Statement of Trustees: Responsibilities**

Charity Law requires the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing these financial statements the trustees are required to:-

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; 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 Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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.

Approved by the Trustees and signed on their behalf

Andrew L Fell  
Session Clerk

2014

## **Independent Examiner's Report to the Trustees of Troon Old Parish Church**

I report on the accounts of the charity for the year ended 31<sup>st</sup> December 2013, which are set out on pages 7 – 14.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity trustees consider that the audit requirements of Regulation 10(1)(a) to (c) of the Accounts Regulation 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. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with these records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanation from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

### **Independent examiner's statement**

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr David Gordon C.A  
30 Fullarton Drive,  
Troon KA10 6LE

/2014

Troon Old Parish Church

Statement of Financial Activities for the year ended 31st December 2013

		Unrestricted	Restricted	Endowment	Total	Total
	Note	Funds	Funds	Funds	2013	2012
		£	£	£	£	£
Incoming Resources						
Voluntary Income	1	116722	32670	135	149527	136009
Activities for generating funds	2	13071	-	-	13071	17870
Investment Income	3	407	41	-	448	475
Incoming Resources from Charitable Activities	4	14802	1725	-	16527	15226
<b>Total Incoming Resources</b>		<b>145002</b>	<b>34436</b>	<b>135</b>	<b>179573</b>	<b>169580</b>
Resources Expended						
Costs of generating funds	5	424	-	-	424	570
Charitable Activities	5	156878	16491	-	173369	202288
		<b>157302</b>	<b>16491</b>	<b>-</b>	<b>173793</b>	<b>202858</b>
Net incoming (outgoing) resources before transfers		(12300)	17945	135	5780	(33278)
Transfers between funds		(12865)	13000	(135)	-	-
Net incoming (outgoing) resources before other recognised gains and losses		(25165)	30945	-	5780	(33278)
Gain/Loss on revaluation of investments		1335	-	(297)	1038	278
<b>Net movement of funds</b>		<b>(23830)</b>	<b>30945</b>	<b>(297)</b>	<b>6818</b>	<b>(33000)</b>
<b>Total funds brought forward</b>		<b>68457</b>	<b>(17554)</b>	<b>3414</b>	<b>54317</b>	<b>87317</b>
<b>Total funds carried forward</b>		<b>44627</b>	<b>13391</b>	<b>3117</b>	<b>61135</b>	<b>54317</b>

**TROON OLD PARISH CHURCH**  
Balance Sheet as at 31st December 2013

	Note	<u>2013</u>		<u>2012</u>	
		£	£	£	£
<b>Fixed Assets</b>					
Investments	8		12775		11737
<b>Current Assets</b>					
Debtors and Prepayments	9	11140		10265	
Bank and Cash		<u>40639</u>		<u>34925</u>	
		51779		45190	
<b>Creditors</b>					
Falling due within one year	10	<u>3419</u>		<u>2610</u>	
			48360		42580
<b>Net Assets</b>			<u>61135</u>		<u>54317</u>
Unrestricted Funds	12		44627		68457
Restricted Funds	12		13391		(17554)
Endowment Funds	12		3117		3414
			<u>61135</u>		<u>54317</u>

The accounts were approved by the Kirk Session on Monday 24<sup>th</sup> February, 2014

For and on behalf of the Kirk Session.

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Andrew L Fell, Session Clerk

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Moira M Gemmell, Treasurer

## **Accounting Principles**

The principle 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.

The charity has adopted the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (issued February 2005).

## **Basis of preparation**

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention, modified to reflect the inclusion of investments at market value, and in accordance with the Charities and Trustee Investment (Scotland) Act 2005. The Charities Accounts (Scotland) Regulations 2006, and the Regulations anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007 and the Statement of Recommended Practice: Accounting and Reporting by Charities (2005).

## **Funds**

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Endowment funds are funds which have been given on the condition that the original capital sum is not reduced, but the income there from is used for the purpose defined in accordance with the objects of the charity.

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the trustees discretion to apply the fund.

## **Incoming Resources**

All donations and gifts are included within incoming resources under either unrestricted or restricted funds according to the terms under which the donation is made and when the amount can be quantified with reasonable certainty. Donations and gifts in kind are brought into the accounts at their market value to the charity.

## **Resources Expended**

Expenditure is recognised on an accruals basis as the liability is incurred.

## **Tangible fixed assets**

The charity has the right to occupy and to use for its charitable objects certain tangible fixed assets, including the Church, halls and manse, vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets. Expenditure incurred on the repair and maintenance of these assets is charged as resources expended in the statement of financial activities in the period in which the liability arises.

All tangible fixed assets costing in excess of £2,000 having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Depreciation is provided on a reducing balance basis to write off the cost of the initial value, less residual value, of tangible fixed assets over their estimated useful lives:

Fixed fittings and office equipment – 5 years

Motor vehicles – 4 years



## **Investments**

Fixed assets investments are stated at market value at the balance sheet date. Unrealised gains and losses represent the difference between the market value at the beginning and end of the financial year or, if purchased in the year the difference between cost and the market value at the end of the year. Realised gains and losses represent the difference between the proceeds on disposal and the market value at the start of the year or cost if purchased in the year.

## **Taxation**

Troon Old 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 and resources expended therefore include irrecoverable input VAT.

## Notes forming part of the financial activities for the year ended 31st December 2013

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2013 £	Total 2012 £
<b>1 Voluntary Income</b>					
Offerings	96603	7099	-	103,702	106,746
Tax recovered on Gift Aid	17702	3829	-	21,531	21,925
Legacies/Insurance/Grant	2000	2000	-	4000	5990
Endowment Income	12	-	135	147	147
Donations	405	19742	-	20147	1201
	<u>116722</u>	<u>32670</u>	<u>135</u>	<u>149,527</u>	<u>136009</u>
<b>2 Activities for generating funds</b>					
Use of Premises	<u>13071</u>	<u>-</u>	<u>-</u>	<u>13071</u>	<u>17870</u>
<b>3 Investment income</b>					
Deposit Interest	-	41	-	41	63
Dividends Received	375	-	-	375	375
Bank Interest	32	-	-	32	37
	<u>407</u>	<u>41</u>	<u>-</u>	<u>448</u>	<u>475</u>
<b>4 Incoming Resources from Charitable Activities</b>					
Coffee Mornings	8541		-	8541	7545
Weddings	910		-	910	810
Boot Sales	1450		-	1450	1594
Line Dancing	-	1125	-	1125	2243
Woman's Guild	600	600	-	1200	500
Christmas Card Delivery	750		-	750	748
Concert & Ceilidh	495		-	495	1225
Other	2056			2056	561
	<u>14802</u>	<u>1725</u>	<u>-</u>	<u>16527</u>	<u>15226</u>

## Notes forming part of the financial activities for the year ended 31st December 2013

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
<b>5 Analysis of Resources Expended</b>				
<b>Costs of generating funds</b>				
Offering Envelopes	424		424	570
<b>Charitable Activities</b>				
Ministries and Mission Allocation	80099		80099	79936
Presbytery Dues	1852		1852	1641
	<u>81951</u>		<u>81951</u>	<u>81577</u>
Minister's Expenses	1308	13247	14555	2373
Pulpit Supply	246		246	216
Locum Salary Costs	5912		5912	5020
Other Salary Costs	23925		23925	22492
Fabric Repairs & Maintenance	9164	2240	11404	57861
Council Tax	350		350	204
Other Building Costs	24175		24175	22678
Church Office Expenses	1056		1056	1034
Education	948		948	448
Organ & Music	609		609	294
Other Expenses	6298	1004	7302	7215
Nominating Committee Costs	936		936	876
	<u>156878</u>	<u>16491</u>	<u>173369</u>	<u>202288</u>

The trustees consider there is only one charitable activity and accordingly support costs relate to this and as such do not require to be separately identified.

	2013 £	2012 £
<b>6 Staff Costs &amp; Numbers</b>		
Salaries & Wages	23899	22464
Social Security Costs	26	28
	<u>23925</u>	<u>22492</u>

## Troon Old Parish Church

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

	2013	2012
	Number	Number
Administration	0	0
Music Staff	2	2
Maintenance	4	4
	6	6

All Church of Scotland congregations contribute to the National Stipend Fund which bears the cost of all minister's stipends and employers contributions for national insurance, pension and housing and loan fund. Ministers stipends are paid in accordance with the national stipend scale which is related to years of service. For the year under review the minimum stipend was £25,253 and the maximum stipend (in the fifth and subsequent years) £31,035.

### 7 **Trustees Remuneration and Related Party Transactions**

Expenses reimbursed to the Minister were as follows

	2013	2012
	£	£
Relocation & Disturbance	13247	-
Mileage	1050	2236
Telephone	258	137
	14555	2373
Council Tax re Manse	350	204

### 8 **Investments**

Market Value at 31 December 2012	11737	11459
Unrealised gain/(loss) on investments	1038	278
	12775	11737
Market Value at 31 December 2013	12775	11737
Investments at Cost	2978	2978

The following investments are held

2270 Units Growth Fund - Church of Scotland Investors Trust

£490 3½% War Stock - Douie Bequest

£350 3½% War Stock - Not specified

£1700 3½% War Stock - Welsh Bequest

£1658 3½% War Stock - McNair Bequest

## Troon Old Parish Church

	2013	2012
<b>9 Debtors</b>	£	£
Gift Aid Tax refund due	4890	4755
Hire of Halls	5000	2764
Other	1250	2746
	<u>11140</u>	<u>10265</u>

<b>10 Creditors</b>		
Accruals	<u>3419</u>	<u>2610</u>

**11 Analysis of Net Assets among Funds**

	Unrestricted	Restricted	Endowment	Total
	£	£	£	£
Investments	9658		3117	12775
Current Assets	38388	13391		51779
Current Liabilities	(3419)			(3419)
	<u>44627</u>	<u>13391</u>	<u>3117</u>	<u>61135</u>
Net Assets at 31 December 2013				

**12 Movement in Funds**

	At 1 January 2013	Incoming Resources	Outgoing Resources	Transfers & gains(losses) on revaluation	At 31 December 2013
	£	£	£	£	£
<b>Endowment Funds</b>					
Douie Bequest	435	17		(55)	397
Welsh Bequest	1508	60		(191)	1377
McNair Bequest	1471	58		(186)	1343
	<u>3414</u>	<u>135</u>		<u>(432)</u>	<u>3117</u>
<b>Restricted Funds</b>					
Youth Ministry Fund	6996	208	1004		6200
Fabric Fund	(26550)	15828	2240	13000	38
Graves Fund	2000	-	-		2000
Relocation & Distur	-	18400	13247		5153
	<u>(17554)</u>	<u>34436</u>	<u>16491</u>	<u>13000</u>	<u>13391</u>
<b>Unrestricted Fund</b>					
General Fund	<u>68457</u>	<u>145,002</u>	<u>157,302</u>	<u>(11530)</u>	<u>44627</u>
<b>TOTAL FUNDS</b>	<u>54317</u>	<u>179,573</u>	<u>173,793</u>	<u>1038</u>	<u>61135</u>

## Troon Old Parish Church

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### Purposes of Endowment Funds

Income from the bequests shown is to be used to provide flowers for display during services of worship.

### Purposes of Restricted Funds

**Youth Ministry Fund:** This is a fund to provide primarily for the activities of the Youth Organisations within the church.

**Fabric Fund:** This fund has been set up as a direct appeal to the congregation and is used for major repairs and capital expenditure on the church property.

**Graves Fund:** This fund has been set up to provide maintenance of certain graves in Troon and Crosbie Cemeteries.

**Relocation & Disturbance Fund:** This fund was agreed by the Kirk Session to be used for the relocation and disturbance costs associated with the induction of Rev D Prentice-Hyers.

### 13 Transfers between Funds

	Unrestricted Funds £	Restricted Funds £	Endowment £	Total £
Endowment income transferred to General Fund	135	-	(135)	-
-				
Funds transferred from General Fund to Fabric Fund to cover part of brought forward deficit.	(13000)	13000		-
<b>TOTAL</b>	(12865)	13000	(135)	-

### 14 Collections for Third Parties

	2013 £	2012 £
SSAFA	275	
Scottish Bible Society	230	137
Build Africa	444	492
Combat Stress	-	1156
Ayrshire Hospice	824	1361
Quarriers	-	315
Crossroads	-	104
Retiral Gift (Rev'd A H Symington)	-	3500
Philippines Appeal (DEC)	687	
Dr Graham's Homes	730	
Retiral Gift (Rev'd E V Simpson)	1895	
	5085	7065