

The Church of Scotland
TROON OLD PARISH CHURCH

Trustees Report and Financial Statements
For the year ended 31st December 2014

**The Stated Annual General Meeting of the Congregation will be held on
Sunday 22nd March 2015 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

The Trustees present the annual report and accounts for the Troon Old Parish Church of Scotland for the year ended 31st December 2014.

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.

Mrs Joy Allan		Mr Andy Fell		Miss Elizabeth Magee
Mrs Morar Blair		Miss Aileen Fraser		Mr Ben Maxwell
Mrs Elizabeth Bone (12/5/14)		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 Mhairi Boyd (Retired 1/9/14)		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 20th September, 1933 until 6th September, 2010.

As of the 6th 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 of Ayr.

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 one by resolution of the Kirk Session. There were 4 transfers out by certificate of transfer and 22 of our family died in 2014. Our membership at 31st December 2014 was 929. Weddings this year were 3 in total, christenings 8 and funerals 32.

The Sunday Schools, Toddler Group, Creche and Youth Fellowship continue to thrive and meet regularly. The attendance for all Sunday schools and the Youth Fellowship are very healthy and continue to 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.

Financial Review

During the course of the year the Unrestricted Fund generated an operational surplus of £2,300 compared with an operational deficit of £12,300 in 2013. Offerings and tax recovered on Gift Aid increased from £114,305 in 2013 to £125,099 in 2014. The income from the use of halls decreased slightly by £1,309 although the income from Fundraising activities was similar to the previous year. On the expenditure side of the Unrestricted Fund, this has decreased from £156,878 to £151,328 which is mainly due to a decrease in the cost of gas for heating the church and halls and also a decrease in general fabric costs.

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 2014 these Funds were in surplus to the extent of £13,391 and at the end of 2014 were showing a surplus of £16,285. This is a positive swing of £2,894. Although the remaining balance in the Relocation & Disturbance Fund of £5,153 was fully utilised in the year, there was a surplus in the Fabric Fund of £9,552. The Fabric Fund has benefited in the year from the continued giving through Poundplus and significant donations.

At 31 December 2014, total Funds were £67,639 which is an increase from 2013 of £6,504. This arose from a surplus in the Unrestricted Fund of £2,300 and the Fabric Fund of £9,552 although the Relocation & Disturbance Fund of £5,153 was fully utilised in the year as expected.

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 reserves (including designated 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

2015

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

I report on the accounts of the charity for the year ended 31st December 2014, which are set out on pages 6 – 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

/2015

Statement of Financial Activities for the year ended 31st December 2014

		Unrestricted	Restricted	Endowment	Total	Total
	Note	Funds	Funds	Funds	2014	2013
		£	£	£	£	£
Incoming Resources						
Voluntary Income	1	127411	15374	135	142920	149527
Activities for generating funds	2	11762	-	-	11762	13071
Investment Income	3	413	29	-	442	448
Incoming Resources from Charitable Activities	4	14534	-	-	14534	16527
Total Incoming Resources		154120	15403	135	169658	179573
Resources Expended						
Costs of generating funds	5	492	-	-	492	424
Charitable Activities	5	151328	12509	-	163837	173369
		151820	12509	-	164329	173793
Net incoming (outgoing) resources before transfers		2300	2894	135	5329	5780
Transfers between funds		135	-	(135)	-	-
Net incoming (outgoing) resources before other recognised gains and losses		2435	2894	-	5329	5780
Gain/Loss on revaluation of investments		431	-	744	1175	1038
Net movement of funds		2866	2894	744	6504	6818
Total funds brought forward		44627	13391	3117	61135	54317
Total funds carried forward		47493	16285	3861	67639	61135

TROON OLD PARISH CHURCH
Balance Sheet as at 31st December 2014

	Note	<u>2014</u>		<u>2013</u>	
		£	£	£	£
Fixed Assets					
Investments	8		13950		12775
Current Assets					
Debtors and Prepayments	9	8765		11140	
Bank and Cash		<u>48230</u>		<u>40639</u>	
		56995		51779	
Creditors					
Falling due within one year	10	<u>3306</u>		<u>3419</u>	
			53689		48360
Net Assets					
			<u>67639</u>		<u>61135</u>
Unrestricted Funds	12		47493		44627
Restricted Funds	12		16285		13391
Endowment Funds	12		3861		3117
			<u>67639</u>		<u>61135</u>

The accounts were approved by the Kirk Session on Monday 23rd February, 2015

For and on behalf of the Kirk Session.

Andrew L Fell, Session Clerk

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 2014

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2014 £	Total 2013 £
1 Voluntary Income					
Offerings	106233	5266	-	111499	103,702
Tax recovered on Gift Aid	18866	1151	-	20017	21,531
Insurance/Legacies	-	2957	-	2957	4000
Endowment Income	12	-	135	147	147
Donations	2300	6000	-	8300	20147
	<u>127411</u>	<u>15374</u>	<u>135</u>	<u>142920</u>	<u>149,527</u>
2 Activities for generating funds					
Use of Premises	<u>11762</u>	<u>-</u>	<u>-</u>	<u>11762</u>	<u>13071</u>
3 Investment income					
Deposit Interest	-	29	-	29	41
Dividends Received	380	-	-	380	375
Bank Interest	33	-	-	33	32
	<u>413</u>	<u>29</u>	<u>-</u>	<u>442</u>	<u>448</u>
4 Incoming Resources from Charitable Activities					
Coffee Mornings	7533		-	7533	8541
Weddings	855		-	855	910
Boot Sales	1418		-	1418	1450
Line Dancing	-		-	-	1125
Woman's Guild	-		-	-	1200
Christmas Card Delivery	1433		-	1433	750
Concert & Ceilidh	780		-	780	495
Talent Challenge	956			956	-
Summer Fair	1005			1005	-
Other	544			544	2056
	<u>14534</u>	<u>-</u>	<u>-</u>	<u>14534</u>	<u>16527</u>

Notes forming part of the financial activities for the year ended 31st December 2014

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
5 Analysis of Resources Expended				
Costs of generating funds				
Offering Envelopes	492		492	424
Charitable Activities				
Ministries and Mission Allocation	84726		84726	80099
Presbytery Dues	2094		2094	1852
	<u>86820</u>		<u>86820</u>	<u>81951</u>
Minister's Expenses	8379	5153	13532	14555
Pulpit Supply	280		280	246
Locum Salary Costs	-		-	5912
Other Salary Costs	22309		22309	23925
Fabric Repairs & Maintenance	5569	5510	11079	11404
Council Tax	1861		1861	350
Other Building Costs	20133		20133	24175
Church Office Expenses	1283		1283	1056
Education	-		-	948
Organ & Music	427		427	609
Other Expenses	4267	1846	6113	7302
Nominating Committee Costs	-		-	936
	<u>151328</u>	<u>12509</u>	<u>163837</u>	<u>173369</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.

	2014 £	2013 £
6 Staff Costs & Numbers		
Salaries & Wages	22302	23899
Social Security Costs	7	26
	<u>22309</u>	<u>23925</u>

Troon Old Parish Church

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

	2014	2013
	Number	Number
Administration	0	0
Music Staff	2	2
Maintenance	2	4
	4	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 £25,607 and the maximum stipend (in the fifth and subsequent years) £31,469.

7 **Trustees Remuneration and Related Party Transactions**

Expenses reimbursed to the Minister were as follows

	2014	2013
	£	£
Relocation & Disturbance	5153	13247
Mileage	5074	1050
Telephone	1104	258
Computer/IT	1391	-
Other	810	-
	13532	14555
 Council Tax re Manse	 1861	 350

8 **Investments**

Market Value at 31 December 2013	12775	11737
Unrealised gain/(loss) on investments	1175	1038
	13950	12775
 Market Value at 31 December 2014	 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

		2014	2013
9	Debtors	£	£
	Gift Aid Tax refund due	4602	4890
	Hire of Halls	-	5000
	Other	4163	1250
		8765	11140

10	Creditors		
	Accruals	3306	3419

11 Analysis of Net Assets among Funds

	Unrestricted	Restricted	Endowment	Total
	£	£	£	£
Investments	10089		3861	13950
Current Assets	40710	16285		56995
Current Liabilities	(3306)			(3306)
Net Assets at 31 December 2014	47493	16285	3861	67639

12 Movement in Funds

	At 1 January 2014	Incoming Resources	Outgoing Resources	Transfers & gains(losses) on revaluation	At 31 December 2014
	£	£	£	£	£
Endowment Funds					
Douie Bequest	397	17		78	492
Welsh Bequest	1377	60		268	1705
McNair Bequest	1343	58		263	1664
	3117	135		609	3861
Restricted Funds					
Youth Ministry Fund	6200	341	1846		4695
Fabric Fund	38	15062	5510	-	9590
Graves Fund	2000	-	-		2000
Relocation & Distur	5153	-	5153		-
	13391	15403	12509	-	16285
Unrestricted Fund					
General Fund	44627	154,120	151,820	566	47493
TOTAL FUNDS	61135	169,658	164,329	1175	67639

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)	-

14 Collections for Third Parties

	2014 £	2013 £
SSAFA	272	275
Scottish Bible Society	406	230
Build Africa	591	444
Ayrshire Hospice	1941	824
Philippines Appeal (DEC)	331	687
Dr Graham's Homes	-	730
Retiral Gift (Rev'd E V Simpson)	-	1895
Hollybush	331	-
Barassie Primary	240	-
Breast Cancer	138	-
British Heart Foundation	807	-
Irvine Cancer Care	640	-
Samaritans	772	-
	6469	5085