

New Dunedin Parish Church of Scotland

SAMPLE STYLE OF ACCRUED (2015 SORP COMPLIANT) ACCOUNTS

Congregation No: xxxxxx

Scottish Charity No: SC xxxxxx

SORP 2015 accounts

01/2016

N.B. Please read these accounts along with the Guidance Notes

New Dunedin Parish Church of Scotland

Trustees' Report

Year ended 31 December 20xx

The trustees present their annual report and financial statements of the charity for the year ended 31 December 20xx. The financial statements have been prepared in accordance with the accounting policies set out on page 8 of the accounts and comply with the General Assembly Regulations for Congregational Finance, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice 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

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.

Give details of other activities particular to individual congregations e.g. Services of Worship, Youth Activities, Sunday School, Bible Classes, Social Events, Community Activities.

Achievements and Performance

Again give details relevant to individual congregation. e.g. attendance at events, groups etc. , new activities commenced during year, innovations in worship. These should be non-finance related as this will be covered in next section.

Financial Review

State the principal source of income e.g. weekly offerings, state percentage increase/decrease from previous year, reasons for increase (i.e. more members or more giving by members?), any change in number of Gift Aid donors, members giving by standing order, significant fund raising activities, new restricted funds for particular projects, areas of financial concern.

Investment Policy and Performance

*Only required where **material** investments are held – describe the investment objectives and performance against those objectives*

Risk Management

Describe the principal risks facing the charity together with plans to minimise these risks.

**New Dunedin Parish Church of Scotland
Trustees' Report (cont)
Year ended 31 December 20xx**

Reserves Policy

This section should be amended as appropriate

The charity trustees have considered the reserves required and have taken into account their current and future liabilities. It is the Trustees' policy to hold reserves of approximately xxx months expenditure including designated funds. At the year end the Church held unrestricted funds of £xx,xxx of which £yyy had been designated for fabric fund and £zzz for the purchase of music. The remaining balance of £aa,aaa represents about nine months expenditure and while this is higher than would normally be expected the Trustees are aware of the need to replace the furnishings in the main hall and may use the additional reserves for this purpose.

The church also held £bbb of restricted funds which have been provided for the purposes specified in Note 12.

Structure, Governance and Management

The congregation is a registered charity, number SCxxxxxx and is administered in accordance with the terms of the Model Deed of Constitution (or Deed of Constitution (Unitary Form)) and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

Members of the Kirk Session and the Congregational Board are the charity trustees. The Kirk Session members are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery. The Congregational Board is appointed from within the congregation and members of the congregation are invited to nominate individuals who are believed to have the skills and commitment to contribute to the management affairs of the Church, to become members of the Board. Board Members are then appointed at the Stated Annual Meeting and serve for a period of three years after which they must seek re-election at the next Stated Annual Meeting. The Congregational Board is chaired by the minister and meets eight times in a year. Certain responsibilities are delegated to the Finance Committee and the Property Committee as appropriate. The Kirk Session which meets six times a year is responsible for spiritual affairs within the church. *this section should be amended as appropriate*

Reference and Administrative Information

Trustees

List all trustees who served at any time during the year and up to the date of signing the accounts.

List Kirk Session members separately from Congregational Board members.

Principal Office-bearers

Minister:

Session Clerk:

Clerk to the Board:

Church Treasurer:

**New Dunedin Parish Church of Scotland
Trustees' Report (cont)
Year ended 31 December 20xx**

Principal Office

Give address of Church

Charity No: SCxxxxxxx

Independent Examiner

xxxxxxx

(Name and address should be given)

Bankers

Royal Bank of Scotland

Give address

Trustees' Responsibilities in Relation to the Financial Statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the method and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Trustees and signed on their behalf,

J Smith, Session Clerk

Date

New Dunedin Parish Church of Scotland
Independent Examiner's Report to the Trustees of New Dunedin Parish Church
Year ended 31 December 20xx

I report on the accounts of the charity for the year ended xx xxxx 200x which are set out on pages xx to xx.

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 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 [other than disclosed below*]

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.

Name:

Professional Qualification/Professional Body:

Address:

Date:

* Please delete the words in brackets if they do not apply. If the words do apply set out those matters which have come to your attention.

New Dunedin Parish Church of Scotland

Statement of Financial Activities

Year ended 31 December 20xx

| | Note | Unrestricted Funds 20xx £ | Restricted Funds 20xx £ | Endowment Funds 20xx £ | Total 20xx £ | Total 20xy £ |
|--|------|------------------------------------|----------------------------------|---------------------------------|--------------------|--------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 1 | | | | | |
| Charitable activities | 2 | | | | | |
| Other trading activities | 3 | | | | | |
| Investments | 4 | | | | | |
| Other | 5 | | | | | |
| Total income | | | | | | |
| Expenditure on: | | | | | | |
| Raising funds | 6 | | | | | |
| Charitable activities | | | | | | |
| Other | | | | | | |
| Total expenditure | | | | | | |
| Net income/(expenditure) before gains and losses on investments | | | | | | |
| Net gains/(losses) on investments | | | | | | |
| Net income/(expenditure) | | | | | | |
| Transfers between Funds | | | | | | |
| Net movement in funds | | | | | | |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | | | | | |
| <u>Total funds carried forward</u> | | | | | | |

New Dunedin Parish Church of Scotland

Balance Sheet as at 31 December 20XX

| | Note | Unrestricted Funds 20xx £ | Restricted Funds 20xx £ | Endowment Funds 20xx £ | Total Funds 20xx £ | Prior Year 20xy £ |
|--|------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|----------------------------|
| Fixed Assets: | | | | | | |
| Tangible assets | 9 | | | | | |
| Investments | 10 | | | | | |
| Total Fixed Assets | | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| Current Assets: | | | | | | |
| Debtors | 11 | | | | | |
| Cash at bank and in hand | | | | | | |
| Total Current Assets | | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| Liabilities | | | | | | |
| Creditors falling due within one year | 12 | | | | | |
| Net Current Assets | | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| Creditors falling due after more than one year | | | | | | |
| Net Assets | | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| The funds of the charity: | | | | | | |
| Endowment funds | 15 | | | | | |
| Restricted income funds | | | | | | |
| Unrestricted income funds | | | | | | |
| Total charity funds | 15 | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

The accounts were approved by the trustees on xx/xx/xx and signed on their behalf by:

Session Clerk

Treasurer

New Dunedin Parish Church

Year ended 31 December 20xx

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

The 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 Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities accounts (Scotland) Regulations 2006 (as amended)

Fund accounting

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

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

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

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

Incoming resources

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

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102) the general volunteer time of congregation members is not recognised.

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

Interest receivable

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

Fixed Assets

The charity has the right to occupy and 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.

New Dunedin Parish Church

Year ended 31 December 20xx

All tangible fixed assets costing in excess of £X,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 straight-line basis to write off the cost or initial value, less residual value, of tangible fixed assets over their estimated useful lives:

| | |
|---|----------|
| Fixtures, fittings and office equipment | XX years |
| Motor vehicles | XX years |

Investments

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

New Dunedin 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.

New Dunedin Parish Church of Scotland

Notes forming part of the financial statements

for the year ended 31 December 20xx

| | Unrestricted Funds 20xx £ | Restricted Funds 20xx £ | Endowment Funds 20xx £ | Total 20xx £ | 20xy £ |
|--|------------------------------------|----------------------------------|---------------------------------|--------------------|-----------|
| 1 Donations and Legacies | | | | | |
| Offerings | | | | | |
| Tax recovered on Gift Aid | | | | | |
| Legacies | | | | | |
| Value of donated goods | | | | | |
| Other | | | | | |
| | | | | | |
| Income from donations and legacies was £xx,xxx (20xy £yy,yyy) of which £uu,uuu was unrestricted (20xy £uu,uuu) and £rr,rrr was restricted (20xy £rr,rrr) | | | | | |
| 2 Income from charitable activities | | | | | |
| Weddings and funerals | | | | | |
| Coffee mornings etc | | | | | |
| Concerts | | | | | |
| | | | | | |
| Income from charitable activities was £xx,xxx (20xy £yy,yyy) of which £uu,uuu was unrestricted (20xy £uu,uuu) and £rr,rrr was restricted (20xy £rr,rrr) | | | | | |
| Income from other trading activities | | | | | |
| 3 Rent received | | | | | |
| | | | | | |
| 4 Investment income | | | | | |
| Dividends received | | | | | |
| Deposit interest | | | | | |
| | | | | | |
| Total investment income was £xx,xxx (20xy £yy,yyy) of which £uu,uuu was unrestricted (20xy £uu,uuu) and £rr,rrr was restricted (20xy £rr,rrr) | | | | | |
| 5 Other income | | | | | |
| Receipts from General Trustees | | | | | |
| | | | | | |

New Dunedin Parish Church of Scotland

Notes forming part of the financial statements

for the year ended 31 December 20xx

| | Unrestricted | Restricted | Total | |
|----------------------------------|--------------|------------|--------|--------|
| | Funds | Funds | 20xx | 20xy |
| | 20xx | 20xx | 20xx | 20xy |
| | £ | £ | £ | £ |
| 6 Analysis of Expenditure | | | | |
| Raising Funds | | | | |
| Investment Manager's Fees | | | | |
| Offering Envelopes | | | | |
| | | | | |
| Charitable Activities | | | | |
| Ministries & Mission Allocation | | | | |
| Presbytery Dues | | | | |
| Voluntary Additional Stipend | | | | |
| Minister's Expenses | | | | |
| Ministerial Assistance | | | | |
| Pulpit Supply | | | | |
| Other salary costs | | | | |
| Fabric Repairs & Maintenance | | | | |
| Council Tax | | | | |
| Other Buildings Costs | | | | |
| Church Office Expenses | | | | |
| Organ & Music | | | | |
| Other expenses | | | | |
| | | | | |
| | | | | |
| Total | | | Xx,xxx | Yy,yyy |

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.

Expenditure on charitable activities was £xx,xxx (20xy £yy,yyy) of which £uu,uuu was unrestricted (20xy £uu,uuu) and £rr,rrr was restricted (20xy £rr,rrr)

**Notes forming part of the financial statements
for the year ended 31 December 20xx**

| | 20xx | 20xy |
|----------------------------------|-------------|-------------|
| | £ | £ |
| 7 Staff costs and numbers | | |
| Salaries and wages | | |
| Social security costs | | |
| | _____ | _____ |
| Total | ===== | ===== |

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

| | 20xx | 20xy |
|----------------------|---------------|---------------|
| | Number | Number |
| Ministerial support | | |
| Administration | | |
| Music staff | | |
| Premises maintenance | | |
| | _____ | _____ |
| | ===== | ===== |

*The above categories should be amended as approved. The average full time equivalent number can be given in addition to **but not instead of** the headcount number*

No employee had employee benefits in excess of £50,000 (20xy nil)

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pension and housing 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 £xx,xxx and the maximum stipend (in the fifth and subsequent years) £yy,yyy.

8 Trustee Remuneration and Related Party Transactions

During the year x (number) trustees received reimbursement of expenses incurred totalling £xxx. In addition Mr John Smith who is a member of the Kirk Session received £xxx for providing his services as organist during the year.

Or

No trustee received any remuneration or reimbursement of expenses during the year.

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

During the year a total of £x,xxx was donated to the congregation by trustees

**Notes forming part of the financial statements
for the year ended 31 December 20xx**

9 Tangible Fixed Assets

| | Buildings | Office Equipment | Total |
|---------------------------------|------------------|-----------------------------|--------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 January 200xx | | | |
| Additions | | | |
| Disposals | | | |
| At 31 December 20xx | | | |
| Accumulated Depreciation | | | |
| At 1 January 200xx | | | |
| Charge for year | | | |
| Eliminated on Disposals | | | |
| At 31 December 20xx | | | |
| Net Book Value | | | |
| At 31 December 20xx | | | |
| At 31 December 200xy | | | |

10 Investments

| | 20xx | 20xy |
|---|-------------|-------------|
| | £ | £ |
| Market value at 31 December 20xy | | |
| Unrealised gain / (loss) on investments | | |
| Market value at 31 December 20xx | | |
| Investments at cost | | |

The following investments are held:

xxxxxxx
yyyyyyy

include investments with C of S Investors Trust Growth and Income Funds

**Notes forming part of the financial statements
for the year ended 31 December 20xx**

11 Debtors

| | 20xx £ | 20xy £ |
|-------------------------------|-----------|-----------|
| Gift Aid Tax Refund Due | | |
| Other (detail where material) | | |
| | | |

12 Creditors

| | 20xx £ | 20xy £ |
|----------|-----------|-----------|
| Accruals | | |
| Other | | |
| | | |

13 Analysis of Net Assets Among Funds

| | General £ | Designated £ | Restricted £ | Endowment £ | Total £ |
|-----------------------------------|--------------|-----------------|-----------------|----------------|------------|
| Fixed Assets | | | | | |
| Investments | | | | | |
| Current Assets | | | | | |
| Current Liabilities | | | | | |
| Net assets at 31 Dec 200xx | | | | | |

14 Volunteers

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

**Notes forming part of the financial statements
for the year ended 31 December 20xx**

15 Movements in Funds

| | At 1 January 20xx £ | Incoming Resources £ | Outgoing Resources £ | Transfers £ | At 31 Dec 20xx £ |
|---------------------------|------------------------------|----------------------------|----------------------------|----------------|------------------------|
| Endowment funds | | | | | |
| The Smith Bequest | | | | | |
| The Jones Legacy | | | | | |
| Restricted funds | | | | | |
| Flower Fund | | | | | |
| New Hall Fund | | | | | |
| Youthworker Fund | | | | | |
| Unrestricted funds | | | | | |
| Designated Fabric Fund | | | | | |
| Designated Music Fund | | | | | |
| Sunday School Fund | | | | | |
| General Fund | | | | | |
| Total funds | | | | | |

Purposes of Endowment Funds

Income from the Smith Bequest is to be used to provide Sunday school teaching materials.

Income from the Jones Legacy is to be used to provide music resources.

Purposes of Restricted Funds

Flower Fund: This is a fund to provide flowers for display during services of worship.

New Hall Fund: This is a fund to assist with the cost of building a new hall adjoining the current building.

Youthworker Fund: This is a fund to be used towards the payment of the youth worker's salary.

Purposes of Designated Funds

Fabric Fund: The Trustees have set aside funds for the maintenance of the church property.

Music Fund: The Trustees have set aside funds for the purchase of music resources for use in worship.

Sunday School Fund: The Trustees have set aside funds for use by the Sunday School.

A description should be entered for each endowment, restricted or designated fund.

**Notes forming part of the financial statements
for the year ended 31 December 20xx**

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

| | 20xx | 20xy |
|--|-------------|-------------|
| | £ | £ |
| Net movement in funds | | |
| Add back depreciation charge | | |
| Deduct interest income | | |
| Deduct gains/ add back losses on investments | | |
| Decrease (Increase) in debtors | | |
| Increase (Decrease) in creditors | _____ | _____ |
| Net cash used in operating activities | _____ | _____ |

17 Collections for Third Parties

Scottish Bible Society
Christian Aid
etc

| 20xx | 20xy |
|-------------|-------------|
| £ | £ |
| _____ | _____ |
| _____ | _____ |

APPENDIX

FUNDS HELD ON BEHALF OF THE CONGREGATION BY THE CHURCH OF SCOTLAND GENERAL TRUSTEES

| | 20xx £ | 20xy £ |
|---|-----------|-----------|
| <u>CAPITAL ACCOUNT</u> | | |
| Credit Balances held at 31 December at cost | _____ | _____ |
| Market Value of Balances at 31 December | _____ | _____ |
| | | |
| <u>REVENUE ACCOUNT</u> | | |
| Credit Balance at 31 December | _____ | _____ |
| | | |
| <u>TEMPORARY ACCOUNT</u> | | |
| Credit Balance at 31 December | _____ | _____ |

Notes

- 1. If any of the above lines do not apply to your congregation for both of the years being reported then they can be removed from the note.*
- 2. The note only requires the year end figure for each year to be shown. Detailing the movements is not necessary but can be shown as additional disclosure if considered appropriate.*
- 3. Capital and Revenue accounts are always credit balances but Temporary accounts can be either credit or debit balances. If a debit figure this should not be included as a liability but in most cases will be recouped from property sale proceeds in due course. If this situation applies it may be appropriate to include an explanatory statement as part of the note.*