




The Church of Scotland



PEOPLE OF THE WAY

The Church of Scotland Unincorporated Councils and Committees
Annual Report and Accounts 2015



St. Andrews, Bo'ness



General Assembly 2015



Dalmeny Parish Church



Go For It, funding wellbeing activities in the church and community (Finn's Place)

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Foreword

Letter from Grant Barclay: Convener

Followers of Jesus have been known as 'people of the way' since the time of St Paul. Then, they were notable for their worship, the generosity of their welcome, and the care they provided. They still are.



In 2015 the Church of Scotland was supported by members of local congregations and received grants and other income which allowed us to spend £106 million on parish resourcing and providing high-quality care services for those in need. This Annual Review highlights some of the Church's work over the last twelve months and provides details of resources received and spent, all in accordance with the latest accounting standards. The Church is accountable

for its stewardship of significant sums and good governance is part of faith properly exercised.

However, the Church – no matter how business-like it may appear – remains, at heart, a group of people following the way of Christ. I hope some of the stories you'll read here will inspire you to see what these people have achieved, not for their own sake but – inspired by faith – to enrich communities, care for vulnerable neighbours, speak out for justice, engage in creative and fruitful partnerships and provide Christian worship and service across Scotland and beyond.

The good news of Christ permeates all of life and so people of his way are found in many places, including some surprising ones (see p.26, for example) as they take part in God's mission to the world. As Convener of the Council of Assembly I have the privilege of seeing how some of this

work is envisioned, planned, resourced and carried out. Some is traditional in the best sense, but the Church is also flexible and generous - and so it has made plans this year to respond to the refugee crisis facing our continent.

We remain people of the way and that means we will keep on travelling. This publication lets you see something of the way we have come in this year. But we remain on a journey, changing and adapting to bring the timeless truths of Christian faith to bear in real ways in our contemporary world and continuing to worship, welcome and care. In all this we trust in a God who continually beckons people forward to follow in the way of Christ.

Rev Dr Grant Barclay
Convener, Council of Assembly

Come, let us go up to the mountain of the Lord to the house of the God of Jacob; that he may teach us his ways and that we may walk in his paths.

Micah 4:2



Louise Purden: A Minister in training, following in the footsteps of her father

Overview

The Trustees are pleased to present the annual report and financial statements of the Unincorporated Councils and Committees for the year ended 31 December 2015.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with 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.

The Church of Scotland is a national church embedded in the social fabric of Scottish public life for 450 years. It was structured to function as a central part of the wider social and civic framework of Scotland although it has always been critically engaged with Government and society. The Church of Scotland conducts its ministry and mission, in Scotland and in other places, in changing and sometimes challenging circumstances but we continue to believe that lives and our life together as a society can be changed through the love and grace of Jesus Christ. We continued in 2015 - as we have done for centuries - to give priority to sharing that Good News.

The Church of Scotland is rich in resources and people. We have approximately 380,000 admitted members and many thousands more who feel an attachment to the Church, perhaps for family reasons, because they attend services or events in church buildings or because they appreciate the care that the Church provides. There are over 800 Ministers of Word and Sacrament. Over 400 Readers, Deacons and Ordained Local Ministers play a significant role in leading worship and service, and around 30,000 Elders provide

local leadership. In addition, there are approximately 2,300 paid staff, 200 or so in the Church Offices and another 100 in parishes and presbyteries, with the vast majority working in our social care arm.

The Church of Scotland is blessed by the work of hundreds of thousands of volunteers; we have the biggest number of volunteers for a charity in Scotland. Our members promise to give appropriately of their time, talents and money and this means that throughout the Church we have vast numbers of volunteers offering anything from a few minutes a week to several hours a week or more. Members might make meals for lunch clubs or community cafés, supervise youth groups, welcome refugees, engage in fundraising for charities such as Christian Aid or support local community and care centres. They may also act as office-bearers in a congregation or Presbytery, help to lead worship or work in organisations such as Boys' and Girls' Brigades or Guides and Scouts.

We also benefit from the support and hard work of 560 people who give freely of their time to serve on the various bodies which make up the Unincorporated Councils and Committees. This provides

the Church of Scotland with access to a wide variety of expertise from other areas of life including education, the law, property, business and social services. This service, whatever form it takes, is given voluntarily as part of our Christian commitment. It involves a generous and sometimes sacrificial giving of time and talent and we are deeply grateful. The contribution cannot be quantified but it is absolutely fundamental to the fulfilment of the Church's purpose of sharing the Gospel and enriching human life.

The Bible is full of examples of people on the move. Think of Abraham's journey from his home in what is now modern-day Iraq down to the Holy Land. Or Joseph and his brothers – and their descendants – moving backwards and forwards between Canaan and Egypt. Jesus spent his active ministry on the road, criss-crossing the Holy Land and offering hope and healing to the suffering and the needy. The Apostle Paul travelled all through Mediterranean lands in his attempt to introduce the Good News of God's saving grace to as many people as possible. We in the Church of Scotland see ourselves as pilgrims walking in Jesus' footsteps in company with Christians from



So now, O Israel, what does the Lord your God require of you? Only to fear the Lord your God, to walk in all his ways, to love him, to serve the Lord your God with all your heart and with all your soul.

Deuteronomy 10: 12

People of the Way - refugees approaching the shores of Europe

throughout the world, caring for the needs of those we meet and seeking justice and peace for the poor and vulnerable. We are people of the Way.

The overarching objective of the Church of Scotland is, participating in Christ's ministry, to worship and serve God. Much of the resource of the Unincorporated Councils and Committees is devoted to encouraging, facilitating and supporting those people who provide ministry and leadership. Our focus is also outwards, towards those whom

we have yet to encounter; whom the saving grace of our Lord Jesus Christ has not yet touched; and to those who need our care. These people too – the poor and vulnerable, the exploited, the refugee, the ill, the prisoner; the lonely – are the concern of Christ's church and Christ's people here in Scotland.

The Unincorporated Councils and Committees of the Church of Scotland were responsible, in 2015, for expenditure of just over £106m. As one of Scotland's largest charities, it is entirely appropriate that we

report in detail on our finances and activities and we hope readers will find the information they need in the pages of this document. We do our best to ensure that the time, talents and money available to us are used effectively and we welcome scrutiny. We also give in this report a flavour of the impact of our work on the people we serve, in Scotland and further afield. Follow our journey in these pages.

The Year in Brief



January: Sheena Orr, Chaplain at Polmont Prison



March: Raising the profile of Gaelic in the Church



February: The Rt Rev John Chalmers meets Pope Francis © Servizio Fotografico - L'Osservatore Romanom



April: The Go For It Fund, supporting projects in local communities



May: Heart & Soul 2015



June: David Nicolson, Trainee Minister

January

Launch of Family Bus at Polmont Prison, to provide family-friendly services and a welcoming environment for visitors in what can be a stressful situation.

February

The Church collaborates with other denominations in the UK to form the flagship Churches Mutual Credit Union (CMCU). CMCU offers a range of savings and loan products with fairness at the heart of its values.

The Moderator of the General Assembly of the Church of Scotland, the Rt Rev John Chalmers, visits His Holiness Pope Francis in Rome and joins in condemning terrorist attacks in Libya and Denmark. The Moderator and the Pope shared their belief that the Church of Scotland and the Catholic Church must work together for peace.

March

Tha co-labhairt ga chumail ann an Glaschu airson ire na Gàidhlig àrdachadh anns an Eaglais. Is ann air impidh a'Mhoderator a tha seo agus e fhein agus an luchd frithealaidh airson barrachd craobh sgaoilidh, aoraidh agus goireasan eile a'deasbuid is na ceumannan as urrain an eaglais a ghabhail airson barrachd tagsa agus misneachd a thoirt do'n Ghaidhlig.

A conference is held in Glasgow to raise the profile of Gaelic in the Church. Held on the initiative of the 2015 Moderator, the Rt Rev Dr Angus Morrison, attendees consider developments in Gaelic broadcasting, worship and resources and discuss what steps the Church can take to support and encourage the greater use of Gaelic.

April

The Church's Go For It Fund awards over a million pounds each year to encourage and support imaginative projects in local communities. April saw the Fund's special 'week of inspiration', telling the exciting stories of transformation and change that the Church has helped to fund.

May

General Assembly in Edinburgh, including Heart and Soul, a day of celebration for 5000 people from the Church throughout Scotland and from overseas. Congregations from across Scotland and beyond exhibit alongside the councils and committees of the Kirk, and organisations working at home and abroad, giving a full and diverse picture of the vibrant life of the church. As part of the celebration, the Church of Scotland launches its new 'Tomorrow's Calling' campaign, aiming to encourage people to explore their sense of call to serve God in the church and grow a flourishing ministry for the future.

June

Nineteen new recruits to Church of Scotland ministry have been accepted following the first round of 2015's assessment conferences. A further 34 candidates are eligible to be considered in the autumn and hopes are high this year's intake of trainees could prove to be the largest for some time. The picture shows 29 year old David Nicolson from Stornoway, a new candidate for the ministry, with his family.

July

The Church's Govanhill Play project, provided by CrossReach with financial support from Scottish Government/ Inspiring Scotland, encourages youngsters to play outside and not spend the summer in front of the television or playing computer games.

August

21st National Youth Assembly, in Stirlingshire. 100 delegates aged between 17 and 25 discuss a wide range of topics including climate change, fossil fuel divestment, access to education and confessions of faith. Fun was also had.

The Church supports the Stop the Traffik campaign of the Scottish Churches Anti-Human Trafficking Group. Thousands of people, including the Moderator, sign a petition calling for an end to the great evil of human trafficking.

September

The Church co-ordinates the launch of an ecumenical and interfaith project to respond to the dire needs of refugees throughout the world. The focus is on providing practical, sustainable and long term assistance to complement the initiatives of governments and other agencies.

Around 2,000 people from across Scotland gather in Dundee for the annual meeting of the "trailblazing" Church of Scotland Guild. The meeting saw the launch of the Guild's new three-year strategy titled "Be bold, Be Strong" and focused in particular on the 2015 theme of "Go in Peace".

October

Launch of Learn: Exploring Faith, the latest book in the Church's acclaimed new series of educational publications. The launch event was held in St Salvator's Chapel at St Andrew's University. The book is an attractive and easily-read introduction to the Christian faith.

November

CrossReach's Balmedie House in Aberdeenshire, a residential care home for people living with dementia, is named joint winner of the Care Home of the Year Award at the Scottish Care Awards.

Hundreds of people attend a commemoration service organised by the Church of Scotland to remember the victims of the terrorist attacks in Paris. The service was led by minister the Rev Calum MacLeod and attended by Scotland's Deputy First Minister John Swinney and Consul General of France, Emmanuel Cocher.

December

The Church of Scotland welcomes an historic new international agreement to tackle climate change, achieved at the United Nations Climate Change Conference in Paris. The agreement sets a new international context for nations' use of fossil fuels and action on climate change, including limiting global temperature rise to well below two degrees Celsius and pursuing efforts to limit the rise to 1.5 degrees Celsius.

August: National Youth Assembly



July: Govanhill Play project



September: Responding to the needs of refugees throughout the world



October: Learn - Exploring Faith



December: Climate change agreement



November: Balmedie House, joint winner of the Care Home of the Year Award

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.

The Church carries out a wide range of activities as set out in the following pages in pursuance of its main charitable purpose, the advancement of religion.

The Trustees consider that these activities provide benefit to the people of Scotland and to a wider national and global community. Congregations are outwardly focused and the Church of Scotland is visibly active in local communities providing practical and spiritual assistance to all those in need, regardless of their status.

Our duty is one of care, justice informed by love, to our neighbour, who is every person, everywhere, in every time. Our responsibility neither rests on reciprocity nor on contract. Nor is it limited by nation. It inheres in our common humanity. Report to General Assembly 2015



Practical and spiritual assistance for all those in need

Speak out, judge
righteously, defend the
rights of the poor and
needy.

Proverbs 31:9



Achievements and Performance

Exercising Priority for the Poor

“Poverty remains a reality for a significant percentage of Scotland’s population. This is an affront to a country of Scotland’s wealth and natural resources. It is also an affront to the Gospel and God’s passion for the poor.”
Report to General Assembly, 2009

The Church continues to work alongside people living in poverty to fulfil its calling to be a voice for the more vulnerable members of society. Two reports from the Church and Society Council, *Time to Rethink Benefit Sanctions* and *Enough – our responsibility to meet families’ needs*, were shared not just within the Church but with politicians as part of our mission to encourage a society where we value and care for those who are in need. One of the Church’s staff has been appointed by the Scottish Government as chair of an independent working group on food poverty, working with a number of partner organisations and people with lived experience of food poverty to devise a strategy that will ease the pressure on food banks, tackle the scandal of food poverty and create a fairer Scotland. We have also been active in campaigning against funeral poverty, successfully attracting widespread media coverage; we promoted the Fair Funeral Campaign and encouraged local reflection and action around the issue, supporting the production of comparative costs of funeral directors. The Church has a dedicated team of people working in and with the 65 poorest communities in Scotland – our Priority Areas. The team collaborates with organisations

such as Church Action on Poverty, the Poverty Alliance, Citizens Advice Scotland, Nourish Scotland, Christian Aid, Joseph Rowntree Foundation and Child Poverty Action Group, it works ecumenically with other faith groups and it has developed good links with the Scottish Government and local authorities. This year, we oversaw the establishment of one of our projects, WEvolution, as a separate charity. It works with over 23 Self-Reliant Groups involving some 125 women from Priority Areas, giving out interest-free loans to help them establish micro businesses. It’s an example of the work we do on our journey to eradicate poverty and the causes of poverty.

Further afield, both the World Mission Council and the Church of Scotland Guild have worked in the last twelve months on projects to address issues of poverty. World Mission supports the EKOTA project run by the Church of Bangladesh Social Development Programme, working with slum dwellers to develop the capacity and status of under-privileged women in Dhaka. The help from the Church of Scotland ensures that the project can deliver primary health care and economic support to the women and some psychosocial behavioural support to street children. The Guild

has entered into partnerships with Christian Aid and other organisations working in Haiti and Bolivia and has pledged to provide significant fundraising support over the three years 2015-18. The project in Haiti, the poorest country in the world, will build a community centre, school and church in Ouanaminthe. Millions of people in Bolivia live in difficult conditions, struggling to survive. Deforestation coupled with climate change has left communities who rely on the forest for survival vulnerable, as crops flood and livelihoods are lost. The Guild support will provide solar ovens to free up the time and energy of women who very often have to spend hours every day collecting firewood for cooking.

The Church continues to campaign for payment of at least the Scottish Living Wage and is supporting approaches to Government to ensure that public sector contracts support such a level of payment. It is a matter of considerable regret that the Church’s own Social Care Council cannot yet ensure that all its staff are paid at this level although with extra funding support from local authorities and the wider Church, it was able to ensure that Care and Support Workers were paid the Scottish Living Wage from October 2015 with other



Rev. Sall Foster-Fulton and Ricky Ross, promoting the Speak Out campaign

staff on a minimum rate of £7 an hour. The Social Care Council is dependent on local authorities and other public bodies for 63% of its budgeted annual income of £42.8m. Unless the costs of the Scottish Living Wage and reasonable differentials are included in the funding received, the Council, like other care providers, finds itself challenged to meet the costs of the UK Government's new £7.20 living wage and remain able to compete in the market. The UK Government's plans to achieve a Living Wage of £9 by 2020 present a new and bigger

challenge to the Council. This is the subject of ongoing discussions with COSLA. Since the living wage is a statutory responsibility, failure to cover these costs in income and payments for services will call into question the long term viability of services provided by CrossReach as well as other voluntary organisations.

The Church recognises that the world has a long way to go before poverty is eliminated. But we are actively taking part in that journey towards social justice and we are making progress.

It is well with those who deal generously and lend, who conduct their affairs with justice.

Psalm 112:5



Enabling Ministry in every part of Scotland

The Church of Scotland recognises a variety of ministries: Parish Ministers; Deacons; Ordained Local Ministers (and Auxiliaries); Readers; and a wide range of Ministries Development Staff. All of these groups work together with Elders and the wider people of God locally in living out the Gospel in the footsteps of Jesus Christ. All of our ministries are vital to the task of mission and many work together in teams to deliver relevant ministry to the people of Scotland in every parish and beyond in the wider world.

The Parish Minister has a pivotal place in congregations and communities, enabling and coordinating ministry and exercising a servant-leadership role. Ministers preach, teach, administer the sacraments and lead worship as well as offering support and encouragement to people on the journey of faith. Ministers care for people in a wide variety of circumstances, including times of deep sorrow and of great joy. Ministers are invited into people's homes, meet them at work, in hospital, at school and in many different places. Ministers offer support at baptisms, weddings, funerals and other critical points in the life of individuals and the community.

The Church recognised in 2014 that it faced a considerable crisis over succeeding years as the number of parish ministers looked set to fall sharply, partly because of the age profile and partly because of a slowdown in recruitment. So

in 2015 we launched a campaign, Tomorrow's Calling, designed to reverse that slowdown. We set up a dedicated careers website, made and published videos of different kinds of ministers at work and added extra Vocations Conferences to the annual programme. Garnering unprecedented media coverage, the campaign has been successful in increasing interest in the calling of ministry; in 2015, the Church had 31 ministers in training, the highest number in seven years. We continue to seek flexibility in the training requirements and in the funding of training.

We have worked to develop a system of Ministerial Development Review, to encourage ministers to reflect regularly and deeply on their ministry. This will feed into a programme of Continuing Ministerial Development, offering opportunities for study, reflection and renewal.

We continued to offer support to new kinds of ministry. We appointed a Deaf Development Worker who coordinates, supports, and develops ministry amongst deaf people and those who have a hearing loss. As part of this, the postholder is the chaplain to deaf people in the East of Scotland. The Panel on Review and Reform is working with the Ministries and Mission and Discipleship Councils on a new pilot project, Path of Renewal, to explore different ways of being church. Twenty congregations have signed up to begin a two-year

pilot to follow the project, which will allow ministers time and space to stand back for a time and take stock, as well as to identify and develop potential leaders in the congregations. The project invests in ministers, supporting and mentoring them as they guide congregations through the process of transition, equipping and resourcing them to develop leadership and to explore new ways of being church in their communities, joining God in the work of the Kingdom.

We have been able to benefit from the experience of ministers from overseas partner churches. There is, for example, a minister from the Czech Republic in Orkney and we have built up a ministry link with the Presbyterian Church (USA) which offers probationer learning, exchanges and study leave opportunities.

We are conscious that there is not a single solution to the problem of declining membership and declining numbers of ministers. But we see the challenge as a time for creativity and opportunity for the Church. We are investing in our current ministers. We continue to improve training and professional development, we are exploring ways of ensuring ministerial resilience and we continue to ensure that stipend levels enable our parish ministers to carry out their calling free from worry about their own and their families' practical needs.

**'I am the Lord's servant,' Mary answered.
'May it be to me as you have said.'**

Luke 1:38

Making Disciples

Hundreds of thousands of members in 1,300 congregations take seriously Jesus' injunction to his followers to 'make disciples'. We aim to do this as Jesus did: teaching the faith in accessible ways and living lives of love and service. As Fred Kaan says in the hymn verse below, we aim to spread the Good News in both speech and deed, following in Christ's footsteps. In 2015, the Church published another volume in its acclaimed Learn series, this one entitled Exploring Faith. It is an ideal resource for individuals and small groups who wish to know more about the Christian faith and what it means to be part of a church (with a specific section on the Church of Scotland). We also published in 2015 a devotional prayer book, Living Stones, encouraging people to reflect quietly on the Church's focus for the year. It's another example of the kind of resource we provide to support people on their own faith journeys.

We continued to develop our website (www.churchofscotland.org.uk) and browsers will find there a huge amount of material on the activities and beliefs of the Church; it was updated this year with the addition of video and regular new articles on church life across the nation. A more specialised website, www.resourcingmission.org.uk, offers worship and prayer resources for

mission and discipleship. It includes the ever-popular Starters for Sunday site, providing helpful resources for worship leaders, tailored to the lectionary readings and to the Church year. This year, the Mission and Discipleship Council added worship resources on both the Tomorrow's Calling and Refugee projects, as well as access to downloadable sound files of organ accompaniments and other music resources.

The Guild is a movement within the Church of Scotland which invites and encourages both women and men to commit their lives to Jesus Christ and enables them to express their faith in worship, prayer and action. With around 23,000 members, the Guild is one of Scotland's largest voluntary organisations. Its Annual Gathering was held in September in Dundee, once more attracting attendance of some 2,000 people - disciples - and sending them back at the end of the day into their own communities, energised and focused on God's work.

In 2015 also the Church offered access to a range of conferences and events for members and office-bearers. A Going for Growth residential summer school offered local congregational representatives time to share innovative ways of being church. Congregations responded enthusiastically to an

invitation to attend a Learning Disabilities conference aimed to help the nurturing of those with learning disabilities and to ensure their full integration into the life of the church. Events are held for Church and Society, CrossReach and World Mission local representatives or for those working with children and young people. More generally, there are opportunities to attend events on new ways of being church or training for safeguarding coordinators. Vocations Conferences for those considering some kind of formal role within the Church, training sessions for ministry candidates and for new ministers, the National Youth Assembly, practical learning events for those seeking to apply to our Go For It fund on the best way to be successful in such applications – the opportunities for learning, for discipleship, for growth in the personal faith journey are many.

We acknowledge that, in spite of these efforts, the number of formally registered members of the Church of Scotland is declining by around 4% a year. This is akin to the decline experienced by other churches and indeed by many other types of voluntary organisation. Eager to conduct research into the reasons for this decline, the Church in 2015 continued its research into the 'invisible church', offering insights into the apparent rise in the number of Christians who have become disenchanted with institutional religion but who profess nonetheless a living and practising faith. We will use the results of the research to inform future decision-making in this area.

With minds alert, upheld by grace,
To spread the Word in speech and deed
We follow in the steps of Christ,
At one with all in hope and need.

Church Hymnary 4, 675, v2

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Serving the Vulnerable

The Heart and Soul Swing Band, through concerts held around Scotland, raised over £5,000 for the Church of Scotland HIV Programme. In addition, churches the length and breadth of the country raised funds for this cause through holding a Souper Sunday (or Sundae Sunday), using worship resources prepared by the World Mission Council. Result? We were able to help the vulnerable in 26 HIV projects in 16 countries, including at home in Scotland.

The Guild raised funds for Feed the Minds in Kenya, addressing the horrifying practice of female genital mutilation. We want to promote a culture of change to ensure every girl can choose her own future and to stop the innocent becoming victims. Closer to home, they also raised funds and publicised the work of Street Pastors working through the Ascension Trust. Working closely with local authorities and the police, Street Pastors go out in all weathers, typically from 10pm until 3am on one or more nights at the weekend, to offer practical support (perhaps a hot drink or a comfortable pair of flip-flops), a listening ear and a caring presence to vulnerable young people. Street Pastors can walk around four miles on every shift – truly people of the way.

CrossReach, our social care arm, continues to provide life-changing services in over 70 locations

throughout Scotland. We run adult care services – in criminal justice, for homeless people, for people with learning disabilities and for those with mental health or substance abuse issues. We provide services to older people – in residential care, in specialist care for people with dementia (all our care homes for the elderly have at least one specially trained dementia ambassador), in day care and through an innovative art therapy project. Balmedie Care Home, near Aberdeen, won Care Home of the Year at the 2015 Scottish Care Awards, a fitting tribute to the work of our dedicated and highly trained staff and to the faith commitment which underlies and motivates all they do, caring in Christ's name. CrossReach children and family services deliver care and education for vulnerable children, offering early years provision, prison visiting support and counselling services. Our Daisy Chain project in Govanhill in Glasgow has been running outdoor play sessions in the school holidays for children from the Roma community, improving the social skills and health of the youngsters and encouraging their parents to be more confident in the outdoors.

In 2015, the Church responded generously to the needs of refugees. It was instrumental in setting up Scottish Faiths Action for Refugees, a project which seeks to

co-ordinate and promote action by faith communities in Scotland to support asylum seekers and refugees, and it has provided the initial seed funding to employ a co-ordinator. While the project's immediate focus is to work with other denominations and faith groups to respond to the Syrian refugee crisis, it also seeks to address broader issues relating to asylum seekers and refugees in Scotland, the UK and the rest of the world. Refugees are, beyond question, vulnerable. It is our duty to care for them and also to attempt to ensure that we challenge rhetoric in politics and the media which demeans refugee and asylum seekers or which seeks to exploit that very vulnerability.

From the provision of chaplaincy to men and women risking death in the armed forces to teaching a lonely child a skipping game, from campaigning for the rights of girls and women to ensuring that a bewildered party-goer gets home safely from a night out, from providing a warm welcome and practical support for refugees settling into a new life in Scottish communities to working with prisoners, addicts, young offenders – the Church can be found in the messy reality of life, walking alongside the vulnerable. Right where the Gospel message calls us to be.

Let mutual love continue. Do not hesitate to show hospitality to strangers, for by doing that some have entertained angels without knowing it

Hebrews 13:1-2

Promoting Reconciliation

During 2015 we worked with partner churches in South Korea and with the World Council of Churches (WCC) to support their work for peace, reconciliation and reunification on the Korean peninsula. Our World Mission Council supported a Christian Youth Reunification Academy, sponsored by the National Council of Churches in Korea, where young people participated in a number of modules over an eight-week period, studying the history, theology and politics of the situation and working together to understand how best to be effective advocates for peace and human rights. It's a troubled situation but one where the Church of Scotland can perhaps make a bit of a difference.

As part of the universal Church, we believe that God calls us to celebrate and move towards visible unity, to strive to work more closely with our Christian sisters and brothers both in Scotland and throughout the world. We therefore work ecumenically wherever possible, engaging with other churches in a variety of ways at local, national and international levels. More and more around Scotland, men and women are working, studying and worshipping together with other

Christians. In this way, Christians living in local communities find their faith enriched through the discovery that there is more that unites us than divides us. The Church is a major supporter of Action of Churches Together in Scotland and is a member of Churches Together in Britain and Ireland.

In 2015, we made significant progress in talks with the Church of England, producing a Joint Report which is due to be considered by both churches in 2016. If approved, that report will cement our longstanding ecumenical partnership and lay the groundwork for future joint projects. We continue to work closely with the Scottish Episcopal Church and the Roman Catholic Church in Scotland, recognising the value to each other and to our nation of a shared Christian voice. For example, the Joint Commission on Doctrine of the Church of Scotland and the Roman Catholic Church sponsored a conference for theologians, ministers and priests from both denominations and students on a WCC document Towards a Common Vision. And our Ecumenical Relations Committee met jointly with the Inter Church Relations

Committee of the Scottish Episcopal Church. Unity in action.

We continued our support for A Place for Hope, an ecumenical project which seeks to position the churches in Scotland as peacemakers and healers in a broken world. Mediators from the project work with congregations to develop and embed conflict skills training and to prompt and encourage cultural change within and outwith the churches themselves.

Reconciliation and unity are not always easy. Our relationship with the United Free Church changed in 2015 as they took the difficult decision to end our joint covenant since they could not agree with the Church of Scotland's recent decisions on same-sex relationships and the ministry. It was, however, heartening to hear from the United Free Church that they wished to continue good relations with the Church of Scotland and were willing to explore what form these relations might take in the changed circumstances. A sign of hope as we continue to journey together.

Members of our Saviour's body,
Here on earth his life to be,
Though we stand as different people,
May we share the unity
Of the Father, Son and Spirit,
Perfect love in Trinity



Prayer ribbons at the Reunification Observatory in South Korea

Engaging with Society

The Church of Scotland sees engagement with society as one of its core purposes. We have a specific commitment to social justice and to the values of the Gospel and we are therefore at the heart of the issues that matter to Scotland and its people, speaking out where we see a need.

Increasingly, we carry out this work jointly with partner churches. 2015 saw the Church of Scotland become a member of the Joint Public Issues Team, a venture of the Baptist Union of Great Britain, the Methodist Church, the United Reformed Church and now the Church of Scotland. Led by our Church and Society Council, we help our four churches work together on issues of justice and inequality, living out the Gospel in wider society. During the 2015 General Election, we provided resources encouraging people to "Think, Pray, Vote". Working with the Joint Team, we were also able to produce a report on Benefit Sanctions and spoke out with a common voice on issues such as nuclear disarmament and the refugee crisis.

The Church remains a major supporter of the ecumenical Scottish Churches Parliamentary Office. SCPO enables us to engage effectively with sister denominations in Scotland in political processes, translate our commitment to the welfare of Scotland into Parliamentary debate and contribute the range and depth of our experience and faith to the decision-making process. SCPO has been working to prepare resources for churches for the 2016 Scottish Parliament Elections, to ensure that the cares and concerns of Christians are not overlooked as important decisions are made.

We have a longstanding interest in ethical finance issues and were delighted in 2015 to launch the Churches Mutual Credit Union jointly with the Scottish Episcopal Church, the Church of England, the Methodist Church and the Church in Wales. All of the churches recognised that people needed a means for tax efficient saving and access to a safe, fair and cost-effective form of credit in order to save for retirement and smooth out the peaks and troughs of expenditure. CMCU's development coincided with the financial crisis, which gave it added urgency and led to it becoming an ecumenical project as the churches sought to work together to model an alternative form of personal finance.

The Church and Society Council continued its commitment to exploring issues of science and faith. Its Society, Religion and Technology project organised an event during the Edinburgh Science Festival, celebrating the life, work and legacy of James Clerk Maxwell. It has also engaged in end-of-life issues, giving evidence to a Scottish Parliament committee in relation to the Assisted Dying (Scotland) Bill.

The Ministries Council continues to support Workplace Chaplaincy Scotland, an ecumenical body which aims to offer relevant pastoral and spiritual support to people in their daily work and individual lives. There are chaplains in factories, stores and shopping centres, financial institutions and transport companies, in businesses small and large throughout Scotland. There's even one in the Church's own administrative offices. They offer staff a listening ear and comfort and support in times of difficulty and challenge and can help companies with their corporate social

responsibility programmes. It's a visible sign of the Church's presence in society.

While much of the Church's focus has been on Scotland and the UK, we naturally have an interest also in international affairs. The World Mission Council took part in a visit to western Ukraine, hosted by the Reformed Church of Transcarpathia, and saw the work we help to support: caring for the elderly, providing hot meals for the hungry, schools for children, hospital care for the sick, practical help for the Roma community and even a snow plough to clear the roads. In a troubled part of the world, where national resources are being eaten away by war, the churches remain faithful to their calling to engage with society, providing practical help and spiritual hope to the communities we all serve.

Lord, you want us to stand up, to speak out, to go beyond our comfort zones, speaking truth in love. Even if that makes us unpopular. Lord, help us to be prophets right where we are, letting your voice be heard in the places we frequent.

from People of the Way (Saint Andrew Press).

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Caring for Creation

2015 saw the world focus on issues of climate change as representatives of 195 countries met in Paris to agree on concerted action to deal with one of the most significant challenges facing the planet. And the Church of Scotland was there, along with other pilgrims representing the ACT Alliance, a coalition of more than 140 organisations and churches from across the world. We helped to present a petition with over 1.8 million signatures to the conference organisers. Our representatives took with them the Climate Justice Baton, made of recycled wood, that had completed a relay around Scotland in the earlier part of 2015, visiting over 100 churches, schools and other groups who were keen to be associated with the hopes and aspirations that it carried for a fair deal in Paris. The Church was delighted that agreement was reached on setting a new international context for nations' use of fossil fuels and action on climate change, including limiting global temperature rise to well below 2 degrees Celsius and pursuing efforts to limit the rise to 1.5 degrees Celsius. The Convener of the Church and Society Council said: "Today is a good day for our planet and for all of God's creation."

Our work on caring for creation continues. We host the main office of Eco-Congregation Scotland, a charity which offers a programme to enthuse and equip congregations to weave environmental issues into their life and mission in an enjoyable and stimulating way. There are over 300 congregations who have registered and who therefore have made a public commitment to care for God's creation in prayer, worship and conversation and, importantly, in action they take as congregations



Marching for climate change

and as individual members. It may be by using fairly-traded goods in coffee mornings, growing vegetables in a church garden, being careful about recycling or ensuring that church buildings have efficient heating systems. The Church Offices in Edinburgh have made that commitment too, becoming a Fairtrade Workplace, with the staff of the Church also wishing to live justly in a transformed world. We have extended the use of video-conferencing to try to cut down on business travel and we actively promote the use of cycling and public transport.

This year we began to notice the effects of climate change in our own country with significant flooding affecting the homes and lives of many people in Scotland. Local churches were at the heart of the recovery effort, providing shelter, food, dry clothing and a helping hand to get people back into their homes. The Church recognises that practical

help is essential but that long-term change can only come if there is a unified global response.

Creating God, your name is written in every leaf, every bird, every river, every living being. Make us attentive to the wounds of the earth and willing to work for the healing of the whole creation.

2003 Lutheran World Federation Assembly in Winnipeg



Celebrating our Place in the World Church

The aim of the World Mission Council is to enable the Church of Scotland, as part of the holy catholic or universal Church, to participate effectively in the mission of God in the world, following the example and priorities of Jesus Christ and seeking the guidance of the Holy Spirit. We seek to fulfil that aim by listening to and walking with our partners on our shared journey of faith; by developing flexible models of partner relationships and service opportunities with the world church; and communicating these benefits to our members and congregations.

We work with our partner churches in a range of countries in Africa and the Caribbean, Asia, the Middle East and in other parts of Europe. We are building fruitful contacts too with churches in South America and we have long-term relationships with churches in North America, Australia and New Zealand. The Church of Scotland is a member of a number of international ecumenical bodies and we work closely with the World Council of Churches, the World Communion of Reformed Churches, the Community of Protestant Churches in Europe and the

Indeed, this is our boast, the testimony of our conscience: we have behaved in the world with frankness and godly sincerity, not by earthly wisdom but by the grace of God.

2 Corinthians 1:12

Conference of European Churches. Our role is to walk alongside local witnesses to the transformative love of God, learning from and sharing with our fellow Christians as we attempt to make a difference in places of poverty, injustice, danger and hunger.

Some examples of our work last year:

- The Guild visited Malawi and Nigeria, the latter with the Moderator of the 2014 General Assembly, in particular focusing on building up links with the Men's and Women's Guilds of the Church of Central Africa Presbyterian's Synod of Livingstonia
- The Moderator visited South Sudan, one of the world's most unsettled countries, where he facilitated a workshop on peace and reconciliation.
- The HIV Programme supported a number of partner projects across the globe aiming to empower women living with HIV to acquire new skills and gain access to support groups. One example is in China where our work with the Amity Foundation has given women access to workshops on farming techniques.
- Support in Malawi for the Ekwendeni Hospital AIDS Programme, which runs 91 women's self-help groups offering micro-finance – sometimes a loan of only a few pounds – which allows them to start their own small businesses.
- The Moderator of the 2015 General Assembly visited the

Waldensian Church in Italy, witnessing their work in Sicily with young African migrants. Our own St Andrew's Church in Malta continued its amazing work supporting refugees who make it to that island, sometimes after harrowing experiences in a dangerous sea. The Church of Scotland congregation in Budapest, Hungary, also responded magnificently to the needs to vulnerable refugees who found themselves in transit earlier in 2015.

- We have mission partners serving throughout the world: in Malawi, Zambia, Nepal, Israel and the Occupied Palestinian Territory. Our mission partners in Nepal, for example, worked tirelessly during the massive earthquakes which made some 6m families homeless – and our members have since contributed generously to the Let Us Build a House appeal for funds to rebuild some of those homes.

Working with other Scottish churches on an anti-human trafficking project, arranging twinning visits for congregations, supporting Christian Aid's work on climate justice, raising substantial sums of money to rebuild earthquake-damaged homes in Nepal or to help combat HIV/AIDS throughout the world, assisting with peace and reconciliation work in South Sudan and providing hospitality in love to refugees in Malta, Hungary and Egypt: wherever there is need in the world, there you will find Christians fulfilling the demands of their faith. Literally journeying alongside the needy and vulnerable of all faiths and many nationalities.

Discovering and Encouraging Life in all its Fullness

Active Church members tell us that they cherish the sense of loving community, the experience of warmth, welcome and fellowship, the laughter, the music, the deep peace of prayer and worship, and the sense of God's real presence that can be found week by week in congregational worship and service. Many would describe themselves as 'fulfilled' – confident in God's love and content with the challenge of service and witness to which that love calls them.

Life is not so comfortable for others though, in the Church and outwith it, and we continue to work with people to overcome their difficulties and problems so that they too can experience peace and hope.

Our Go For It project is a case in point. We provide around £1m a year in grants to congregations for creative projects to develop the life and mission of the local church and transform communities. In 2015, we funded 123 such projects all across Scotland, employing over 180 staff, using the talents of 1,600 local volunteers and reaching out to over 25,000 beneficiaries. These included:

- Hot Chocolate Trust, a youth project based in the city centre of Dundee, operating from the Steeple Church. It provides drop-in facilities and a whole range of other activities and support, working closely in partnership with the youngsters themselves.
- Givin' it Laldie, a community music project set up by Gorbals Parish Church in response to the social and health issues affecting the area. The project uses singing and music as a medium to help address issues of poverty,

social isolation and poor health, and seeks to use music to help address local divisions within the community.

- the Dornoch Firth Project shows how much can be achieved by church folks working to spread light and hope in their areas. They work with volunteers who are involved in delivering a wide range of services to young and old, those with learning difficulties, families, and the community at large, and operate:
 - a weekly youth cafe during the autumn and winter
 - a Scripture Union group for a local primary school
 - an inter-generational project in the local secondary school
 - a daily telephone wake-up call for older folk living on their own
 - a weekly social club for adults with learning difficulties
 - a week of summer activities for primary aged children
 - a fortnightly men's fellowship
 - a range of social activities for the wider community including quizzes, car treasure hunts, golf evenings, ten pin bowling in Inverness, and a monthly lunchtime social gathering for all, providing a good healthy meal followed by some equally healthy fun.

Or take our work with women and men feeling the effects of post-natal depression and perhaps unable to experience the joy of a new baby. CrossReach's Postnatal Depression Services support families by providing

a range of services, including individual and group counselling, art therapy, couples and family therapy, infant massage and bodywork therapies. We also offer training and consultancy for professionals working in the field. We have helped transform the lives of hundreds of new parents and their children, returning to them a sense of joy and peace in their relationships with one another.

Our Priority Areas team support Faith in Throughcare, working with churches and community groups in north Glasgow, Inverclyde, Kilmarnock and Dundee, helping them support leaving prison and returning to live in the community – with all the challenges that poses. We have forged close links with Barlinnie, Low Moss, Kilmarnock and Greenock prisons and 17 new support volunteers have been trained. Priority Areas also work closely with the GKexperience, providing a residential programme as well as locally based support work for young people who experience the greatest levels of disadvantage in Scotland. It also trains the young people in leadership so that they can go on themselves to transform their communities and the lives of others.

We know that lives and communities can be transformed through creative and imaginative projects, through empowering young people and community leaders and by supportive interventions at key points. It is our privilege to travel with people as they seek to recover power over their own lives and then use that new-found confidence to encourage others to experience life's fullness.

I pray that you may have the power to comprehend, with all the saints, what is the breadth and length and height and depth, and to know the love of Christ that surpasses knowledge, so that you may be filled with the fullness of God.

Ephesians 3: 18-19

A warm welcome and sense of belonging





National Youth Assembly 2015

Let no-one despise your youth, but set the believers an example in speech and conduct, in love, in faith, in purity... Do not neglect the gift that is in you

1 Timothy 4: 12, 14

Empowering Young People

In September 2015 two young people from Scotland, Scott Corbett and Callum Dewar, represented the Boys' Brigade World Mission fund on a trip to Trinidad and Tobago. Boys' Brigade members had raised £10,000 for the 'Speak Up Speak Out' partner church project that tackles bullying in the twin islands. Scott and Callum visited schools, community centres, Boys' Brigade companies and churches, sharing and learning about experiences of bullying. Other young people took part in World Mission visits to Taiwan and the Czech Republic and we were able to sponsor some overseas young people on visits to Scotland.

Unusual opportunities for our young people? Not at all. We are hugely proud of our young people and keen to nurture and encourage them to develop their potential for leadership. They are clever, committed, articulate and passionate; like many membership organisations, we would welcome more of them but the Church benefits hugely from their contribution.

There are many opportunities for young people within the Church. The National Youth Assembly (NYA), possibly the best-known, is a platform for young adults to voice their opinions and actively participate in decision making within the Church of Scotland. In 2015, they debated our confessions of faith, climate change, child exploitation and the future of the General Assembly. There are places at the General Assembly itself for 56 young people between the ages of 18 and 25, from all over the country, and their presence there over the last few years has added immeasurably to the effectiveness of the event. Each year, the NYA

appoints a young person as its own Moderator and, in 2015, we saw the potential of developing this position into a visible year-round role. Rachel Hutcheson, the former Youth Moderator, led the Moderator of the General Assembly up Ben Lomond, the pair of them, with their companions, raising an impressive £10,000 for the Christian Aid anniversary appeal. And the current Youth Moderator, Hannah Mary Goodlad, has spoken out on climate change, science and faith and global education.

2,600 young people from across Scotland entered the World Mission Mary Slessor Centenary Postcard competition with the winning entries displayed in Dundee's Verdant Works.

Ministries Council has aimed to recruit younger people into the Ministry of Word Sacrament and as part of its Tomorrow's Calling campaign, featuring a number of our younger ministers in the marketing material. It also offers young people the chance to work in a Church setting over the summer holiday period and is working on flexible training patterns that would work well for young people.

The Ecumenical Relations Committee nurtures and supports a number of young people, sponsoring their involvement in national and international ecumenical bodies and events. Many of these have gone on to become active in local – and national – church leadership.

Some might imagine that the work of CrossReach is targeted at older members of the community. Not at all. Its Children and Families division runs a host of services aimed at younger people and in the last

year, they have also developed a project to conduct research into that work, using young volunteers from Project Scotland. We encourage our residential care homes to develop links with neighbouring schools: Queen's Bay Lodge in Portobello invited an art class from Portobello High School to produce artwork featuring some of the residents. An exhibition of this work allowed the community, including parents and local politicians, to come together to celebrate the results of the collaboration between the generations.

We engage with children directly through the Moderator's Medal and the Stevenson Prize, annual competitions which encourage children to consider different aspects of our life and work. And we support the work of school chaplains, usually local ministers, who work with teachers to help pupils explore issues such as mental health, money matters, human cloning, poverty and climate change. We don't duck the hard and sometimes challenging questions that come from children curious about life, about their world and about faith.

We aim to have at least 20% of our council and committee membership drawn from people aged under 35; membership of such a body gives these younger people an opportunity to make a real difference to the Church. This remains a challenging objective given the age profile of our membership but we are working to identify the barriers to active participation.

Renewing Church Structures and Practices

We continue to review our structures and practices to ensure that they remain fit for God's purposes. We look in this process for God to rebuild us.

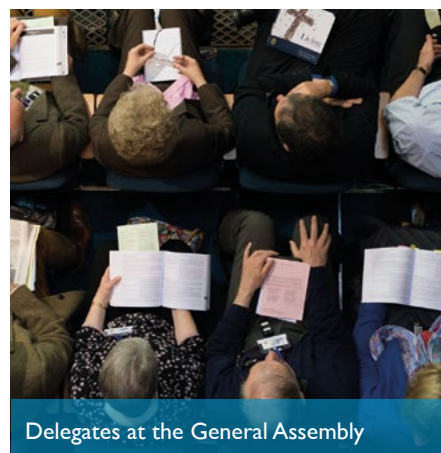
The Panel on Review and Reform was set up for that very purpose. It contemplates and encourages change and growth. They spent time in 2015 exploring how the Church could rediscover its missional focus in the face of a rapidly changing society. The Panel's work is seeking to build churches with members secure in their faith and their reliance upon God, being used by God to enrich the lives of others, bring about societal transformation and helping others become disciples of Christ.

The Council of Assembly continued its work with representatives from a number of other Church agencies to consider both how funding is raised for the Church's national activities and how it is best spent. It presented an interim report to the General Assembly in May, recognising the many good things about the current life of the Church but pointing out also the challenges, obstacles and problems. The Council went on to consider, in consultation with Presbyteries, how to devolve trust and responsibility to an appropriate level while still maintaining effective and co-ordinated planning and good governance. It is also seeking to introduce more flexibility, to support mission-in-context. Perhaps most critically, it needs to deal with a range of property and finance issues, some of them inherited from earlier generations.

That work is driven and underpinned by our commitment to an earlier report on Church Without Walls. We are committed to returning the ministry of the Gospel to the people of God, giving them the tools and the trust to shape their own local vision. We seek to ensure that the institution of the Church is flexible and open, generous and accommodating, encouraging and enabling. The General Assembly of 2015 endorsed the direction of travel and proposals for change will be taken to the General Assembly of 2016.

The Assembly Arrangements Committee is considering the future of the General Assembly itself, in co-operation with the Council of Assembly, and embarked on wide consultation in 2015. There is widespread support in the Church for the continuation of an annual Assembly although consideration is being given to introducing efficiencies in the way it conducts its work. There is also, reassuringly, widespread recognition of the importance of the governance role that the Assembly plays and we will seek to strengthen that while not losing also the sense of fellowship and mutual encouragement that comes with the Church meeting in Assembly.

The Legal Questions Committee continued its work on updating and streamlining our complex system of internal legislation and regulation. It spent time, for example, considering whether church law should be amended to permit proxy voting at important congregational meetings,



Delegates at the General Assembly

in order to accommodate both the housebound and those who cannot attend in person for other reasons. That led to a discussion about the nature of membership in a time of increasing reliance on remote access to church meetings and services. The Committee also prepared the draft of a new piece of Church legislation, the Registration of Ministries Overture, which seeks to introduce more clarity and consistency across the Church in maintaining up-to-date lists of ministers and deacons and the duties which they are authorised to perform.

The challenge for all of us is how to balance the demands of running an efficient, cost-effective modern organisation in a testing and fluid environment while not losing sight of the real imperative, the Gospel message. Reform and renewal of an institution like the Church of Scotland would not be possible without the inspiration of the Holy Spirit, calling us to step out in faith on our journey.

Do not be conformed to this world, but be transformed by the renewing of your minds, so that you may discern what is the will of God - what is good and acceptable and perfect

Romans 12:2

Developing Leadership

The church has been characterised since its earliest days by a belief in servant leadership. Leadership in the church is designed always to ensure that the needs of others are served first and, especially, that our effect on the least privileged is a positive one. Our leaders help people to grow in the service of Christ.

Leadership development is therefore a major focus of the Church's work. Congregations need leadership teams which include people with varying and complementary skills. The Mission and Discipleship Council has continued its programme of publishing resources for congregational leaders under its Learn imprint; Learn: Eldership continues to sell well and new publications on children's ministry and exploring faith have helped inspire and empower local leadership teams. A programme of conferences and events also supports and encourages ministers, elders and members as they develop their distinctive responses to missional needs in their areas.

Ministries Council has devoted considerable resource over the last year in developing a system of Ministerial Development Review, to be underpinned by a programme of Continuing Ministerial Development. We continue to ensure that potential candidates for ministry are supported in the first stages of exploring their vocations through into formal candidacy and academic studies, into their probationary period and then into

ministry, guiding and equipping those whom God has called to serve.

The National Youth Assembly helps to identify younger leaders with potential and gives them a safe place to practise leadership skills: leading worship, making presentations, convening and clerking meetings, taking part in events and visits and working with others. The Ecumenical Relations Committee has a conscious and successful policy of placing young people in positions of influence on ecumenical bodies and supporting them as they learn to become the leaders of the future; the Church of Scotland has members who are active in the World Council of Churches, the Community of Protestant Churches in Europe, the Conference of European Churches and the World Communion of Reformed Churches.

A visit to Hungary for the Moderator of the General Assembly in March 2015 marked the 150th anniversary of a bursary scheme bringing Hungarian students to Scotland to develop their theological education, a scheme which has the side-effect of also enriching the life of the Church of Scotland. The Moderator signed a memorandum of understanding with the Reformed Church in Hungary to emphasise our shared commitment to walk alongside, learn from and work with each other as we seek to lead our respective communities. We currently have students with us from China, Taiwan, the Czech Republic, Malawi, Nigeria and India.



Our Priority Areas team offers coaching and mentoring projects for community leaders and also a women's leadership programme. Their practical support for WEvolution, a micro-financing project which is encouraging women into self-employment, has also resulted in the uncovering of leadership skills that many of the women did not know they had.

The Church of Scotland proclaims that Christ is the only head of the Church. The Lord's work is ably supported by the many people of skill and commitment who so freely offer their talents as servant leaders to advance the Kingdom.

On the way, they had argued with one another about who was the greatest. Jesus sat down, called the twelve, and said to them, 'Whoever wants to be first must be last of all and servant of all.'

Mark 9:34-35.

Want to serve God?



- Aged 18-25?
- Thinking of taking a gap year?
- Interested in volunteering in a parish or project whilst exploring a vocation in the Church?

 **Vocations**
It's your call

 **Vocations**
It's your call



 **Vocations**
It's your call

Releasing the Gifts of all the People of God

The Bible teaches us that we all have gifts to use in God's work. It is the Church's duty to help people recognise and develop those gifts, and to be able to exercise them.

In 2015 we developed our Vocations programme to help people discern God's call to them to formal ministry in the Church. Tomorrow's Calling used social media to reinforce a strong message that ministers can have widely differing strengths and interests but that all are needed. We offered resources and training for those who felt called to other forms of service – office-bearers, organists and musicians, safeguarding trainers, youth workers, carers, worship leaders, chaplains, those on welcome teams, artists, newsletter editors and mission leaders. The Guild is particularly good at developing the skills of its members and leaders, offering training and

information to help them lead worship, manage their business and raise support for Guild projects.

A group of eight members visited the Presbyterian Reformed Church in Cuba in March 2015. The visit inspired the travellers to act on their return and the group has so far produced a new Council member; a Presbytery committee member; a newly-twinned congregation and participation in some advocacy work. Just one example of gifts being released.

The Church website at www.churchofscotland.org.uk has been developed into a vital resource for congregations. Whether people are interested in music or prayer; church administration or charity law, accounts preparation or food hygiene, the website can help them develop those interests and use them.



The Presbyterian Reformed Church in Cuba

The gifts he gave were that some would be apostles, some prophets, some evangelists, some pastors and teachers, to equip the saints for the work of ministry.

Ephesians 4:11-12



Eilidh Marks, Associate Secretary of The Guild

Accountability

Structure, Governance and Management

Constitution

The Church of Scotland, part of the one Holy, Catholic and Apostolic Church, is the National Church in Scotland, recognised by the State but independent in spiritual matters. In one sense, its constitution cannot be written down in precise terms, as the Church has built up, stage by stage, "upon the foundation of the apostles and prophets, Jesus Christ Himself being the chief corner-stone" (Ephesians 2:20). In another sense, the Church's constitution may be said to be set out in certain important instruments. These include the "Articles Declaratory of the Constitution of the Church of Scotland in Matters Spiritual" (1921), the "Act anent Spiritual Independence of the Church" (1906) and the "Act of Union" (1929).

Organisation

Conciliar System

The distinctive feature of the Presbyterian system is that the Church's authority, received from the Lord Jesus Christ, is vested in Church courts and not in individuals. It is a conciliar system, in which legislative, judicial and administrative decisions, and supervisory actions, are taken corporately.

The Supreme Court is the General Assembly, which legislates for the whole Church. It is the final court of appeal, although in some matters it is the court of first instance. The General Assembly, which meets each May, comprises around 850 Commissioners appointed by Presbyteries and made up of ministers, elders and members

of the diaconate. In addition to its legal function, the General Assembly has an administrative role. During the Assembly, the six Councils, the Standing Committees and agencies and any Special Committees or Commissions present their annual reports with proposals known as "deliverances" which are accepted, rejected or amended by the Assembly.

The next highest court is the Presbytery. The Presbytery is responsible for an area made up of a number of parishes, served by congregations. There are 43 Presbyteries in Scotland, plus the Presbytery of England, the Presbytery of Europe and the Presbytery of Jerusalem. Presbyteries are required to supervise and monitor congregations' compliance with Church and civil law, including the annual attestation of their accounts.

The lowest court is the Kirk Session of each congregation of the Church. The Kirk Session is responsible for spiritual matters. Many congregations have a separate Financial Board (a Congregational Board or a Deacons' Court or a Committee of Management) but in some congregations, the Kirk Session is also responsible for temporal and financial matters.

Congregations and presbyteries are separate legal entities and they are not controlled by the Unincorporated Councils and Committees; their accounts are therefore not consolidated in these financial statements.

Unincorporated Councils and Committees

The Unincorporated Councils and Committees, appointed by and responsible to the General Assembly, support local congregations in carrying out pastoral care, mission and evangelism and Christian education work, and manage the Church's direct social care service throughout Scotland. They also act as a channel for expressing practical and vocal support at a national, international and ecumenical level, and ensure that legal requirements are being met by the whole organisation. The Unincorporated Councils and Committees employ permanent staff to carry out their remits in accordance with policy decisions taken by the General Assembly. Each Council has a Council Secretary who is responsible for appointing departmental staff and for delivering the Council's remit. Committees and working groups of the Councils focus their expertise on distinctive areas of work and help to shape future policy.



Trustees from the Council of Assembly

Council of Assembly

The Council of Assembly of the Church of Scotland was set up by the General Assembly of 2004 to fulfil an executive function in setting priorities among the Councils and Committees of the Church in line with agreed strategy. It has the authority to take necessary administrative decisions between General Assemblies, to co-ordinate the work of the Church's central administration and to take decisions with regard to resources, finances and staffing. The Council also has responsibility for the annual submission to the General Assembly of the audited Report and Financial Statements of the Unincorporated Councils and Committees.

The Council of Assembly's Finance Group has financial oversight of each Council and Committee in order to ensure good stewardship so that the worship, mission and service of

the Church are effectively delivered. This also ensures that financial management is in accordance with best practice and UK Generally Accepted Accounting Practice, as well as meeting the requirements of the Office of the Scottish Charity Regulator. The Audit Committee works with the external auditors of the Unincorporated Councils and Committees to ensure proper financial reporting practice and compliance with charity accounting requirements. It considers any matters raised by the external auditors for the attention of the Trustees and management. It is also responsible for reviewing and approving the annual internal audit plan and monitoring the findings of the internal auditors. The Committee is constituted to ensure its independence.

Voting members of the Council of Assembly are the Convener;

Vice-Convener and ten members appointed by the General Assembly on the Report of the Church's Nomination Committee together with the Conveners of the other five Councils and of the Panel on Review and Reform. These voting members were designated as the charity trustees of the Unincorporated Councils and Committees by the General Assembly of 2010.

The Council of Assembly meets regularly to receive reports from all of the Councils, together with reports on finance, staffing, strategy, communication and governance matters. Audit Committee minutes are submitted to the Council for information. Conveners of Standing Committees are invited once a year to deliver reports on their work. Minutes of the Council of Assembly and the five Councils are published on the Church of Scotland website.

Other Councils and Committees

The five Councils are as follows:

- > **Church and Society Council:** engaging in the national, political and social issues affecting Scotland and the world today
- > **Ministries Council:** supporting a variety of ministries for the Church, from the first stirring of a 'call' through to retirement
- > **Mission and Discipleship Council:** promoting an overall focus for worship, mission and discipleship
- > **Social Care Council:** offering services in Christ's name and specialist resources to further the caring work of the Church to people in need
- > **World Mission Council:** working internationally to share the gospel, support theological education and encourage holistic ministry

In addition to the five main Councils, there are seven committees, much of the work of which is directed towards good governance and effective administration. The committees are: Assembly Arrangements, Central Services, Chaplains to Her Majesty's Forces, Ecumenical Relations, Legal Questions, Panel on Review and Reform and Safeguarding. Their main tasks are:

- > **Assembly Arrangements:** organising the General Assembly and Commissions of Assembly
- > **Central Services:** managing the Church Offices and its service departments; employment of the operational staff of the Unincorporated Councils and Committees based at 121 George Street, Edinburgh and elsewhere
- > **Chaplains to HM Forces:** supporting chaplains and those dedicated to the spiritual wellbeing of the women and men of the Armed Forces

- > **Ecumenical Relations:** promotion and support of ecumenical working, as set out in the Articles Declaratory
- > **Legal Questions:** advising on questions of Church law and constitutional law affecting the relationship between the Church and State
- > **Panel on Review and Reform:** listening to the local church, considering the Church's changing needs, challenges and responsibilities and developing the Church's overall vision
- > **Safeguarding:** ensuring that work with children and vulnerable adults meets the requirements of civil legislation and regulation and that the Church is a safe place for all

Subsidiary Undertakings

There are four subsidiary undertakings. St Andrew's Galilee Limited and St Andrew's Scottish Centre Limited are incorporated to manage the Scots Hotel in Tiberias and St Andrew's Scottish Guesthouse in Jerusalem respectively. As well as having the objective of generating funds for the Church's charitable activities in the Holy Land, the hotel and guesthouse provide a base for visitors to witness the work of the Church of Scotland in Israel and the Occupied Palestinian Territories, and as a visible witness of solidarity and faith with local Christians. The Financial Results are described on page 72 and on note 30 to the financial statements.

CrossReach Trading Ltd raises funds for the Social Care Council from the sale of calendars and cards and also raises awareness of the Council's work.

Tabeetha School in Jaffa, Israel, operating as a not for profit organisation, educates children from over 30 nations and from Christian, Muslim, Jewish and other religious backgrounds; the Church believes that it is through learning and working

together that nations can live together in peace.

Appointment, Induction and Training of Trustees

Members of the Councils and Committees, including the Council of Assembly, are appointed by the General Assembly through the Nomination Committee. The Nomination Committee is appointed by the General Assembly. Consideration is given to the Council or Committee's need for qualifications and expertise when deciding upon those to be nominated. It is the policy of the General Assembly, as far as possible, to ensure a balance of members by gender, age and geographical location. An open and rigorous recruitment process is followed for nomination to the Council of Assembly; all vacancies are now filled, subject to General Assembly approval, by persons who have responded to an advertisement, demonstrated possession of the required skills and undergone a panel interview.

Each new member is provided with a copy of the remit of the Council or Committee, guidance notes on the responsibilities of a trustee, a calendar of meeting dates and copies of the Minutes of the most recent meetings. Trustee members of the Council of Assembly also receive a copy of the Code of Conduct for Voting Members as Charity Trustees. This includes guidance on the declaration and registration of interests and on the payment of expenses. All Council and Committee members are briefed on the remit and responsibilities of their Council or Committee and are thereafter updated on governance and charity matters and the effect, if any, on the remit and responsibilities of the Council or Committee. In addition, the Council of Assembly holds an annual introductory meeting for incoming Council and Committee

Conveners and members, shortly before the General Assembly at which they will take up their duties, at which they receive the latest Annual Report and Financial Statements and General Assembly Report and receive comprehensive briefings from office-bearers on charity law and on the structure, legislative processes and current work of the Church. A separate session is held for Conveners to introduce their particular responsibilities. Conveners and Secretaries ensure in the course of the year that members of Councils and Committees receive the support and information they need to discharge their duties responsibly and well.

Senior Management

A Senior Management Team supports the coordinating and decision-making work of the Council of Assembly and ensures the efficient implementation of the decisions of it and the General Assembly. The group is chaired by the Secretary to the Council of Assembly, and its members include the Principal Clerk, Council Secretaries and heads of the main support departments. The Senior Management Team is accountable to the Council of Assembly and its minutes are submitted to the Council for information. Senior staff of the Church are responsible for the operational management of their departments under the general direction of their Councils and Committees and for implementing the policies of the General Assembly; a formal Scheme of Delegation was introduced in 2015.

Senior Management pay is based on a comprehensive job evaluation system with staff placed on one of eleven bands.

Reporting Structure

The financial statements of the Unincorporated Councils and Committees include the financial

results of the five Councils and a number of Support and Services Departments together with Other Funds which include approximately 150 Trusts, the Mission and Renewal Reserve Fund, Housing and Loan Fund and the Church of Scotland Guild. The consolidated financial statements also incorporate the financial results of three subsidiary undertakings, St Andrew's Galilee Limited, St Andrew's Scottish Centre Limited, companies incorporated in Israel, and Tabeetha School in Israel registered as a non-profit organisation. The share capital of both companies is held by the Church of Scotland Trust on behalf of the World Mission Council which has given indemnity to the Trust in respect of all liabilities arising from its shareholdings.

General

Further information about the activities of the Church of Scotland and its individual Councils and Committees can be found on the Church of Scotland website. More detailed reports and information, including names of all Council members, can be found in each year's Reports to the General Assembly ('the Blue Book'), which is issued to all General Assembly Commissioners and is available for purchase from the principal office. The Church also publishes a Yearbook with contact details for its Presbyteries, congregations, ministers and senior officials and which also contains useful general information about the Church; the Yearbook is available for purchase from the principal office.

Risk Management

The internal audit strategy approved by the Church's Audit Committee recognises the importance of regular reviews of the governance, management and operation of the core Councils of the Church. During 2015, the internal auditors carried out a review of the Ministries Council; of the Church's readiness for full

compliance with the Protecting Vulnerable Groups Scheme (PVG); of our systems and processes for making overseas payments; of the process for implementing a major new system for Human Resources and Payroll data; of the financial controls framework assessment for CrossReach; and of key financial controls in operation in the Stewardship and Finance Department. The internal auditors also conducted a follow-up review of prior recommendations. Where appropriate, the Council of Assembly accepted the recommendations contained in these reports and instructed that they be implemented. The Council, through its Audit Committee, monitors progress on audit recommendations and takes appropriate action to ensure that process improvements are embedded. The internal audit programme for 2016 will be agreed in discussion with the provider but will be designed to ensure audit coverage across a range of key process areas, a continued focus on financial controls and appropriate analysis of the legal, regulatory and risk management processes.

The Trustees recognise the risks inherent in resourcing and delivering a challenging programme of worship and mission at local, national and international level in a climate of increasing financial constraints. Each Council and Committee has a risk register which they regularly review and on which they are required to report as part of the regular reporting cycle to the Council of Assembly; in addition, the Council of Assembly maintains a register of high-level risks. In the course of 2015, the Council embarked on a full-scale review of risk management processes, to ensure that they remained able to deliver capable, efficient and cost-effective management of risk. With the assistance of external expert assistance, we completed a full gap analysis, drafted a new risk

management policy, completed a risk matrix, reviewed the governance and risk management structures, identifying accountabilities, and delivered risk management workshops to key decision-makers.

We plan in 2016 to complete another 12 workshops, to finalise an amended central risk register; to deliver further training for accountable stakeholders and to create a central group to oversee the management of risk throughout the Unincorporated Councils and Committees.

The principal risks on the Council's risk register are as follows; comments on the management and mitigation of these risks are noted below each heading.

Declining and Ageing Membership

The Church of Scotland's membership is dropping by approximately 3% each year, mainly through the death of older members and the difficulty in recruiting younger people into Church membership. This has a potential impact on the income of the Church although preliminary figures for 2015 show that congregational income actually increased by a small percentage. Our data shows that congregations thrive best where there is inspirational local leadership. The Church is therefore investing in Tomorrow's Calling, a multi-media campaign to encourage people, particularly younger people, to think about ministry as a career. It is also investing in new training models for ministry, considering ways of improving the financial support offered to students and candidates, reshaping the pastoral and personal support programmes for ministers and offering a programme of continuing ministerial review and development. At the same time, the Church, through the Mission and Discipleship Council, Priority Areas, the Guild and the Go For It project are offering improved training and resources for local leadership. The

Council of Assembly is encouraging Presbyteries to share their resources to support local congregations, for example in safeguarding. It also intends to spend time in 2016 reviewing the regional church level, in full consultation with Presbyteries, in order to identify opportunities for improving resourcing and support. The Mission and Discipleship Council has increased its work with children and young people, offering both training events and resources for congregations who wish to increase the numbers of children and young people at a local level. A new publication *How will our children have faith?* is an example. More generally, the Mission and Discipleship Council has increased its focus on supporting creative worship practices so that people can have a transforming encounter with God; training events and downloadable worship resources are both offered, the latter proving particularly popular.

The Council of Assembly believes that this risk remains high but that the actions in mitigation are permitting it to be appropriately managed in the short term.

Succession planning

Three of the Church's key senior officials announced in 2015 that they would be retiring within a twelve month period, leading to a risk that knowledge and experience would be lost. The Council of Assembly took early action to fill the posts, carefully reviewing the job descriptions and person specifications and ensuring a robust recruitment process to ensure that the new appointees would have the necessary skills, knowledge and experience and that the appointments were made in time to permit an orderly transition. The posts were filled internally, which has mitigated this particular risk; a similar process has been followed in filling the resulting vacancies. The Council will continue

to keep the age profile of the senior staff group under review and will work with postholders and with the Human Resources Departments to ensure that sensible plans are made for future departures. The Convener of the Council of Assembly comes to the end of his four-year appointment in May 2016. This is a key role in the Unincorporated Councils and Committees and a similar process was followed to identify a successor. A person specification was drawn up and agreed by the Council, the post - a voluntary one - was advertised throughout the Church and in *Life and Work*, the Church's magazine, and applications were invited. An interview panel was provided by the Nomination Committee of the General Assembly, advised and supported by the current Convener and Secretary to the Council, and a recommendation is to be made to the 2016 General Assembly. That process too has resulted in the nomination of an 'internal' candidate, an existing member of the Council, and the process of induction and transition has already commenced.

The Council of Assembly considers that this risk is now being appropriately managed.

Business Continuity

Internal audit reports identified a significant risk to the Unincorporated Councils and Committees arising from the absence of a recently reviewed and tested co-ordinated business continuity plan. The Council of Assembly allocated funds to appoint external assistance and a complete review of business continuity needs and arrangements was carried out. It has resulted in the creation of a robust business continuity plan for the Unincorporated Councils and Committees and the testing phase has now commenced.

The risk remains in place but the Council of Assembly believes



Cramond Kirk

that it is now being appropriately managed.

Procurement

Internal audit reports identified the need to improve procurement arrangements. Nonetheless, the Council has commissioned an external review of procurement arrangements and anticipates the appointment in 2016 of a procurement professional to take this matter forward. A scheme of delegation makes clear the need to obtain senior approval of high-value contracts; all staff are reminded of the need to obtain approval for the terms and conditions in proposed contract arrangements; and the Stewardship and Finance Department offer advice and support in procurement processes.

The risk remains in place. The Council believes that the actions in mitigation

ensure that it is not a major risk for the Unincorporated Councils and Committees but is keen to ensure that its procurement processes remain under review.

Volatility in funding for social care

The Social Care Council, trading as CrossReach, provides a range of residential and daycare services throughout Scotland, many of which are largely funded by public authorities, including local government. Government controls on local authority spending have resulted in cuts in public funding for aspects of care and CrossReach, along with other private and charitable sector care providers, has experienced fluctuations in its income. CrossReach is seeking to mitigate the risk by working closely and vigorously with other care

providers to lobby Government and local authorities, to ensure that the consequences for society of such cuts is fully appreciated. In addition, CrossReach is working with individual local authorities where necessary to resolve individual funding issues. In the meantime, costs are being firmly controlled. The Social Care Council has set up a Business Strategy Group with representation from the Council of Assembly, due to report in 2016, to consider the strategic direction of the organisation in the light of the current external challenges. The risk remains but the Council of Assembly believes that the actions taken in mitigation are appropriate.

Financial Review

Financial Review for the Year Ended 31 December 2015

The Church's overarching objective is the advancement of religion - participating in Christ's ministry, to worship and serve God. A substantial amount of our resources are devoted to the provision of this ministry with a further focus of resources on those who need our care – the vulnerable, displaced or exploited - all in Christ's name. In 2015 the Unincorporated Councils and Committees expended £106.1m (2014 £115.5m) on meeting this objective as detailed in the following report.

Income

Income from all sources in 2015 was £109.8m, which was unchanged in total from the previous year, although there was a slight shift in composition. Donations and legacies, which includes congregational contributions, decreased by £902k (1.7%). Income from charitable activities was also down, by £975k (2.1%). However, income from other trading activities including fundraising income, compensated to an extent, increasing by £371k (7%) and gains on disposal of property assets were £3.7m making up the remainder. Only a very small proportion of the Church's income is reliant on legacies and donations and the two main sources of income from congregations and from care contracts can be budgeted on a reasonably accurate basis. However, changing demographics in congregations and the effects of economic and social factors in the social care sector demand careful longer term income

a £1m increase in their total income over 2012-2014.

Fundraising efforts at CrossReach have in 2015 resulted in income of £863k, a growing area with potential for development and one where congregations and local communities can play an active role.

Congregational Income

As shown by the table below, congregational contributions receivable decreased by £880k or 1.8%, following on from a decrease in 2014 which had been due to increased vacancy allowances given to congregations without a minister. The decrease in 2015 was due to a further £500k added to the discretionary allowance available to Presbyteries to use their local knowledge in assisting congregations with innovative mission initiatives as well as those facing acute financial issues. This was an

	2015 £m	2014 £m	2013 £m	2012 £m	2011 £m
Income by Type					
Congregational Contributions	47.1	48.0	48.6	48.8	47.1
Social Care	42.3	43.3	45.3	46.2	46.4
Other Charitable Activities	3.5	3.4	3.4	3.5	3.3
Legacies	2.2	1.2	3.0	2.7	1.9
Donations, Trusts, Grants	1.4	2.4	3.6	1.7	2.0
Other Trading Activities	5.6	5.1	5.4	4.5	5.0
Investment & Other	7.7	6.7	9.7	4.9	12.1
Total	109.8	110.1	119.0	112.3	117.8

strategies. The National Stewardship Programme is one such strategy and while take up has been good since its inception in 2011 there are a number of Presbyteries where few, if any congregations have taken part. Congregations completing a Stewardship Programme with the help of a consultant showed

expansion of the existing scheme introduced in 2005 allowing Presbyteries 3% for these purposes, and took the allowance to 4%. These reductions in the amounts ultimately receivable from congregations are possible as a result of a continuing decline in minister numbers

and consequently less funding required. A further reason for the decrease in income is an increased provision required at the balance sheet date against congregational contributions outstanding at the year end. While 97.7% of the current year's contributions had been received as usual by the year end, a prudent approach is taken in assessing general provisions and there are also a very small number of congregations experiencing financial difficulties, against which specific provisions are made. Presbyteries are responsible for ensuring that these payments are made on a monthly basis and for governance of congregations, including addressing any particular financial issues arising.

The level of giving within congregations has shown signs of flattening out over more recent years but given the reduction in membership numbers is remarkably resilient, thanks to the continued generosity of members. Following increases in Congregational Gift Aid tax reclaims in recent years, there has been a decrease in reclaims in 2015.

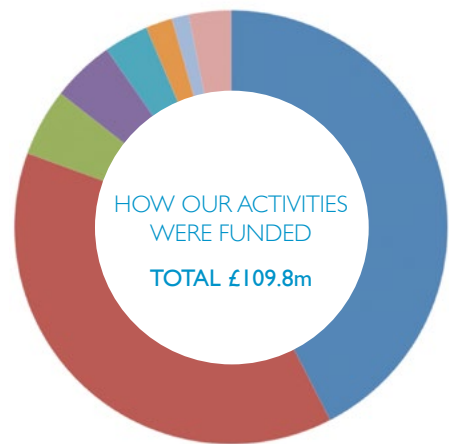
Congregational income also included stipend endowment and Glebe rental income totalling £3m received from the General Trustees for congregations, to use towards their Ministries and Mission contributions.

Donations, Grants and Trusts

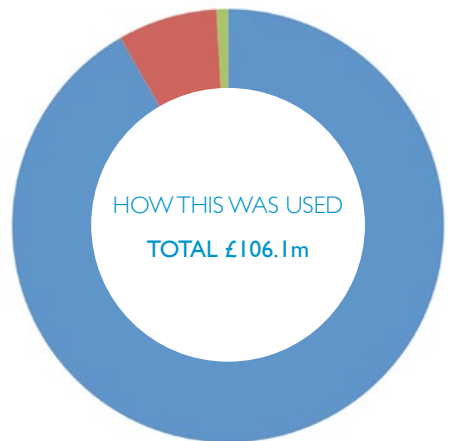
Donations

Our members have remained committed to supporting projects of the Church, reflected in voluntary donations from individuals, congregations and organisations remaining at the £1m mark over several years. More congregations have taken part in fundraising events such as Souper Sunday, helping to bring in £43k for the HIV Programme in 2015 and £29k for 'A Place at the Table', for Syrian refugee projects in Lebanon, which has now raised £99k in total. Following an earthquake in Nepal in April 2015 World Mission started a new project 'Let Us Build A House' and has so far collected £24k – enough to build 47 houses!

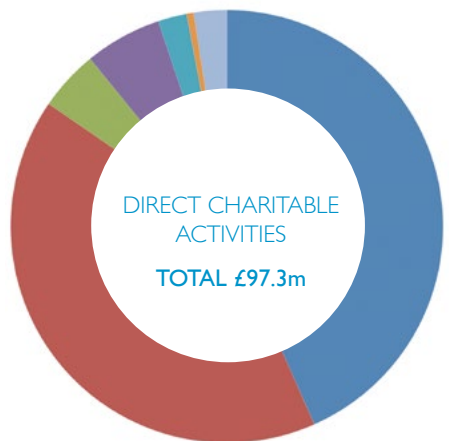
Given that congregations and individuals have faced their own financial pressures during the challenging economic environment, this is all the more encouraging. The Guild continued its remarkable track record in fundraising, adding a further £119k to last year's £140k for three Church of Scotland projects: CrossReach's Heart for Art, World Mission's Out of Africa into Malta, and Ministries' WEvolution. World Mission also received £257k of donations for its Partner Church projects overseas, almost 1,000 in number ranging from single figure donations to several thousands of pounds. Many of these have resulted from World Mission's twinning programmes where congregations in Scotland have gone on to form long term and mutually beneficial relationships with congregations overseas.



- Congregational Contributions: £47.1m – 42.9%
- Social Service Income: £42.3m – 38.5%
- Other Trading Income: £5.6m – 5.1%
- Income from Investments: £4m – 3.6%
- Property Disposals: £3.7m – 3.4%
- Legacies: £2.2m – 2.0%
- Donations, Grants, Trusts: £1.4m – 1.3%
- Other Charitable Activities: £3.5m – 3.2%



- Direct Charitable Activities: £97.3m – 91.7%
- Support Costs: £7.9m – 7.4%
- Income Generation and Other: £0.9m – 0.9%



- Providing Ministers £42.2m – 43.4%
- Social Care Provision £40.1m – 41.2%
- World Church Engagement £4.4m – 4.5%
- Wider Church Support £5.6m – 5.7%
- Leadership in Mission £2.1m – 2.2%
- Engagement with Society £0.5m – 0.5%
- Other Programmes £2.4m – 2.5%

Finally, the Go for It Fund received £196k from the General Trustees by way of contributions from gains on property sales.

Grants

Funding from external grants reduced from 2015 – at £131k the total received was at a similar level, but £100k was from the General Trustees towards a Ministries Council New Charge Development at Easterhouse.

Expenditure

The Church's most valuable resource is its people and so the largest part, 70%, of its spending is on salary and stipend costs. This includes almost 1,000 ministers and Ministries Development Staff, overseas Mission Partners, 1,200 (full time equivalent) Social Care staff, and support staff. There are other costs associated with the running of such a large and complex charity, (outlined on the table below).

	2015 £m	2014 £m	2013 £m	2012 £m	2011 £m
Expenditure					
Charitable	97.3	101.5	105.3	109.4	104.0
Support	7.9	7.6	7.9	7.5	7.2
Other	0.9	6.4	19.5	1.2	0.5
Total	106.1	115.5	132.7	118.1	111.7

Legacies

For many people, leaving a legacy in their will is a final opportunity to make a lasting gift to God and a way of making a real difference to the future of the Church.

Legacies without restrictions are vital to the Church, because of the flexibility to be used where most needed. Unrestricted legacies for any work of the Church were £859k in 2015 and these were used to reduce the amount required for mission work which might otherwise be funded by congregational contributions.

Legacies gifted to Councils of the Church such as CrossReach and World Mission enable work which might not otherwise be possible, and the income from legacies of bygone years is still being put to good use, such as for medical work carried out by our partner churches in the poorest parts of Asia. In 2015 CrossReach benefited from £894k in legacies and a legacy of £100k was received by Mission and Discipleship for Youth Work which will be used for the National Youth Assembly over the next three years. World Mission received £116k mainly for general use.

Investment and Other Income

Investment income of £4m was at the same level as 2014 with sales of investments by the Ministries Council to fund past service deficit contributions offset by other funds being invested leaving the total investments largely unchanged. Dividend rates paid by the Investors Trust were maintained for the third consecutive year. Other income was from gains on disposal of property £3.7m mainly by CrossReach.

The downward trend in charitable expenditure over the last five years is largely as a consequence of the difficulty the Church has found in finding sufficient ministers to fill vacancies as ministers retire and Ministries Council expenditure in 2015 decreased by £1.3m over the previous year. The Church's "Tomorrow's Calling" initiative, launched in 2015, is a key strategy aimed at addressing this issue, with £150k invested in 2015. In order to increase support, higher bursaries have now been made available to those undertaking ministerial candidate training.

Education and support of ministers totalling £977k included the recruitment and training of all new ministers, deacons, readers and ordained local ministers, study leave for ministers in service for 5 years or more, and the provision of pastoral support to congregations in situations of particular difficulty.

An emerging theme for the Church is capacity building in local congregations. We facilitated that by the payment of grants from the Go for It Fund, which awarded just over £1m in 2015, and through the funding of projects run by Ministries Priority Areas such as Chance to Thrive, which supports and mentors congregations in the poorest parishes, showing how churches, with local people leading, can play a key role in neighbourhood regeneration. £1m awarded in grants translates into an even higher number once the matched funding then achieved by congregations is added.

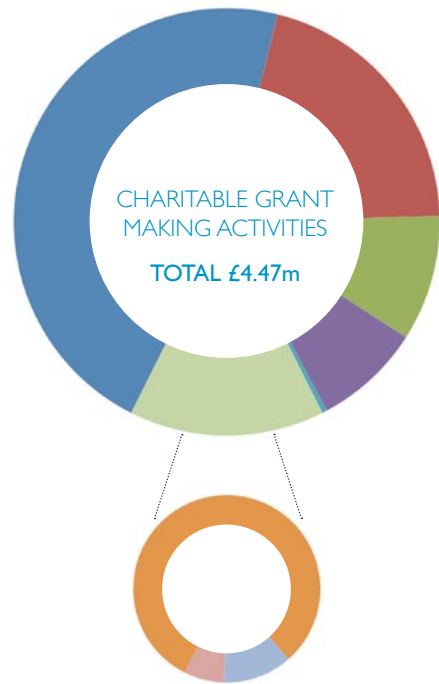
The Church of Scotland provided financial support of over £3m in 2015, through the contributing to Parish Ministers Stipends, employment of Ministries Development Staff and the funding of a range of incentives directly in support of the poorest parishes in Scotland. Ministries Priority Areas

projects ranged from the awarding of local “from Ideas to Action” grants to congregations, running pilot projects such as Chance to Thrive and working with partnership organisations such as Faith in Community Scotland , WEvolution and the GKexperience to deliver the Church of Scotland's gospel towards the poorest and most marginalised.

CrossReach, the Social Care Council, has made significant progress in implementing the recommendations of its 2013-2015 strategic review and this is reflected in cost savings of £3.1m between 2014 and 2015. These included planned costs of restructuring its Residential Care and Education service (RC&E), although timing issues in relocating one of the units has meant that some costs will now be deferred until 2016. Nonetheless, when the exceptional costs of restructuring are excluded, the Council has managed to break even before gains on sale of properties. This has been achieved through stringent cost control measures, for example, staff wages were not increased in 2015 although the favourable result against budget allowed a modest one off non-consolidated payment to be made to staff. Difficulties in recruiting care workers again led to an increase in agency staff used, although not necessarily at greater financial cost. Pension deficit payments of £952k were made to the Church's defined benefit pension schemes as a result of underfunding at the time of closure to new entrants in 2004 and to future accrual in 2013. The costs of the schools also included payments to Local Government Pension Schemes. Most services performed better than budget although there were again particular financial challenges in the running of a small number of care homes for older people. Income from social care contracts face continuing pressure

Grants awarded overall by the Church have increased from £2m in 2010 to £4.7m in 2015. They are awarded in accordance with set criteria and evaluation systems are in place to ensure full accountability. The World Mission Council made grants of £944k to its overseas partners such as £28k to the Presbyterian Church of South Sudan for the Need a Neighbour and Women's projects, and £45k for bursaries in Africa.

Since 2008 the Church has made substantial deficit repair payments to its defined benefit pension schemes, some from reserves, included in charitable expenditure. Including the payments made by CrossReach, payments of £4.3m were made in repairs to the defined benefit pension schemes in 2015.

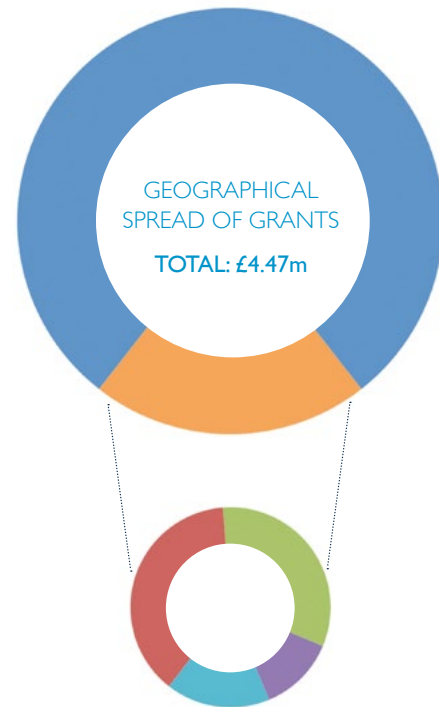


Grants to Institutions

- Community Projects including Go For It £2.08m – 46.4%
- Theological Education and Partner Churches £927k – 20.7%
- Payments to Support Individual Congregations £426k – 9.5%
- For the Relief of Poverty £365k – 8.2%
- For Heritage and the Environment £16k – 0.4%

Grants to Individuals

- Bursaries and Educational Purposes £537k – 12.0%
- Cases of Hardship £79k – 1.8%
- Project Work of the Charity £46k – 1.0%



- UK £3.53m – 78.9%
- Africa & Caribbean £361k – 8.1%
- Asia £307k – 6.9%
- Europe £117k – 2.6%
- Middle East £161k – 3.5%

In the table on page 42, the sharp increase in other expenditure in 2013 was due to the effects of closing the defined benefit pension schemes to future accrual. This is not money "lost" to the Church, but sits within the Pensions Reserve and may be used against other pension costs. The closure to future accrual of the defined benefit schemes from 1 January 2014, and the matching of scheme assets to liabilities, has already significantly reduced the volatility of results reported under Financial Reporting standards year on year. This demonstrates that these decisions, taken in the context of the Church, and in common with many other employers, have resulted in a much more stable financial position.

Financial Performance of Councils

In operational terms all Councils and Committees worked within their budgets including past service pension deficits but excluding property and investment gains.

Plans for Future Periods

The General Assembly has agreed indicative budgets for 2016 and these are balanced, other than in the Social Care Council due to the timing of the restructuring costs for its Residential Care and Education services. In addition to the indicative budgets agreed by the General Assembly in 2015 the Council of Assembly in response to the findings of external reviews has agreed additional funding in 2016 from the Mission and Renewal Reserve, of up to £350k for three key governance areas - risk management, business continuity and information management. These projects cover a number of areas of the Church.

The Joint Working Group (JWG) set up following the 2014 General Assembly has been considering both how funding is raised for the Church's national activities, and how it is best spent. The Group includes members of the Panel on Review and Reform, Ministries Council and the General Trustees, and a wide range of issues has been considered, and views sought from other stakeholders.

The Council of Assembly presented an interim report on the Group's work in 2015. The General Assembly noted progress and endorsed the direction of travel as well as adding an instruction on how to address the issue of Ministries and Mission Contributions for congregations in long-term vacancy. Presbyteries were invited by the 2015 General Assembly to reflect on the challenges outlined in that interim report and subsequently submitted comments.

The JWG has now considered wide ranging issues and a full report is included in the Council of Assembly's Report to the General Assembly. The Ministries and Mission Regulations will be changed to include a number of ways of encouraging new initiatives through the Presbytery Allowance, but also to take accounts of sums not paid by congregations.

The impact on budgets of the decline in the number of Ministers was fully discussed at JWG meetings and it was from these discussions that the idea arose of separating - and protecting - the Parish Ministries Fund element of the Ministries Council budget and of considering the other elements of its budget and activities alongside the work of other Councils and Committees. The budget for 2017 will be the first to be presented under this new model and the Parish Ministries Fund Regulations will be amended accordingly.

In 2012 the General Assembly approved the Strategic Framework which set out 13 core priorities as described in the Trustees Report. These remain relevant and have proved useful in the preparation of departmental work plans and for reporting on the work of Councils and Committees. The Joint Working Group has proposed that these key objectives be prioritised allowing the Council of Assembly and the General Assembly itself to allocate resources to those activities which most support the mission of the Church.

Reserves

Reserves are held mainly at Council and Committee level, other than an operational reserve held centrally, known as the Mission and Renewal Fund.

This fund, £2.8m as at 31 December 2015 (2014, £3.7m) is reliant on unrestricted donations, legacies and investment income, and has been used to contribute to the work of Councils and Committees which would otherwise be funded from congregational contributions or not able to be funded at all, as well as providing an operational reserve to meet unexpected expenditure.

Income, which will not necessarily follow past experience, was £1.1m in 2015 and is budgeted to be £1.2m in 2016. Accumulated reserves as well as annual income on the fund have been used to supplement the budget in recent history but the Trustees now aim to maintain a reserve of at least £2m on the fund to meet any temporary shortfall on income, or other financial contingency. This would represent approximately 3 months' expenditure of the Unincorporated Councils and Committees excluding Ministries Council whose work is funded by the Parish Ministries Fund and investment income. It is worth noting that this level is less than the amount held by some congregations where a benchmark of six months is widely used.

The effect of this will be to reduce the annual budget contribution to a more realistic amount, of £1.2m reducing to under £1m within the medium term of 3-5 years. In the longer term, 5-10 years the Trustees aim to increase the reserve to cover 3-6 months of expenditure. This will increase pressure on the work of the Unincorporated Councils and Committees.

Reserves held at Council and Committee level are generally treated as being restricted for their work, although there is some entirely unrestricted income such as from activities such as the Life and Work publication and rental income from parts of the 121 George Street property. Within councils and committees there may be further restrictions and where this is the case, the Council of Assembly has urged councils to use these funds as part of their budget. Much of the funds held have originated from previous legacies and property sales, but also from historic reorganisations of the Church's Boards and Committees, and research is ongoing to determine the extent of the restrictions to inform future Reserves Policy.

The level of reserves held varies considerably across councils and committees and further details are given in notes 26 to 29 of the Financial Statements.

As at 31 December 2015 total reserves, categorised as being total funds excluding fixed assets and endowments, but including some restricted funds, were £106.3m (2014 £90.0m). The Trustees consider that this is an appropriate level of reserves taking into account the following factors:

- > The level of congregational income upon which half of the income is based has been remarkably resilient and may be unlikely to vary significantly in the short term;
- > A relatively high level of reserves is required to meet the stipends of ordained ministers due to the nature of ministerial tenure and the broad range of the Church's operations;
- > Each Council monitors its reserves and has strategies in place to balance budgets and use reserves appropriately;
- > Ongoing research into the restrictions.

The negative pensions reserve of £6.1m is attributable to CrossReach's own defined benefit pension scheme and its share of the deficit in two Local Government Pension Schemes (LGPS). Note 32 to the Financial Statements provides more information.

Investment Policy

Under powers given by the Church of Scotland (Properties and Investments) Order Confirmation Act 1994, the Unincorporated Councils and Committees are permitted to invest, to an unlimited extent, in the funds provided by The Church of Scotland Investors Trust. Any investment outwith the Trust is subject to the provisions of the Charities and Trustee Investment (Scotland) Act 2005.

The Unincorporated Councils and Committees manage their investments to maximise the overall return on funds. The Council of Assembly has a policy of using only the Investors Trust and protocols have been put in place to ensure proper governance and accountability between the two parties.

The Investors Trust has an ethical investment policy and investment is avoided in any company whose management practices are judged by the Trustees to be unacceptable. In particular, investment is avoided in any company substantially involved in gambling, tobacco products, alcohol, armaments and other activities which are felt to harm society more than they benefit it. In general, investment is sought in companies that demonstrate responsible employment and good governance practices, have regard to environmental performance and human rights and act with sensitivity to the communities in which they operate.

The Investors Trust offers three funds - the Growth, Income and Deposit Funds, and investors obtain the benefits of professional management, continuous portfolio supervision, spread of investment risk and economies of scale.

None of the Trusts' funds are exposed to complex instruments such as derivatives or interest rate swaps. The statement of investment policy is also reviewed annually and issued to each Manager to ensure the objectives of each fund are clear and any restrictions complied with.

Investment Performance

An internal benchmark, reflecting ethical constraints, has been agreed with the Managers of the Growth Fund in order to allow objective assessment to be made of investment performance. In 2015 the total return was 5.6% (2014 8.2%) against the internal benchmark of 2.9% (2014 8.2%). The Income Fund's total investment return was 2.1% (2014 12.1%) compared with the benchmark return of 0.6% (2014 11.2%). The Deposit Fund's average rate of interest paid for 2015 was 0.63% (2014 0.56%) compared with an average UK base rate of 0.5% unchanged since early March 2009.

Pension Schemes

The Church closed its defined benefit pension schemes to future accrual from 1 January 2014 (1 August 2013 for CrossReach) and in its place, ministers and staff are now able to join a defined contribution group personal pension plan with Legal and General. CrossReach had already operated a defined contribution plan for new staff since 2003.

The scheme actuary carried out a three year valuation as at 31 December 2012 and agreed Schedules of Contributions are in place for deficit repair contributions. The next three year valuation as at 31 December 2015 is nearing completion. The Pension Trustees have been carrying out a benefits rectification exercise which has identified some issues with benefits currently in payment.

The Pension Trustees have continued to move a higher proportion of the Schemes' funds to less risky assets, matching

as far as possible assets with liabilities, while balancing this with the need for continued growth such as in the case of the Social Care Scheme which has a lower funding level. This is already providing more stability for the future funding position of the defined benefit schemes.

In addition to the triennial valuation, the scheme actuary carries out a separate annual valuation in line with accounting standard FRS102, which may result in a different funding position. The 31 December 2015 valuation showed a deficit of £1.9m relating to the CrossReach scheme only.

Certain employees of CrossReach are members of Local Government Pension Schemes (LGPS) and for 2014 and 2015 FRS102 valuations have been included in the Financial Statements, showing the Church's share of the deficit as £5.5m (2014 £5.3m). The combined defined benefit pension scheme deficit shown on the balance sheet is £6.1m. Note 32 to the Financial Statements gives full disclosures as required by FRS102.

The Council of Assembly is in the process of setting up a governance framework for the new defined contribution schemes with representation from the employing agencies and from scheme members to monitor their administration and the performance of Legal and General.

Other Recognised Gains and Losses

FRS102 requires the disclosure of actuarial gains or losses during the year and the combined loss of £803k (2014 loss £4.3m) on all defined benefit schemes was disclosed under Other Recognised Gains and Losses.

Each year the Church's investments are revalued at the unit price published by the Church of Scotland Investors Trust and the resulting unrealised gain for 2015 was £544k (2014 £4.4m).

In accordance with FRS102, the net assets of the Israeli Subsidiaries and World Mission Council's bank accounts in Israel were translated to sterling at the rate of exchange ruling at 31 December 2015. This led to unrealised foreign currency losses of £2k and gains of £453k respectively.

Responsibilities of Trustees

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the 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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that period.

In preparing these financial statements, the trustees are required to:

- > Select suitable accounting policies and then apply them consistently;
- > Observe the methods and principles in the Charities SORP;
- > Make judgments and estimates that are reasonable and prudent;
- > State whether applicable accounting standards 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 business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group 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 included on the charity'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 by:

Rev S Grant Barclay LLB DipLP BD MSc PhD **Convener**
Murdo Macmillan CA: **Convener, Finance Group**
Pauline Weibye MA, DPA CHARTERED FCIPD **Secretary**

Edinburgh
 11 April 2016

Auditors' Report

Independent auditors' report to the Trustees of The Church of Scotland Unincorporated Councils and Committees

Report on the financial statements

Our opinion

In our opinion, The Church of Scotland Unincorporated Councils and Committees' financial statements (the financial statements''):

- > give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2015 and of its incoming resources and application of resources and cash flows, for the year then ended;
- > have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- > have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

What we have audited

The financial statements, included within the Annual Report and Financial Statements of the Unincorporated Councils and Committees (the "Annual Report"), comprise:

- > the Group and Charity balance sheets as at 31 December 2015;
- > the Group and Charity statement of financial activities for the year then ended;
- > the cash flow statement for the year then ended; and
- > the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Other matters on which we are required to report by exception

Sufficiency of accounting records and information and explanations received

Under the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- > we have not received all the information and explanations we require for our audit; or
- > sufficient accounting records have not been kept; or
- > the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Other information in the Annual Report

Under the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 46, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the group's trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulations made under that Act (regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- > whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed;
- > the reasonableness of significant accounting estimates made by the trustees; and
- > the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the trustees' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially

incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Edinburgh
11 April 2016

PricewaterhouseCoopers LLP is eligible to act, and has been appointed, as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

- (a) The maintenance and integrity of the The Church of Scotland Unincorporated Councils and Committees website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial Statements

The point is this: the one who sows sparingly will also reap sparingly, and the one who sows bountifully will also reap bountifully. Each of you must give as you have made up your mind, not reluctantly or under compulsion, for God loves a cheerful giver. And God is able to provide you with every blessing in abundance, so that by always having enough of everything, you may share abundantly in every good work.

He who supplies seed to the sower and bread for food will supply and multiply your seed for sowing and increase the harvest of your righteousness.

You will be enriched in every way for your great generosity, which will produce thanksgiving to God through us; for the rendering of this ministry not only supplies the needs of the saints but also overflows with many thanksgivings to God.”

2 Corinthians 9

Consolidated Statement of Financial Activities for the year ended 31 December 2015

Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2015 £000	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2014 £000
	Income							
4	976	49,770	-	50,746	871	50,777	-	51,648
5	4,448	1,090	-	5,538	4,435	732	-	5,167
6	2	3,247	786	4,035	1	3,281	1,001	4,283
7	3,147	42,558	-	45,705	3,377	43,334	-	46,711
8	-	3,717	-	3,717	(24)	2,317	-	2,293
	8,573	100,382	786	109,741	8,660	100,441	1,001	110,102
	Expenditure							
9	4,788	439	-	5,227	4,067	421	-	4,488
10	3,421	101,702	-	105,123	3,446	105,716	-	109,162
11	-	(4,347)	-	(4,347)	-	1,902	-	1,902
	8,209	97,794	-	106,003	7,513	108,039	-	115,552
15	364	2,588	786	3,738	1,147	(7,598)	1,001	(5,450)
	-	59	-	59	-	43	-	43
	364	2,647	786	3,797	1,147	(7,555)	1,001	(5,407)
	(924)	1,226	(302)	-	(721)	1,574	(853)	-
	(560)	3,873	484	3,797	426	(5,981)	148	(5,407)
	Other Recognised Gains and Losses							
15	-	277	267	544	-	3,421	987	4,408
	-	-	-	-	-	721	-	721
16	(2)	453	-	451	(1,417)	467	-	(950)
32	-	(803)	-	(803)	-	(4,325)	-	(4,325)
	(562)	3,800	751	3,989	(991)	(5,697)	1,135	(5,553)
	342	145,147	25,190	170,679	1,333	150,844	24,055	176,232
27, 28 & 29	(220)	148,947	25,941	174,668	342	145,147	25,190	170,679

The above results are derived from continuing activities. There is no material difference between the incoming/(outgoing) resources for the financial year stated above and their historical cost equivalents.

Charity Statement of Financial Activities for the year ended 31 December 2015

Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2015 Funds £000	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2014 Funds £000
Income								
4	924	49,770	-	50,694	730	50,777	-	51,507
5	32	1,090	-	1,122	33	732	-	765
6	2	3,247	786	4,035	1	3,281	1,001	4,283
7	2,003	42,558	-	44,561	2,101	43,334	-	45,435
8	-	3,717	-	3,717	-	2,317	-	2,317
	2,961	100,382	786	104,129	2,865	100,441	1,001	104,307
Expenditure								
9	32	407	-	439	33	421	-	454
10	2,003	101,734	-	103,737	2,101	105,820	-	107,921
11	-	(4,347)	-	(4,347)	-	1,902	-	1,902
	2,035	97,794	-	99,829	2,134	108,143	-	110,277
15	926	2,588	786	4,300	731	(7,702)	1,001	(5,970)
	-	59	-	59	-	43	-	43
	926	2,647	786	4,359	731	(7,659)	1,001	(5,927)
	(926)	1,228	(302)	-	(721)	1,574	(853)	-
	-	3,875	484	4,359	10	(6,085)	148	(5,927)
Other Recognised Gains and Losses								
15	-	277	267	544	-	3,421	987	4,408
16	-	-	-	-	-	721	-	721
32	-	451	-	451	-	467	-	467
	-	(803)	-	(803)	-	(4,325)	-	(4,325)
	-	3,800	751	4,551	10	(5,801)	1,135	(4,656)
	235	145,147	25,190	170,572	225	150,948	24,055	175,228
27, 28 & 29	235	148,947	25,941	175,123	235	145,147	25,190	170,572

The above results are derived from continuing activities. There is no material difference between the incoming/(outgoing) resources for the financial year stated above and their historical cost equivalents.

Balance Sheets as at 31 December 2015

Note		Group		Charity	
		2015 £000	2014 £000	2015 £000	2014 £000
	Fixed Assets				
13	Tangible Assets	48,187	53,874	39,649	45,106
14 & 15	Investments	107,011	108,427	107,011	108,427
17	Mixed Motive Investments	7,287	7,232	7,287	7,232
	Total Fixed Assets	162,485	169,533	153,947	160,765
	Current Assets				
18	Mixed Motive Investments	248	366	368	486
	Stocks and Work in Progress	95	77	43	38
19	Debtors	6,299	5,317	5,751	4,807
20	Short Term Deposits	27,854	24,618	27,854	24,536
	Cash at Bank and in Hand	3,301	2,023	2,506	1,384
	Total Current Assets	37,797	32,401	36,522	31,251
21	Creditors: Amounts falling due within one year	18,079	20,510	8,258	10,942
	Net Current Assets	19,718	11,891	28,264	20,309
	Total Assets less Current Liabilities	182,203	181,424	182,209	181,074
22	Creditors: Amounts falling due after one year	381	475	381	475
23	Provision for Liabilities and Charges	991	846	542	603
		1,372	1,321	923	1,078
	Net Assets excluding Pension Liability	180,831	180,103	181,288	179,996
32	Defined Benefit Pension Liability	(6,163)	(9,424)	(6,163)	(9,424)
24 & 25	Net Assets including Pension Liability	174,668	170,679	175,123	170,572
	The Funds of the Group and Charity:				
29	Endowment Funds	25,941	25,190	25,941	25,190
26 & 27	Unrestricted Income Funds	(220)	342	235	235
	Pension Reserve	(6,163)	(9,424)	(6,163)	(9,424)
	Restricted Income Funds	155,110	154,571	155,110	154,571
28	Total Restricted Funds	148,947	145,147	148,947	145,147
	Total Funds of the Group and Charity	174,668	170,679	175,123	170,572

The Financial Statements on Pages 50 to 77 were approved and authorised by the Council of Assembly on 11 April 2016 and signed on its behalf by and signed on its behalf by :

Rev Dr Grant Barclay LLB DipLP BD MSc PhD: **Convener**

Murdo Macmillan CA: **Convener, Finance Group**

Anne F Macintosh BA CA: **Acting General Treasurer**

The Notes on pages 54 to 77 form part of these Financial Statements

Consolidated Cash Flow Statement for the year ended 31 December 2015

	2015 £000	2014 £000	
Cash Flows from operating activities			
Net cash provided by (used in) operating activities	(9,754)	(7,556)	
	(9,754)	(7,556)	
Cash flows from investing activities			
Dividends, interest and rents from investments	4,318	4,318	
Proceeds from sale of property, plant and equipment	9,883	3,370	
Purchase of property, plant and equipment	(2,377)	(2,801)	
Proceeds from sale of investments	3,220	3,781	
Purchase of investments	(1,201)	(4,206)	
Net cash provided by (used in) investing activities	13,843	4,462	
Change in cash and cash equivalents in the reporting year	4,089	(3,094)	
Cash and Cash equivalents at the beginning of the reporting year	18,034	21,364	
Change in cash equivalents due to exchange rate movements	584	(236)	
Cash and cash equivalents at the end of the reporting year	22,707	18,034	
Reconciliation of net income/(expenditure) for the reporting year (as per the statement of financial activities)			
Net income for the reporting year (as per the statement of financial activities)	3,738	791	
Adjustments for:			
Depreciation charges	1,897	2,987	
(Gains) on investments	(59)	(43)	
Dividends, interest and rents from investments (including pension schemes)	(4,035)	(4,911)	
(Profit) on sale of fixed assets	(3,717)	(2,293)	
Decrease in stock	17	18	
Decrease in debtors	982	217	
Increase in creditors	1,914	(930)	
(Decrease) in provisions	(127)	(50)	
Increase in long term liabilities	94	-	
(Increase) in pension surplus	(9,278)	(4,513)	
Pension administration charges	(1,243)	-	
Grants	-	1,358	
Loans granted	(432)	(552)	
Loans granted repaid	495	365	
Net cash (used by) operating activities	(9,754)	(7,556)	
Analysis of changes in Net cash			
	1 Jan 2015 £000	Movements £000	31 Dec 2015 £000
Short term deposits	24,618	3,236	27,854
Bank and Cash	2,023	1,278	3,301
Bank Overdraft	(8,607)	159	(8,448)
	18,034	4,673	22,707

Notes to the Financial Statements for the year ended 31 December 2015

I. Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with the historical cost convention as modified by the revaluation of investments; and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2014; applicable accounting standards in the United Kingdom; the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 as amended. The financial statements have been prepared on a going concern basis with consistently applied accounting policies.

Basis of Consolidation

The consolidated financial statements include the activities of the charity's two trading subsidiaries and its school in Israel whose activities have been consolidated in accordance with FRS 102. The consolidated financial statements exclude the trading activities of the trading subsidiary CrossReach Trading Limited which is considered immaterial to the overall results (see note 30). The accounting policies used by the subsidiaries are on the same basis of the charity. There may be local reasons in Israel for departing from these policies and where these are identified they are adjusted for the purposes of the consolidated results. There is therefore no effect on the Financial Statements caused by using differing accounting policies.

Funds

Funds held by the Unincorporated Councils and Committees of the Church of Scotland can be categorised as follows:

> Unrestricted Funds

These are funds which are expendable in furtherance of any of the purposes of the Church of Scotland

> Designated Funds

These are funds which are expendable on the work of specified Councils, Committees, Other Funds or specific projects as decided by the Trustees

> Restricted Funds

These are funds which are subject to donor restrictions and may only be used for the work of a specified Council, Committee or Other Fund, or for a specific purpose or project within a Council, Committee or Other Fund

> Permanent Endowment Funds

These are Capital funds where there is no power to convert the capital into income, i.e. the capital must be held in perpetuity and only the income can be expended. Income from these funds is treated as restricted

> Expendable Endowment Funds

These are Capital funds where there is discretion to convert the capital into income

Income

All income is accounted for in the Statement of Financial Activities when there is legal entitlement to the income and the amount can be quantified with reasonable accuracy.

For legacies, entitlement is the earlier of the estate account being approved and the date of receipt. This policy is applied to pecuniary legacies, residuary legacies and legacies subject to a life interest held by another party.

Income received from fundraising activities organised by volunteers and fund raising managers, excluding merchandised sales which are separately accounted for through CrossReach Trading Ltd (see note 30), is included at the value remitted. No amount has been included for services donated by volunteers.

All grants and contractual payments under funding arrangements from central and local government and their agencies are included on a receivable basis. Incoming resources from grants, where there are service or performance deliverables required by the terms of the grant, are accounted for as the charity earns the right to payment through its performance. Restricted income received for expenditure in future accounting periods is deferred and included in creditors.

For Congregational Contributions, entitlement is considered to be the point where contributions statements for the current financial year have been issued. Adjustments to income are subsequently made throughout the year.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis and allocated to the appropriate heading in the Financial Statements. The expenditure on raising funds include the costs incurred in generating voluntary income and fundraising trading costs. These costs are regarded as necessary to generate funds that are needed to finance charitable activities.

Expenditure on charitable activities enables the Church of Scotland to meet its charitable aims and objectives. It is reported as a functional analysis of the work undertaken by the five Councils under their remits as described in the Trustees' report. Under these headings are costs of employing staff to carry out the charitable activities, grants paid and other programme costs, as well as associated support costs. Salary costs are recognised as expenditure on an accruals basis and grants payable in furtherance of the charitable objectives are recognised as expenditure when payment is due to the partner organisation in accordance with agreements made. Agreements are typically for one year but may span several years. For capital contracts in place at the year end which include payments to be made in future years, these payments are disclosed in note 31 to the Financial Statements.

Support costs include finance, payroll administration, legal advice, human resources, information technology, communication and property management costs. These support costs are all allocated to charitable activities and to the relevant Council based on direct expenditure, which is considered to be in a similar proportion to salary costs.

Recognition of Liabilities

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Onerous Lease - a provision is made for the best estimate of unavoidable lease payments where there is deemed to be an onerous lease (i.e. where the economic benefits expected are less than the costs of meeting the obligation).

Operating Leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Value Added Tax

Income and expenditure are shown in the financial statements inclusive of VAT where appropriate. All Councils, Committees and Departments receive a partial recovery of input tax; in most cases this is minimal. VAT recovered is adjusted against income or expenditure as appropriate.

Investments

Investments are stated at market value at the Balance Sheet date and in the case of equity based investments the valuation basis is middle market value. Realised gains and losses on disposal are recorded in the Statement of Financial Activities at sale proceeds less market value at the start of the financial year. Unrealised gains and losses are recorded in the Statement of Financial Activities at the difference between market value at the start and end of the financial year. Programme Related Investments are stated at the value of loans granted less repayments to date.

Tangible Fixed Assets

Heritable and Other Properties

The titles to properties in Scotland belonging to the Unincorporated Councils and Committees are held by The Church of Scotland General Trustees with beneficiary nominees being the Unincorporated Councils and Committees. The titles to properties outwith Scotland are held by The Church of Scotland Trust with beneficiary nominees being the World Mission Council.

All properties are capitalised in accordance with FRS 102. All properties are included at cost or estimated cost. Overseas properties used for the activities of the two trading subsidiaries in Israel are included at cost. All other overseas properties are included at cost or a reasonable approximation of cost. Certain overseas properties were donated or constructed in the 19th century and costs have been estimated by comparing these to similar overseas properties whose costs were more reliably documented. The values are not considered to be material on either cost or depreciated cost. Operational properties include care homes and other properties operated by the Social Care Council, office premises and other specialist properties such as the Scottish Storytelling Centre. Impairment reviews are carried out annually when indicators are present.

Depreciation

Depreciation is provided on Tangible Fixed Assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows :

Heritable and Other Properties	
Residential Properties, Churches and Manses	50 years
Operational Constructed Properties – traditional	50 years
Operational Constructed Properties – prefabricated	20 years
Operational Refurbished Properties	25 years
Limited Lifespan Properties	15 years
Motor Vehicles	4 years
Equipment and Furniture	
Computer Equipment	3 years
Office Equipment and Plant and Machinery	5 years
Furniture and Fittings	10 years

Land and assets under construction are not depreciated.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Cash and Liquid Resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Liquid resources are current asset investments which may be disposed of without curtailing or disrupting the business and are either readily convertible into known amounts of cash at or close to their carrying values or traded in an active market. Liquid resources comprise term deposits of less than one year.

Foreign Currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

The consolidation of the 2014 balance sheets of the trading subsidiaries in Israel have been incorporated at the year end rate. The income and expenditure has been translated at an average monthly rate.

Pensions

The Church of Scotland operates both defined benefit and defined contribution pension schemes. In addition, certain employees of the Social Care Council are members of Local Government Pension Schemes. The assets of all the schemes are held separately from those of the Unincorporated Councils and Committees of The Church of Scotland.

Defined benefit pension scheme assets are measured using bid price values at the balance sheet date. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on UK Government bonds and the average spread between high quality corporate bonds and similarly dated Government bond yields.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is included in the statement of financial activities.

Other than in the Social Care Council, defined benefit pension costs cannot be accurately allocated to individual Councils and department expense categories, as it is not possible to identify with which employee the pension cost lies. In order to recognise the costs per Council of providing a pension, a charge has been included based on the contributions made for that Council's employees and an overall credit shown for the total contributions paid.

For the defined contribution schemes, the amount charged to the statement of financial activities in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Prior to financial year ended 31 December 2014, the Social Care Council's share of assets and liabilities in the Local Government Schemes could not be identified on a consistent and reasonable basis and the charity accounted for the schemes as defined contribution schemes with contributions payable in year being recognised through the Statement of Financial Activities. From financial year ended 31 December 2014 valuations for the purposes of FRS 102 were obtained and the share of the deficits in the schemes have been recognised in the Statement of Financial Activities and Balance Sheet as described above.

Taxation

The Church of Scotland Unincorporated Councils and Committees meets the definition of a charity in terms of the Finance Act 2010 for UK corporation tax purposes and accordingly is exempt from taxation on income, and on capital gains covered within the Taxation of Chargeable Gains Act 1992 insofar as such income or gains are applied exclusively to charitable purposes. It is currently believed that there is no liability to UK corporation tax or capital gains tax.

2. Related Parties

The Church of Scotland Investors Trust was incorporated by the Church of Scotland (Properties and Investments) Order Confirmation Act 1994. All investments of the Unincorporated Councils and Committees are made through the investment funds provided by The Church of Scotland Investors Trust. During the year the Unincorporated Councils & Committees charged £106,000 (2014: £114,000) to the Investors Trust for management services provided by staff in the Stewardship and Finance Department. At 31 December 2015 the Unincorporated Councils & Committees had a net debtor balance due of £72,000 (2014: net creditor £2,252,000).

The Church of Scotland Trust was incorporated by the Church of Scotland Trust Order Confirmation Act 1932. The Church of Scotland Trust holds the titles to the properties out with Scotland of the Unincorporated Councils and Committees. It also holds, for behoof of the World Mission Council, all the shares in St Andrew's Galilee Company Limited in Tiberias and St. Andrew's Scottish Centre Limited in Jerusalem, both of which are incorporated in Israel as "foreign institutions". The World Mission Council has given an indemnity to the Trust in respect of all liabilities arising from its Shareholding. During the year the Unincorporated Councils & Committees made a grant of £34,000 (2014: £32,000) to the Church of Scotland Trust. The Church of Scotland Trust paid £34,000 to the Unincorporated Councils and Committees in respect of finance and legal services (2014: £35,000). At 31 December 2015 the Unincorporated Councils & Committees had a debtor balance due of £1,000 (2014: Debtor £7,000).

The Church of Scotland General Trustees The Church of Scotland General Trustees were incorporated by the Church of Scotland (General Trustees) Order Confirmation Act 1921. The General Trustees hold the titles to the properties in Scotland of the Unincorporated Councils and Committees. In 2015 the General Trustees paid over to the Ministry Funds stipend endowment income of £3,359,000 (2014: £3,258,000). They also paid levy income of £195,000 (2014: £202,000) to the Ministries Council's Go For It Fund representing that Council's one half share of the Levy on property sales. As new Charge Developments and Church Extension Charges achieve Full Status administrative responsibility for the Churches and manses, they are transferred from the Ministries Council to the General Trustees and congregations concerned, there were no transfers during 2015. As at 31 December 2015, the Unincorporated

Councils and Committees had a debtor balance of £950,000 (2014: creditor £7,000) in respect of monies held in the churches internal banking system. During the year the outstanding loan due to the General Trustees of £100,000 was converted to a grant (2014: £100,000). £428,000 was paid (2014: £464,000) in respect of legal, IT, HR and financial services.

The Church of Scotland Pension Trustees, an unincorporated body constituted by the General Assembly, administer the following Pension Schemes

- > The Church of Scotland Pension Scheme for Ministers and Overseas Missionaries
- > The Church of Scotland Pension Scheme for Ministry Development Staff (formerly Presbytery and Parish Workers)
- > The Church of Scotland Pension Scheme for Staff

The members of the bodies shown above are appointed by the General Assembly. In the case of the Church of Scotland Pension Trustees, additional trustees for the individual Pension Schemes are appointed by the Scheme members. During the year the Unincorporated Councils & Committees paid £4,317,000 (2014: £6,282,000) to the Pension Trustees for employer pension contributions. The Pension Trustees paid £13,985,000 (2014: £13,860,000) in the year to the Unincorporated Councils & Committees in respect of pensions paid, and £319,000 (2014: £404,000) in respect of management fees.

Each of the related parties reports annually to the General Assembly and, because of their independent legal status produce separate financial statements and appoint their own Auditors.

3. Staff Costs and Numbers

Staff are paid and/or employed by the Ministries Council, Social Care Council, Central Services Committee (CSC) and World Mission Council and the resultant costs are included under expenditure disclosed in Notes 9, 10 and 11.

For completeness, the following statistics include parish ministers, although they are “office holders” and not “employees”. Ministers are not employed in the sense of holding a contract, but are recruited, trained, supported and paid via the Ministries Council.

The Social Care Council's staff costs include £2.8 million for agency staff (2014: £2.7 million). These staff are not included in the average staff numbers noted below. Agency staff are employed due to the difficulty in recruiting permanent staff to work in care homes and units. Agency staff are used by other Councils but the cost is considered to be immaterial.

Remuneration of £717,000 was paid to thirteen members of the Senior Management Team.

	Ministries £000	Social Care £000	CSC £000	World Mission £000	2015 Total £000	2014 Total £000
Staff Costs						
Salaries and Stipends	29,102	28,807	6,198	439	64,546	66,428
Social Security Costs	2,742	1,772	590	23	5,127	5,236
Pension Costs – Defined Contribution	4,080	999	795	-	5,874	5,349
Pension Costs – Defined Benefit	3,088	309	260	-	3,657	1,125
	39,012	31,887	7,843	462	79,204	78,138

	Ministries No.	Social Care No.	CSC No.	World Mission No.	2015 Total No.	2014 Total No.
Average Staff Numbers						
Monthly Average						
Full Time	916	487	73	21	1,497	1,485
Part Time	59	1,416	160	-	1,635	1,756
	975	1,903	233	21	3,132	3,241
Full Time Equivalents	946	1,229	206	21	2,402	2,421

Remuneration of key management personnel pay policies.

	Ministries No.	Social Care No.	CSC No.	World Mission No.	2015 Total No.	2014 Total No.
Salary Bands						
Number of employees receiving salaries, plus benefits in kind, of more than £60,000 was:						
£60,001 - £70,000	-	1	3	1	5	6
£70,001 - £80,000	-	1	1	-	2	1
£80,001 - £90,000	-	-	-	1	1	1

World Mission employees serve overseas and their benefits include the provision of living accommodation and a vehicle

Retirement benefits are accruing to seven (2014: eight) higher paid employees under defined benefit schemes. Employer contributions to the defined benefit schemes were £Nil (2014: £65,000).

Subsidiary Companies and Tabeetha School

Staff employed by three institutions in Israel are paid in New Israeli Shekels, translated to sterling for the purposes of the consolidated financial statements. Social security costs in Israel are not comparable to those in the United Kingdom and costs and benefits disclosed below include benefits which are required legally or by industry custom and practice. These include provisions for severance pay, educational and pensions plans and disability provision. Senior hotel managers receive performance related bonuses and use of a vehicle, all of which are taxable benefits.

Employees received emoluments including local benefits in kind as described above, which when converted to sterling were as follows:

- > £60,000 to £70,000 – 1 employee
- > £80,000 to £90,000 – 1 employee
- > £100,000 to £110,000 – 1 employee
- > £140,000 to £150,000 – 1 employee

	2015 £000	2014 £000
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Staff Costs

Salaries	2,887	2,684
Social Security Costs	122	134
Pension Costs	240	160
	3,249	2,978

	2015 No.	2014 No.
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Average Staff Numbers

Monthly Average	154	157
Full Time Equivalent	122	101

4. Donations and Legacies

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Assessed Congregational Contributions, including Stipend Endowment Income of £3,859,000 (2014 - £3,258,000)	47,102	47,979	47,102	47,979
Donations, Grants, Trusts	1,224	2,196	1,172	1,836
Legacies	2,199	1,254	2,199	1,473
Donations from The Church of Scotland Trust	221	219	221	219
	50,746	51,648	50,694	51,507

5. Other trading activities

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Fundraising	1,062	702	1,062	702
Israeli Trading Subsidiaries and Property Leases	4,476	4,465	60	63
	5,538	5,167	1,122	765

6. Income from Investments

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Quoted Investments - Dividends	4,254	4,294	4,254	4,294
Deposit and Bank Account Interest	64	24	64	24
Defined Benefit Pension Scheme	(283)	(35)	(283)	(35)
	4,035	4,283	4,035	4,283

7. Income from Charitable Activities

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Social Service Provision	42,246	43,352	41,102	42,076
Rental of Accommodation	854	839	854	839
Publications and Royalties	760	719	760	719
Income from Events	255	247	255	247
Guild Memberships and Other Fees	226	192	226	192
Reimbursement of Legal, Accounting and Other Support by Wider Network of Church organisations	965	1,088	965	1,088
Other	399	274	399	274
	45,705	46,711	44,561	45,435

8. Other Income

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Gain on Disposal of Fixed Assets	3,717	2,293	3,717	2,317
	3,717	2,293	3,717	2,317

9. Expenditure on Raising Funds

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Fundraising Activities - Including Subsidiaries in Israel	4,838	4,034	-	-
Costs of Generating Voluntary Income	439	454	439	454
	5,277	4,488	439	454

10. Expenditure on Charitable Activities

	Group and Charity				
	Direct Costs £000	Grants £000	Support Costs £000	Total 2015 £000	Total 2014 £000
Social Care Council	40,011	39	4,202	44,252	47,394
Ministries Council	39,308	2,900	2,796	45,004	46,353
World Mission Council	2,034	957	145	3,136	3,435
Mission and Discipleship Council	2,075	69	148	2,292	2,281
Support and Services Departments	5,608	28	399	6,035	4,969
Church and Society Council	447	21	32	500	492
Other Funds	1,895	459	164	2,518	2,997
Charity Total	91,378	4,473	7,886	103,737	107,921
World Mission - Tabetha School	1,386	-	-	1,386	1,241
Group Total	92,764	4,473	7,886	105,123	109,162

	Group and Charity	
	2015 £000	2014 £000
Grants		
Grants to Individuals:		
Bursaries and Educational Purposes	537	395
Cases of Hardship	79	77
Project Work of the Charity	46	26
	662	498
Grants to Organisations for the Advancement of Religion:		
Through Theological Education and Partner Churches	927	992
Through Community Projects including Go For It	2,077	2,039
By Payments to Support Individual Congregations	426	921
For the Relief of Poverty	365	322
For Heritage and the Environment	16	18
	3,811	4,292
Total Grants	4,473	4,790

Overseas grants are made to Partner Churches. Grants to individuals are to those resident in Scotland.

	Group and Charity	
	2015 £000	2014 £000
Finance, Payroll, Information Technology & Estates	2,836	2,595
Human Resources and Training	1,225	1,204
Central Premises	694	1,034
Regional Offices & Senior Operational Management	1,685	1,426
Legal	295	280
Safeguarding of Children and Vulnerable Adults	407	388
Media Relations and Website	744	674
	7,886	7,601

Support costs are apportioned to charitable activities and individual Councils on the basis of direct expenditure.

11. Other Expenditure

	Group and Charity	
	2015 £000	2014 £000
Defined Benefit Pension - Current Cost (Note 32)	366	419
Defined Benefit Pension - Past Service Cost (Note 32)	-	1,708
Changes in Financial Assumptions	(1,146)	1,805
Other Experience	(136)	(363)
Incorporation of opening deficits on Local Government Pension Schemes	-	4,128
Administration costs	1,243	947
Defined Benefit Pension - Contributions (Note 32)	(4,674)	(6,742)
	(4,347)	1,902

12. Trustees & Senior Management Team Remuneration and Expenses

Members are not remunerated for their services on the Council of Assembly. 11 of the 21 voting members (2014: 9 of 21) are parish ministers appointed by individual congregations, inducted by presbyteries, and remunerated for their work with congregations in accordance with the National Stipend Scale. Expenses of £4,000 (2014: £5,000) were reimbursed to Trustees in respect of

travel to Council of Assembly meetings and overnight accommodation where required. Additionally, £6,000 (2014 : £8,000) of expenses were reimbursed to Trustees for attending meetings of, or on behalf of, other councils and committees. Expenses of £5,500 were foregone by Trustees.

13. Tangible Assets

	Heritable & Other Properties £000	Motor Vehicles £000	Equipment & Furniture £000	Total £000
Group Cost				
At 1 January 2015	91,750	389	5,026	97,165
Additions	1,873	10	494	2,377
Transfers	-	(3)	3	-
Disposals	(9,662)	(20)	(218)	(9,900)
At 31 December 2015	83,961	376	5,305	89,642
Accumulated Depreciation				
At 1 January 2015	39,690	291	3,310	43,291
Disposals	(3,576)	(18)	(140)	(3,734)
Charge for Year	1,907	19	401	2,327
Foreign Currency Exchange Adjustments	(395)	-	(34)	(429)
At 31 December 2015	37,626	292	3,537	41,455
Net Book Value				
At 31 December 2015	46,335	84	1,768	48,187
At 31 December 2014	52,060	98	1,716	53,874
Charity Cost				
At 1 January 2015	78,114	381	2,423	80,918
Additions	1,778	10	356	2,144
Transfers	-	-	-	-
Disposals	(9,443)	(20)	(218)	(9,681)
At 31 December 2015	70,449	371	2,561	73,381
Accumulated Depreciation				
At 1 January 2015	34,135	289	1,388	35,812
Disposals	(3,576)	(18)	(140)	(3,734)
Charge for Year	1,426	17	211	1,654
At 31 December 2015	31,985	288	1,459	33,732
Net Book Value				
At 31 December 2015	38,464	83	1,102	39,649
At 31 December 2014	43,979	92	1,035	45,106

14. Investments

	Group and Charity	
	2015 £000	2014 £000
Church of Scotland Investors Trust:		
Growth Fund - Investments Listed on Recognised Stock Exchanges	90,302	91,261
Income Fund - Investments Listed on Recognised Stock Exchanges	16,194	16,647
Deposit Fund - Bank Deposit Accounts	11	11
	106,507	107,919
Investment in Subsidiary Company	504	508
Market Value	107,011	108,427
Historic Cost	58,495	59,540

The Trustees believe that the carrying value of the net assets is supported by their underlying assets. The Growth Fund and Income Fund of the Investors Trust are unitised funds and these holdings of the Unincorporated Councils cannot therefore be analysed across asset classes. A description of the three investment funds operated by the Investors Trust is given in the Trustees' Report.

15. Movements in Investments

	Group and Charity	
	2015 £000	2014 £000
Market Value at 1 January	108,427	103,551
Disposals at Opening Market Value	(3,161)	(3,738)
Acquisitions at Cost	1,201	4,206
Net Gains on Revaluation at 31 December	544	4,408
Market Value at 31 December	107,011	108,427

Net Gains on Disposal of Investments

Sale Proceeds	3,220	3,781
Market Value at 1 January	(3,161)	(3,738)
Net Realised Gains in Year	59	43

16. Unrealised (Losses)/Gains on Foreign Currency Balances

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
(Losses)/Gains on Net Assets of Subsidiary Companies on Consolidation	(2)	(1,417)	-	-
Gains/(Losses) on Bank Deposits held Overseas	453	467	451	467
	451	(950)	451	467

In accordance with FRS102, net assets of the Israeli Trading subsidiaries are translated into sterling using the rate of exchange ruling at the balance sheet date. Exchange differences will arise as a result of the exchange rate differing from that ruling at the previous balance sheet date.

Also in accordance with FRS102, the World Mission Council's bank accounts in Israel are translated into sterling using the rate of exchange ruling at the balance sheet date, resulting in an unrealised gain of £457,000 in 2015 (2014: gain £467,000).

17. Mixed Motive Investments - Fixed Assets

	Group and Charity	
	2015 £000	2014 £000
Housing Loans (heritably secured) at present value	6,537	6,482
Property held as social investment	750	750
	7,287	7,232

The Housing Loans are repayable when the properties involved are sold, and attract interest at rates between 1.25% and 4%.

The World Mission Council Housing Loan is reviewed annually and capital repayments are agreed between the Council and the Congregation. No interest is charged on the loan.

18. Mixed Motive Investments - Current Assets

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Car Loans	214	199	214	199
Loan to Subsidiary Company	-	-	120	120
Other Loans	34	167	34	167
	248	366	368	486

Car Loans are provided to ministers and overseas missionaries at a rate of 6%. Other loans are provided to assist ministers. There were no bridging loans owed to Housing and Loan at the balance sheet date. (2014: £148,000). Bridging Loans are charged at a variable rate, currently 3.25% (2014: 3.25%).

19. Debtors

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Trade Debtors	2,931	3,033	2,447	2,565
Amounts Owed by Congregations	970	1,254	970	1,254
Amounts Owed by Group Undertaking	-	-	82	82
Amounts Owed by Church of Scotland Trust	1	7	1	7
Amounts Owed by Church of Scotland General Trustees	950	-	950	-
Amounts Owed by Church of Scotland Investors Trust	72	-	72	-
Sundry Debtors	169	232	73	132
Prepayments	677	667	677	662
Accrued Income	529	124	479	105
	6,299	5,317	5,751	4,807

Amounts owed by congregations were in respect of congregational contributions, ministers' travel, locums and associate ministers

20. Short Term Deposits

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Deposit Fund with Church of Scotland Investors Trust	16,621	11,055	16,621	11,055
US Dollar Account	8,505	8,048	8,505	8,048
Bank Call & Deposit Accounts	2,728	5,515	2,728	5,433
	27,854	24,618	27,854	24,536

The US dollar account in the name of the World Mission Council, is used as security for a bank overdraft of equal amount, in the name of the Israeli Trading Subsidiary, St Andrew's Galilee Limited.

21. Creditors: Amounts Falling Due within One Year

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Bank Overdraft	8,448	8,607	-	-
Trade Creditors	1,040	793	718	527
Amounts Owed to Church of Scotland Investors Trust	-	2,252	-	2,252
Amounts Owed to Church of Scotland General Trustees	-	7	-	7
Amounts Owed to Church of Scotland Pension Trustees	199	217	199	217
Other Creditors Including Tax and Social Security	1,633	1,894	1,633	1,735
Sundry Creditors	1,435	1,415	1,084	1,282
Accruals	4,027	4,161	3,851	3,982
Deferred Income	925	1,164	714	940
Loans falling due within one year	372	-	59	-
	18,079	20,510	8,258	10,942

The bank overdraft is secured against a US dollar account in the name of the World Mission Council.

22. Creditors: Amounts Falling Due after One Year

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Grants	318	353	318	353
Loan from Nan Stevenson Trust to Housing & Loan Fund	5	5	5	5
Energy Trust Loan	58	117	58	117
	381	475	381	475

23. Provision for Liabilities and Charges

	Group		Charity	
	2015 £000	2014 £000	2015 £000	2014 £000
Onerous Lease	542	603	542	603
Other	449	243	-	-
	991	846	542	603
Onerous Lease:				
Balance Brought Forward	603	663	603	663
Provision released to Statement of Financial Activities	(61)	(60)	(61)	(60)
New Provisions in Year	-	-	-	-
Balance Carried Forward	542	603	542	603

Provision has been made for a number of properties operated by Crossreach in respect of future lease commitments. Other provisions relate to provisions in the Israeli Trading subsidiaries.

24. Analysis of Net Assets among Funds - Group

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2015 £000	Total 2014 £000
Tangible Fixed Assets	8,539	39,648	-	48,187	53,874
Investments	-	81,070	25,941	107,011	108,427
Programme related Investments	-	7,287	-	7,287	7,232
Total Fixed Assets	8,539	128,005	25,941	162,485	169,533
Net Current (Liabilities)/Assets	(8,329)	28,047	-	19,718	11,891
Creditors: Amounts falling due after more than one year	(378)	(994)	-	(1,372)	(1,321)
Pension Scheme Liability	-	(6,163)	-	(6,163)	(9,424)
Net Assets	(168)	148,895	25,941	174,668	170,679

25. Analysis of Net Assets among Funds - Charity

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2015 £000	Total 2014 £000
Tangible Fixed Assets	-	39,649	-	39,649	45,106
Investments	-	81,337	25,674	107,011	108,427
Long Term Loans	-	7,287	-	7,287	7,232
Total Fixed Assets	-	128,273	25,674	153,947	160,765
Net Current Assets	235	28,027	-	28,262	20,309
Creditors: Amounts falling due after more than one year	-	(923)	-	(923)	(1,078)
Pension Scheme Liability	-	(6,163)	-	(6,163)	(9,424)
Net Assets	235	149,214	25,674	175,123	170,572

26. Unrestricted Funds - Group

	1 Jan 2015 £000	Incoming Resources £000	Outgoing Resources £000	Fund Transfers £000	Investment Losses £000	31 Dec 2015 £000
Ministries Council	4	32	(32)	-	-	4
World Mission Council	107	5,614	(6,174)	-	(2)	(455)
Mission & Discipleship Council	-	1,015	(1,015)	-	-	-
Support & Services	-	988	(988)	-	-	-
Other Funds	231	924	-	(924)	-	231
	342	8,573	(8,209)	(924)	(2)	(220)

Other than unrestricted legacies and donations received, all funds are designated for the work of individual Councils and Other Funds. Investment gains include gains on balances carried in foreign currency. In 2015 there was a foreign currency translation loss of £2000 upon consolidation of the net assets of the Israeli Subsidiaries as disclosed in note 16 (2014: loss £1,417,000). £894,000 of unrestricted donations and legacies were allocated to the Mission and Renewal Fund and subsequently transferred to meet overspends on restricted funds by Councils and Committees on their charitable activities (2014: £719,000).

27. Unrestricted Funds - Charity

	1 Jan 2015 £000	Incoming Resources £000	Outgoing Resources £000	Fund Transfers £000	Investment Gains £000	31 Dec 2015 £000
Ministries Council	4	32	(32)	-	-	4
World Mission Council	-	-	-	-	-	-
Mission & Discipleship Council	-	1,015	(1,015)	-	-	-
Support & Services	-	988	(988)	-	-	-
Other Funds	231	926	-	(926)	-	231
	235	2,961	(2,035)	(926)	-	235

28. Restricted Funds - Group and Charity

	Balance 1 Jan 2015 £000	Incoming Resources £000	Outgoing Resources £000	Fund Transfers £000	Investment Gains £000	Actuarial Losses £000	Balance 31 Dec 2015 £000
Social Care Council	22,063	45,941	(44,344)	657	36	-	24,353
Ministries Council	42,688	42,551	(45,004)	(245)	91	-	40,081
World Mission Council	35,690	1,843	(3,136)	991	531	-	35,920
Mission & Discipleship Council	9,196	699	(1,277)	816	80	-	9,514
Support & Services	442	146	(5,362)	5,258	1	-	485
Church & Society Council	681	54	(500)	433	8	-	676
Other Funds	43,811	9,431	(2,518)	(6,682)	39	-	44,081
	154,571	100,665	(102,141)	1,228	787	-	155,110
Pensions Reserve	(9,424)	(283)	4,347	-	-	(803)	(6,163)
	145,147	100,382	(97,794)	1,228	787	(803)	148,947

Four funds made up 92% of the Other Funds, namely the Housing and Loan Fund £35,178,000, the Mission and Renewal Fund £2,855,000, New College £3,112,000 and the Guild, £635,000. Transfers from Other Funds includes £8,157,000 transferred to Councils from the Mission and Renewal Fund which receives incoming resources from Ministry and Mission contributions from congregations. In addition to this, £1,754,000 was transferred from the Mission and Renewal Fund during the year to support the work of Councils and the Support and Services Departments. Transfers were also made from Third Party trusts to Councils in respect of their charitable activities, with restrictions as appropriate.

29. Endowment Funds - Group and Charity

	Balance 1 Jan 2015 £000	Incoming Resources £000	Outgoing Resources £000	Fund Transfers £000	Investment Gains £000	Actuarial Losses £000	Balance 31 Dec 2015 £000
Social Care Council	322	-	-	-	12	-	334
Ministries Council	3,694	135	-	(135)	33	-	3,727
World Mission Council	5,412	205	-	304	68	-	5,989
Mission & Discipleship Council	602	23	-	(23)	7	-	609
Support & Services	114	5	-	(5)	1	-	115
Church & Society Council	56	2	-	(2)	-	-	56
Other Funds	14,990	416	-	(441)	146	-	15,111
	25,190	786	-	(302)	267	-	25,941

Total Endowment Funds at 31 December 2015 of £25,941,000 are made up of £24,997,000 Permanent Endowment and £944,000 Expendable Endowment (2014: Permanent Endowment £24,240,000 and Expendable Endowment £950,000). Transfers of investment income were made to Councils and Committees for expending on their charitable activities. Income from endowment funds is for restricted purposes.

30. Subsidiary Undertakings

The Church of Scotland has the following subsidiary undertakings:

St. Andrew's Galilee Limited

The company was incorporated in Israel in 1993 to manage the Tiberias Guesthouse, later redeveloped into a 69 bedroom facility "The Scots Hotel, St Andrew's Galilee". The share capital of 2,900,102 shares each of one New Israeli Shekel (approximately 16p) is held by The Church of Scotland Trust on behalf of the World Mission Council.

St Andrew's Scottish Centre Limited

The company was incorporated in Israel in 1993 to manage the 19 bedroom St Andrew's Scottish Guesthouse in Jerusalem. The share capital of 22,900 shares each of one New Israeli Shekel (approximately 16p) is held by the Church of Scotland Trust on behalf of the World Mission Council.

Both facilities provide accommodation to those wishing to visit Israel and Palestine and witness the work of the Church of Scotland, and are also open to all guests. The Financial Year end of both Companies is 31 December and both subsidiaries are consolidated in the Financial Statements.

CrossReach Trading Limited

The results of CrossReach Trading Ltd (formerly Circle of Care Trading Limited) have not been consolidated as they are not considered to be material. The Company was incorporated in Scotland in March 2004 and commenced trading on 1 July 2004. It sells mainly calendars, cards, address books and promotional material. Any profits are Gift Aided to the Social Care Council. The Financial Year end of the Company is 31 March.

Tabeetha School

The school, in Jaffa Israel, has operated under the supervision of the World Mission Council since 1912. Title to the school property is held by the Church of Scotland Trust on behalf of the World Mission Council. The school was registered as an Amutta, an Israeli not for profit association, on November 2008 and commenced operations under the new arrangement from 1 January 2009.

Their financial results were as follows:

	St Andrew's Galilee Limited		St Andrew's Scottish Centre Limited		CrossReach Trading Limited		Tabeetha School	
	2015 £000	2014 £000	2015 £000	2014 £000	2015 £000	2014 £000	2015 £000	2014 £000
Income	3,918	3,842	498	536	64	67	1,195	1,417
Expenditure	4,168	3,333	620	701	59	62	1,386	1,345
Net Profit/(Loss)	(250)	509	(122)	(165)	5	5	(191)	72
Unrealised (Losses)/Gains on Foreign Currency	(35)	(1,369)	92	(26)	-	-	(60)	(22)
	(285)	(860)	(30)	(191)	5	5	(251)	50
Total Net (Liabilities)/Assets	(1,080)	(795)	231	261	8	3	390	641

31. Commitments

	Group and Charity	
	2015 £000	2014 £000

Capital Expenditure

Contracts placed for future capital expenditure not provided for in the financial statements:

Social Care Council	-	37
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Capital Expenditure authorised by Councils and Other Funds, not contracted for at 31 December 2015:

Social Care Council	115	445
Ministries Council - New Charge Development and Priority Areas	-	200
	115	645

Operating Leases

The following are the annual values of rentals under operating lease agreements to which the Church is committed annually:

	Group				Charity			
	2015		2014		2015		2014	
	Property £000	Other £000	Total £000	Total £000	Property £000	Other £000	Total £000	Total £000
Expiring Within:								
1 year	385	321	706	747	372	321	693	691
2-5 years	205	547	752	446	178	459	637	839
after 5 years	27	-	27	2	27	-	27	37
	617	868	1,485	1,195	577	780	1,357	1,567

32. Pension Schemes

Details of Schemes

The Church of Scotland has six pension schemes, three of which are defined contribution schemes and three defined benefit schemes.

Defined Contribution Schemes

The Social Care Council has operated a defined contribution scheme for its staff since 2003. Until August 2013 this was provided by AXA. Since August 2013 the scheme was provided by Legal and General with employer rates of 5%.

From 1 October 2013 two further defined contribution schemes were provided by Legal and General, one for employees of the Ministries and World Mission Councils with employer rates of 11.5% to 14%, and one for employees of the Central Services Committee with employer rates of 11.5% to 14%. A statutory minimum compliance employer rate of 1% is provided for certain categories of workers such as locum ministers.

In the year ended 31 December 2015 employers' contributions had been paid over to the pension provider as shown below.

	2015 £000	2014 £000
Ministers and World Mission	4,080	3,711
Central Services Committee	795	768
Social Care Council	999	870
	5,874	5,349

Defined Benefit Schemes

- > The Scheme for Ministers and Overseas Missionaries (for employees of the Ministries Council and World Mission Council). The Scheme has three separate funds, the Main Pension Fund, The Contributors' Pension Fund and the Widows' and Orphans' Fund. Both the Contributors' and the Widows' and Orphans' Funds are in surplus.
- > The Scheme for Staff (employees of the Social Care Council and the Central Services Committee). The Scheme has two separate funds, the Social Care Fund and the Central Services Committee Fund (CSC Fund).
- > The Scheme for Ministries Development Staff (MDS), formerly the Scheme for Presbytery and Parish Workers (for certain employees of the Ministries Council).

The Social Care component of the Staff Scheme was closed to future accrual in August 2013 and the other three Schemes closed to future accrual after 31 December 2013.

All assets are held independently of the Church of Scotland by the Church of Scotland Pension Trustees. The investments of the Pension Schemes are held in the Pension Investment Fund, which is operated on a unitised basis, the Managers being Baillie Gifford & Co, Aberdeen Asset Investments Ltd, BlackRock Asset Management (UK) Ltd, Legal & General Investment Management Ltd, Kames Capital Plc and Newton Investment Management Ltd. The Pension Investment Fund was created in June 1998 and formalised on 17 May 2005 by Trust Deed.

The Pension Investment Fund has one Trustee, the Church of Scotland Pension Investment Fund Trustee Limited.

The Schemes closed to future accrual on 31 December 2013 with the exception of the Widows' & Orphans' Fund, for which only employee contributions are paid, based on historic calculations. Consequently, with this exception, from 2014 the only contributions payable relate to past service.

Treatment in Financial Statements

Actuarial valuations for the three defined benefit schemes were carried out as at 31 December 2012. The Actuary has determined contribution rates for funding past service, and these will be funded from the reserves of those Councils whose past and present employees are scheme members.

	2015 £000	Ministers £000	MDS £000	Social Care £000	CSC £000	LGP Schemes £000	2014 £000
Defined Benefit Obligation							
Opening Defined Benefit	382,156	265,176	13,350	53,967	31,061	18,602	343,718
Current Service Cost	366	-	-	-	-	366	419
Administration Costs	1,243	501	143	359	240	-	947
Interest Cost	13,125	9,068	460	1,855	1,073	669	14,852
Contributions by Scheme	82	-	-	-	-	82	108
Actuarial Losses	(16,948)	(10,988)	(719)	(2,378)	(1,581)	(1,282)	35,927
Past Service Cost	-	-	-	-	-	-	1,708
Benefits and Expenses (paid)	(17,088)	(12,698)	(585)	(2,291)	(1,062)	(452)	(15,523)
Closing Defined Benefit Obligations	362,936	251,059	12,649	51,512	29,731	17,985	382,156

	2015 £000	Ministers £000	MDS £000	Social Care £000	CSC £000	LGP Schemes £000	2014 £000
Fair Value of Scheme Assets							
Opening Fair Value of Scheme Assets	406,495	294,278	14,756	49,850	34,316	13,295	367,560
Interest Income	14,024	10,123	515	1,721	1,187	478	15,705
Contributions by Scheme Participants	82	-	-	-	-	82	108
Contributions by the Employer	4,674	2,581	522	952	280	339	6,742
Actual return on assets excluding amounts included in net interest	(6,380)	(5,003)	(179)	(615)	(558)	(25)	31,903
Benefits and Expenses (paid)	(17,088)	(12,698)	(585)	(2,291)	(1,062)	(452)	(15,523)
Closing Fair Value of Scheme Assets	401,807	289,281	15,029	49,617	34,163	13,717	406,495
Irrecoverable surplus brought forward	(33,763)	(29,102)	(1,406)	-	(3,255)	-	(31,238)
Impact of irrecoverable interest income	(1,182)	(1,019)	(49)	-	(114)	-	(1,375)
Increase in irrecoverable from experience	(10,089)	(8,101)	(925)	-	(1,063)	-	(1,150)
Closing Fair Value of Scheme Assets	356,773	251,059	12,649	49,617	29,731	13,717	372,732

	2015 £000	Ministers £000	MDS £000	Social Care £000	CSC £000	LGP Schemes £000	2014 £000
Analysis of Amount Charged to Other Expenditure							
Current Service Cost	366	-	-	-	-	366	2,127
Administration Costs	1,243	501	143	359	240	-	947
Total Operating Charge	1,609	501	143	359	240	366	3,074

	2015 £000	Ministers £000	MDS £000	Social Care £000	CSC £000	LGP Schemes £000	2014 £000
Analysis of Amount Credited from Investment Income							
Interest Income on Scheme Assets	14,024	10,123	515	1,721	1,187	478	15,705
Impact of Asset Ceiling on Net Interest	(1,182)	(1,019)	(49)	-	(114)	-	(1,375)
(Interest) on Scheme Liabilities	(13,125)	(9,068)	(460)	(1,855)	(1,073)	(669)	(14,852)
Total Operating Charge	(283)	36	6	(134)	-	(191)	(522)

	2015 £000	Ministers £000	MDS £000	Social Care £000	CSC £000	LGP Schemes £000	2014 £000
Analysis of Amount Recognised in Other Recognised Gains & Losses							
Actual return on assets excluding amounts included in Net Interest	(6,380)	(5,003)	(179)	(615)	(558)	(25)	31,902
Actuarial Gains/(Losses) on Scheme Obligations	15,666	10,988	719	2,378	1,581	-	(34,009)
Increase in Irrecoverable Surplus from membership fall and other factors	(10,089)	(8,101)	(925)	-	(1,063)	-	(1,150)
Remeasurement Gain/(Loss) recognised in Other Recognised Gains & Losses	(803)	(2,116)	(385)	1,763	(40)	(25)	(3,257)

	2015 Total £000	Main Pension Fund £000	MDS Scheme £000	Social Care £000	CSC Fund £000	LGP Schemes £000	2014 Total £000
Major Categories of Scheme Assets:							
UK Equities	30,666	14,307	670	4,615	1,549	9,525	29,822
Overseas Equities	22,734	15,386	721	4,962	1,665	-	33,123
UK Managed Funds	65,242	30,135	7,150	12,550	15,407	-	187,274
Overseas Managed Funds	1,969	1,333	62	430	144	-	4,477
UK Unit Trusts	3,159	2,464	70	388	237	-	5,494
Overseas Unit Trusts	-	-	-	-	-	-	295
UK Government In- dex-linked Bonds	155,273	125,430	4,568	15,172	10,103	-	130,704
UK Government Fixed -interest Bonds	114,730	95,736	1,573	10,346	4,529	2,546	-
Property	1,284	-	-	-	-	1,284	-
Cash/Net Current Assets	6,746	4,490	213	1,153	528	362	2,011
Total Value of Assets	401,803	289,281	15,027	49,616	34,162	13,717	393,200

	2015 %	2014 %
Financial Assumptions		
Retail Price inflation	3.25	3.25
Consumer Price inflation	2.40	2.40
Discount rate	3.80	3.50
Pension Increase Rate	2.40	2.40

Reference and Administrative Details

Council of Assembly

Members of the Council of Assembly Voting Members and Charity Trustees

- > **Rev Dr Grant Barclay**,
Convener (Minister; Kilmarnock:
St Kentigern's)
- > **Mr Iain Johnston**,
Vice-Convener (until May 2015)
(Elder; Glasgow: Colston Milton)
- > **Miss Catherine Coull**
Vice-Convener (from May 2015)
(Elder; Dundee: Chalmers-Ardler)
- > **Dr Sally Bonnar**
(Elder; Perth North)
- > **Rev Donald Campbell**
(until May 2015)
(Minister; Dumfries: St George's)
- > **Mr John Corrigan**
(Elder; Stewarton: John Knox)
- > **Rev Iain Cunningham**
(Minister; Carluke: Kirkton)
- > **Rev Neil Dougall**
(until May 2015) (Minister; North
Berwick: St Andrew Blackadder)
- > **Rev Graham Duffin**
(from May 2015)
(Minister; Loanhead)
- > **Rev Dr John Ferguson**
(from May 2015)
(Minister; Peterculter)
- > **Rev Sally Foster-Fulton**
(Associate Minister; Dunblane
Cathedral)
- > **Miss Elizabeth Fox**
(Elder; London: St Columba's)

> **Rev Neil Glover**
(from May 2015) (Minister;
Cambuslang: Flemington Hallside)

> **Mrs Isobel Hunter**
(Elder; Parishes of Upper
Tweeddale)

> **Mr Andrew Kimmitt** (Member;
Dundee: Coldside; candidate in
training for ministry; Presbytery of
Dundee)

> **Ms Anne Lamont** (Elder; Edinburgh:
Leith North)

> **Mr Murdo Macmillan** (Elder;
Stornoway: Martin's Memorial)

> **Rev Fiona Mathieson** (Minister;
Edinburgh: Carrick Knowe)

> **Rev Alexander Millar** (Minister;
Stirling: St Columba's)

> **Rev Colin Sinclair** (Minister;
Edinburgh: Palmerston Place)

> **Mr David Watt** (Elder; Airdrie: The
New Wellwynd)

Non-Voting Members

> **Mrs Pauline Weibye**
Secretary to the Council of Assembly

> **Mr Iain Grimmond**
General Treasurer
(until August 2015)

> **Mrs Anne Macintosh**
Acting General Treasurer
(from August 2015)

> **Mrs Janette Wilson**
Solicitor of the Church

> **Very Rev David Arnott**
(until May 2015) Co-ordinator,
Principal Clerk's Office

> **Very Rev John Chalmers**
(from May 2015) Principal Clerk
of the General Assembly

> **Very Rev Dr Lorna Hood**
(until May 2015) Immediate
Past Moderator of the
General Assembly

> **Rev Dr Graham Blount**
(until February 2015) Interim
Secretary, Church and Society
Council

> **Rev Dr Martin Johnstone**
(from February 2015) Secretary,
Church and Society Council

> **Rev Dr Martin Scott**
Secretary, Ministries Council

> **Rev Dr Alister Bull**
Secretary, Mission and
Discipleship Council

> **Mr Peter Bailey**
Secretary, Social Care Council

> **Rev Ian Alexander**
Secretary, World Mission Council

Principal Office

121 George Street
Edinburgh
EH2 4YN



Professional Advisors

Auditors

**PricewaterhouseCoopers LLP
(Group Auditors)**

Chartered Accountants
and Statutory Auditor
141 Bothwell Street
Glasgow
G2 7EQ

**PricewaterhouseCoopers
(Auditors of Israeli Subsidiaries)**

Shufat Street 5
East Jerusalem

Bankers

The Royal Bank of Scotland plc

36 St Andrew Square
Edinburgh
EH2 2YB

The Bank of Scotland

The Mound
Edinburgh
EH1 1YZ

Bank Hapoalim

45 Hamelach Street
Netanya 42505
Israel

Mercantile Discount Bank Ltd

PO Box 1292
103 Allenby Street
Tel Aviv 61012
Israel

Investments

**The Church of Scotland
Investors Trust**

121 George Street
Edinburgh
EH2 4YN

When the day ahead seems full of uncertainty,
be the firm ground on which I can step, O God,
and the path to guide my feet.

Help me to put my trust in You
to guide,
and guard,
and grant me safe passage
as I walk through the waters of life.

when feet stumble
help me to regain my balance.
when legs are weary
help me to complete the journey.
and at the end of the day
let me rest in the knowledge
that you have been my travelling companion.

from Living Stones (Saint Andrew Press).

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