

**Duffus, Spynie and Hopeman
Church of Scotland**

**Annual Report &
Financial Statements
For the Year ended
31st December 2021**

Congregation No: 352071

Scottish Charity No: SC004853

Trustees' Annual Report Year ended 31st December 2021

The trustees have pleasure in presenting their report together with the financial statements and the independent examiner's report for the year ended 31st December 2021

Reference and Administrative Information

Charity Name: Duffus, Spynie and Hopeman Parish Church

Charity Registration Number: SC004853

Congregation Reference No: 352071

Contact Address: The Treasurer,
7, Havers Place,
Hopeman,
Moray
IV30 5SR

Trustees

Kirk Session

Mr D Adams, Mrs J Bruce, Miss A Buchanan, Mr J Chesney, Mrs M Chesney, Mrs J Craib, Mr B Davidson, Mr W Davidson, Mr R Duncan, Mrs S Duncan, Mrs S Fennings-Mills, Mrs A Gordon, Miss E Ingram, Mrs H Laing, Mr D Mackay, Mrs P Mackay, Mrs M Main, Mr H McPherson, Mr D Munro, Mrs P Omand, Mr M Rowand, Mrs S Rowand, Mrs R Simpson, Mr S Simpson, Mrs C Smith, Mr O Smith (died 15 June 2021), Mrs E Watson, Mrs K Young.

Congregational Board

Mrs S Forbes, Miss A Gourlay, Mrs C Inch, Mrs L McPherson, Mrs M Munro, Mrs L Paiton, Mr C Thompson, Mrs E Vernon, Mr M Vernon.

Minister: Rev. Jenny Adams
Church Treasurer: Mrs Lesley McPherson
Session Clerk: Mrs Shona Rowand
Clerk to Congregational Board: Mrs Linda Paiton

Independent Examiner

Graeme C Archibald FCCA
Certified Accountant,
10, Fairway Avenue,
Elgin IV30 6XF

Bankers

Clydesdale Bank Plc
30, St Vincent Street
Glasgow G12 HL

Trustees' Annual Report

Year ended 31st December 2021

Structure, Governance and Management

Governing Document

The Church is administered in accordance with the terms of the Model Deed of Constitution.

Recruitment and Appointment of Trustees

Members of the Kirk Session and the Congregational Board are the charity trustees. The Kirk Session members are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. The Congregational Board comprises of at least 18 elders together with others appointed from within the congregation. Members of the congregation are invited to nominate individuals who are believed to have the skills and commitment to contribute to the management affairs of the Church, to become members of the Board. Board Members are then appointed at the Stated Annual Meeting and serve for a period of three years after which they must seek re-election at the next Stated Annual Meeting.

Organisational Structure

The Congregational Board is chaired by the minister. Certain responsibilities are delegated to the Finance Committee and the Property Committee as appropriate. The Kirk Session is responsible for spiritual affairs within the church. Due to COVID-19 requiring co-ordinated decisions across these remits, throughout 2021 the Congregational Board and Kirk Session met in shared meetings six times, on four occasions over the Zoom platform and meeting twice in person. Matters relating to COVID-19 guidance were delegated to appropriate teams of Minister, Elders and Board Members, communicated by email to the Trustees, and subsequently reported to joint meetings

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 is the parish church for the communities of Duffus, Spynie and Hopeman. When it is possible within COVID-19 guidance, weekly Sunday morning all-age worship is conducted in the three church buildings on a rota basis. An outdoor all-age Forest Church began monthly from November 2021. The Guild and men's group meet regularly when restrictions allow. Joint services are held with Hopeman Baptist church on a yearly basis. The Minister offers chaplaincy in Hopeman Primary School and Lossie High School, facilitating the chaplaincy teams at both schools. Members of the congregation are active in community organisations. Other church activities to serve the local community, and to raise funds for church and other charities, have not been able to take place during 2021.

Since COVID-19 restrictions were introduced in March 2020, weekly reflections have been provided online and through a dedicated local phone number. Occasional newsletters and magazines have been distributed by email and post to the congregation's members and adherents to maintain connections and offer support.

Achievements and Performance

The Congregation (a union of three former congregations in 1979) continues to be active in all aspects of church life. Each building serves a different community, one being town orientated, one farming and lastly seafaring. The congregation is an Eco-Congregation, taking action to care for creation..

Trustees' Annual Report (cont)

Year ended 31 December 2021

Throughout a difficult year of COVID restrictions, members of the congregation have supported each other and been involved in formal and informal community support. The Minister and Elders have continued to offer funerals and pastoral support, in different and difficult circumstances. Weekly reflections have been offered for local communities in new ways, using You Tube, Facebook and the Twilio phone service, and these appear to engage some people who would not normally attend in the church buildings. Trustees have adapted to meeting online, and Trustees and volunteers have enabled safe gathering for some in our buildings April – December 2021, which was well received by those able to attend.

Financial Review

Receipts in 2021 were similar to 2020 with income from offerings about £4,500 lower and Tax recovered on Gift aided donations £4,200 lower. A generous legacy of £10,000 has help compensate for the decline in givings.

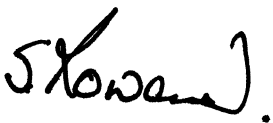
The lack of fund raising opportunities and reduced use of premises is not unexpected and returns on bank deposits reflect the low interest rates being paid. Expenditure in 2021 shows a £9,000 reduction in the Ministries and Mission allocation, with other costs all similar to 2020

It is the policy of the Trustees to maintain cash reserves of approximately 6 months expenditure and an additional £30,000 in case of unexpected repairs to properties.

Statement of Trustees' Responsibilities

The members of the Congregational Board must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of the Church during the financial year. The members of the Congregational Board are responsible for keeping proper accounting records which, on request, must reflect the financial position of the Church at that time. This must be done to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Regulations Anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007. They are also responsible for safeguarding the assets of the Church and must take reasonable steps for the prevention and/or detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf,



Shona Rowand
Session Clerk

Date 16th March 2022

Independent examiner's report on the accounts

Report to the Trustees of Duffus, Spynie & Hopeman

Registered charity number SC004853

On the accounts of the charity for the year ended 31st December 2021

Set out on pages 5 to 8

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) 2005 Act and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("the 2006 Regulations"). The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the 2006 Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the accounts.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Regulations have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Graeme C Archibald FCCA
Certified Accountant
10, Fairway Avenue,
Elgin IV30 6XF

Date: 16th March 2022

**Duffus, Spynie & Hopeman Church of Scotland
SC004853**

**Statement of Financial Activities
Year ended 31st December 2021**

	Notes	Unrestricted Funds <u>2021</u>	Restricted Funds <u>2021</u>	Total Funds <u>2021</u>	Total Funds <u>2020</u>
Receipts					
Incoming Resources from Generated Funds					
Voluntary income	1	51,312		51,312	50,070
Activities for generating funds	2	539		539	1,688
Income from Investments	3	80		80	564
Incoming Resources from charitable activities	4	4,898		4,898	5,089
Church Guild Income			144	144	357
Total Receipts		56,828	144	56,972	57,768
Payments					
Costs of generating funds	5	311		311	281
Charitable activities	6	55,936		55,936	64,098
Church Guild expenditure		-	-	-	342
Total Payments		56,247	-	56,247	64,721
Surplus / (Deficit) for Year		581	144	725	(6,953)
Transfers between funds					
Surplus / (Deficit) for Year		581	144	725	(6,953)

**Statement of Balances
As at 31st December 2021**

Funds Reconciliation	Unrestricted Funds <u>2021</u> £	Restricted Funds <u>2021</u> £	Total Funds <u>2021</u> £	Total Funds <u>2020</u>
Bank deposits at 31 December 2020	99,654	276	99,930	106,883
Surplus / (Deficit) for Year	581	144	725	(6,953)
Bank deposits at 31 December 2021	100,235	420	100,655	99,930
Bank Balances				
Bank Current Account	100,235	420	100,655	99,930
Other Assets (Unrestricted fund)				
Fixtures & Fittings (estimated value)			4,000	4,500
Gift Aid due to be received			7,000	6,000

These Accounts were approved by the Congregational Board on 21st February 2022

For and on behalf of the Congregational Board

Linda M. Ballou

Lesley M. Pherson

Clerk to the Congregational Board
Congregational Treasurer

Accounting Policies

Basis of accounting

The accounts have been prepared on a Receipts and Payments basis in accordance with the Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006, (as amended) and the Guidance for The Church of Scotland.

Funds

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

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

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

Receipts

All donations and gifts are included within receipts under either unrestricted or restricted funds according to the terms under which the donation is made and when the amount is received by the charity. Donations and gifts in kind are brought into the accounts at their market value to the charity when received.

Payments

Expenditure is recognised on a payments basis as and when the liability is paid. Expenditure is normally paid within the month in which it was incurred.

Tangible fixed assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the manse at Duffus, Elgin, IV30 5QP, vested in the Church of Scotland General Trustees. No consideration is payable for the use of this asset. Expenditure incurred on the repair and maintenance of these assets is charged as resources expended in the statement of financial activities in the period in which the payment is made.

Taxation

Duffus, Spynie & Hopeman Parish Church is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is not registered for VAT and resources expended therefore include irrecoverable input VAT.

**Notes forming part of the Financial Statements
For the year ended 31 December 2021**

	Unrestricted Funds <u>2021</u>	Restricted Funds <u>2021</u>	Total Funds <u>2021</u>	Total Funds <u>2020</u>
1. Voluntary Income				
Offerings	35,034		35,034	39,505
Tax recovered on Gift Aided Donations	6,277		6,277	10,565
Legacies	10,000		10,000	-
	<u>51,312</u>	-	<u>51,312</u>	<u>50,070</u>
2. Activities for Generating Funds				
Regular Fund Raising events	-		-	718
Use of Premises	539		539	970
Church Organisations	-		-	-
	<u>539</u>	-	<u>539</u>	<u>1,688</u>
3. U K Investment Income				
Bank Interest	80		80	564
	<u>80</u>	-	<u>80</u>	<u>564</u>
4. Incoming Resources from Charitable Activities				
Weddings & Funerals	1,790		1,790	3,295
National Giving Day	1,800		1,800	-
Other	1,308		1,308	1,794
	<u>4,898</u>	-	<u>4,898</u>	<u>5,089</u>
5. Fundraising Costs Expended				
Offering envelopes	311		311	281
	<u>311</u>	-	<u>311</u>	<u>281</u>
6. Analysis of Resources Expended				
Ministries and Mission Allocation	29,401		29,401	38,318
Presbytery Dues	613		613	735
	<u>30,014</u>	-	<u>30,014</u>	<u>39,053</u>
Ministry Expenses	2,255		2,255	1,681
Pulpit Supply	-		-	129
Other Salary Costs	1,494		1,494	1,213
Fabric Repairs & Maintenance	6,327		6,327	5,326
Spynie Car park costs	597		597	-
Council Tax	2,456		2,456	2,439
Insurance costs	4,161		4,161	4,716
Energy Costs	4,912		4,912	4,775
Church Office Expenses	1,052		1,052	1,473
Other Expenses	2,668		2,668	3,293
	<u>55,936</u>	-	<u>55,936</u>	<u>64,098</u>

**Notes forming part of the Financial Statements (Cont'd)
For the year ended 31 December 2021**

	<u>2021</u>	<u>2020</u>
7. Staff costs & numbers		
Salaries & wages	1,494	1,213
Social Security Costs	-	-
	<u>1,494</u>	<u>1,213</u>

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

	<u>2021</u> Number	<u>2020</u> Number
Music Staff	3	3
	<u>3</u>	<u>3</u>

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pension and housing and loan fund. Ministers' stipends are paid in accordance with the national stipend scale, which is related to years of service. For the year under review the minimum stipend was £28,700 and the maximum stipend (after 5 years) £35,269.

8. Trustee Remuneration and Related Party Transactions

During the year 2021 expenses amounting to £2,255 were reimbursed to the minister and council tax costs of £2,456 were paid in respect of our congregational manse.

The Church's insurance policy includes Trustee Indemnity Insurance for all its trustees.

During the year one trustee received £487 in respect of Organists fees.

No other trustees received any reimbursement of expenses or any remuneration.

9. Independent Examination

No payment was made in 2021 or 2020 to the Independent Examiner for his examination.