

*Greyfriars Parish Church,  
Lanark  
(Church of Scotland)*

*Annual Report  
and Accounts  
for year ending  
31st December 2007*

*Charity Number: SC016504  
Congregational Number: 130728*



The trustees present the annual report and accounts for Greyfriars Parish Church, Lanark for the year ended 31st December 2007

## Reference and Administrative Information

Charity Name: Greyfriars Parish Church, Lanark (Church of Scotland)  
Charity Registration Number: SCO16504  
Congregation Reference No: 130728  
Contact Address: Greyfriars Parish Church, Bloomgate, Lanark, ML11 9HX  
Website: www.lanarkgreyfriars.com

## Trustees

### Kirk Session

Elma Barr	Carolyn Graham	Robert McMillan *	Lorraine Swan
Alasdair Burns	Senga Hamilton-Guy *	Avril Mitchell *	Lilias Tennant
Catherine Chapman	William Hilditch *	Helen Plenderleith	William Tennant *
Graham Chapman	Kenneth Hutchison	Keith Prentice *	David Thompson
John Dickman	Ian Ivison *	Leslie Reid *	Miller Thomson
May Dickman	Liz Ivison	Elsbeth Riddet *	Sheena Thomson
Iain Duncan	Bryan Kerr *	Dale Robb	Gershom Walker
Bill Flemington	Scott Ledingham *	Trevor Sandilands	Jim Wallace
James Francis *	Anna Lumsden *	Diane Sloan	Margaret Wallace
William Gibson	Jack Lumsden *	Alistair Stewart *	Marlene Waugh *
Andrew Gilmour	Elizabeth McCartney	Jessie Stewart	Anne White
Agnes Gold	Marcella McLennan *	Alex Sutherland	Mac Wilson *

### Congregational Board (elected members)

Thelma Bortein	Helen Dewson	Helen McCall	Pamela Small
David Black	Kirtsy Flemington	June McGregor	Ann Thompson
Vianne Black	Louise Gemmell	Nancy Muir	
Andrew Brown	Jessie Holmes	Lesley Paton	

In addition to the elected members, elders marked with an \* also served on the congregational board during this year.

### Office Bearers

Minister: Rev. Bryan Kerr (from 8/3/07)  
Interim Moderator: Rev. Dr. James Francis (to 8/3/07)  
Church Treasurer: Ian Ivison (to 31/12/07)/ Andrew Brown (from 1/1/08)  
Session Clerk: Marcella McLennan  
Clerk to Congregational Board: Avril Mitchell  
  
Independent Examiner: xxxxxxxx  
  
Bankers: Bank of Scotland, Bloomgate, Lanark, ML11 9HX

# Structure, Governance and Management

## Governing Document

Greyfriars Parish Church, Lanark is administered in accordance with the terms of the Deed of Constitution.

## Recruitment and Appointment of Trustees

Members of the Kirk Session and 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 is appointed from within the congregation and members of the congregation are invited to nominate individuals who are believed to have the skills and commitment to contribute to the management affairs of the Church, to become members of the Board. Board members are then appointed at the Stated Annual Meeting and serve for a period of three years after which they must seek re-election at the next Stated Annual Meeting. A number of elders are appointed by the Kirk Session to serve on the Congregational Board.



## Organisational Structure

The Congregational Board is chaired by the minister and meets nine times in a year. Certain responsibilities are delegated to the Finance Committee and the Property Committee as appropriate. The Kirk Session, which also meets nine times a year, is responsible for spiritual affairs within the church.

## 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 parish of Greyfriars' extends to cover the eastern side of Lanark as well as the village of Nemphlar.



Greyfriars Parish Church meets for worship each Sunday at 11am with a shorter, traditional service of communion being held on the last Sunday of each month at 9:30am. Communion is celebrated 4 times a year at the 11am service, typically on the last Sundays of January, June and October as well as on Easter Sunday and every month at the 9:30am service.

A Sunday School for children from age 3 to primary 7 meets during worship, with the children being an important and valued part of our worship. Greyfriars also provides a crèche for young children during worship, although if they would rather, parents are welcome to keep their babies and young children in worship. Greyfriars recognises that although children are best served with specific activities in the Sunday School there are sometimes reasons for children staying in church with their parents for the whole of worship. Due to this knowledge and belief activity packs are available for children in the church vestibule, with colouring materials, activity sheets and bible stories to ensure children who stay in church are catered for.



Within Greyfriars a whole church learning programme exists, with the themes in worship and Sunday School mirroring each other, allowing parents and children to

talk to each other about what they thought about that day at church.

The Sunday School also meets at other times during the year, offering fun nights and parties to the children who come along. A dedicated team of volunteers ensure that these activities, both on a Sunday and at other times, provide a relevant learning experience for those who come along.

Greyfriars has a small group of very enthusiastic teenagers who play an important role within the life of our congregation. On a Sunday, as well as attending worship, many have a role to play within worship, from audiovisual operation to staffing the children's library. The teenagers also enjoy outings together, the most recent being to the Irn-Bru Carnival in Glasgow. It is hoped to develop the momentum begun in 2007 with regular outings and activities for the teenagers of the church in 2008.

All of our activities that are provided for children and young people are carried out in accordance with the Church of Scotland's policy on the protection of children and young people.

Greyfriars believe that as well as worshipping and learning together as a congregation, fellowship and growing in friendship is of equal importance. After worship on a Sunday a growing number of people are joining together in the church hall for coffee and fellowship. Many have commented as to how this time has enabled them to deepen relationships with other church members, particularly those who are new to the Greyfriars church family.



In 2007 a church quiz was held with the particular aim of allowing people to meet together in a relaxed atmosphere for a fun evening. Almost 90 people attended the evening and all commented on how successful it had been and how it was hoped that social events be placed higher up the agenda of the church, recognising the benefits that such events can play in the life of the congregation.



There are many other organisations that take place within the life of the congregation. On a Friday morning up to 30 toddlers (and corresponding parents!) attend the wrigglers group, most from beyond the Greyfriars congregation. The group offers a mix of crafts, stories, games, snacks, informal play, baking and songs for the toddlers and a chance for parents to meet each other in a relaxed atmosphere.

Julie Forrest, the wrigglers play leader organises a number of activities for the children as well as looking after the day-to-day management of the group. All those coming along with a child take turns in offering Julie assistance with snacks, setting-up and clearing away and organising activities. Every parent of a registered child forms a parent group that helps plan the activities and outings of the group as well as providing support and encouragement for the play leader.



A sewing group meets fortnightly for fellowship and sewing activities. Around 8 people attend this group. Greyfriars guild, affiliated to the national Church of Scotland guild, meets fortnightly between September and March and each year has a varied programme of speakers and entertainment on offer for their members. With 40 members and around 35 on average attending each meeting the guild meets a need within the congregation for fellowship, worship and service.

As part of Greyfriars commitment to helping people grow in faith and in discipleship discussions groups are held throughout the year to allow those who want to think about issues of faith and how they relate to life today. One such group was our enquirers group for those interested in finding out more about what it means to be a member of Greyfriars Parish Church.

Music is very important in Greyfriars. The Directors of Music, Shena & Philip Fox, take great pride in being able to offer appropriate music of the highest quality in worship and at other times when required.



Greyfriars choir is extremely competent and regularly take an active part in worship on a Sunday. 27 regular members of the choir meet on a Thursday evening to rehearse items for worship and choir concerts that take place throughout the year in Greyfriars and elsewhere. 2007 saw the development of a youth choir in Greyfriars. Meeting on a Thursday evening before the adult choir, around 16 children gather to learn new songs to sing in various locations throughout the town. This year, as well as performing on occasions in worship in Greyfriars they also played an active part in Lanark's Christingle Service at Christmas in Christ Church, the local Episcopal Church. The congregation are looking forward to hearing more from the junior choir as well as encouraging more to come along each week.

The Kirk Session and Congregational Board of Greyfriars Parish Church take the view that the church premises are a valuable asset not only for the congregation but also for the wider community of Lanark. Many other groups use the premises each week to ensure that the premises are busy and used for the wider benefit of the community. Other organisations include Lanark & Carluke Camera Club, Music in Lanark, Lanark & Carluke Choral Union, Keep Fit Classes, Tai Chi Classes, Yoga Classes, Lanarkshire Association for Mental Health, Scottish School of Philosophy, Lanark Amateur Musical Society (LAMS), Lanark Cornet's Club, Macular Degeneration Support Group and Clydesdale VIP Group.

## *Achievements and Performance*

### *Moving on with ... leadership*

2007 was a year of significant change for Greyfriars. In 2006, with the translations of Rev David and Rev Catherine Collins to charges within Dundee presbytery the congregation found themselves in a vacancy. Rev. Dr. Jim Francis, minister in Biggar was appointed interim moderator by Lanark presbytery and guided the congregation through this difficult period whilst trying to find a new minister. One of the tasks of the nominating committee, the group charged with bringing a nomination for a new minister to the congregation, was to think, along with the Kirk Session, about what type of minister was needed for Greyfriars.

The nominating committee please a vision for the future in the parish profile that all potential applicants received. It read as follows:

*"Ten years from now we hope to have increased our impact on the local community, to have increased regular attendance at worship, and to have increased the activity and involvement of members in the life and work of the church. We hope to have a greater proportion of young people involved in the church.*

*In the future, we see a busy, vibrant and caring church: recognised as somewhere to come and celebrate and worship God. It will be a place where one is assured of a warm welcome and comforting fellowship, where one's needs can be addressed with compassion, and where one can feel the love of God in action - shining out into the community."*

On 14th January 2007, Rev. Bryan Kerr, who was at that time the minister in the Douglas Valley Church, was introduced to the congregation in a packed church and preached as sole nominee for the charge of Greyfriars. The congregation upon overwhelmingly voting in Bryan's favour subsequently issued a call for him to accept the challenge of becoming the next minister of Greyfriars Parish Church. The Presbytery of Lanark upheld the call issued by the congregation and Bryan was inducted into the charge on 8th March 2007.

Bryan said about his ministry in Greyfriars:

*"I feel privileged to have been called as the minister at Greyfriars. I have always sought within my ministry to work in co-operation with people and to broaden the work of the church out from the traditional church leadership to encourage all people within the*



*church family to play an active part in shaping and leading the church. I am looking forward to seeing the fruits of our work together and seeing where God will lead us on this exciting journey.”*

Bryan has brought many new challenges for the Kirk Session and congregation to face and there is no doubt that they have been met willingly. Over this last year the congregation have seen a different style of leadership and ministry from that which they were used to but the congregation have supported the new minister with great heart and good cheer and look forward to moving on further with Bryan in the years that lie ahead.

### *Moving on with ... buildings*



Early 2007 saw the fitting out of the newly purchased manse in time for our new minister and his family to move in. In February the manse was occupied for the first time and grateful thanks must be expressed to all who played a part in ensuring that it is fit for the purpose of both a working space for the minister and a modern family home for the manse family. The purchase of the new manse will undoubtedly bring many benefits to the congregation as well as the manse family, not least the maintenance costs of a new house will be much smaller than the previous manse and the time of those involved in the ongoing care of our buildings will also be reduced in this respect.

The third phase of the re-pointing programme was completed over the summer months ensuring that the entire sanctuary area of the church complex has undergone this treatment to ensure the building can stand up to the elements for many generations to come. When the front of the church was being re-pointed the leaded glass windows were removed, re-leaded and cleaned, ensuring that all of the plain glass windows in the sanctuary have now been cared for in this way. To complete the work on the front of the church the ironmongery around the doors and gates were painted and a new sign and poster board were installed to ensure that those passing could find appropriate information about what was on in Greyfriars Church.



### *Moving on with ... worship*



Throughout 2007, Greyfriars have looked to develop the worship of the congregation. In early spring a new Clavinova piano was purchased to add to the range of instruments on offer to our Director's of Music to enable them to enhance the worship experience for those who come along. The congregation, through the minister, have invested in new worship resources to help in the planning of worship with the eventual aim of having more people involved in leading worship on a regular basis. In December members of the Kirk Session led worship and received many positive comments and were asked when they were doing it next!

A significant development in 2007 was the introduction and installation of a new audio visual system for the church enabling words and images to be projected onto a large retractable screen at the front of the sanctuary. As part of this project a new sound system was designed to meet the needs of our modern congregation and its not so modern building. Upon the installation of the sound system one member who sat in the balcony commented how well they had been able to hear during the service, better in fact than for the past several years of attending!



The children of Greyfriars regularly take part in worship wither through the junior choir or the Sunday School. Many people have commented in the past regarding the difficulty of hearing the children in such a big building. Since the new sound system has been installed the work that the children put into these endeavours has been greatly appreciated by all who can now hear them!



With the new sound system the congregation have embarked on a weekly delivery scheme of recordings of the service on CD to those who cannot get to church. Over 25 CD's are produced each week and, with the help of a modern CD duplicator, are ready for delivery 20 minutes after the end of the service. Those who have received the CD's have commented on the fact that they feel a part of the congregation even although they physically cannot be in church on a Sunday morning.

When Shena Moffat was appointed as organist in 2006, Greyfriars found an extremely competent musician willing to extend the musical repertoire of the congregation. Shena married Philip Fox in January 2007 and Philip joined the congregation in April. Philip also brought with him many years experience being the organist at St. John's Church in Carluke for many years. Shena and Philip have now been appointed as joint Director's of Music recognising the shift in role from traditional church organist to overseeing the variety of musical styles being employed within worship. 2007 also saw the development of a praise band who regularly contribute to worship.

The Kirk Session recognised that for different people it is important to offer different styles of worship. To this end a traditional monthly service has been implemented. Meeting on the last Sunday of each month at 9:30am, communion is celebrated with a traditional liturgy with around 35 people attending. In 2007 the Kirk Session discussed, and agreed, that the children of the congregation should be a part of Greyfriars worship each and every Sunday, including communion Sundays. Greyfriars now has 64 children who receive communion in church. The Sunday School worked with the children to help them understand the liturgy and the symbolism of the sacrament and during the distribution of the elements the children sit with their families and take communion with them.



### *Moving on with ... planning & administration*

The church office continues to provide support to the minister and office bearers of the church, not only providing a quiet space to meet with people but also secretarial assistance through our church secretary, Greta Steven. The central church, and charity law in Scotland, share the belief that keeping the charity trustees and the wider membership informed of decisions and planning is a necessary endeavour. Due to this the work of the church office has increased and the congregation are grateful to the secretary and magazine editors and compilers who ensure that the congregation are kept as fully informed as possible.

The increased role of the church office necessitated an IT upgrade programme in 2007. With the previous office computer serving the church for 7 years (and a school before that) the machine was replaced with a more modern computer capable of meeting the demands placed on it. A new laptop computer was also purchased for the AV project in the sanctuary. To enable the church office to communicate with members of the church, broadband has been installed in the office, vestry and sanctuary.



In April 2007, the new church website ([www.lanarkgreyfriars.com](http://www.lanarkgreyfriars.com)) was officially launched. The website has been continually updated and improved with the latest development allowing people to listen to a podcast of worship each week. Many people have used the website and find it an invaluable tool to help find out what is on in the church as well as contact the minister. The minister has even had a request from someone in New Zealand asking him to visit a relative in Lanark!

## *Moving on with ... people and groups*

At the beginning of 2007 Greyfriars Parish Church had 844 members on the communicant roll. Throughout the year 33 were removed from the roll (19 who passed away, 8 who left the area and moved to other churches and 6 who were removed for other reasons) and 15 were added. Of those 15, 5 new members joined Greyfriars by profession of faith and pledged to play their part in the life of the congregation. At the end of 2007, Greyfriars Parish Church had 826 members. Throughout the week Greyfriars will welcome over 400 people to worship, church activities and community groups.

There were several new groups formed in 2007. The teenagers of Greyfriars Church joined together and started going on outings with each other to build friendships with one another in order that they can feel comfortable with each other in worship and in discussion of matters of faith and life. An enquirer's group was established to allow people who were interested in finding out more about the local and national church the opportunity to share with each other in discussion and fellowship. It was from that group that 5 new members joined the church family. As has been stated above the Junior Choir formed in 2007 continues to grow in numbers, ability and confidence.

## *Moving on with ... other churches*

Greyfriars has been developing closer links with the other churches in the town throughout 2007. The clergy in the town meet monthly for lunch to plan joint initiatives and projects. A very successful Christmas leaflet was produced by the local Church of Scotland, Roman Catholic, Episcopalian and Congregational Congregations. Over 6,000 leaflets were printed and delivered to every home in town inviting people to be a part of the churches Christmas celebrations, as well as offering contact details of the clergy in case of need. In the run up to the Scottish Parliament elections Greyfriars was the venue for a hustings evening where local people were able to question the candidates on policies and views.

The Presbytery of Lanark have invited Greyfriars to meet with St. Nicholas Church for discussions regarding a parish grouping where both churches would covenant to working together to share in worship, mission, education and other aspects of church life. Already joint working is being seen within the congregations. Over the summer months and during the Christmas season the two churches join together for a joint service of worship each Sunday.

2007 saw volunteers from both congregations run a joint holiday club for children. For a week in the summer, St. Nicholas Church hall was transformed into a tropical island and the children who attended were transported to Banana Island to meet the Banana Gang who helped bring characters from the bible to life in the 'time shed' and share the stories with the children. With a mix of games, songs, crafts, stories and group work there was certainly plenty for the children to enjoy.



During Holy Week both congregations worked together and offered joint worship throughout the week as well as holding an early morning walk up tinto hill and an open air communion service at Lanark Loch on Easter Day. Each day in Holy Week, a labyrinth, or prayer walk, was set up for people to take time with their thoughts and reflect on the Good News of Easter. Over 90 people walked the labyrinth, many commenting on how profound they had found the experience.

## *Moving on with ... the local community*

In 2007 the local churches were asked to nominate a representative to the Royal Burgh of Lanark Community Council. This year our minister, Bryan, sits on the council to represent the views of the churches. Greyfriars is also aware of the need to develop the buildings for use by community groups. With new audio visual equipment it is hoped that the groups who use the church will develop that use with the temporary closure of the Memorial Hall in the town. Greyfriars are keen to continue with the development of community links within Lanark.

### *Income*

2007 was a year when the general income of the congregation stayed almost at the previous years totals, showing only a marginal increase in the offerings and therefore the gift aid recovery. The Guild donated a magnificent £2,000 to church funds for ordinary use. The Guild invited the trustees to think of a way to use the money i.e. a special project rather than simply general running costs. After discussion it was agreed that this money be put towards purchasing a new water boiler for the use of groups using the facilities and a children's lending library of Christian books and DVD's. The library has been a great success with children and parents at different organisations using the facility and getting benefit from it.

The voluntary income, on first reading, appears to have dropped significantly between 2006 and 2007. This can be explained by the fact that in 2006 two very generous one-off bequests totalling £20,500 were made to the work of Greyfriars. The vast majority of this amount is restricted, as stated in note 13 of the accounts, and cannot be used for any fabric purpose.

### *Expenditure*

As has been previously stated in the annual report, 2007 has been a year of moving on. Moving from a period of vacancy always brings extra expenditure to a congregation. In 2007 over £4,000 was expended on vacancy expenses, which the trustees hope will not be spent again for another few years at least!

The new manse has also brought significantly increased expenditure with a net cost to our general funds of over £6,500. The majority of funds for the purchase and decoration of the manse came from the sale of the old manse however as this did not sell as quickly as the trustees had hoped bridging loan finance was made available to the congregation by the General Trustees. Much of the remainder costs, as can be seen in notes 15 and 16, was borne from the money held in the consolidated fabric fund of the General Trustees, money which resulted from the sale of St. Kentigern's Church and Manse several years ago. The new manse, it is hoped, will bring reduced costs for several years to the congregation.

With the audio visual project within the sanctuary complete, as well as a new digital piano and computer equipment the figure attached to depreciation has also risen sharply. Whilst this figure will remain in the accounts for the next few years, the trustees are convinced that it represents good value for the enhanced experience worshippers have in Greyfriars.

Within the accounts there are other items worthy of note in this review. The ministries and mission allocation paid by Greyfriars increased by over £6,000 in 2007. This payment is made to the central funds of the church to pay into a stipend fund to pay for ministers (not only our own) and other church work (mission, education, legal, worship etc) carried out by the national church. This figure is based on the income of a congregation averaged over a previous 3 year period. Although this figure may seem high and a burden to some, it is part of a congregation's responsibility within a presbyterian church to help fund the ongoing work and development of the church.

The council tax figure is significantly higher in 2007 and this is mainly due to a reduction the congregation received when the manse was empty for almost a year. The figure in 2007 shows almost a full year's payments as the congregation had paid almost all the requested amount by the end of 2006. Ministers expenses have also increased but again this reflects almost a full year of work by our new minister and the travel expenses incurred by him in his pastoral duties, which the trustees know are greatly appreciated.

As has also been stated previously the church office has seen a significant increase in the role it has played in the life of the congregation over the course of 2007. The increased figure represents the increase in documents and papers produced in the developing life of Greyfriars, and in ensuring that trustees and members alike are kept fully informed of all that is taking place within the congregation. In line with the policy of the presbytery of Lanark that all ministers in charges within the bounds be issued with computer equipment it is the responsibility of the congregation to provide broadband internet access within the

manse. This, the manse telephone and the mobile phone made available to the minister for his work represents the figure in note 7. The trustees understand that many members of the congregation are grateful that the minister makes himself available for members and parishioners alike and are certain these costs, along with travelling expenses, are necessary in the conduct of his duties.

The trustees feel that as a Christian church worship is at the heart of what Greyfriars does. There has been a wonderful increase in the numbers attending worship and the minister and trustees are keen that this trend continues. There has been an increase in the amount spent on worship resources to represent this view and to provide the minister, and those who take part in worship, with the necessary resources to ensure that this central activity is well prepared and delivered each week.

### *The Challenge Ahead*

The trustees are aware that it is now over 3 years since the last Stewardship programme, Money Matters, was undertaken at Greyfriars and over these 3 years costs have significantly increased for the congregation, as they have for each and every member in their own household bills. Greyfriars faces a challenge to encourage each and every member to review the offering the give to the work of the church in order that enough funds are realised to match the dreams and ambitions the trustees have for Greyfriars.

The trustees would also like to place on record their thanks to Ian Ivision who has undertaken the role of temporary treasurer for 2 years and helped steer the trustees through the new regulations that have come into force during that time. Ian is now moving to become finance convenor to oversee all aspects of Greyfriars financial life including supporting Andrew Brown who takes over as treasurer in 2008.

### *Reserves Policy*

It is the Trustees' policy to hold reserves of approximately six months expenditure including designated funds. At the year end the Church held unrestricted funds of £87,061 of which £3,654 had been designated for fabric fund and £53,187 was held from bequests made to the congregation. The remaining balance of £30,220 represents about four months expenditure in line with the policy.

The church also held £20,000 of restricted funds and £13,310 in endowments which have been provided for the purposes specified in Note 13.

### *Statement of Trustees' Responsibilities*

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

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

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

Approved by the Trustees and signed on their behalf,

**Marcella McLennan, Session Clerk**  
**18<sup>th</sup> February 2008**

*Respective responsibilities of trustees and examiner*

The charity trustees consider that an independent examination is needed under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. It is my responsibility to examine the accounts 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*

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 seeking 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 of the statement of account for the year ended 31 December 2007, no matter has come to my attention

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

Name

Chartered Accountant

Address

Date

# Statement of Financial Activities

## Year ended 31 December 2007

	Note	Unrestricted Funds 2007	Restricted Funds 2007	Endowment Funds 2007	Total 2007	Total 2006
<b><u>Incoming Resources</u></b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	1	79412			79412	97868
Activities for generating funds	2	3364			3364	5440
Investment income	3	3731	913	563	5206	4103
<b>Incoming resources from charitable activities</b>	4	1975			1975	1439
<b>Other incoming resources</b>						
<b><u>Total Incoming Resources</u></b>		<u>88481</u>	<u>913</u>	<u>563</u>	<u>89957</u>	<u>108850</u>
<b><u>Resources Expended</u></b>						
	5					
Costs of generating funds		233			233	279
Charitable activities		108464	913	563	109940	80861
Governance costs		0			0	0
<b><u>Total Resources Expended</u></b>		<u>108697</u>	<u>913</u>	<u>563</u>	<u>110173</u>	<u>81140</u>
<b>Net incoming/outgoing resources before transfers</b>		-20216	0	0	-20216	27710
<b>Transfers between funds</b>						
<b>Net incoming/outgoing resources before other recognised gains and losses</b>						
Gain/Loss on revaluation of investments				189	189	-140
<b>Net movement in funds</b>		-20216		189	-20027	27570
<b>Total funds brought forward</b>		107277	20000	13121	140398	112828
<b><u>Total funds carried forward</u></b>		<u>87061</u>	<u>20000</u>	<u>13310</u>	<u>120371</u>	<u>140398</u>

*Balance Sheet  
at 31 December 2007*

		2007	2006
	Note		
<b>Fixed Assets</b>			
Tangible Fixed assets	8	19319	498
Investments	9	<u>13310</u>	<u>13121</u>
		<b>32629</b>	<b>13619</b>
<b>Current Assets</b>			
Debtors	10	13967	13075
Congregational Organisations		1333	
Bank and cash		<u>79982</u>	<u>117080</u>
		<b>95281</b>	<b>130155</b>
<b>Creditors</b>			
Falling due within one year	11	<u>7539</u>	<u>3376</u>
<b>Net Current Assets</b>		<b>87742</b>	<b>126779</b>
<b>Net Assets</b>		<u><b>120371</b></u>	<u><b>140398</b></u>
<b>Unrestricted Funds</b>			
General funds	13	30220	50436
Designated funds		<u>56841</u>	<u>56841</u>
		<b>87061</b>	<b>107277</b>
<b>Restricted Funds</b>	13	<b>20000</b>	<b>20000</b>
<b>Endowment Funds</b>	13	<b>13310</b>	<b>13121</b>
<b>Total Funds</b>		<u><b>120371</b></u>	<u><b>140398</b></u>

The accounts were approved by the Kirk Session and Congregational Board on 18th February 2008.

For and on behalf of the Kirk Session and Congregational Board

\_\_\_\_\_ Marcella McLennan, Session Clerk

\_\_\_\_\_ Ian Ivison, Treasurer

# *Accounting Policies*

## *for the year ended 31 December 2007*

The principal accounting policies, which have been applied consistently in the current and preceding year in dealing with items which are considered material to the accounts, are set out below.

The charity has adopted the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (issued February 2005) for the first time. Accordingly, the accounts of the charity, previously prepared on an accruals basis, have been restated.

### *Basis of preparation*

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

### *Funds*

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

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

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

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

### *Incoming resources*

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

### *Resources expended*

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

# *Accounting Policies*

## *for the year ended 31 December 2007*

### *Tangible fixed assets*

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

All tangible fixed assets costing in excess of £500 having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Depreciation is provided on a straight-line basis to write off the cost or initial value, less residual value, of tangible fixed assets over their estimated useful lives:

General Fixtures & Fittings	10 years
Computer Equipment	4 years
Audio Visual Equipment	5 years

### *Investments*

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

### *Taxation*

Greyfriars Parish Church, Lanark 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 2007*

	Unrestricted Funds 2007	Restricted Funds 2007	Endowment Funds 2007	Total 2007	2006
<b>1 Voluntary income</b>					
Offerings	64665			64665	64587
Tax recovered on Gift Aid	12747			12747	12781
Legacies					20500
Contributions from Congregational Organisations	2000			2000	
Endowment income					
Other					
	<u>79412</u>	<u></u>	<u></u>	<u>79412</u>	<u>97868</u>
<b>2 Activities for Generating Funds</b>					
Use of Premises	3364			3364	5440
Other					
	<u>3364</u>	<u></u>	<u></u>	<u>3364</u>	<u>5440</u>
<b>3 Investment income</b>					
Deposit interest	3304	913		4217	3006
Dividends received			563	563	494
Bank interest	427			427	603
	<u>3731</u>	<u>913</u>	<u>563</u>	<u>5206</u>	<u>4103</u>
<b>4 Incoming Resources from Charitable Activities</b>					
Weddings and Funerals	735			735	750
Coffee mornings etc	1240			1240	689
Concerts					
Other					
	<u>1975</u>	<u></u>	<u></u>	<u>1975</u>	<u>1439</u>

*Notes forming part of the financial statements  
for the year ended 31 December 2007*

	Unrestricted Funds 2007	Restricted Funds 2007	Endowment Funds 2007	Total 2007	2006
<b>5 Analysis of Resources Expended</b>					
<b>Costs of Generating Funds</b>					
Offering Envelopes	233			233	279
	<u>233</u>			<u>233</u>	<u>279</u>
<b>Charitable Activities</b>					
Ministries and Mission Allocation	49096			49096	43044
Presbytery Dues	1688			1688	3031
Minister's Expenses	5440			5440	2124
Locum Costs & Pulpit Supply	1429			1429	5046
Other salary costs	8535			8535	7960
Fabric Repairs & Maintenance	4977			4977	4474
Council Tax	2655			2655	303
Other Buildings Costs	11303			11303	10049
Church Office Expenses	3289			3289	1155
Organ & Music	96			96	485
Worship Resources	1640			1640	336
Other expenses	1791	913	563	3267	1620
Net cost of new Manse	6534			6534	-
Vacancy Expenses	4929			4929	228
Depreciation	5062			5062	1006
	<u>108464</u>	<u>913</u>	<u>563</u>	<u>109940</u>	<u>80861</u>
<b>Governance Costs</b>					
Independent Examiner's Fee					
<b>Total</b>	<u>108697</u>	<u>913</u>	<u>563</u>	<u>110173</u>	<u>81140</u>

Support costs have not been separately identified as the trustees consider there is only one charitable activity. Therefore support costs relate wholly to that activity and have not been separately identified.

*Notes forming part of the financial statements  
for the year ended 31 December 2007*

	2007	2006
	£	£
<b>6 Staff costs and numbers</b>		
Salaries and wages	8535	7960
Social security costs		
Total	<u>8535</u>	<u>7960</u>

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

	2007	2006
Music staff	2	1
Premises maintenance	2	2
	<u>4</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 £21,466 and the maximum stipend (in the tenth and subsequent years) £28,500.

## 7 Trustee Remuneration and Related Party Transactions

The Minister Rev. Bryan Kerr received reimbursement of expenses during the year, as undernoted

Travelling Expenses	4,108.44
Telephone/Internet Accounts	1,268.67
Sundries	63.02
	<u>5,440.13</u>

In addition Council Tax of £2655 was paid for the manse in the year

No trustee or a person related to a trustee had any personal interest in any contract or transaction entered into by the charity during the year other than as follows:-

A Gilmour was paid a total of £2353.26 for joiner work and materials for flooring in the manse and for alterations to pews and construction of an AV desk in the church

H Plenderleith had an interest in a transaction for £981.71 for supplying and laying turf in the manse garden.

*Notes forming part of the financial statements  
for the year ended 31 December 2007*

**8 Tangible Fixed Assets**

	Equipment
<b>Cost</b>	
At 1 January 2007	1992
Additions	23883
	<hr/>
At 31 December 2007	<u>25875</u>
<b>Accumulated Depreciation</b>	
At 1 January 2007	1494
Charge for year	5062
	<hr/>
At 31 December 2007	<u>6556</u>
<b>Net Book Value</b>	
At 31 December 2007	<u>19319</u>
At 31 December 2006	<u>498</u>

**9 Investments**

	2007	2006
	£	£
Market value at 31 December 2006	13121	13261
Unrealised gain / (loss) on investments	<u>189</u>	<u>-140</u>
Market value at 31 December 2007	<u>13310</u>	<u>13121</u>
Investments at cost	<u>11477</u>	<u>11477</u>

The following investments are held:

£3252	3 1/2% War Loan
£435	4% Consolidated Stock
2465 units	Church of Scotland Growth Fund

*Notes forming part of the financial statements  
for the year ended 31 December 2007*

**10 Debtors**

	2007	2006
	£	£
Gift Aid Tax Refund Due	4151	3950
Payments recoverable re new manse	<u>9816</u>	<u>9125</u>
	<u>13967</u>	<u>13075</u>

**11 Creditors**

	2007	2006
	£	£
Accruals	2218	3376
Balance of fees re manse	<u>5321</u>	<u>        </u>
	<u>7539</u>	<u>3376</u>

**12 Analysis of Net Assets Among Funds**

	General	Designated	Restricted	Endowment	Total
	£	£	£	£	£
Fixed Assets	19319				19319
Investments				13310	13310
Current Assets	18440	56841	20000		95281
Current Liabilities	<u>7539</u>				<u>7539</u>
<b>Net assets at 31 Dec 2007</b>	<u>30220</u>	<u>56841</u>	<u>20000</u>	<u>13310</u>	<u>120371</u>

*Notes forming part of the financial statements  
for the year ended 31 December 2007*

**13 Movements in Funds**

	At 1 January 2007 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 Dec 2007 £
<b>Endowment funds</b>	<u>13121</u>	<u>752</u>	<u>563</u>		<u>13310</u>
<b>Restricted funds</b>					
Legacy not for fabric	<u>20000</u>	<u>913</u>	<u>913</u>		<u>20000</u>
<b>Unrestricted funds</b>					
Designated Fabric Fund	3654				3654
Bequest Fund	53187				53187
Sunday School Fund					
General Fund	<u>50436</u>	<u>88481</u>	<u>108697</u>		<u>30220</u>
	<u>107277</u>	<u>88481</u>	<u>108697</u>		<u>87061</u>
<b>Total funds</b>	<u>140398</u>	<u>90146</u>	<u>110173</u>		<u>120371</u>

Purposes of Endowment Funds

Income from the Funds may be used for any purpose agreed by the Trustees

Purposes of Restricted Funds

The Funds may be used for such purposes, excluding the fabric, as the Session shall determine

Purposes of Designated Funds

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

Bequest Funds: The Trustees have set aside funds received from legacies, the use of which is unrestricted.

**14 Collections for Third Parties**

	2007 £	2006 £
World Day of Prayer		78
Open Door Trust	444	
Kenyan Aid Project	835	
	<u>1279</u>	<u>78</u>

*Notes forming part of the financial statements  
for the year ended 31 December 2007*

**15 Funds held by the Church of Scotland General Trustees**

**Capital Account**

Balance at 1 January 2007		<b>45230</b>
Refund of new manse deposit	<b>9125</b>	
Pointing Work	<b>24878</b>	
Window Refurbishment	<b>5405</b>	
Organ Repairs	<b>4582</b>	
		<b>43990</b>
		<b>1240</b>
Gain on sale of shares		<b>4963</b>
		<b>6203</b>

**Interest Account**

Balance at 1 January 2007		<b>1857</b>
Interest for year	<b>1754</b>	
Gain on sale of shares	<b>2</b>	
		<b>1756</b>
		<b>3613</b>

All of the above funds will be used to reduce the costs of the new manse when these have been finalised, and a debtor of £9816 is provided in these accounts to reflect the situation

**16 New Manse Transactions**

Although the change of manse was completed during the year, the costs have not yet been finalised. It is anticipated that the Church of Scotland will reduce the amount of bridging loan interest payable, but the amount of such reduction cannot yet be quantified.

In view of this, the entire costs of the change have been included in these accounts, and are reduced by the remaining balance of the funds held for us by the Church of Scotland General Trustees as per note 15





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