



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

**Annual Report & Accounts  
For year ending 31<sup>st</sup> December 2008**

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 2008

## *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	William Hilditch *	Helen Plenderleith	William Tennant *
Alasdair Burns	Kenneth Hutchison	Keith Prentice *	David Thompson
Catherine Chapman	Ian Ivison *	Leslie Reid *	Miller Thomson
Graham Chapman	Liz Ivison	Elsbeth Riddet *	Sheena Thomson
John Dickman	Bryan Kerr *	Dale Robb	Gershom Walker
May Dickman	Scott Ledingham *	Trevor Sandilands	Jim Wallace
Iain Duncan	Anna Lumsden *	Diane Sloan	Margaret Wallace
Bill Flemington	Jack Lumsden *	Alistair Stewart *	Marlene Waugh *
Andrew Gilmour *	Elizabeth McCartney	Jessie Stewart	Anne White
Agnes Gold	Marcella McLennan *	Alex Sutherland	Mac Wilson *
Carolyn Graham	Robert McMillan *	Loraine Swan	<i>William Gibson (to</i>
Senga Hamilton-Guy *	Avril Mitchell *	Lilias Tennant	<i>2/8/08)</i>

### *Congregational Board (elected members)*

All members of the congregational board served as trustees from 1/1/08 to 1/8/08

Thelma Boertein	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 from 1<sup>st</sup> January until 1<sup>st</sup> August 2008.

### *Office Bearers*

Minister: Rev. Bryan Kerr  
Church Treasurer: Andrew Brown  
Session Clerk: Marcella McLennan  
Clerk to Congregational Board: Avril Mitchell (to 1/8/08)

Independent Examiner: F. C. Marks  
Bankers: Bank of Scotland, Bloomgate, Lanark, ML11 9HX

# *Structure, Governance and Management*

## *Governing Document*

Greyfriars Parish Church, Lanark was administered in accordance with the terms of the Deed of Constitution from 1st January 2008 until 31<sup>st</sup> July 2008. Following a period of consultation and a vote of the congregation, and after seeking all necessary permissions, Greyfriars Parish Church, Lanark, from 1st August 2008 is administered in accordance with the terms of the Deed of Constitution (Unitary Form).

## *Recruitment and Appointment of Trustees*

Members of the Kirk Session and Congregational Board (until 31<sup>st</sup> July 2008) are the charity trustees. The Kirk Session members are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. . The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery.

## *Organisational Structure*

The Kirk Session is moderated by the minister and six times in a year. The Kirk Session have five constituted action groups (Mission, Nurture, Pastoral, Resources and Worship) and certain responsibilities are delegate to them. Each action group is convened by a member of the Kirk Session with the membership being made up of elders and representatives from the congregation. Each action group reports regularly to the Kirk Session.

## *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 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. A group of the teenagers are also involved in developing the congregation's puppet ministry using puppets and music to share the message of the Christian Faith. The group meets once a week.

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 believes 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.

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 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 eight 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.

Music is very important in Greyfriars. The Directors of Music, Shena and 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. The youth choir also meets on a Thursday evening before the adult choir, around 18 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 and sang at a National inter-faith concert in Glasgow, organised by the national church.

The Kirk Session 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 Cornets' Club, Macular Degeneration Support Group and Clydesdale VIP Group. 2008 saw the sanctuary used in new ways when, following the closure of the local theatre venue for a refit, Lanark Panto, Junior Panto and Lanark Amateur Musical Society held rehearsals and performances within the building.

## *Achievements and Performance*

In 2008, the members of Greyfriars Parish Church voted to accept a new constitution and a new way of working and managing the affairs of the congregation to allow members of the congregation to become more involved in the planning of the work of the church. Five new action groups were constituted and the following section of the report outlines some of the developments in as well as some of the hopes of these areas of work in 2008. It is anticipated that in 2009 and beyond, once the action groups have been fully established, that the level of responsibility and work will greatly increase.



The Mission Action Group is convened by Diane Sloan. The purpose of the Mission Action Group is to develop outreach and evangelism strategies to the community and to promote Christian action in the world.

Mission is an important part of the life of Greyfriars. It was once said that the church exists by mission as a fire exists by burning (Emil Brunner) and we certainly want that to be the case in Greyfriars. It is the privilege of those who are part of the church family to share the love that God has for

them with others.

Without mission we would not be here. The disciples first shared the mission of Jesus to bring God's love to all people ... and so it should in our generation!

The remit for this group includes:

- implementing ways of bringing both new people and 'dormant' church members into active church life in coordination with other Action Groups where necessary, and in partnership with other local churches when appropriate;
- utilising available resources and promoting courses run that will assist in outreach;
- studying what other churches are doing in the way of mission, and sharing what is learnt with the Kirk Session;
- offering a training course to help people share their faith (not Bible-bashing, but living out God's Good News);
- facilitating cooperation between churches ecumenically, promoting understanding of other religions;
- organise, with the Nurture Action Group, the annual Holiday Club for children;
- regular contact with parish, e.g. Christmas & Easter Cards, communications to all homes;
- visitations and communications to new homes and new occupant in existing homes when necessary;
- organising parish visitations;
- developing with Pastoral Action Group a number of 'Bridge' events within the church to which anyone could be invited, particularly the 'unchurched' (e.g., concerts, dances, speakers)

The Mission Action Group also work with Marianne Wong to publicise and further the work of the Kenya Aid Project. The Kirk Session have agreed that KAP will be Greyfriars main overseas development project.



The Nurture Action Group is convened by Sheena Thomson. The purpose of the Nurture Action Group is to develop discipleship in the lives of members of the congregation.

Many people in the church are put off by the word 'disciple'. Some think that the term should only be applied to the original friends of Jesus. However, Jesus commanded all his followers to be disciples.

To be a disciple we need to be continually challenged to grown in our faith. Many children go to Sunday School and leave when they are too old and very often we think in the church that we don't need Sunday School after the age of 11. In fact, the opposite is true! We perhaps need Sunday School well into our adult life as we are constantly struggling to apply our faith on a day to day basis in a world becoming more and more secular. It is the hope of the Kirk Session to encourage people of all ages to continue in their learning and in the process help nurture other people as we journey in faith together.

The remit for this group includes:

- leading people into a deeper spiritual commitment;
- helping members see the important of the 'spiritual' in day to day life;
- oversight of the Sunday School and other children's and youth groups (including working with the Mission Action Group to help plan and execute the annual Holiday Club);
- ensuring a regular Membership course is available for new attenders;
- encouraging greater participation by members in church life;
- promoting awareness of the different ministry opportunities in Greyfriars;
- identifying through active liaison with other Action Groups and Coordinating Group where there are new opportunities available for service in Greyfriars;
- identifying people's talents and gifts and helping them find ways to serve Christ in the church, parish, home or workplace;
- encouraging and providing opportunities for members to develop their prayer life;
- promoting good habits and practices for personal growth as a Christian;
- promoting Christian education;
- developing small / house groups;
- building a Discovering Spiritual Maturity course, using materials available, e.g. Emmaus;
- developing groups for those interested in faith (e.g. Living the Questions);
- developing awareness of justice and peace issues, including fair trade issues, Christian Aid, etc.;
- considering the Christian response to issues of local, national and international concern, reporting these to the Kirk Session, and challenging the Kirk Session and congregation to act on these issues;
- developing the children's library to provide useful resources for children to grow in their Christian journey;
- seeking advice when unsure how to proceed from, for instance, national advisers.

The Nurture Action Group has been very proactive in supporting the valued contribution of our Sunday School leaders as they help nurture the young people in the congregation. It is hoped that this successful relationship will continue and develop in order that the congregation can best serve

the children and young people in their midst.



The Pastoral Action Group is convened by Liliias Tennant. The purpose of the Pastoral Action Group is to develop fellowship within all ages of the congregation and ensure that the congregation is adequately cared for and communicated with.

At Greyfriars we believe that it is important to care for all those who are part of the church family. Some people may want visited more than others, some may only want to be kept informed of what is happening in the church. The

groups seeks to find out what people want from the church! It also hopes to improve the communication within and outwith the church family.

The remit for this group includes:

- oversight of the current Pastoral system, developing new approaches for pastoral care / visitation;
- providing pastoral care to the Minister and his / her family;
- to maintain the church roll, complying with Church of Scotland audit requirements;
- ensuring church magazine is regularly produced;
- ensure effective communication is employed across the church;
- promoting the work of Greyfriars in the wider community, e.g. keeping local press informed of church activities,
- church web site, etc.;
- developing fellowship groups;
- baptismal follow-up;
- organising fellowship events for the congregation

The Pastoral Action Group have already undertaken to find a solution as to how the Kirk Session can care for those within Greyfriars Church family. It is recognised that there are many improvements that could be made in this area and it is hoped that 2009 will bring many of those to the forefront of the life of the church. The group are also looking at how the Kirk Session can best communicate with the members of the church family.



The Resources Action Group is convened by Jack Lumsden. The purpose of the Resources Action Group is to maintain and develop Greyfriars fabric in order to enable better the work of the other Action Groups, to provide the financial wherewithal to support the other Action Groups in their work and to have responsibility for staffing within the congregation.

Whilst we understand at Greyfriars that the church is about people more than buildings we have a beautiful building that has been cared for for many generations. The group aims to keep the buildings in good repair as well as ensure that our finances are well maintained. We recognise that without the financial backing it would be very difficult to be the church that we want to be.

The remit for this group includes:

## Finance

- maintaining and controlling Greyfriars finances: overall income, expenditure, budgets, forecasts to be reported to Kirk Session as and when determined by the Kirk Session;
- oversight of the work of the Treasurer, providing support when needed;
- assisting each Action Group in developing their budget, monitoring progress, and agreeing guidelines for the operation of Action Group budgets with the Kirk Session;
- seeking ways to fund special projects from internal and / or external sources;
- playing a key role in developing the financial stewardship of church members: promoting Christian giving, and explaining Christian spending within Greyfriars and the wider church;
- actively promoting awareness of the financial situation of Greyfriars, good or bad, through the church magazine, Church Notices, flyers, etc.;
- taking advantage of advice available from national advisers on stewardship when necessary.

## Property

- creating a positive environment for all current and possible future church uses;
- developing a clear programme of maintenance and renewal of church fabric including a timeline for actions and budget estimations;
- ensuring that insurance cover is adequate for all buildings;
- arranging letting of buildings, maintenance of any rental agreements and to liaise with property users, ensuring this is reported to the Coordinating Group;
- developing the fabric in order to meet the needs of outside organisations;
- overseeing special building and fabric projects as requested by the Kirk Session;
- active liaison with other Action Groups to find out what needs they may have in order to best meet their goals.

## Staffing

- ensure that staffing structure meets the needs of Greyfriars Church
- provide line management for all members of staff
- seek funding for new members of staff within the church locally and nationally and outwith the church.



The Worship Action Group is convened by Bryan Kerr. The purpose of the Worship Action Group is to develop the worship life of the congregation.

Worship is central to everything we do in Greyfriars. We have a weekly service of worship each Sunday with around 180 people attending each week. We also try to take the worship to those who cannot come to church through no fault of their own. We offer a free CD delivery service to those who would love to join with us as part of the

worshipping congregation. This service is greatly appreciated by those who receive the CD.

Each month, on the last Sunday, we hold a traditional communion service which is attended by around 40 people. The group is also committed to developing other times to worship during the week.

The remit for this group includes:

- encouraging participation in worship services by church members;
- special worship services;
- developing new initiatives in worship;

- developing ways to promote worship at times other than Sunday morning;
- planning a service with the minister on a regular basis;
- arranging pulpit supply for when minister is away;
- developing drama;
- organising readers rota;
- encouraging musical involvement;
- developing participation of children and youth in worship;
- ensuring resources for worship are available;
- coordinating arrangements for the Sacrament of Communion with Session Clerk;
- ensuring the CCLI license is up-to-date

The trustees are grateful for all those who give freely of their time, talents and abilities to serve on the Action Groups of the congregation. Although only recently established there has been a great deal of work achieved and it is the hope and prayer of the congregation and Kirk Session that the groups will continue to grow, develop and shape Greyfriars Church.

## *Financial Review*

In the year 2008 we again showed a shortfall of Income compared to Expenditure although at £5,586 the deficit was substantially reduced from £20,916 in 2007.

### *Income*

Total income was up by 17% in the year. Offerings showed an increase over last year of 6% and fundraising activities such as Take Ten, the Bridal Fayre and Strawberry Teas produced a very healthy increase over previous years. In addition income from weddings and funerals and lets for the Church premises made useful contributions to Church funds.

Investment income decreased as a result of lower interest rates.

### *Expenditure*

When compared to last year our total expenditure showed a small reduction but this was mainly due to the fact that 2007 expenditure included costs relating to the vacancy and the purchase of the new Manse. When these costs are excluded our expenditure in 2008 increased by 9% over 2007. The major increase was in Fabric and Maintenance costs which included the costs of the final work carried out on the pointing of the Church and Hall buildings. The impact of these pointing costs was substantially reduced by the receipt of £12,000 in grants which have been netted off in the Expenditure statement.

Other expense items in total were more or less in line with previous years.

There was also a reduction of £2,443 in investments which we hold in the Endowment Fund.

## *The Challenge Ahead*

The Trustees are aware that despite these difficult economic times we must strive to maintain the Church's funds in a healthy position and members are encouraged to review the level of their offerings given to the Church.

The trustees would also like to place on record their appreciation of the good work done by Andrew Brown our Treasurer.

## *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 cash funds of £88,038 (2007: £91,181) of which £3,654 (2007: £3,654) had been designated for fabric fund and £4,429 (2007: £3,920) for congregational organisations. The remaining balance of £79,955 (2007: £83,607) represents about eight months expenditure, and while this is higher than would normally be expected, the Trustees consider it prudent to have a contingency against any unforeseeable costs.

The church also held £20,000 (2007: £20,000) of restricted funds and £10,867 (2007: £13,310) in endowment funds, 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  
20<sup>th</sup> February 2009

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

SCO16504

## *Report of the Independent Examiner*

### *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 2008, 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.

Fred C. Marks  
Chartered Accountant

Hillcot  
Whitelees Road  
Lanark  
ML11 7RX

22<sup>nd</sup> February 2009

# Statement of Financial Activities

Year ended 31 December 2008

	Note	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Endowment Funds 2008 £	Total 2008 £	Total 2007 £
<b><u>Incoming Resources</u></b>						
Incoming resources from generated funds						
Voluntary income	1	84,262	-	-	84,262	79,319
Activities for generating funds	2	7,766	-	-	7,766	3,364
Investment income	3	2,754	1,192	587	4,533	5,256
Incoming resources from charitable activities	4	11,162	-	-	11,162	3,890
Other incoming resources		-	-	-	-	-
<b><u>Total Incoming Resources</u></b>		<b><u>105,944</u></b>	<b><u>1,192</u></b>	<b><u>587</u></b>	<b><u>107,723</u></b>	<b><u>91,829</u></b>
<b><u>Resources Expended</u></b>						
Costs of generating funds	5	195	-	-	195	233
Charitable activities		108,892	1,192	587	110,671	112,741
Governance costs		-	-	-	-	-
<b><u>Total Resources Expended</u></b>		<b><u>109,087</u></b>	<b><u>1,192</u></b>	<b><u>587</u></b>	<b><u>110,866</u></b>	<b><u>112,974</u></b>
Net incoming/outgoing resources before transfers		(3,143)	-	-	(3,143)	(21,145)
Transfers between funds		-	-	-	-	-
Net incoming/outgoing resources before other recognised gains and losses		-	-	-	-	-
(Loss)/Gain on revaluation of investments		-	-	(2,443)	(2,443)	189
Net movement in funds		(3,143)	-	(2,443)	(5,586)	(20,956)
Total funds brought forward		91,181	20,000	13,310	124,491	145,447
<b><u>Total funds carried forward</u></b>		<b><u>88,038</u></b>	<b><u>20,000</u></b>	<b><u>10,867</u></b>	<b><u>118,905</u></b>	<b><u>124,491</u></b>

# Balance Sheet

Year ended 31 December 2008

	<u>Note</u>	2008		2007	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Fixed assets	8		14,754		19,319
Investments	9		<u>10,867</u>		<u>13,310</u>
			25,621		32,629
<b>Current Assets</b>					
Debtors	10	24,779		13,967	
Bank and cash		<u>93,451</u>		<u>85,434</u>	
		118,230		99,401	
<b>Creditors</b>					
Falling due within one year	11	<u>24,946</u>		<u>7,539</u>	
<b>Net Current Assets</b>			93,284		91,862
<b>Net Assets</b>			<u>118,905</u>		<u>124,491</u>
<b>Unrestricted Funds</b>	13				
General funds		26,768		30,420	
Designated funds		<u>61,270</u>		<u>60,761</u>	
			88,038		91,181
<b>Restricted Funds</b>	13		20,000		20,000
<b>Endowment Funds</b>	13		10,867		13,310
<b>Total Funds</b>			<u>118,905</u>		<u>124,491</u>

The accounts were approved by the Kirk Session on 20<sup>th</sup> February 2009.  
For and on behalf of the Kirk Session

Marcella McLennan, Session Clerk

Andrew Brown, Treasurer

# *Accounting Policies*

## *for the year ended 31 December 2008*

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 there from is used for the purpose defined in accordance with the objects of the charity.

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

### *Incoming resources*

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

### *Resources expended*

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

## *Accounting Policies*

*for the year ended 31 December 2008 (contd.)*

### *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 2008*

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Endowment Funds 2008 £	Total 2008 £	2007 £
<b>1 Voluntary income</b>					
Offerings	70,946	-	-	70,946	66,573
Tax recovered on Gift Aid	13,316	-	-	13,316	12,747
Legacies	-	-	-	-	-
Endowment income	-	-	-	-	-
Other	-	-	-	-	-
	<u>84,262</u>	<u>-</u>	<u>-</u>	<u>84,262</u>	<u>79,319</u>
<b>2 Activities for Generating Funds</b>					
Use of premises	7,766	-	-	7,766	3,364
Other	-	-	-	-	-
	<u>7,766</u>	<u>-</u>	<u>-</u>	<u>7,766</u>	<u>3,364</u>
<b>3 Investment income</b>					
Deposit interest	2,496	1,192	-	3,688	4,217
Dividends received	-	-	587	587	563
Bank interest	258	-	-	258	476
	<u>2,754</u>	<u>1,192</u>	<u>587</u>	<u>4,533</u>	<u>5,256</u>
<b>4 Incoming Resources from Charitable Activities</b>					
Weddings and funerals	3,835	-	-	3,835	735
Coffee mornings etc	6,762	-	-	6,762	3,155
Concerts	-	-	-	-	-
Other	565	-	-	565	-
	<u>11,162</u>	<u>-</u>	<u>-</u>	<u>11,162</u>	<u>3,890</u>

*Notes forming part of the financial statements  
for the year ended 31 December 2008*

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Endowment Funds 2008 £	Total 2008 £	2007 £
<b>Analysis of Resources</b>					
<b>5 Expended</b>					
<b>Costs of Generating Funds</b>					
Offering envelopes	195	-	-	195	233
	<u>195</u>	<u>-</u>	<u>-</u>	<u>195</u>	<u>233</u>
<b>Charitable Activities</b>					
Ministries and Mission Allocation	51,924	-	-	51,924	49,096
Presbytery dues	2,272	-	-	2,272	1,688
Minister's expenses	6,136	-	-	6,136	5,440
Locum costs and pulpit supply	598	-	-	598	1,429
Other salary costs	8,850	-	-	8,850	8,535
Fabric repairs and maintenance	10,386	-	-	10,386	4,977
Council tax	2,558	-	-	2,558	2,655
Other buildings costs	8,510	-	-	8,510	11,303
Church office expenses	4,415	-	-	4,415	3,289
Organ and music	-	-	-	-	96
Worship resources	3,166	-	-	3,166	1,640
Church organisations	4,294	-	-	4,294	3,001
Other expenses	620	1,192	587	2,399	3,067
Net cost of new manse	598	-	-	598	6,534
Vacancy expenses	-	-	-	-	4,929
Depreciation	4,565	-	-	4,565	5,062
	<u>108,892</u>	<u>1,192</u>	<u>587</u>	<u>110,671</u>	<u>112,741</u>
<b>Governance Costs</b>					
Independent Examiner's fee	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>109,087</u>	<u>1,192</u>	<u>587</u>	<u>110,866</u>	<u>112,974</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 2008*

	2008	2007
	£	£
<b>6 Staff costs and numbers</b>		
Salaries and wages	8,850	8,535
Social security costs	<u>-</u>	<u>-</u>
Total	<u><u>8,850</u></u>	<u><u>8,535</u></u>

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

	2008	2007
	No	No
Music staff	2	2
Premises maintenance	2	2
	<u>4</u>	<u>4</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 £22,239 and the maximum stipend (in the tenth and subsequent years) £29,526

**7 Trustee Remuneration and Related Party Transactions**

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

	£
Travelling expenses	4,635
Telephone and internet accounts	1,451
Sundries	51
	<u>6,136</u>

In addition Council Tax of £2,558 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 £74 for supplying and fitting one toughened glass panel to the door in the vestry.

*Notes forming part of the financial statements  
for the year ended 31 December 2008*

8 Tangible Fixed Assets

	Equipment £
Cost	
At 1 January 2008	25,875
Additions	-
At 31 December 2008	<u>25,875</u>
Accumulated Depreciation	
At 1 January 2008	6,556
Charge for year	4,565
At 31 December 2008	<u>11,121</u>
Net Book Value	
At 31 December 2008	<u>14,754</u>
At 31 December 2007	<u>19,319</u>

9 Investments

	2008 £	2007 £
Market value at 31 December 2007	13,310	13,121
Unrealised (loss) / gain on investments	<u>(2,443)</u>	<u>189</u>
Market value at 31 December 2008	<u>10,867</u>	<u>13,310</u>
Investments at cost	<u>11,477</u>	<u>11,477</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 2008*

10 Debtors

	2008	2007
	£	£
Gift Aid Tax refund due	3,958	4,151
Payments recoverable re new manse	9,296	9,816
Grant receivable for pointing work	8,000	-
Sundry debtors	3,525	-
	<u>24,779</u>	<u>13,967</u>

11 Creditors

	2008	2007
	£	£
Accruals	1,083	2,218
Balance of fees re manse	5,399	5,321
Trade creditors	18,420	-
Sundry creditors	44	-
	<u>24,946</u>	<u>7,539</u>

12 Analysis of Net Assets Among Funds

	General	Designated	Restricted	Endowment	Total
	£	£	£	£	£
Fixed Assets	14,754				14,754
Investments				10,867	10,867
Current Assets	36,959	61,271	20,000		118,230
Current Liabilities	<u>24,946</u>				<u>24,946</u>
Net assets at 31 Dec 2008	<u>26,767</u>	<u>61,271</u>	<u>20,000</u>	<u>10,867</u>	<u>118,905</u>

*Notes forming part of the financial statements  
for the year ended 31 December 2008*

13 Movements in Funds

	At 1 January 2008 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 Dec 2008 £
Endowment funds	<u>13,310</u>	<u>587</u>	<u>3,030</u>	<u>-</u>	<u>10,867</u>
<b>Restricted funds</b>					
Legacy not for fabric	<u>20,000</u>	<u>1,192</u>	<u>1,192</u>	<u>-</u>	<u>20,000</u>
<b>Unrestricted funds</b>					
Designated Fabric Fund	3,654	-	-	-	3,654
Bequest Fund	53,187	-	-	-	53,187
Designated Guild Fund	1,974	2,896	2,135	-	2,735
Designated Wrigglers Fund	1,401	1,557	1,906	-	1,052
Designated Sunday School Fund	545	350	253	-	642
General Fund	<u>30,420</u>	<u>101,141</u>	<u>104,793</u>	<u>-</u>	<u>26,768</u>
	<u>91,181</u>	<u>105,944</u>	<u>109,087</u>	<u>-</u>	<u>88,038</u>
<b>Total funds</b>	<u><u>124,491</u></u>	<u><u>107,723</u></u>	<u><u>113,309</u></u>	<u><u>-</u></u>	<u><u>118,905</u></u>

Purposes of Endowment Funds

Income from the Funds may to 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 Fund: The Trustees have set aside funds received from legacies, the use of which is unrestricted.

Guild Fund: The Trustees have set aside funds for the running of the Guild.

Wrigglers Fund: The Trustees have set aside funds for the running of the Wrigglers Toddler Group.

Sunday School Fund: The Trustees have set aside funds for the running of the Sunday School.

14 Collections for Third Parties

	2008 £	2007 £
Open Door Trust	380	444
Kenyan Aid Project	436	835
Lanark Grammar School Jazz Band (Guild)	-	285
Bible Society	123	-
Salvation Army	180	-
	<u>1,119</u>	<u>1,564</u>

*Notes forming part of the financial statements  
for the year ended 31 December 2008*

15 Funds held by the Church of Scotland General Trustees

Capital Account

Balance at 1 January 2008 and 31 December 2008 6,203

Reduction in value of investment shares (1,108)

5,095

Interest Account

Balance at 1 January 2008 3,613

Interest for year 588

4,201

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 £9,296 is provided in these accounts to reflect the situation.

16 New Manse Transactions

The costs in relation to the sale of the manse in 2007 have yet to be settled. The final agreed costs are £5,399 and this balance has been included as a creditor in these accounts.

*Notes forming part of the financial statements  
for the year ended 31 December 2008*

17 Congregational Organisations

Income is included in Notes 1- 4 as follows

Income

	Voluntary income	Bank interest	Coffee mornings etc	Other income	Total
Guild	806	8	1,517	565	2,896
Sunday School	350	-	-	-	350
Wrigglers	1,557	-	-	-	1,557
	<u>2,713</u>	<u>8</u>	<u>1,517</u>	<u>565</u>	<u>4,804</u>

Expenditure

Expenditure shown in Note 5 is as follows

	Gifts and donations	Flowers	Worship resources	Toys and equipment	Sundries	Total
Guild	1,414	17	-	-	704	2,135
Sunday School	75	-	47	-	131	253
Wrigglers	107	-	-	734	1,065	1,906
	<u>1,596</u>	<u>17</u>	<u>47</u>	<u>734</u>	<u>1,899</u>	<u>4,294</u>