

*Scottish Charity No. SC015552  
Church of Scotland Congregation reference No. 010072  
United Reformed Church Congregation reference No 13A13*

## **Morningside United Church**

**Trustees' Report and Financial Statements**  
*Year ended 31 December 2019*

# Morningside United Church

## Contents of the Financial Statements *for the year ended 31 December 2019*

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# Morningside United Church

## Report of the Trustees for the year ended 31 December 2019

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The Trustees are pleased to present their report together with the financial statements of the charity for the year to 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out in the notes on page 8 – 9 of the accounts and comply with the General Assembly Regulations for Congregational Finance.

### Registered office

The Church Office  
15 Chamberlain Road  
Edinburgh  
EH10 4DJ

### Bankers

Bank of Scotland  
Morningside Branch  
PO Box 1000  
BX2 1LB

### Investment Managers

Save and Invest  
100 West Regent Street  
Glasgow  
G2 2QD

### Status of Charity and Governing Document

The Church is administered in accordance with its constitution as recognised by an Act of the General Assembly of the Church of Scotland (1998) and the United Reformed Church Act (2000).

Morningside United Church is a registered Scottish charity (Number SC015552) and is an ecumenical congregation formally united in 1980 and simultaneously in membership of the Church of Scotland and the United Reformed Church. It maintains one single unified roll of members. The Kirk Session is chaired by the Minister. Certain responsibilities are delegated to particular groups to oversee worship, outreach and financial and property issues.

### Objectives and aims

As part of the national Church of Scotland, Morningside United Church has a territorial responsibility for the parish allocated to it by the Presbytery of Edinburgh. It cooperates with other local churches in various ways and in an ecumenical context. The church is also very involved in outreach within the parish. The congregation agrees five-year goals as part of an accompanied superintendence process with the Presbytery of Edinburgh. Current areas of activity involve maintaining a ministry with older people and a youth ministry and supporting the work of Christian Aid.

### Trustees

Dr G Bromiley	(resigned October 2019)	Mrs Y Burnett
Dr M Clyde	(retired March 2020)	Dr R Clyde
Mr D Donald		Mrs L Donald
Ms J Gruber	(appointed March 2020)	Ms R Kumbanga
Mrs E MacGregor		Rev S Manders
Mrs A Pearson		Dr S Spurlock
		Mr M Taylor (retired March 2020)

### Office bearers

<b>Minister</b>	Rev Steven Manders	
<b>Session clerk</b>	Dr Robert Clyde	(resigned Dec 18, returned Feb19, resigned November 19)
	Mr M Stubbs	(appointed March 2020)
<b>Treasurer</b>	Mrs Lesley Donald	

Those Trustees who are named as office bearers are the Property Trustees in whose name all heritable property is held on behalf of the congregation.

### Recruitment/appointment of Trustees and Office Bearers

Members of the Kirk Session are the Charity Trustees. The Kirk Session members are Elders of the Church elected by the congregation to serve for an agreed period. Induction and training is offered to elders as required. The minister, Rev Steven Manders, is moderator of the Kirk Session.



# Morningside United Church

*Report of the Trustees for the year ended 31 December 2019*

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## **Principal activities**

As an ecumenical congregation maintaining membership of both the United Reformed Church and the Church of Scotland, Morningside United Church (MUC) bears witness to a heritage of interdenominational cooperation and development that has served the community at Holy Corner Edinburgh for 40 years. MUC has a territorial responsibility for the parish allocated to it by the Presbytery of Edinburgh. It also works with other local churches in various ways to promote and encourage ecumenical dialogue and cooperation. The church is also very involved in outreach within the parish and with the promotion of Christian education and the care of its members and people who are socially isolated, affected by poverty and other issues. Current areas of activity involve maintaining a ministry with older people, the development of a children's choir to promote youth work, ecumenical partnering local congregations of the Church of Scotland and the Scottish Episcopal Church via worship and shared activities and supporting the work of Christian Aid via the annual week long Book Sale.

## **Achievements and performance**

2019 saw further progress in renovating and bringing up to contemporary standards the Church building. The past year saw the completion of upgraded toilet facilities and the renovation of the front area of the Sanctuary. The Congregational Meeting together with the Kirk Session continued a dialogue between the United Reformed Church and Church of Scotland in partnership with us as the local congregation to create a new Constitution. The Congregational Meeting and Kirk Session have reviewed the proposals and have agreed in principle the constitution's format and now in final discussions with the denominations about the dissolution clauses, having completed the other sections without difficulties.

The congregation continued to host and support the successful Holy Corner Christian Aid book-sale and the Thursday morning coffee mornings for older people. We also supported the parish care homes with services, visits and bible studies together with renewing links to the Eric Liddell centre and a continuing connection to George Watson's College. A new and exciting development was the reestablishment of Edinburgh Napier University chaplaincy after a 20 year absence. This has involved hosting services and working in collaboration with the University to support student well-being. A further priority for the congregation has been the development local community relations which has meant using the building differently. We have as a result hosted choirs, orchestras and concerts, raised funds for several local and national charities and let spaces within the building for many more community groups.

The Church continues to offer diets of worship to meet the needs of the congregation and we provide rituals for the Parish.

The Children's choir have continued to be a blessing as they assist at worship. The congregation's new organist has helped develop worship and concerts for the community. The minister continued to celebrate funerals for the parish and congregation as well as celebrating weddings and baptisms and other services including bible studies, prayer meetings, and the book group in furtherance of the congregation's stated aim of promoting religion and religious education. The congregation has also provided for charities through its fair-trade work and several special collections. The membership and adherents rolls are now stable and have increased slightly and there are signs of growth in Sunday attendance.

## **Plans for the future**

The congregation is working towards adopting the new Constitution in 2020 and it has reviewed its work and vision particularly as to how the building can be best used to serve the local community whether they have faith or none. The church buildings will be further improved by the work in the hall area.

The Kirk Session has become aware of the need to encourage giving both financially and by volunteering. A stewardship campaign that had begun in 2018 but had fallen into abeyance will be revived later in 2020.

The Congregation has been seeking to renew links with our Episcopal neighbours at Christchurch. This is being supported by Holy Week and other services. A process of engagement with local Church of Scotland congregations produced successful Holy Week services, a Pentecost trip and bible studies and we have begun locally to develop social and ecclesial initiatives to fulfil our shared vision for the local area. A relationship is also developing with Cornerstone Free Church, who have worshipped in our building for most of 2019 while their own building is being renovated.



# Morningside United Church

*Report of the Trustees for the year ended 31 December 2019*

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## **Financial review**

The accounts continue to be presented on accruals basis.

## **Results for the year**

The financial statements for the year are set out on pages 6 to 16. The Statement of Financial Activities on page 6 reflects net decrease in funds of £55,014 (2018: £113,880). Voluntary giving excluding legacies rose slightly compared to 2018. Unrestricted income from charitable activities, particularly hall rental, rose more significantly. VAT reclaimed on the building work carried out was also higher than 2018, but is a direct set against the expenditure. Investment income fell, mostly as result of sale of investments to fund the expenditure on the works.

Expenditure rose compared to 2018, almost entirely as a result of the building works. Normal expenditure was at a comparable level. The Mission and Ministry payment to both denominations, the largest item of normal expenditure, fell compared to 2018, in line with the fall in income which determines it. From the figures on page 6, there is an excess of unrestricted expenditure over income of £103,269.

## **Reserves**

The Charity held unrestricted funds amounting to £1,541,097 (2018: £1,588,344) and restricted funds of £8,855 (2018: £16,662) at the year end. The Trustees aim to have reserves to cover three to six months expenditure.

The Trustees has reviewed the financial requirements of the Congregation and have concluded that the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the congregation should be not less than £77,000. At that level, the Trustees believe that it would be able to meet and reasonably foresee expenditure in respect of the properties owned by the Congregation.

The small proportion of the £20,000 legacy received in 2017 for particular elements of the building work was expended in 2019. The majority of planned building work was funded from unrestricted reserves.

## **Statement on risk**

The Trustees assess the major risks to which the Charity is exposed on an ongoing basis and have established procedures to mitigate those that are identified as a result of these reviews. The trustees are aware of the need to reduce expenditure, encourage increased giving and seek improved returns from the assets held. Expenditure reductions have been made and the stewardship campaign, assisted by the local Church of Scotland stewardship consultant will be re-commenced later in 2020.

## **Investments and Performance**

At the start of the year the investments were split approximately equally between the Church of Scotland Investors Trust funds and a portfolio of six ethical funds managed by Save and Invest. A higher proportion of withdrawal for the planned property expenditure was taken from the Investors Trust funds leaving the Save and Invest funds at over 60% of the total. The investments performed reasonably well for over the year, and the fall in value was less than the amount withdrawn. On the advice of Save and Invest one of the funds was sold during the year, with part of the amount withdrawn and part re-invested in a different ethical fund, expected to give improved performance.

# Morningside United Church

*Report of the Trustees for the year ended 31 December 2019*

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## **Trustees' responsibilities in relation to the financial statements**

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

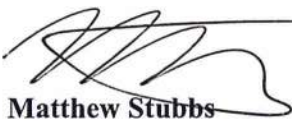
The law applicable to charities in Scotland requires the charity Trustees to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial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

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

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

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

**Approved by the Congregational Meeting and signed on its behalf by:**



**Matthew Stubbs**  
*Session Clerk*

*Dated: 27.12.2020*



# Morningside United Church

## Report of the Independent Examiner to the Trustees for the year ended 31 December 2019

I report on the accounts of the congregation for the year ended 31 December 2019 which are set out on pages 6 to 16.

### Respective responsibilities of Trustees and examiner

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

### Basis of independent examiner's statement

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

### Independent Examiner's Statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended) and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended) have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Jonathan N Innes FCCA**  
*Managing Director*

Innes & Partners Limited  
Chartered Certified Accountants

Innes House  
18 Shairps Business Park  
Houstoun Road  
Livingston  
EH54 5FD

Date: .....|.....| 2020

# Morningside United Church

Statement of Financial Activities for the year ended 31 December 2019

	Note	Unrestricted funds £	Restricted funds £	2019 Total funds £	Unrestricted funds £	Restricted funds £	2018 Total funds £
<b>Income</b>							
Donations and legacies	2	33,886	1,786	35,672	32,313	5,676	37,989
Charitable activities	3	66,372	23,530	89,902	46,483	23,692	70,175
Investments	4	15,361	239	15,600	17,950	239	18,189
<b>Total income</b>		<b>115,619</b>	<b>25,555</b>	<b>141,174</b>	<b>96,746</b>	<b>29,607</b>	<b>126,353</b>
<b>Expenditure</b>							
Raising funds	5	2,112	-	2,112	1,875	-	1,875
Charitable activities	5	225,516	33,566	259,082	151,760	43,189	194,949
<b>Total expenditure</b>		<b>227,628</b>	<b>33,566</b>	<b>261,194</b>	<b>153,635</b>	<b>43,189</b>	<b>196,824</b>
<b>Realised gains/(losses) on investments</b>	9	8,727	-	8,727	(4,917)	-	(4,917)
<b>Net (expenditure)</b>		(103,282)	(8,011)	(111,293)	(61,806)	(13,582)	(75,388)
<b>Transfers between funds</b>	13	13	(13)	-	(300)	300	-
		(103,269)	(8,024)	(111,293)	(62,106)	(13,282)	(75,388)
<b>Other recognised gains:</b>							
<b>Unrealised gains/(losses) on investments</b>	9	56,022	257	56,279	(38,263)	(229)	(38,492)
<b>Net movement in funds</b>		(47,247)	(7,767)	(55,014)	(100,369)	(13,511)	(113,880)
<b>Reconciliation of funds</b>							
<b>Total funds brought forward</b>		1,588,344	16,622	1,604,966	1,688,713	30,133	1,718,846
<b>Total funds carried forward</b>	13	<b>1,541,097</b>	<b>8,855</b>	<b>1,549,952</b>	<b>1,588,344</b>	<b>16,622</b>	<b>1,604,966</b>




# Morningside United Church


Balance Sheet as at 31 December 2019

	Note	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>Fixed assets</b>					
Tangible assets	8	1,126,600	-	1,126,600	1,129,800
Investments	9	395,562	5,963	401,525	449,349
<b>Total fixed assets</b>		<b>1,522,162</b>	<b>5,963</b>	<b>1,528,125</b>	<b>1,579,149</b>
<b>Current assets</b>					
Debtors	10	4,907	-	4,907	5,727
Cash at bank and in hand		15,638	2,892	18,530	21,700
<b>Total current assets</b>		<b>20,545</b>	<b>2,892</b>	<b>23,437</b>	<b>27,427</b>
<b>Liabilities</b>					
Creditors falling due within one year	11	1,610	-	1,610	1,610
<b>Net current assets</b>		<b>18,935</b>	<b>2,892</b>	<b>21,827</b>	<b>25,817</b>
<b>Total assets less current liabilities</b>		<b>1,541,097</b>	<b>8,855</b>	<b>1,549,952</b>	<b>1,604,966</b>
<b>Net assets</b>		<b>1,541,097</b>	<b>8,855</b>	<b>1,549,952</b>	<b>1,604,966</b>
<b>The funds of the charity</b>					
Unrestricted funds		1,541,097	-	1,541,097	1,588,344
Restricted income funds		-	8,855	8,855	16,622
<b>Total charity funds</b>	13	<b>1,541,097</b>	<b>8,855</b>	<b>1,549,952</b>	<b>1,604,966</b>

The notes on pages 8 to 16 form part of these accounts

The accounts were approved by the Congregational Meeting on 25 Oct 2020 and signed on their behalf by:

  
Mr Matthew Stubbs - Session Clerk

  
Mrs Lesley Donald - Treasurer

# Morningside United Church

Notes to the Financial Statements for the year ended 31 December 2019

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## 1. Accounting policies

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

### *Basis of preparation and assessment of going concern*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The accounts are prepared on a going concern basis as the Trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

The Charity is a public benefit entity.

### *Basis of financial statements*

The financial statements have been prepared on an accruals basis.

### *Funds structure*

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

*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.

*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. No endowment funds are currently held.

*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.

### *Income recognition*

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### *Expenditure recognition*

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

### *Charitable activities*

The expenditure on charitable activities includes grants made, governance costs and support costs as shown in the notes.



# Morningside United Church

Notes to the Financial Statements for the year ended 31 December 2019

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## ***Tangible fixed assets and depreciation***

Expenditure incurred on the repair and maintenance of assets noted below is charged as resources expended in the Statement of Financial Activities in the period in which the liability arises. 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. No provision is made for the depreciation of income producing properties on the basis that the useful economic life of the properly maintained asset is in excess of 50 years.

The only item where depreciation is allowed for is against the cost of the refurbished church kitchen over a period of 10 years. Church property including linked halls and flat are considered to be assets of religious and historic significance owned by the congregation and used for its charitable objects have never previously been capitalised in the Church accounts. Historic cost information is not available. A valuation for their current use would be notional only and is not provided.

The Trustees have valued the Manse and the other investment property owned by the Church at current market values by making comparisons with prices of similar properties in comparable areas. Property values will be reviewed on a regular basis of no greater than five years. Revaluation was applied in 2014 and the values are still considered to be applicable for 2019.

All Furniture and equipment costing in excess of £2,000 having a value to the Church of greater than one year, other than those acquired for specific purposes, are capitalised. No other assets other than the refurbished kitchen noted above are currently capitalised.

## ***Investments***

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 the 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***

Morningside United Church is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is not registered for VAT and resources expended therefore include irrecoverable input VAT.

## ***Donated services and facilities***

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

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

# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2019

2. Donations and legacies	Unrestricted funds	Restricted funds	2019 Total	Unrestricted funds	Restricted funds	2018 Total
	£	£	£	£	£	£
Freewill offering scheme and standing orders	15,551	-	15,551	16,459	-	16,459
Ordinary offerings (open plate)	8,249	-	8,249	7,963	-	7,963
Tax recovered on Gift Aid	6,926	113	7,039	5,628	425	6,053
Other offerings, donations etc	3,160	1,673	4,833	1,663	5,251	6,914
Legacies	-	-	-	600	-	600
	<b>33,886</b>	<b>1,786</b>	<b>35,672</b>	<b>32,313</b>	<b>5,676</b>	<b>37,989</b>

3. Charitable activities	Note	Unrestricted funds	Restricted funds	2019 Total	Unrestricted funds	Restricted funds	2018 Total
		£	£	£	£	£	£
Christian Aid income		-	18,968	18,968	-	18,613	18,613
Use of premises		34,278	-	34,278	25,465	-	25,465
Flat and office rental income		18,688	-	18,688	18,491	-	18,491
Collections for third parties	15	-	3,006	3,006	-	2,640	2,640
Council tax refund		462	-	462	-	-	-
LPW Vat reclaim		12,944	1,556	14,500	2,527	2,439	4,966
		<b>66,372</b>	<b>23,530</b>	<b>89,902</b>	<b>46,483</b>	<b>23,692</b>	<b>70,175</b>

4. Investments	Unrestricted funds	Restricted funds	2019 Total	Unrestricted funds	Restricted funds	2018 Total
	£	£	£	£	£	£
Investment income	15,265	239	15,504	17,868	239	18,107
Deposit interest	96	-	96	82	-	82
	<b>15,361</b>	<b>239</b>	<b>15,600</b>	<b>17,950</b>	<b>239</b>	<b>18,189</b>



# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2019

## 5. Analysis of expenditure

Note	Unrestricted funds	Restricted funds	2019 Total	Unrestricted funds	Restricted funds	2018 Total
	£	£	£	£	£	£
<b>Raising funds</b>						
Investment manager fees	2,112	-	2,112	1,875	-	1,875
	<b>2,112</b>	<b>-</b>	<b>2,112</b>	<b>1,875</b>	<b>-</b>	<b>1,875</b>
<b>Charitable expenditure</b>						
Ministries and Mission contributions	46,678	-	46,678	57,089	-	57,089
Minister's expenses	4,930	-	4,930	5,133	-	5,133
Pulpit supply	441	-	441	222	-	222
Council tax and insurance	10,631	-	10,631	9,075	-	9,075
Other salary costs	9,946	-	9,946	11,980	-	11,980
Fabric repairs and maintenance	4,107	-	4,107	24,349	-	24,349
Other building costs	11,009	-	11,009	11,944	-	11,944
Employment settlement	-	-	-	7,641	-	7,641
Planned property alterations	126,432	9,174	135,606	-	15,842	15,842
Church office expenses	1,455	-	1,455	1,122	-	1,122
Organ, piano, music and licences	535	395	930	750	208	958
Other expenses	5,192	580	5,772	5,915	3,183	9,098
Legal and accountancy fees	-	-	-	10,860	-	10,860
Christian Aid donation and expenses	-	19,025	19,025	-	18,676	18,676
Other donations	-	4,392	4,392	1,520	5,280	6,800
Independent examination	960	-	960	960	-	960
Depreciation	3,200	-	3,200	3,200	-	3,200
	<b>225,516</b>	<b>33,566</b>	<b>259,082</b>	<b>151,760</b>	<b>43,189</b>	<b>194,949</b>
<b>Total</b>	<b>227,628</b>	<b>33,566</b>	<b>261,194</b>	<b>153,635</b>	<b>43,189</b>	<b>196,824</b>

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

## 6. Analysis of staff costs

	<b>2019</b>	<b>2018</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Salaries and wages	9,685	11,980
Social security costs	261	-
	<b>9,946</b>	<b>11,980</b>
	<b>2019</b>	<b>2018</b>
	<b>Total</b>	<b>Total</b>
	<b>number</b>	<b>number</b>
Office personnel	1	1
Music personnel	1	2
Premises maintenance	1	1
	<b>3</b>	<b>4</b>

No employee received total employee benefits in excess of £60,000 (2018: nil).

# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2019

## 6. Analysis of staff costs (cont'd)

Church of Scotland and United Reformed Church congregations contribute to the respective denominations Stipend Funds which bear 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 different national stipend scales, normally as a total Mission and Ministries allocation. Morningside United Church is Local Ecumenical Partnership, in membership of both denominations and pays an equal amount to the Mission Funds of both denominations. The total amount is determined by a formula agreed by the Ecumenical Development Group of Action for Churches together in Scotland. Before the recent vacancy the minister was locally paid on the Church of Scotland scale and the equal mission elements paid to both denominations. The current minister is paid through the United Reformed Church payroll, at Church of Scotland scale as previously (treated as an additional allowance for URC purposes). For the year under review the minimum stipend was £27,585 and the maximum (in the fifth and subsequent years) was £33,899.

## 7. Trustee remuneration and related party transactions

During the year one trustee was remunerated. The Minister, in accordance with the constitutional provisions, received reimbursement of expenses (travel, council tax, telephone rental, books etc) totalling £4,595 (2018: £5,133). During the year the payment of telephone expenses was transferred from direct local payment to an allowance of £100 per month paid through the United Reformed Church payroll and reclaimed by the URC as an addition to the monthly Ministry payment. This amount is included in the total above.

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

During the year a total of £3,400 (2018: £3,600) was donated to the congregation by trustees, based on Gift Aid records and an estimate for those giving by open plate collection.

## 8. Tangible fixed assets

	Buildings	Equipment	Total
	£	£	£
<b>Cost/valuation</b>			
As at 1 January 2019	1,120,200	32,000	1,152,200
<b>As at 31 December 2019</b>	<b>1,120,200</b>	<b>32,000</b>	<b>1,152,200</b>
<b>Depreciation</b>			
As at 1 January 2019	-	22,400	22,400
Charge for the year	-	3,200	3,200
<b>As at 31 December 2019</b>	<b>-</b>	<b>25,600</b>	<b>25,600</b>
<b>Net book value</b>			
<b>As at 31 December 2019</b>	<b>1,120,200</b>	<b>6,400</b>	<b>1,126,600</b>
As at 31 December 2018	1,120,200	9,600	1,129,800



# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2019

8. Tangible fixed assets (cont'd)	Buildings £	Equipment £	Total £
<b>Cost/valuation</b>			
As at 1 January 2018	1,120,200	32,000	1,152,200
<b>As at 31 December 2018</b>	<b>1,120,200</b>	<b>32,000</b>	<b>1,152,200</b>
<b>Depreciation</b>			
As at 1 January 2018	-	19,200	19,200
Charge for the year	-	3,200	3,200
<b>As at 31 December 2018</b>	<b>-</b>	<b>22,400</b>	<b>22,400</b>
<b>Net book value</b>			
<b>As at 31 December 2018</b>	<b>1,120,200</b>	<b>9,600</b>	<b>1,129,800</b>
As at 31 December 2017	1,120,200	12,800	1,133,000

9. Investments	2019 Total £	2018 Total £
Market value as at 1 January	449,349	550,117
Additions	23,476	20
Disposal	(136,306)	(57,379)
Realised (gains)/losses on investments	8,727	(4,917)
Unrealised (losses)/gains on investments	56,195	(38,269)
Movement in cash held by AJ Bell Securities	84	(223)
Market value as at 31 December	<b>401,525</b>	<b>449,349</b>
Cost of investments held	<b>332,035</b>	<b>437,887</b>

The following investments are held:

Church of Scotland Investors Trust - Growth fund

Church of Scotland Investors Trust - Income fund

Stocks held by AJ Bell Securities and managed by Save and Invest in six funds.

# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2019

10. Debtors	Unrestricted funds	Restricted funds	2019 Total	Unrestricted funds	Restricted funds	2018 Total
	£	£	£	£	£	£
Hall lets	2,455	-	2,455	981	-	981
Other debtors	2,452	-	2,452	2,308	2,438	4,746
	<b>4,907</b>	<b>-</b>	<b>4,907</b>	<b>3,289</b>	<b>2,438</b>	<b>5,727</b>

11. Creditors falling due within one year	Unrestricted funds	Restricted funds	2019 Total	Unrestricted funds	Restricted funds	2018 Total
	£	£	£	£	£	£
Other creditors	1,610	-	1,610	1,610	-	1,610
	<b>1,610</b>	<b>-</b>	<b>1,610</b>	<b>1,610</b>	<b>-</b>	<b>1,610</b>

## 12. Volunteers

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

13. Movement in funds	As at 01.01.19	Income	Expenditure	Gain on investments	Transfers	As at 31.12.19
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
General	-	113,507	(222,316)	-	112,843	4,034
Designated assets fund	1,129,800	-	(3,200)	-	-	1,126,600
Designated legacy fund	458,544	2,112	(2,112)	64,749	(112,830)	410,463
	<b>1,588,344</b>	<b>115,619</b>	<b>(227,628)</b>	<b>64,749</b>	<b>13</b>	<b>1,541,097</b>
<b>Restricted funds</b>						
Education fund	4,439	172	(580)	185	-	4,216
Minister's discretion fund	1,428	1,853	(1,386)	72	587	2,554
Dementia fund	412	-	-	-	-	412
Donation fund	-	3,006	(3,006)	-	-	-
Property alteration fund	7,618	1,556	(9,174)	-	-	-
Music fund	1,760	-	(395)	-	-	1,365
Christian Aid fund	965	18,968	(19,025)	-	(600)	308
	<b>16,622</b>	<b>25,555</b>	<b>(33,566)</b>	<b>257</b>	<b>(13)</b>	<b>8,855</b>
<b>Total Funds</b>	<b>1,604,966</b>	<b>141,174</b>	<b>(261,194)</b>	<b>65,006</b>	<b>-</b>	<b>1,549,952</b>



# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2019

13. Movement in funds (cont'd)	As at 01.01.18 £	Income £	Expenditure £	Losses on investments £	Transfers £	As at 31.12.18 £
<b>Unrestricted funds</b>						
General	11,530	94,871	(148,560)	-	42,159	-
Designated assets fund	1,133,000	-	(3,200)	-	-	1,129,800
Designated legacy fund	544,183	1,875	(1,875)	(43,180)	(42,459)	458,544
	<u>1,688,713</u>	<u>96,746</u>	<u>(153,635)</u>	<u>(43,180)</u>	<u>(300)</u>	<u>1,588,344</u>
<b>Restricted funds</b>						
Education fund	4,432	172	-	(165)	-	4,439
Minister's discretion fund	3,517	3,798	(5,823)	(64)	-	1,428
Dementia fund	412	-	-	-	-	412
Donation fund	-	2,640	(2,640)	-	-	-
Property alteration fund	19,076	4,384	(15,842)	-	-	7,618
Music fund	1,968	-	(208)	-	-	1,760
Christian Aid fund	728	18,613	(18,676)	-	300	965
	<u>30,133</u>	<u>29,607</u>	<u>(43,189)</u>	<u>(229)</u>	<u>300</u>	<u>16,622</u>
<b>Total Funds</b>	<u>1,718,846</u>	<u>126,353</u>	<u>(196,824)</u>	<u>(43,409)</u>	<u>-</u>	<u>1,604,966</u>

## Fund purposes:

### Unrestricted funds:

General	To meet the costs of ministry and all other regular expenditure, including property.
Designated assets fund	Represents the net book value of properties owned by the Church.
Designated legacy fund	Funded from unconditional legacies and used at discretion of Trustees

### Restricted funds:

Education fund	For educational purposes.
Minister's discretion fund	To assist deserving causes at the discretion of the Minister.
Dementia fund	For work with care home residents (formerly via the Eric Liddell Centre).
Donation fund	For collections for third parties (personal and charitable).
Property alteration fund	Donations to fund planned alterations of the Church buildings.
Music fund	For provision of occasional extra musical support for worship.
Christian Aid fund	For Christian Aid fundraising activities. The Holy Corner Churches Committee organise and run the book sale, included in income and expenditure in these accounts. The transfer relates to an agreed payment to the Church to cover property costs of the event.
Property valuation fund	Represents the value of properties owned by the Church.

# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2019

## 14. Analysis of Net Assets Among Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Fixed Assets	1,126,600	-	1,126,600
Investments	395,562	5,963	401,525
Current Assets	20,545	2,892	23,437
Current Liabilities	(1,610)	-	(1,610)
<b>Net Assets as at 31 December 2019</b>	<b><u>1,541,097</u></b>	<b><u>8,855</u></b>	<b><u>1,549,952</u></b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Fixed Assets	1,129,800	-	1,129,800
Investments	443,644	5,705	449,349
Current Assets	16,510	10,917	27,427
Current Liabilities	(1,610)	-	(1,610)
<b>Net Assets as at 31 December 2018</b>	<b><u>1,588,344</u></b>	<b><u>16,622</u></b>	<b><u>1,604,966</u></b>

## 15. Collections for third parties

	2019 Total £	2018 Total £
Rev Annie Kapinda (Malawi)	1,470	-
Patch Scotland	286	-
Handicap International	285	-
St Catherine's Convent Homeless Project	281	-
Fair Trade Foundation	278	-
Who cares Scotland	203	-
Epilepsy Scotland	203	-
Raaklam Trust	-	810
SAMH	-	519
Poppy Scotland	-	519
Eric Liddell Centre Befriender project	-	396
Shelter Scotland	-	396
	<b><u>3,006</u></b>	<b><u>2,640</u></b>