

*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 2018*

# Morningside United Church

## Contents of the Financial Statements *for the year ended 31 December 2018*

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# Morningside United Church

## Report of the Trustees for the year ended 31 December 2018

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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 2018. The financial statements have been prepared in accordance with the accounting policies set out in the notes on page 8 to 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***

#### ***Office bearers***

**Minister**

**Session clerk**

**Session clerk**

**Treasurer**

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.



# Morningside United Church

*Report of the Trustees for the year ended 31 December 2018*

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## **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 to serve for a period of five years and are considered by the congregation to have appropriate gifts and skills. Induction and training is offered to elders as required. The minister, Rev Steven Manders, is moderator of the Kirk Session.

## **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 over 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**

2018 saw further progress in addressing the financial and governance and building issues. 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 final discussions are taking place to enact a constitutional change by approximately Easter 2019. The finance and property group and treasurer have focused on immediate property concerns - namely plans for the phase two renovations beginning in March 2019 and the continuing implementation of the governance changes.

The congregation continued to host and support the successful Holy Corner Christian Aid book-sale, the Thursday morning coffee mornings for older people and we supported four parish care homes together with renewing links to the Eric Liddell centre and a continuing connection to George Watson's College. A priority for the congregation has been the furtherance of local community relations which has meant using the building differently. We have as a result hosted choirs, orchestras, concerts and raised funds for several local and national charities

The changing nature of church attendance has encouraged the Kirk Session to redevelop the sanctuary. Re-decoration, pew removal and floor restoration have taken place. This has greatly enhanced the facility and further developments will continue at the front of the church in 2019. The Children's choir have continued to be a blessing as they assist at worship and they also support community events in our name. The congregation appointed a new organist after concluding the employment issues with the former organist. This has helped develop worship. 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 there are signs of growth in Sunday attendance.

## **Plans for the future**

The congregation in working towards adopting the new Constitution in 2018 has reviewed its work and vision particularly in relation 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 front area of the church and by upgrading toilet provision later in 2019. It is also planned to make the front external area of the church more attractive, subject to further detailed development.



# Morningside United Church

*Report of the Trustees for the year ended 31 December 2018*

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## **Plans for the future (continued)**

The Kirk Session has become aware of the need to encourage giving both financially and by volunteering. A stewardship campaign has begun to address this and will be further developed later in 2019.

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 to engage with local Church of Scotland congregations is being planned and conversations 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 will worship in our building for most of 2019 while their own building is being renovated.

## **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 £100,369 (2017: net increase £16,536). Voluntary giving excluding legacies rose very slightly compared to 2017, as did income from charitable activities. Investment income fell by 17%.

Expenditure rose by 21.7% compared to 2017. Normal expenditure was at a comparable level. Significant legal and settlement fees expended in 2017 and 2018 are exceptional 'one-off' costs, which are now complete. Payments made to our former organist represent payment in lieu of the balance of his notice period, a payment in relation to loss of employment and a contribution for legal advice for an agreement he was asked to sign. The improvements to the sanctuary during 2018 are also in the category of 'one off' costs. From the figures on page 6, there is an excess of unrestricted expenditure over income of £56,889.

## **Reserves**

The Charity held unrestricted funds amounting to £1,588,344 (2017: £1,668,713) and restricted funds of £16,622 (2017: £30,133) 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 that £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.

Part of the £20,000 legacy received in 2017 has been expended on the redevelopment of the Church buildings in 2018. The small proportion remaining will be expended in 2019, with the addition of further funding from reserves for the planned works.

## **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 a stewardship campaign has also started, assisted by the local Church of Scotland stewardship consultant.

## **Investments and Performance**

The sale of all the investments managed by Charles Stanley and Co Ltd took place at the beginning of 2017. The investments are now split approximately equally between the Church of Scotland Investors Trust funds and a portfolio of six ethical funds managed by Save and Invest. Investments performed well for most of year, but fell significantly towards the end, in common with the general market conditions.



# Morningside United Church

**Report of the Trustees for the year ended 31 December 2018**

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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:**

*Session Clerk/Trustee*

*Dated: ..!.. March 2019*

# Morningside United Church

## Report of the Independent Examiner to the Trustees for the year ended 31 December 2018

I report on the accounts of the congregation for the year ended 31 December 2018 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.

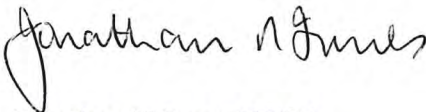
### Basis of independent examiner's statement

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: 19 March 2019



# Morningside United Church

## Statement of Financial Activities for the year ended 31 December 2018

	Note	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
<b>Income</b>					
Donations and legacies	2	32,313	5,676	37,989	54,706
Charitable activities	3	46,483	23,692	70,175	60,998
Investments	4	17,950	239	18,189	16,319
<b>Total income</b>		<b>96,746</b>	<b>29,607</b>	<b>126,353</b>	<b>132,023</b>
<b>Expenditure</b>					
Raising funds	5	1,875	-	1,875	2,799
Charitable activities	5	151,760	43,189	194,949	151,072
<b>Total expenditure</b>		<b>153,635</b>	<b>43,189</b>	<b>196,824</b>	<b>153,871</b>
<b>Realised (gains)/losses on investments</b>	9	(4,917)	-	(4,917)	(6,266)
<b>Net (expenditure)/income</b>		(61,806)	(13,582)	(75,388)	(28,114)
<b>Transfers between funds</b>	13	(300)	300	-	-
		(62,106)	(13,282)	(75,388)	(28,114)
<b>Unrealised (losses)/gains on investments</b>	9	(38,263)	(229)	(38,492)	44,650
<b>Net movement in funds</b>		(100,369)	(13,511)	(113,880)	16,536
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		1,688,713	30,133	1,718,846	1,702,310
<b>Total funds carried forward</b>	13	<b>1,588,344</b>	<b>16,622</b>	<b>1,604,966</b>	<b>1,718,846</b>



# Morningside United Church

Balance Sheet as at 31 December 2018

	Note	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
<b>Fixed assets</b>					
Tangible assets	8	1,129,800	-	1,129,800	1,133,000
Investments	9	443,644	5,705	449,349	550,117
<b>Total fixed assets</b>		<b>1,573,444</b>	<b>5,705</b>	<b>1,579,149</b>	<b>1,683,117</b>
<b>Current assets</b>					
Debtors	10	3,289	2,438	5,727	3,193
Cash at bank and in hand		13,221	8,479	21,700	36,791
<b>Total current assets</b>		<b>16,510</b>	<b>10,917</b>	<b>27,427</b>	<b>39,984</b>
<b>Liabilities</b>					
Creditors falling due within one year	11	1,610	-	1,610	4,255
<b>Net current assets</b>		<b>14,900</b>	<b>10,917</b>	<b>25,817</b>	<b>35,729</b>
<b>Total assets less current liabilities</b>		<b>1,588,344</b>	<b>16,622</b>	<b>1,604,966</b>	<b>1,718,846</b>
<b>Net assets</b>		<b>1,588,344</b>	<b>16,622</b>	<b>1,604,966</b>	<b>1,718,846</b>
<b>The funds of the charity</b>					
Unrestricted funds		1,588,344	-	1,588,344	1,688,713
Restricted income funds		-	16,622	16,622	30,133
<b>Total charity funds</b>	13	<b>1,588,344</b>	<b>16,622</b>	<b>1,604,966</b>	<b>1,718,846</b>

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

The accounts were approved by the Congregational Meeting on 17 March 2019 and signed on their behalf by:

  
Session Clerk

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Treasurer

# Morningside United Church

Notes to the Financial Statements for the year ended 31 December 2018

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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 are prepared in compliance with FRS102, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts under FRS102, 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.

*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*

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.

### *Expenditure*

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.

### *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.



# Morningside United Church

Notes to the Financial Statements for the year ended 31 December 2018

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## ***Tangible fixed assets and depreciation (continued)***

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 2018.

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 2018

## 2. Donations and legacies

	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Freewill offering scheme and standing orders	16,459	-	16,459	18,949
Ordinary offerings (open plate)	7,963	-	7,963	6,884
Tax recovered on Gift Aid	5,628	425	6,053	6,498
Other offerings, donations etc	1,663	5,251	6,914	2,375
Legacies	600	-	600	20,000
	<b>32,313</b>	<b>5,676</b>	<b>37,989</b>	<b>54,706</b>

Income from donations and legacies for 2017 was £54,706 of which £33,256 was unrestricted and £21,450 was restricted.

## 3. Charitable activities

	Note	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Christian Aid income		-	18,613	18,613	17,382
Use of premises		25,465	-	25,465	24,288
Flat and office rental income		18,491	-	18,491	17,895
Collections for third parties	14	-	2,640	2,640	1,433
LPW Vat reclaim		2,527	2,439	4,966	-
		<b>46,483</b>	<b>23,692</b>	<b>70,175</b>	<b>60,998</b>

Income from charitable activities for 2017 was £60,998 of which £42,183 was unrestricted and £18,815 was restricted.

## 4. Investments

	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Investment income	17,868	239	18,107	16,253
Deposit interest	82	-	82	66
	<b>17,950</b>	<b>239</b>	<b>18,189</b>	<b>16,319</b>

Investment income for 2017 was £16,319 of which £16,080 was unrestricted and £239 was restricted.



# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2018

## 5. Analysis of expenditure

	Note	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
<b>Raising funds</b>					
Investment manager fees		1,875	-	1,875	2,799
		<b>1,875</b>	<b>-</b>	<b>1,875</b>	<b>2,799</b>
<b>Charitable expenditure</b>					
Ministries and Mission contributions		57,089	-	57,089	53,400
Minister's expenses		5,133	-	5,133	4,247
Pulpit supply		222	-	222	353
Council tax and insurance		9,075	-	9,075	9,969
Other salary costs	6	11,980	-	11,980	12,586
Fabric repairs and maintenance		24,349	-	24,349	12,701
Other building costs		11,944	15,842	27,786	11,393
Employment settlement		7,641	-	7,641	-
Church office expenses		1,122	-	1,122	1,163
Organ, piano, music and licences		750	208	958	1,838
Other expenses		5,915	3,183	9,098	8,021
Legal and accountancy fees		10,860	-	10,860	12,647
Christian Aid donation and expenses		-	18,676	18,676	17,161
Other donations		1,520	5,280	6,800	1,433
Independent examination		960	-	960	960
Depreciation		3,200	-	3,200	3,200
		<b>151,760</b>	<b>43,189</b>	<b>194,949</b>	<b>151,072</b>
<b>Total</b>		<b>153,635</b>	<b>43,189</b>	<b>196,824</b>	<b>153,871</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.

Expenditure on charitable activities for 2017 was £151,072 of which £126,561 was unrestricted and £24,511 was restricted.

# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2018

## 6. Analysis of staff costs

	2018	2017
	Total	Total
	£	£
Salaries and wages	11,980	12,586
	<u>11,980</u>	<u>12,586</u>

	2018	2017
	Total	Total
	number	number
Office personnel	1	-
Music personnel	2	2
Premises maintenance	1	1
Ministerial support	-	1
	<u>4</u>	<u>4</u>

No employee received total employee benefits in excess of £60,000 (2017: nil).

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 Church of Scotland stipend was £27,044 and the maximum (in the fifth and subsequent years) was £33,234.

## 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 £5,133 (2017: £4,247).

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 £3,600 (2017: £4,500) was donated to the congregation by trustees, based on Gift Aid records and an estimate for those giving by open plate collection.



# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2018

## 8. Tangible fixed assets

	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

	2018 Total £	2017 Total £
Market value as at 1 January	550,117	555,462
Additions	20	374,998
Disposal	(57,379)	(418,727)
Realised (gains)/losses on investments	(4,917)	(6,266)
Unrealised (losses)/gains on investments	(38,269)	44,650
Movement in cash held by AJ Bell Securities	(223)	-
Market value as at 31 December	<b>449,349</b>	<b>550,117</b>
Cost of investments held	<b>437,887</b>	<b>496,044</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 2018

## 10. Debtors

	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Hall lets	981	-	981	3,193
Other debtors	2,308	2,438	4,746	-
	<u>3,289</u>	<u>2,438</u>	<u>5,727</u>	<u>3,193</u>

## 11. Creditors falling due within one year

	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Accruals and deferred income	-	-	-	2,645
Other creditors	1,610	-	1,610	1,610
	<u>1,610</u>	<u>-</u>	<u>1,610</u>	<u>4,255</u>

## 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.



# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2018

## 13. Movement in funds

	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><u>1,718,846</u></u>	<u><u>126,353</u></u>	<u><u>(196,824)</u></u>	<u><u>(43,409)</u></u>	<u><u>-</u></u>	<u><u>1,604,966</u></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	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.

# Morningside United Church

Notes to the Financial Activities for the year ended 31 December 2018

## 14. Collections for third parties

	<b>2018</b>	<b>2017</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Eric Liddell Centre Befriender project	396	244
Shelter Scotland	396	-
SAMH	519	-
Poppy Scotland	519	-
Raaklam Trust	810	-
St Catherine's Convent Homeless Project	-	533
Christian Aid Harvest Appeal	-	362
Anthony Nolan	-	174
500 Miles	-	50
International Handicap	-	50
	<u><b>2,640</b></u>	<u><b>1,413</b></u>