

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

**Annual Report &  
Financial Statements  
For the Year ended  
31<sup>st</sup> December 2020**

**Congregation No: 352071**

**Scottish Charity No: SC004853**

# **Trustees' Annual Report**

## **Year ended 31<sup>st</sup> December 2020**

The trustees have pleasure in presenting their report together with the financial statements and the independent examiner's report for the year ended 31<sup>st</sup> December 2020

### **Reference and Administrative Information**

Charity Name:	Duffus, Spynie and Hopeman Parish Church
Charity Registration Number:	SC004853
Congregation Reference No:	352071
Contact Address:	The Treasurer, 7, Havers Place, Hopeman, Moray IV30 5SR

### **Trustees**

#### **Kirk Session**

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

#### **Congregational Board**

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

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

#### **Independent Examiner**

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

#### **Bankers**

Clydesdale Bank Plc  
30, St Vincent Street  
Glasgow G12 HL

# **Trustees' Annual Report**

## **Year ended 31<sup>st</sup> December 2020**

### **Structure, Governance and Management**

#### **Governing Document**

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

#### **Recruitment and Appointment of Trustees**

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

#### **Organisational Structure**

The Congregational Board is chaired by the minister and met in person in February 2020. Certain responsibilities are delegated to the Finance Committee and the Property Committee as appropriate. The Kirk Session is responsible for spiritual affairs within the church, and met in person in January and March 2020. Due to COVID-19 restrictions, from March 2020 the Congregational Board and Kirk Session met in shared meetings over the Zoom platform to discuss essential business. Other matters were delegated to appropriate teams of Minister, Elders and Board Members, communicated by email to the Trustees, and subsequently reported to joint meetings

#### **Objectives and Activities**

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in polity. It exists to glorify God and to work for the advancement of Christ's Kingdom throughout the world. As a national Church, it acknowledges a distinctive call and duty to bring the ordinances of religion to the people in every parish of Scotland through a territorial ministry. It co-operates with other Churches in various ecumenical bodies in Scotland and beyond.

The Parish church is a union of three churches. Outwith COVID-19 restrictions, morning worship is conducted on a regular basis and joint services are held in each of the three church buildings on a rota basis. The Sunday school meets in Hopeman church during the morning service. Messy Church is held 5 times per year and a Family Film night is held 6 times a year. A monthly Soup and Sweet is held to serve the local Community, and other social and community gatherings are organised throughout the year. Joint services are held with the Baptist church on a yearly basis. The Guild and men's group meet regularly. Members of the congregation are active in community organisations. Regular social events are held specifically for church funds and funds are raised for global and local disaster appeals. All of these activities stopped from March 2020, as per national legislation and guidance.

Since COVID-19 restrictions were introduced in March 2020, weekly reflections have been provided online and through a dedicated local phone number. These continued throughout the spell from September to December when weekly communal prayer gatherings were also hosted in alternative church buildings on Sunday mornings, within the Scottish Government and Church of Scotland guidelines. Occasional newsletters and magazines have been distributed by email and post to the congregation's members and adherents to maintain connections and offer support.

## **Trustees' Annual Report (cont)**

### **Year ended 31 December 2020**

#### **Achievements and Performance**

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

Throughout a difficult year of COVID restrictions, members of the congregation have supported each other and been involved in formal and informal community support. The Minister and Elders have continued to offer funerals and pastoral support, in different and difficult circumstances. Weekly reflections have been offered for local communities in new ways, using You Tube, Facebook and the Twilio phone service, and these appear to engage some people who would not normally attend in the church buildings. Trustees have adapted to meeting online, and Trustees and volunteers enabled safe gathering for some in our buildings September – December 2020, which was well received by those able to attend.

#### **Financial Review**

Receipts in 2020 were 25% lower than in 2019 with income from offerings about £7,500 less and regular fundraising over £8,000 lower. This is not unexpected, given that for most of the year no fundraising events could take place and in person worship was greatly restricted due to COVID-19, though members responded generously to encouragement to give in different ways. Expenditure in 2020 was comparable with 2019 apart from last years Fabric expenditure down £10,000 after significant works last year and other salary costs in respect of Organists. The Trustees are grateful to the Organists for waiving their salaries when they were not playing for services.

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

#### **Statement of Trustees' Responsibilities**

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

Approved by the Trustees and signed on their behalf,



**Shona Rowand  
Session Clerk**

**RONALD DUNCAN  
Deputy Session Clerk**

**Date 8<sup>th</sup> March 2021**

## **Independent examiner's report on the accounts**

**Report to the Trustees of Duffus, Spynie & Hopeman**

**Registered charity number SC004853**

**On the accounts of the charity for the year ended 31<sup>st</sup> December 2020**

**Set out on pages 5 to 8**

### **Respective responsibilities of trustees and examiner**

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

### **Basis of independent examiner's statement**

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

### **Independent examiner's statement**

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

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



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

Date: 9<sup>th</sup> March 2021

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

**Statement of Financial Activities**

**Year ended 31st December 2020**

	<b>Notes</b>	<b>Unrestricted Funds 2020</b>	<b>Restricted Funds 2020</b>	<b>Total Funds 2020</b>	<b>Total Funds 2019</b>
<b>Receipts</b>					
<b>Incoming Resources from Generated Funds</b>					
<b>Voluntary income</b>	<b>1</b>	<b>50,070</b>		<b>50,070</b>	<b>60,577</b>
<b>Activities for generating funds</b>	<b>2</b>	<b>1,688</b>		<b>1,688</b>	<b>10,653</b>
<b>Income from Investments</b>	<b>3</b>	<b>564</b>		<b>564</b>	<b>756</b>
<b>Incoming Resources from charitable activities</b>	<b>4</b>	<b>5,089</b>		<b>5,089</b>	<b>4,908</b>
<b>Church Guild Income</b>			<b>357</b>	<b>357</b>	<b>357</b>
<b>Total Receipts</b>		<b>57,411</b>	<b>357</b>	<b>57,768</b>	<b>77,251</b>
<b>Payments</b>					
<b>Costs of generating funds</b>	<b>5</b>	<b>281</b>		<b>281</b>	<b>293</b>
<b>Charitable activities</b>	<b>6</b>	<b>64,098</b>		<b>64,098</b>	<b>78,563</b>
<b>Church Guild expenditure</b>		<b>0</b>	<b>342</b>	<b>342</b>	<b>342</b>
<b>Total Payments</b>		<b>64,379</b>	<b>342</b>	<b>64,721</b>	<b>79,198</b>
<b>Surplus / (Deficit) for Year</b>		<b>(6,968)</b>	<b>15</b>	<b>(6,953)</b>	<b>(1,947)</b>
<b>Transfers between funds</b>					
<b>Surplus / (Deficit) for Year</b>		<b>(6,968)</b>	<b>15</b>	<b>(6,953)</b>	<b>(1,947)</b>
<b>Statement of Balances</b>					
<b>As at 31<sup>st</sup> December 2020</b>		<b>Unrestricted Funds 2,020</b>	<b>Restricted Funds 2,020</b>	<b>Total Funds 2,020</b>	<b>Total Funds 2,019</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Bank deposits at 31 December 2019</b>		<b>106,622</b>	<b>261</b>	<b>106,883</b>	<b>108,830</b>
<b>Surplus / (Deficit) for Year</b>		<b>(6,968)</b>	<b>15</b>	<b>(6,953)</b>	<b>(1,947)</b>
<b>Bank deposits at 31 December 2020</b>		<b>99,654</b>	<b>276</b>	<b>99,930</b>	<b>106,883</b>
<b>Bank Balances</b>					
<b>Bank Current Account</b>		<b>99,654</b>	<b>276</b>	<b>99,930</b>	<b>106,883</b>
<b>Other Assets (Unrestricted fund)</b>					
<b>Fixtures &amp; Fittings (estimated value)</b>				<b>4,800</b>	<b>4,800</b>
<b>Gift Aid due to be received</b>				<b>10,000</b>	<b>10,000</b>

These accounts were approved by the Congregational Board on 8 March 2021.

For and on behalf of the Congregational Board

Linda M. Paton  
Festley M. Pearson

Clerk to the Congregational Board

Congregational Treasurer

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

## **Accounting Policies**

### **Basis of accounting**

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

### **Funds**

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

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

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

### **Receipts**

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

### **Payments**

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

### **Tangible fixed assets**

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

### **Taxation**

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

**Notes forming part of the Financial Statements**  
**For the year ended 31 December 2020**

	<b>Unrestricted Funds <u>2020</u></b>	<b>Restricted Funds <u>2020</u></b>	<b>Total Funds <u>2020</u></b>	<b>Total Funds <u>2019</u></b>
<b>1. Voluntary Income</b>				
Offerings	39,505		39,505	46,311
Tax recovered on Gift Aided Donations	10,565		10,565	12,838
Legacies	-		-	1,428
	<b>50,070</b>	<b>-</b>	<b>50,070</b>	<b>60,577</b>
<b>2. Activities for Generating Funds</b>				
Regular Fund Raising events	718		718	8,899
Use of Premises	970		970	1,754
Church Organisatons	-		-	-
	<b>1,688</b>	<b>-</b>	<b>1,688</b>	<b>10,653</b>
<b>3. UK Investment Income</b>				
Bank Interest	564		564	756
	<b>564</b>	<b>-</b>	<b>564</b>	<b>756</b>
<b>4. Incoming Resources from Charitable Activities</b>				
Weddings & Funerals	3,295		3,295	2,020
Other	1,794		1,794	2,888
	<b>5,089</b>	<b>-</b>	<b>5,089</b>	<b>4,908</b>
<b>5. Fundraising Costs Expended</b>				
Offering envelopes	281		281	293
	<b>281</b>	<b>-</b>	<b>281</b>	<b>293</b>
<b>6. Analysis of Resources Expended</b>				
Ministries and Mission Allocation	38,318		38,318	38,158
Presbytery Dues	735		735	737
	<b>39,053</b>	<b>-</b>	<b>39,053</b>	<b>38,895</b>
Ministry Expenses	1,680		1,680	2,476
Pulpit Supply	129		129	438
Other Salary Costs	1,213		1,213	4,001
Fabric Repairs & Maintenance	5,326		5,326	15,537
Fixture & Fittings purchased	-		-	-
Council Tax	2,439		2,439	2,337
Insurance costs	4,716		4,716	4,744
Energy Costs	4,775		4,775	4,656
Church Office Expenses	1,473		1,473	1,541
Other Expenses	3,294		3,294	3,938
	<b>64,098</b>	<b>-</b>	<b>64,098</b>	<b>78,563</b>

**Notes forming part of the Financial Statements (Cont'd)**  
**For the year ended 31 December 2020**

	<u>2020</u>	<u>2019</u>
<b>7. Staff costs &amp; numbers</b>		
Salaries & wages	1,213	4,001
Social Security Costs	-	-
	<u>1,213</u>	<u>4,001</u>

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

	<u>2020</u> Number	<u>2019</u> Number
Music Staff	3	3
	<u>3</u>	<u>3</u>

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pension and housing and loan fund. Ministers' stipends are paid in accordance with the national stipend scale, which is related to years of service. For the year under review the minimum stipend was £28,137 and the maximum stipend (after 5 years) £34,577.

**8. Trustee Remuneration and Related Party Transactions**

During the year 2020 expenses amounting to £1,680 were reimbursed to the minister and council tax costs of £2,439 were paid in respect of our congregational manse.

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

During the year one trustee received £344 in respect of Organists fees.

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

**9. Independent Examination**

No payment was made in 2020 or 2019 to the Independent Examiner for his examination.