

The Church of Scotland

Perth Riverside Church of Scotland

Congregation No. 281702

Charity No. SC 011113

Annual Report & Accounts for 2019

Reference and Administrative Information

Charity Name: Perth Riverside Church of Scotland

Charity Registration Number: SC 011113

Contact Address: 2 Dryburgh Crescent, Perth, PH1 1SF

Trustees

For the whole of 2019 and to date of signing

Rev David Rankin

Martine Clyne

Keith Fleming

Steven Mackay

Rev Iain McFadzean

Until 30th June 2019

Keith Wellstood

From 9th June 2019

Mary Christie

Gwyneth Marshall

Principal Office Bearers

Minister: Rev David Rankin

Community worker: Keith Wellstood

Session Clerk: Steven Mackay

Church Treasurer: James Christie

Property Convenor: Keith Fleming

Independent Examiner

Steven Goodacre

16 Woollcombe Square

Scone

Perth

PH2 6PN

Bankers

Bank of Scotland

10-16 King Edward Street

Perth

PH1 5UT

Trustees' Annual Report - year ended 31 December 2019

Structure, Governance and management

The Church is administered in accordance with the terms of the Deed of Constitution (Unitary Form), Recruitment and Appointment of Trustees.

Members of the Kirk Session are the charity trustees. The Kirk Session members are Elders of the Church and are chosen from those members of the Church who are considered to have the appropriate gifts and skills. The Minister, who is a member of the Kirk Session, is elected by the Congregation and inducted by Presbytery.

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.

Perth Riverside Church of Scotland is a Christian community based in north Perth.

As a church we seek to fulfil our mission, aims and values through regular Christians worship, community activities and service to our parish.

Our Mission Statement

Our Mission Statement; pray, serve, grow.

Our Aims are;

- Grow as a community of Jesus' disciples.
- Serve each other, our neighbours, our parish, our city and beyond using our abilities and our building.
- Pray as a way of life.

Our Values

Faith, nurture and generosity.

Achievements and Performance

Attendance

Attendances have remained similar over recent years with a slight apparent increase each year. Our breakfast services can have over 100 people. In addition to services, many other people attend our various community activities each week.

Overview of 2019 at Riverside

Services

We maintain weekly worship on a Sunday at 10:30am, during which provision is made for all ages through our children's programme. We have a monthly service on the last Thursday and a monthly evening service on the last Sunday. We continue to develop Funday School, a contemporary and lively children's ministry on the last Sunday of the month.

Community Work

Our community activities include a weekly parent and toddler group, community cafés held on Tuesday and Saturday mornings; a Very Important Mums group, a 'Knit and Natter' group, a Community CraftGroup and a Community Gardening Club.

There are good links between the church and North Muirton and Balhousie Primary Schools and Perth Grammar School. We have maintained our project with Perth Grammar School to provide mentoring and support to some local pupils and as part of this project we occasionally provide space for the local authority to educate young people who have been excluded from school.

The minister also conducts a number of parish funerals every year and provides pastoral care to non-members as well as to members of the church. We also run a fortnightly service in the New Rannoch Day Centre.

Church Life

There is a range of activities for people who want to explore and express faith including our weekly faith and friendship group, prayer meetings and small groups which meet in people's homes.

We hold community cafe events for local families to coincide with Christian festivals such as Christmas and Easter. In December 2019, for the second year running, we produced 'The Nativity Experience' an interactive walk-through performance of the nativity story.

During 2019 we completed the development of a new, more practical and more usable garden in the space behind the creche room.

We have continued to work on the vision produced a couple of years ago. We have started to set up new groups to take responsibility for different areas of church life, such as pastoral care and finance. This is being worked through and all the groups will be up and running in 2020.

In 2019 Keith Wellstood, our Community Worker, resigned after 10 years of wonderful service. Jane Picton Smith has now joined the team at Riverside. Jane has responsibility for developing our facilities into a community hub, providing a café and a varied programme of community activities and initiatives. Jane's background includes community education and working in the charitable sector.

Anne Stott has also recently joined Riverside's team with the remit to serve the new community at Bertha Park. She comes with extensive experience in education and is an Ordained Local Minister. Perth Presbytery has designated Bertha Park a Presbytery Mission Initiative (PMI). PMIs allow local congregations to support outreach in an area outside of their parish. Riverside's leadership has taken on the role of supervising this work and we are also represented on the PMI Core Leadership Team. The Bertha Park work is covered by our accounts, with all related income and expenditure being assigned to a new restricted fund.

Financial Review

We recorded a deficit of £23,823 in 2019, following a surplus of £8,450 in 2018. The 2018 surplus disguised the underlying trend: we are finding it harder to break even. That surplus was possible only because of a legacy of

£10,000, which was by some margin the largest in the church's 20 year history. Excluding legacies, donations in 2019 fell back marginally by 0.3%. Hall and café income rose by 9%. We received a grant of £978 from the Church of Scotland to pay for IT kit for the new Community Development Worker and the Bertha Park minister. The Church of Scotland also made a one off payment of £2,287 as compensation for the unsatisfactory state of the manse when it was handed over to us on attaining full status as a church in 2012. In total our income, including legacies, fell by £5,000, or 8%.

The Church of Scotland requires us to state in the annual report how much we receive in donations from the Session and connected people (i.e. immediate family). This emphasizes how much we depend on relatively few families. 44% of our regular giving (i.e. excluding legacies, donations to Bertha Park and money from Church of Scotland General Trustees) comes from Session members and their families via Gift Aided donations (which is the only way we can identify the source). Gift Aided donations are by far the largest, and most reliable, form of income. These fell by 3% in 2019 following a 12% fall in 2018. It has long been a feature of Riverside that as the number of regular worshippers rise our giving does not keep pace.

Riverside's expenditure increased hugely in 2019 by £27k, or 48%. This was attributable to three factors. The manse required a lot of work, mainly for a new kitchen, but also on the roof and central heating. A second factor was that the church redeveloped the rear garden into a more usable space as an adjunct to the creche room. The third factor was that our Mission and Ministries payment to the Church of Scotland increased after we stopped receiving a discount relating to presbytery mission work.

Aside from these factors there was no significant change in the underlying trend of expenditure. Our experience in 2019 has illustrated how our reserves could be eaten up quickly when we are responsible for two buildings that could drain the bank account. The coronavirus pandemic will damage our finances, but our reserves should allow us to cope in the short to medium term provided that we reduce our discretionary expenditure, and are not hit by heavy property expenditure (the biggest risk).

Reserves Policy

The reserves figure is a notional item that does not appear in the accounts. It reflects the amount of money we believe we should hold in the bank as a precaution. Our policy is to hold reserves of £25,000, which currently represents approximately four months expenditure. We believe that our small size, and reliance on relatively few members require us to have such a prudent level of reserves.

Statement of Trustees' Responsibilities

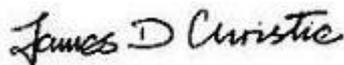
Charity law requires the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for that financial period. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by the Trustees and signed on their behalf

James Christie, Treasurer



Date 3/4/2020

Perth Riverside Church of Scotland

SC 011113

Independent Examiner's Report to the Trustees of Perth Riverside Church of Scotland

I report on the accounts of the charity for the year ended 31st December 2018 which are set out on pages 6-11.

Respective responsibilities of trustees and examiner

The Charity Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Charity Trustees consider that the audit requirement of Regulation 10 (1) (d) 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 (as amended). 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 by 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 Regulation, and
 - ◇ to prepare accounts which accord with the accounting records and comply with regulations 9 of the 2006 Accounts 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.



Date 3/4/2020

Steven Goodacre
16 Woollcombe Square
Scone
Perth
PH2 6PN

Perth Riverside Church Receipts & Payments Account, year to 31st December 2019

		Unrestricted Funds 2019 £	Restricted Funds 2019 £	Endowment Funds 2019 £	Total 2019 £	Total 2018 £
Receipts	Note					
Donations	3	£44,122.03	£592.70	£0.00	£44,714.73	£44,867
Activities for Generating Funds						
Rental of premises	£10,772.50					
Other activities for gen funds	£0.00					
Café	£280.88					
		£11,053.38			£11,053.38	£10,138
Legacies		£1,000.00	£0.00		£1,000.00	£10,000
Bank & Deposit interest		£0.00		£0.00	£0.00	£0
		<u>£56,175.41</u>	<u>£592.70</u>	<u>£0.00</u>	<u>£56,768.11</u>	<u>£65,006</u>
Sale of assets		£0.00			£0.00	£0
Sale of investments		£0.00			£0.00	£0
Grants		£978.00			£978.00	£0
Receipts from General Trustees		£2,287.02			£2,287.02	£0
Other Receipts		£0.00			£0.00	£0
Total Receipts		<u>£59,440.43</u>	<u>£592.70</u>	<u>£0.00</u>	<u>£60,033.13</u>	<u>£65,006</u>
Payments	4					
Costs of generating funds		£572.44			£572.44	£435
Charitable activities		£82,767.11	£516.55		£83,283.66	£56,121
Governance costs		£0.00			£0.00	£0
Total Payments		<u>£83,339.55</u>	<u>£516.55</u>	<u>£0.00</u>	<u>£83,856.10</u>	<u>£56,556</u>
Excess of Receipts over Payments for the year before transfers		-£23,899.13	£76.15	£0.00	-£23,822.98	£8,450
Transfers		£0.00	£0.00	£0.00	£0.00	-£0.00
Excess of Receipts over Payments for the year		<u>-£23,899.13</u>	<u>£76.15</u>	<u>£0.00</u>	<u>-£23,822.98</u>	<u>£8,450</u>

Perth Riverside Church Statement of Balances at 31st December 2019

	Bank Balances 2019	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Endowment Funds 2019 £	Total 2019 £	Total 2018 £
Bank & Deposit Balances						
Bank & deposit balances b/f	£61,243.19	£64,223.81	£11,727.20	£0.00	£75,951.01	£67,500.78
+/- net expenses/income not cleared b/f	£14,707.82					
Movement in year:						
Excess of receipts over payments for 2019	-£23,822.98	-£23,899.13	£76.15	£0.00	-£23,822.98	£8,450.23
+/- net expenses/income not cleared c/f	£684.86					
Bank & deposit balances c/f	<u>£52,812.89</u>	<u>£40,324.69</u>	<u>£11,803.35</u>	<u>£0.00</u>	<u>£52,128.04</u>	<u>£75,951.01</u>
Discrepancy	£0.00				£0.00	£0.00
Investments at market value						
(cost £ xxxxxx)	£0.00	<u>£0.00</u>	<u>£0.00</u>	<u>£0.00</u>	<u>£0.00</u>	<u>£0.00</u>
Assets						
Gift Aid Receivable		£377.89	£0.00	£0.00	£377.89	£9,019.79
Income invoiced but not received/cleared		£455.00	£0.00	£0.00	£455.00	£1,672.34
		<u>£832.89</u>	<u>£0.00</u>	<u>£0.00</u>	<u>£832.89</u>	<u>£10,692.12</u>
Liabilities						
Expenses incurred but not paid/cleared		-£1,483.14	-£34.60	£0.00	-£1,517.74	£4,015.70
Cost of repair not yet billed		£0.00	£0.00	£0.00	£0.00	£0.00
		<u>-£650.26</u>	<u>-£34.60</u>	<u>£0.00</u>	<u>-£684.86</u>	<u>£14,707.82</u>

NB: in the above statement the "Bank Balances" figures are taken from bank statements. The funds figures and the total for the year are the balances in our accounts. The two sets of figures are reconciled by the net expenses/income that was not cleared at the start and end of the year. If the reconciliations match then the discrepancy figure is zero.

In preparing these financial statements:

- the Trustees are of the opinion that the charity is entitled to the exemption from audit conferred by Regulation 10(1)(d) of the Charities Accounts (Scotland) Regulations 2006.
- the Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records and prepares financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The accounts were approved by the Kirk Session on 3/4/2020.

For and on behalf of the Kirk Session.



Steven Mackay
Elder



Mary Christie
Elder

Perth Riverside Church

Notes to the Accounts

1 Trustee Remuneration and Related Party Transactions

No trustee or person related to a trustee received any remuneration in the period from 1st January 2019 to 31st December 2019. The Community Worker up till April, Keith Wellstood, was both a trustee and an employee of the Church of Scotland. However, his salary came from central funds, rather than from Riverside.

David Rankin, our minister and therefore a trustee, was reimbursed for £28 in miscellaneous expenses. Similarly, Keith Wellstood received £6. The church also paid £960 to the Church of Scotland to cover expenses incurred by David. Further, the church paid Council Tax of £3,205 for the manse.

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.

2 Movement in Funds

	Fund balances b/f	Income	Expenses	Transfers for period	Fund balances c/f
Unrestricted Funds					
General Fund	£33,302.80	£59,379.57	-£57,904.65	-£25,300.00	£9,477.71
Fabric Fund	£7,156.47	£0.00	-£23,524.73	£23,500.00	£7,131.74
Youth Work Fund	£2,302.75	£0.00	-£22.56	£0.00	£2,280.19
Mission Fund	£2,245.79	£0.00	-£1,826.75	£1,800.00	£2,219.04
Children's Outings	£216.00	£0.00	£0.00	£0.00	£216.00
Designated Donations	£0.00	£60.86	-£60.86	£0.00	£0.00
Designated Mission Work (MMA reduction)	£9,000.00	£0.00	£0.00	£0.00	£9,000.00
Community Work (Helen's bequest)	£10,000.00	£0.00	£0.00	£0.00	£10,000.00
Total Unrestricted Funds	£64,223.81	£59,440.43	-£83,339.55	£0.00	£40,324.69
Restricted Funds					
Restricted Fund #1 (youth work)	£11,727.20	£0.00	-£20.85	£0.00	£11,706.35
Restricted Fund #3 Bertha Park	£0.00	£592.70	-£495.70	£0.00	£97.00
Total Restricted Funds	£11,727.20	£592.70	-£516.55	£0.00	£11,803.35
Total	£75,951.01	£60,033.13	-£83,856.10	£0.00	£52,128.04

NB: there are no endowment funds.

Purposes of Designated Funds

The Fabric Fund was established for the maintenance of the church building. It was set up in 2011. Expenditure categorised as "repairs and other Fabric Fund expenditure", or as "manse fabric" comes out of this fund. Prior to 2019 the Fabric Fund did not cover the manse. We have changed our accounting so that the Fabric Fund covers both the church building and the manse.

The Youth Work Fund was established to provide support for Riverside's mission work with local youth.

The Mission Fund exists to ensure that we have money set aside for our core purpose of sharing the good news of God's love. It was set up in 2011. Expenditure categorised as "Mission" or "Outreach" comes out of this fund.

The children's outings fund was set up in 2015 following a gift from the family of Matt McKean, a member who died in 2010. Matt's family wanted the money to be used for some form of children's outing. The trustees have full discretion over how this money will be used.

The Designated Donations fund was created to hold money that has been raised with the express intention of donating it to an external charity. The exact destination is at the discretion of the Kirk Session, so it cannot be a Restricted Fund.

The fund, "Designated Mission Work (MMA reduction)" was set up because the reduction in our MMA payments is conditional on the money being used for approved mission work. We therefore keep this money separate from the main Mission Fund, which covers the day to day work of the church.

Purposes of Restricted Funds

Restricted Fund #1 (youth work) holds the remainder of the money that was raised between 2004 and 2006 to pay the salary of a youth worker. She resigned before the end of her contract and a replacement was not appointed. The youth worker post was managed by Perth Riverside Church and Perth YMCA as a joint project, committed to Christian youth work in Riverside's parish. This money is assigned to a restricted fund because it can be spent only on projects that are approved by both Riverside and Perth YMCA. That is why it is held in a separate fund from the general Youth Work Fund, which can be spent at the discretion of the trustees. Restricted Fund #2 is obsolete and has been removed from the accounts.

3 Analysis of Donations & Other Income

	Unrestricted funds 2019	Restricted funds 2019	Total 2019	2018
Gift Aid donations	£27,678		£27,678	£28,580
Tax recovered on Gift Aid donations	£6,767		£6,767	£7,145
Tax recovered through GASDS	£1,680		£1,680	£1,628
Ordinary offerings (open plate)	£5,049		£5,049	£4,889
Other offerings, donations, etc.	£2,948	£593	£3,541	£2,626
Legacies (general fund)	£1,000		£1,000	£10,000
	<u>£45,122</u>	<u>£593</u>	<u>£45,715</u>	<u>£54,867</u>
	Unrestricted funds 2019	Restricted funds 2019	Total 2019	2018
Café income (gross)	£281		£281	£79
Hall rental	£10,773		£10,773	£10,059
Other activities for generating funds	£0		£0	£0
	<u>£11,053</u>	<u>£549,426</u>	<u>£11,053</u>	<u>£10,138</u>
Total income in this analysis			£56,768	£65,006
Total income in income sheet			£60,033	£65,006
Discrepancy			£3,265	£0
* MDS grant		£978		
* manse compensation from General Trustees		<u>£2,287</u>		
			£3,265	
Discrepancy adjusted for items excluded from income analysis=>			£0	

£19,275 of donations came from trustees (ie members of the Session) and people to whom they are connected (ie their immediate family). This figure included Gift Aid.

4 Analysis of Payments

	Unrestricted funds 2019	Restricted funds 2019	Total 2019	2018
event catering & expenses	£0		£0	£0
café expenses	£572		£572	£435
costs (misc) of gen funds	£0		£0	£0
Costs of generating funds	£572	£0	£572	£435
Charitable activities				
alarms & security	£284		£284	£54
assets & equipment	£1,189		£1,189	£2,946
broadband	-£821		-£821	£748
CCLI licence	£498		£498	£494
children's outings	£0		£0	£0
cleaner	£4,522		£4,522	£4,306
cleaning materials	£320		£320	£357
donations (designated for 3rd parties)	£61		£61	£0
donations & gifts	£180		£180	£255
electric	£4,808		£4,808	£3,346
gardening	£2,345		£2,345	£920
gas	£5,692		£5,692	£5,783
insurance	£2,591		£2,591	£2,500
manse council tax (P&KC)	£3,205		£3,205	£3,102
manse expenses (ex CT/ins)	£1,292		£1,292	£1,133
manse fabric	£12,765		£12,765	£0
mission & outreach	£1,827		£1,827	£2,048
MMA	£18,783		£18,783	£14,916
MMA reduction fund (mission)	£0		£0	£0
phone	£526		£526	£500
Presbytery Assessment	£474		£474	£464
printing, stationery, postage, photocopy	£608		£608	£367
pulpit duties	£60		£60	£122
repairs & other Fabric Fund expenditure	£10,760		£10,760	£0
restricted fund #1 youth work		£21	£21	£0
restricted fund #2 P&KC Creative Communities		£0	£0	£88
restricted fund #3 Bertha Park		£496	£496	£0
staff expenses	£2,092		£2,092	£1,165
staff wages	£7,920		£7,920	£7,698
toilets servicing	£274		£274	£558
training	£85		£85	£1,846
window cleaning	£405		£405	£405
youth work (designated fund)	£23		£23	£0
	£83,340	£517	£83,856	£56,556
Governance costs	£0	£0	£0	£0
Other payments	£0	£0	£0	£0

* The expense figure for broadband in 2019 is negative because of a series of mistakes and overcharging by BT in recent years. This was finally resolved to our satisfaction in 2019 by a credit and then a repayment when we changed suppliers.

5 Minister's Stipend

All Church of Scotland congregations contribute towards the National Stipend Fund, which bears the costs of all ministers' stipends and employer's contributions for National Insurance, pensions and the Housing and Loan Fund. Ministers' stipends are paid in accordance with the National Stipend Scale, which is related to the years of service. For 2019 the minimum stipend was £27,585 and the maximum stipend (in the 5th and subsequent years) £33,899. However, the Church of Scotland does not communicate changes to these figures to church treasurers for the annual reports, so they have not been updated.

6 Collections for Third Parties

The church did not make any collections for third parties. However, £61 was donated explicitly for McMillan Cancer Research and for Christians Against Poverty and passed through our accounts.