

Charity no: SC017523

BRUNTSFIELD EVANGELICAL CHURCH

**TRUSTEES' REPORT AND ACCOUNTS
YEAR ENDED 31 AUGUST 2019**

**BRUNTSFIELD EVANGELICAL CHURCH
TRUSTEES' REPORT
YEAR ENDED 31 AUGUST 2019**

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REFERENCE AND ADMINISTRATIVE INFORMATION

Registered charity number SC017523

Trustees



(Treasurer)

(Secretary)

Pastor



Principal address

Bruntsfield Evangelical Church
70 Leamington Terrace
Edinburgh
EH10 4JU

Bankers

Bank of Scotland
47 High Street,
Dalkeith
EH22 1JA

Independent examiner



AG Accounting,
167 Curriehill Castle Drive,
Balerno
EH14 5TD

**BRUNTSFIELD EVANGELICAL CHURCH
TRUSTEES' REPORT
YEAR ENDED 31 AUGUST 2019**

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The trustees have pleasure in presenting their Annual Report and Accounts for the year ended 31 August 2019.

Compliance with existing law

The accounts comply with the requirements of the Charities Accounts (Scotland) Regulations 2006 (as amended) and are in accordance with the charity's constitution.

Constitution

Bruntsfield Evangelical Church is an independent church, affiliated in its practices with Brethren and other evangelical churches.

Charity status

The Church is recognized by HM Revenue & Customs in Scotland and by O.S.C.R. as having charitable status. Its charity number is SC017523.

Purpose

Our purpose is to glorify God through lives being changed by the grace of Jesus Christ.
Our vision is to be a church that is worshipping, growing and full of love as each member does his or her special work.

Organisation

The church is governed by trustees most of whom are also elders. The trustees meet whenever necessary to decide policy and review progress.

New trustees are elected from the membership by recommendation from the existing trustees.

Review of activities during the year

In the past year the church has continued to grow numerically and spiritually, including some who have committed their lives to Jesus Christ for the first time. We have continued to run a wide range of activities, both internal and outward focussed, and it has been good to see more people becoming involved in active service in the church. The staff team has continued to serve faithfully, with new ministry trainees replacing those who moved on in the summer.

The year saw further development in the role of the church trustees and advisers. This has resulted in the setting up and acquiring approval for the setting up of a new organisation to take over the activities of the church. This has been done with the help of expert legal advice and ultimately with the approval of O.S.C.R. the regulator governing charities. The whole of the assets and liabilities and activities of the old charity were transferred to a Scottish Charitable Incorporated Organisation (S.C.I.O.) as at 31 August 2019.

All our services are open to the public and invitations are advertised on the church notice board and on our website. The church rooms are made available for rent to local organisations for their activities and to individuals for children's parties.

The youth work has continued in both Bruntsfield Primary and Boroughmuir schools, and children's clubs at Christmas and Easter have been successful.

All our existing programmes of teaching and outreach have continued, including support of youth work in the Pilton and Muirhouse area, and support for overseas workers who are well known to us and who depend on our continuing support.

The work of Basics Bank, which is a joint outreach with Edinburgh City Mission and is also supported by the provision of food and other necessities by several local churches, continues to provide basic requirements and the opportunity for conversation for needy people.

The installation of new flooring in the upstairs hall was successfully completed in November 2019 and is now in service.

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TRUSTEES' REPORT
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Plans for future periods

Our existing teaching programmes will continue, and the new ministry trainees will take on responsibilities for some activities.

Financial review

The attached Statement of Financial Activities & Notes shows the results of the year and the state of the finances as at 31 August 2019.

For the year ended 31 August 2019, before transfers between funds, Restricted Funds showed an outflow of funds of £15,838 (2018 - surplus £23,741), and the General Fund showed a surplus of £19,118 (2018 - surplus £10,182), a combined surplus of £3,280 (2018 - surplus £33,923).

Transfers between funds

A transfer of £4,277 (2018 - £3,257) has been made from the General Fund to the Restricted Funds for Christian workers and to Basics Bank to supplement the gifts made to them.

As a result of the overall surplus, total funds have increased, and at 31 August 2019 stood at £230,031 (2018 - £226,751).

Reserves policy

There is no policy for building up unrestricted reserves in the Church, unless for a specific major project being planned. Where there is a surplus in any one year it will normally be utilised in the following year.

Risk assessment

The trustees have reviewed the major risks to which the charity is exposed and have established systems to mitigate those risks. We are also aware of our child protection responsibilities and all those working with children or vulnerable adults are registered under the PVG scheme. All those preparing food have a food hygiene certificate. We have completed our procedures to satisfy the requirements of the General Data Protection Regulations which come into force on 25 May 2018.

Trustees' responsibilities

Charity law requires the trustees to prepare financial statements each year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements, which they are responsible for preparing, comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The applicable law also sets out trustees' responsibilities for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 25 November 2019 and was signed on their behalf by



Secretary to the Trustees

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
BRUNTSFIELD EVANGELICAL CHURCH
(Registered charity number SC017523)**

I report on the accounts of the charity for the year ended 31 August 2019, which are set out on pages 5 to 12.

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.

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 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

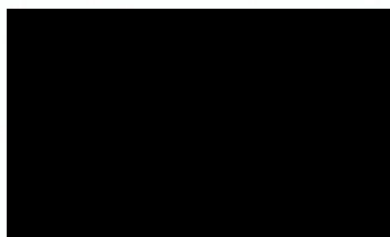
My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulation 2006.

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 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 Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 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: 20/04/2021

BRUNTSFIELD EVANGELICAL CHURCH
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income & Expenditure Account)
YEAR ENDED 31 AUGUST 2019

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	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Income:					
Donations & grants	4	136,597	31,118	167,715	193,438
Investment income	5	36,093	0	36,093	33,763
Total income		<u>172,690</u>	<u>31,118</u>	<u>203,808</u>	<u>227,201</u>
Expenditure:					
Charitable activities	6	153,572	46,956	200,528	193,278
Total expenditure		<u>153,572</u>	<u>46,956</u>	<u>200,528</u>	<u>193,278</u>
Net income/(expenditure)		19,118	(15,838)	3,280	33,923
Transfers between funds	8	<u>(4,277)</u>	<u>4,277</u>	<u>0</u>	<u>0</u>
Net movement in funds		14,841	(11,561)	3,280	33,923
Reconciliation of funds:					
Total funds brought forward		33,860	192,891	226,751	192,828
Total funds carried forward	12	<u>48,701</u>	<u>181,330</u>	<u>230,031</u>	<u>226,751</u>

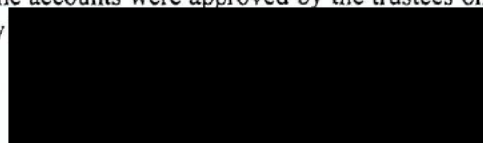
The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.
All of the above amounts relate to continuing activities.

**BRUNTSFIELD EVANGELICAL CHURCH
BALANCE SHEET
AT 31 AUGUST 2019**

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	Notes	2019 £	2018 £
Fixed assets:			
Tangible assets	9	<u>175,382</u>	<u>189,382</u>
Current assets:			
Debtors	10	16,907	12,070
Cash at bank and in hand		<u>54,290</u>	<u>33,130</u>
Total current assets		<u>71,197</u>	<u>45,200</u>
Liabilities:			
Creditors: amounts falling due within one year	11	<u>16,548</u>	<u>7,831</u>
Net current assets		<u>54,649</u>	<u>37,369</u>
Total assets less current liabilities		<u>230,031</u>	<u>226,751</u>
Total net assets	13	<u>230,031</u>	<u>226,751</u>
The funds of the charity:			
Restricted income funds	12	181,330	192,891
Unrestricted income funds	12	<u>48,701</u>	<u>33,860</u>
Total charity funds		<u>230,031</u>	<u>226,751</u>

The accounts were approved by the trustees on 25 November 2019 and signed on their behalf
by



Trustee

1. GENERAL INFORMATION

The charity is a registered charity in Scotland and is unincorporated. The address of the principal office is Bruntsfield Evangelical Church, 70 Leamington Terrace, Edinburgh EH10 4JU.

Immediately after the end of the financial year the activities and the net assets in their entirety were transferred to a newly formed Scottish Charitable Organisation - Bruntsfield Evangelical Church SCIO.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland", the 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 (FRS 102) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

3 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties concerning the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined by FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented by the charity.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances.

Fund accounting

The charity has both restricted and unrestricted funds. Further details of each fund are disclosed in Note 12.

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Income

Grants and donations are accounted for when their receipt is probable. Grants received for capital expenditure are credited to a restricted fund against which the depreciation of the relevant assets is charged.

ACCOUNTING POLICIES (continued)

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, when the liability has been legally incurred and the amount can be reliably calculated.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services to its beneficiaries. It includes both costs which can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance Costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

Fixed assets

The church building in Leamington Terrace is owned by the charity. It was purchased in 1967 and its cost or value is not included in the accounts as no reliable record is available of the original cost and early subsequent improvements. Improvements to the building since 2006 are included in fixed assets at cost less depreciation. An indication of the value of the building is given in the Fixed Assets note which states the insurance value.

Furniture and equipment is capitalised and depreciated over the useful lives of the assets where the cost of individual items exceeds £1,000, unless there have been specific donations received to purchase the items. In the latter case the cost of the item is treated as an expense in the year in which it is incurred and the donation as income in the year.

Depreciation

Depreciation is provided on the cost of building improvements since 2006 and on equipment, and is calculated to spread the cost over the estimated lives of the assets on a straight line basis at the following rates:

Building improvements	5% per annum
Equipment	10% per annum
Computers	25% per annum

4 DONATIONS & GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	40,413	8,586	48,999	41,057
Gift aid donations	69,297	13,947	83,244	93,607
Tax reclaimed	19,300	3,258	22,558	25,607
Grants	0	5,327	5,327	24,112
Other receipts	7,587	0	7,587	9,055
	<u>136,597</u>	<u>31,118</u>	<u>167,715</u>	<u>193,438</u>
<i>Year ended 31 August 2018</i>	<u>111,195</u>	<u>82,243</u>	<u>193,438</u>	

BRUNTSFIELD EVANGELICAL CHURCH
NOTES TO THE ACCOUNTS
YEAR ENDED 31 AUGUST 2019

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5 INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Rental income	8,336	0	8,336	7,836
Short term room lets	27,727	0	27,727	25,917
Bank interest	30	0	30	10
	<u>36,093</u>	<u>0</u>	<u>36,093</u>	<u>33,763</u>

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Gifts made to overseas missionaries	0	18,976	18,976	19,695
Gifts made to visiting missionaries & UK workers	0	2,250	2,250	16,162
Building upkeep & equipment	36,846	5,061	41,907	34,720
Building improvements depreciation	0	13,192	13,192	13,192
Meetings expenses	105,421	7,477	112,898	108,984
Governance costs	11,305	0	11,305	525
	<u>153,572</u>	<u>46,956</u>	<u>200,528</u>	<u>193,278</u>

Year ended 31 August 2018

<u>134,776</u>	<u>58,502</u>	<u>193,278</u>
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Number of Christian workers supported:

Organisations	6	7
Individuals	<u>10</u>	<u>11</u>

7 EMPLOYEES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Wages	81,279	0	81,279	76,134
Employer's NI	6,163	0	6,163	5,517
Employer's pension scheme	3,255	0	3,255	3,039
	<u>90,697</u>	<u>0</u>	<u>90,697</u>	<u>84,690</u>
Sessional workers	0	0	0	0
	<u>90,697</u>	<u>0</u>	<u>90,697</u>	<u>84,690</u>

No employee received in excess of £60,000 in the year.

An employment allowance from HMRC amounting to £3,289 (2018 - £3,891) to offset employer's NI costs is included in Voluntary income.

There are 2 employees engaged on a full time basis and 2 on a part time basis. (2018 - 3 full time & 1 part time.)

No trustee received remuneration from the charity during the year (2018 - Nil).

No trustee was reimbursed for personal expenditure by the charity during the year (2018 - Nil).

Remuneration and benefits received by key management personnel amounted to £48,364 (2018 - £46,791).

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YEAR ENDED 31 AUGUST 2019

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8 GROSS TRANSFERS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £
<u>Year ended 31 August 2018</u>		
Supplement to gifts for Christian workers to eliminate deficit.	(3,257)	3,257
	<u>(3,257)</u>	<u>3,257</u>
<u>Year ended 31 August 2019</u>		
Supplement to gifts for Christian workers to eliminate deficit.	(4,244)	4,244
Supplement to Basics Bank fund to eliminate deficit.	(33)	33
	<u>(4,277)</u>	<u>4,277</u>

9 TANGIBLE FIXED ASSETS

	Building improvements £	Equipment £	Total £
Movements in year:			
COST			
Brought forward	279,986	46,284	326,270
Additions	0	0	0
Carried forward	<u>279,986</u>	<u>46,284</u>	<u>326,270</u>
DEPRECIATION			
Brought forward	90,604	46,284	136,888
Charge for year	14,000	0	14,000
Carried forward	<u>104,604</u>	<u>46,284</u>	<u>150,888</u>
NET BOOK AMOUNTS			
Carried forward	<u>175,382</u>	<u>0</u>	<u>175,382</u>
At 31 August 2018	<u>189,382</u>	<u>0</u>	<u>189,382</u>

The insured value of the property is in excess of £7,000,000 on a reinstatement basis.

10 DEBTORS

	2019 £	2018 £
Accrued income & prepayments	<u>16,907</u>	<u>12,070</u>

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11 CREDITORS

Amounts falling due within one year:

	2019 £	2018 £
Sundry creditors	16,548	6,409
Loan from Energy Savings Trust	0	1,422
	<u>16,548</u>	<u>7,831</u>

12 MOVEMENTS IN FUNDS

Current year

	At 1 September 2018 £	Income £	Expenditure £	Transfers £	At 31 August 2019 £
<u>Restricted funds:</u>					
Building fund	111,553	6,976	14,055	0	104,474
Christian workers fund	0	16,982	21,226	4,244	0
Laing Trust fund	0	5,327	5,327	0	0
Basics Bank fund	0	1,833	1,866	33	0
Lift fund	64,139	0	4,198	0	59,941
H D Balfour fund	17,199	0	284	0	16,915
	<u>192,891</u>	<u>31,118</u>	<u>46,956</u>	<u>4,277</u>	<u>181,330</u>
<u>Unrestricted funds</u>	<u>33,860</u>	<u>172,690</u>	<u>153,572</u>	<u>(4,277)</u>	<u>48,701</u>
Total funds	<u>226,751</u>	<u>203,808</u>	<u>200,528</u>	<u>0</u>	<u>230,031</u>

Previous year

	At 1 September 2017 £	Income £	Expenditure £	Transfers £	At 31 August 2018 £
<u>Restricted funds:</u>					
Building fund	108,672	12,740	9,859	0	111,553
Christian workers fund	0	17,824	20,845	3,021	0
Laing Trust fund	0	6,913	6,913	0	0
Basics Bank fund	0	2,540	2,540	0	0
Lift fund	52,291	15,181	3,333	0	64,139
Interns fund	4,930	9,846	15,012	236	0
H D Balfour fund	0	17,199	0	0	17,199
	<u>165,893</u>	<u>82,243</u>	<u>58,502</u>	<u>3,257</u>	<u>192,891</u>
<u>Unrestricted funds</u>	<u>26,935</u>	<u>144,958</u>	<u>134,776</u>	<u>(3,257)</u>	<u>33,860</u>
Total funds	<u>192,828</u>	<u>227,201</u>	<u>193,278</u>	<u>0</u>	<u>226,751</u>

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12 MOVEMENTS IN FUNDS (continued)

PURPOSE OF RESTRICTED FUNDS

Building fund:	Funds donated for improvements to the building.
Christian workers fund:	Funds donated for the support of Christian workers abroad and in the UK.
Laing Trust fund	Grant received for partial support of assistant pastor.
Basics Bank fund:	Funds donated for supplies to the Basics Bank.
Lift fund	Funds donated for the provision of a lift to the upper floor.
H D Balfour fund	Fund established by a gift received for specific children's and gospel work.

Unrestricted funds contains a designated fund intended for missionary support. There was a transfer from the fund of £2,835 (2018- £3,021) in the year to provide support for Christian workers, eliminating the balance.

13 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Tangible fixed assets	164,241	11,141	175,382	189,382
Current assets	17,839	53,358	71,197	45,200
Creditors: amounts falling due within one year	(750)	(15,798)	(16,548)	(7,831)
	<u>181,330</u>	<u>48,701</u>	<u>230,031</u>	<u>226,751</u>

14 TRANSACTIONS WITH RELATED PARTIES

There were no transactions with related parties in the year which require disclosure (2018 - none).