

Annual Report for year ending 31 December 2023

# THE CHURCH OF SCOTLAND CHANNELKIRK & LAUDER CHURCH

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Annual Report for year ending 31 December 2023

## **ANNUAL MEETING PAPERS**

### **STATED ANNUAL MEETING**

#### **Channelkirk Church**

Morning worship 10.00am S.A.M follows  
(Refreshments will be served after the meeting)

### **ANNUAL REPORT-2023**

#### ***RECEIPTS and PAYMENTS ACCOUNTS***

Congregation number: 040259 Scottish Charity Number:

SC009892

## Annual Report for year ending 31 December 2023

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Annual Report for year ending 31 December 2023

# CHANNELKIRK & LAUDER CHURCH

## **STATED ANNUAL MEETING OF THE CONGREGATION FOR THE YEAR ENDED 31 DECEMBER 2023**

### **Agenda**

The Stated Annual Meeting of the Congregation will be held 2024. The Annual Report will be presented to the congregation for their information and comment.

By Order of the Kirk Session  
[REDACTED] Session Clerk

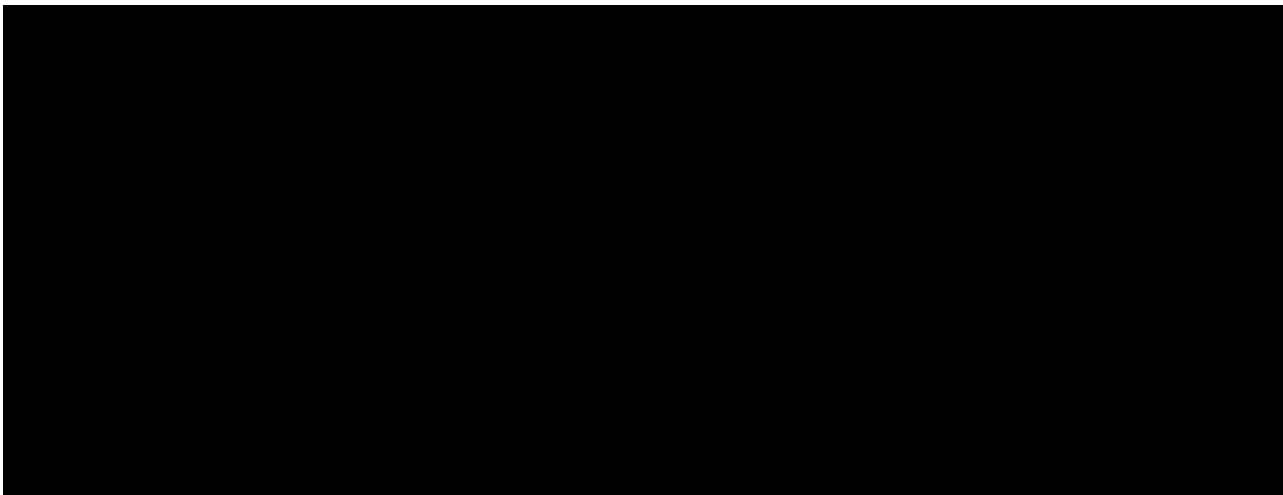
### **A G E N D A**

1. Constitute.
2. Attendance and Apologies
3. Matters Arising:
4. Presentation of the Annual Report.  
(including RECEIPTS and PAYMENTS ACCOUNTS)
5. Questions and Comments Arising from the Annual Report.
6. Benediction.

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**REFERENCE and ADMINISTRATIVE INFORMATION**

**Contact Addresses**



13 Elders at the end of the year (31 December 2023).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Church is administered in accordance with the terms of the Unitary Constitution of the Church of Scotland and the Acts and Regulations of the General Assembly.

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

The Elders of the Church, appointed by the congregation on nomination by the Kirk Session, are chosen from those members who are considered to have the appropriate gifts and skills.

### **Organisational Structure:**

The Elders form the Kirk Session, as the principal court of the church responsible for the spiritual and temporal business, through which all decisions are taken. Four key Teams underpin the work of the Kirk Session - Finance and Fund raising, Worship, Mission and Stewardship, Pastoral Care. Each Team works to approved delegated powers as directed by the Kirk Session and is reviewed from time to time.

Each Team has the authority to co-opt church members with particular skills and interests particularly on matters of Worship, Finance, Fabric, Stewardship, Safeguarding, Publicity, Youth Work, Fellowship and Fundraising. The Session employs three members of staff, namely an organist and a caretaker /cleaner.

### **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 and various ecumenical bodies in Scotland and beyond.

The principal work and objectives of the church lie in pastoral care, evangelism and Christian Education.

The vision of the Church of Scotland is to be a church which seeks to inspire the people of Scotland and beyond with the Good News of Jesus Christ through enthusiastic worshipping, witnessing, nurturing and serving communities. Everyone is welcome to worship with us and to participate in all church activities. As a Reformed Presbyterian Church the basis of our faith is the Word of God as contained in the Bible. We believe in one God – the Father, the Son and the Holy Spirit. Our aim is to follow the teaching and example of Jesus Christ through whose life, death and resurrection we come to know, love and worship God. We seek to do this through love and practical care for each other and those we encounter in our daily lives. We observe the two sacraments of Baptism and Holy Communion. We baptise believing adults and the children of Christian families. Christians of any denomination are welcomed to Holy Communion.

Channelkirk and Lauder Church supports the following groups and activities as part of, or in support of, the work of the church: - Worship and Special Services, Praise Band, Sunday Club, Mums4Mums, Lauder Art Group, Christian/Scripture Union, House Groups, Bible Study, the Guild, the Prayer Group,

Social Events, the Parish Treat, the Doughty Bequest and Public Engagement including community events, our Website and Newsletters.

## Annual Report for year ending 31 December 2023


### Appreciation:

**Sincere appreciation is expressed to all who have contributed to the wider work of the church, in particular to our Treasurer, the Worship, Pastoral, Mission and Stewardship teams; members of the Guild and the Choir; our Caretakers and Organist; Bright Ideas. Many others have worked without mention throughout the year and many have undertaken a set, short term task with grace and endeavour. Thank you to you all.**

## Annual Report for year ending 31 December 2023

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

Members of the Kirk Session must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of the Church during the financial year. Elders, as Trustees, 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.





## **Independent Examiner's Report to the Trustees of Channelkirk and Lauder Church**

I report on the accounts of the charity for the year ended 31 December 2021 which are set out hereafter with explanations (Appendix 1 refers to funds held on behalf of the congregation by the Church of Scotland General Trustees and Appendix 2 refers to the Budget for 2020)

### **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 Charity 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) (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. 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 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 9 of the 2006 Accounts Regulations

have not been met, or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

July 2024

## **Financial Review**

### **Receipts & Payments**

Income from donations increased by 30% in 2023. Fundraising continued with a successful ceilidh and concert raising £2,441.

Expenditure on charitable activities increased by 23% and, for the first time in a long while, a large investment was made from the Doughty and Tosh Funds into the Church of Scotland Investors Trust different funds to allow a more viable future. There was a change to the way money was given back to Church of Scotland in 2023 from Ministry and Mission to Giving to Grow based on income and calculated on 3 points. This increased our contributions by £11,000 and will be calculated annually. Minister's costs including travel also increased. The constant expenditure continues to be the staffing costs. Altogether this would have resulted in a disastrous year end position, but due to the second legacy to the Tosh fund in 2022, re-investments have resulted in end-year balances being positive.

### **Funds**

There had been a significant downturn in stock market performance during 2022 as we had been warned by the 121 Commissioners but this slowed in 2023. The **Doughty Fund** and the **Designated Fabric Fund**, set up for small-scale capital projects, increased in market value. The **General Fund** reduced. The Investors Trust **Growth** fund and **Income** funds had a slight increase.

### **Reserves Policy**

The Board reviews its reserves policy each year. Reserves are needed to allow the work and witness of the Church to be maintained in a planned way and to enable long-term commitments to be met, whilst recognising that the principle source of income, the offerings of members, cannot be guaranteed and may fluctuate from year to year. The current policy is that reserves should be sufficient to cover foreseeable capital expenditure and six months' ordinary expenditure.

At the year end the church held unrestricted cash funds of nearly £11,000 (2022: £11,700) which, together with investments in Church of Scotland Investment Trusts of £8,000 makes over £19,000, representing considerably less than six months of ordinary expenditure, but this is not including restricted funds which can be drawn on as long as the restriction criteria are met. In 2023 we drew down £17,401 from the Consolidated Fabric Fund revenue fund held on behalf of the congregation by the General Trustees. This has interest added as well as money from renting of the manse, which offsets the rent for the cottage for the interim minister. There was a central decision for the Capital investment fund at the year-end to be divided into Deposit, Income and Growth Funds which in turn resulted in a small increase in the cost value (£1,700), but the market value was down again -£85,398 (2021: £91,627) representing a 6.8% decrease.

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Annual Report for year ending 31 December 2023

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Annual Report for year ending 31 December 2023  
**RECEIPTS AND PAYMENTS ACCOUNT YEAR ENDED 31 DECEMBER 2023**

| <b><u>Receipts</u></b>                                   |          | <b>Unrestricted<br/>2023</b> | <b>Restricted<br/>2023</b> | <b>Endowment<br/>2023</b> | <b>Total<br/>2023</b> | <b>Total<br/>2022</b> |
|--|----------|------------------------------|----------------------------|---------------------------|-----------------------|-----------------------|
| Donations  | <b>3</b> | 54,344                       | -                          | -                         | 54,344                | 41,598                |
| Activities for<br>Generating Funds                       |          | 2,441                        | -                          | -                         | 2,441                 | 1,634                 |
| Bank & Deposit<br>interest                               |          | 469                          | 32                         | 2                         | 503                   | 75                    |
| Investment<br>income(dividends)                          |          | 3,312                        | -                          | 2,490                     | 5,802                 | 2,332                 |
|  |          | 60,566                       | 32                         | 2,492                     | 63,090                | <b>45,639</b>         |
| Weddings &<br>Funerals                                   |          | 900                          | -                          | -                         | 900                   | 300                   |
| Rental of premises                                       |          | 150                          | -                          | -                         | 150                   | 420                   |
| Sale of assets   |          | -                            | -                          | -                         | -                     | -                     |
| Insurance Claim  |          | -                            | -                          | -                         | -                     | 15,841                |
| Receipts from<br>General Trustees                        |          | 17,401                       | -                          | -                         | 17,401                | -                     |
| Legacy   |          | -                            | -                          | -                         | -                     | 143,650               |
| <b><u>Total Receipts</u></b>                             |          | <b>79,017</b>                | <b>32</b>                  | <b>2,492</b>              | <b>81,541</b>         | <b>205,850</b>        |
| <b><u>Payments</u></b>                                   | <b>4</b> |                              |                            |                           |                       |                       |
| Costs of generating<br>funds                             |          | 219                          | -                          | -                         | 219                   | -                     |
| Charitable activities                                    |          | 79,653                       | -                          | 2,512                     | 82,165                | 66,698                |
| Other payments   |          | 147                          | 138,000                    | 3,488                     | 141,635               | -                     |
| <b><u>Total Payments</u></b>                             |          | <b>80,019</b>                | <b>138,000</b>             | <b>6,000</b>              | <b>224,019</b>        | <b>66,708</b>         |
| <b>Excess of Receipts over Payments<br/>for the year</b> |          | <b>(1,002)</b>               | <b>(137,968)</b>           | <b>(3,508)</b>            | <b>(142,478)</b>      | <b>139,142</b>        |

Annual Report for year ending 31 December 2023

**STATEMENT OF BALANCES AS AT 31 DECEMBER 2023**

|   | <b>Unrestricted<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Endowment<br/>Funds</b> | <b>Total<br/>2023</b> | <b>Total<br/>2022</b> |
|---|-------------------------------|-----------------------------|----------------------------|-----------------------|-----------------------|
| <b><u>Bank &amp; Deposit Balances</u></b>     | <b>£</b>                      | <b>£</b>                    | <b>£</b>                   | <b>£</b>              | <b>£</b>              |
| Bank & deposit balances brought forward       | 11,764                        | 162,924                     | 6,542                      | <b>181,230</b>        | 42,088                |
| <b>Movement in year:</b>                      |                               |                             |                            |                       |                       |
| Excess of Receipts over Payments for the year | (1,002)                       | (137,968)                   | (3,508)                    | <b>(142,478)</b>      | 139,142               |
| Bank & deposit bals c/fwd                     | 10,762                        | 24,956                      | 3,034                      | <b>38,752</b>         | 181,230               |
| <b>Investments at market value</b>            |                               |                             |                            |                       |                       |
| Costs 196,223<br>[7,597+138,144+46,994+3,488] | 8,166                         | 145,808                     | 54,614                     | <b>208,588</b>        | 58,728                |

These accounts were approved by the Kirk Session on 15th April 2024

[Redacted Signature]

Session Clerk  
Treasurer

For and on behalf of the Kirk Session

## Notes to the Accounts

### 1. Trustee Remuneration and Related party Transactions

None

### 2. Movement of Funds

|                           | At 1 Jan<br>2023 | Incoming<br>Resources | Outgoing<br>Resources | Transfer<br>s | Gains/<br>Losses | At 31<br>Dec<br>2023 |
|---------------------------|------------------|-----------------------|-----------------------|---------------|------------------|----------------------|
|                           | £                | £                     | £                     | £             | £                | £                    |
| <b>Endowment funds</b>    |                  |                       |                       |               |                  |                      |
| The Doughty Bequest       | 54,876           | 2,492                 | (6000)                | -             | 5,373            | 56,740               |
|                           |                  |                       |                       |               |                  |                      |
| <b>Restricted funds</b>   |                  |                       |                       |               |                  |                      |
| Tosh bequest              | 147,649          | -                     | (138,000)             | -             | 144,188          | <b>153,837</b>       |
| Organ Fund                | 1,449            | 32                    | -                     | -             | -                | <b>1,481</b>         |
| Upkeep Tombstones         | 248              | -                     | -                     | -             | -                | <b>248</b>           |
|                           |                  |                       |                       |               |                  |                      |
|                           | 149,346          | 32                    | (138,000)             | -             | 144,186          | <b>155,566</b>       |
|                           |                  |                       |                       |               |                  |                      |
| <b>Unrestricted funds</b> |                  |                       |                       |               |                  |                      |
| General Fund              | 8,390            | 77,305                | (79,263)              | 340           | -                | 7,772                |
| Designated Fabric Fund    | 11,419           | 255                   | -                     | -             | 204              | 11,878               |
| Designated Flower Fund    | -                | -                     | -                     | -             | -                | -                    |
| Guild                     | 2,307            | 1,207                 | (756)                 | (340)         | 95               | 2,513                |
| Parish Support Fund       | 1,703            | -                     | -                     | -             | -                | 1,703                |
| Ministers Fund            | 11,914           | 250                   | -                     | -             | -                | 12,164               |
|                           |                  |                       |                       |               |                  |                      |
|                           | 35,733           | 79,017                | (80,019)              | -             | 299              | <b>36,030</b>        |
|                           |                  |                       |                       |               |                  |                      |

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Total funds

239,955

81,541

(224,019)

-

149,858

247,335

## 2.Movement of Funds (continued)

### Purpose of the Endowment Fund:

The Doughty Bequest is invested in the names of the Minister and the Session clerk for the benefit of the young of the parish. Net annual income is used to provide funds for the Parish Annual Christmas Treat, Sunday Club Resources, Channelkirk and Lauder Primary Schools Residential Excursions and presentations a High School tie for P7 pupils, homework bags, stationery packs and water bottles for Primary 1 pupils at both Primary Schools. In addition small grants are awarded where possible on application to the Elders of Channelkirk and Lauder Church, the Doughty Trustees.

### Purpose of Restricted Funds:

The Organ Fund is used to maintain the organ and to support the development of music in our worship.

A small fund is available for the upkeep of tombstones.

The Tosh fund is a legacy fund.

### Purpose of specific Unrestricted funds

The purpose of the Minister's Fund is to improve the quality of worship.

The Parish Support Fund was created in 2014 in support of the more vulnerable in the parish.



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**3. Analysis of Donations**

|                                     | Unrestricted<br>Funds<br>2023 | Restricted<br>Funds<br>2023 | Endowment<br>Funds<br>2023 | Total<br>2023 | Total<br>2022 |
|-------------------------------------|-------------------------------|-----------------------------|----------------------------|---------------|---------------|
|                                     | £                             | £                           | £                          | £             | £             |
| WFO Scheme (non-Gift Aid)           | 3,335                         | -                           | -                          | 3,335         | <b>3,112</b>  |
| Gift Aid                            | 30,603                        | -                           | -                          | 30,603        | <b>26,444</b> |
| Tax recovered on Gift Aid Donations | 13,055                        | -                           | -                          | 13,055        | <b>7,429</b>  |
| Ordinary Offerings (Open Plate)     | 5,217                         | -                           | -                          | 5,217         | <b>2,908</b>  |
| Other Offerings, Donations, etc.    | 1,045                         | -                           | -                          | 1,045         | 849           |
| Guild                               | 1,089                         | -                           | -                          | 1,089         | 856           |
| Total Receipts                      | 54,344                        | -                           | -                          | <b>54,344</b> | <b>41,598</b> |

## Annual Report for year ending 31 December 2023

### 4. Analysis of Payments

|  | Unrestricted<br>Funds<br>2023 | Restricted<br>Funds<br>2023 | Endowment<br>Funds<br>2023 | Total<br>2023  | Total<br>2022 |
|--|-------------------------------|-----------------------------|----------------------------|----------------|---------------|
| <b>Costs of generating funds</b>       |                               |                             |                            |                |               |
| Donation Envelopes                     | 219                           | -                           | -                          | 219            | 120           |
| <b>Charitable Activities</b>           |                               |                             |                            |                |               |
| Giving to Grow                         | 30,533                        | -                           | -                          | 30,533         | 19,432        |
| Manse refurbishment                    | -                             | -                           | -                          | -              | 518           |
| Presbytery Dues                        | 629                           | -                           | -                          | 629            | 535           |
| Minister's expenses (incl Council tax) | 10,739                        | -                           | -                          | 10,739         | 2,055         |
| Other staffing costs                   | 9,821                         | -                           | -                          | 9,821          | 7,670         |
| Fabric repairs & maintenance           | 7,113                         | -                           | -                          | 7,113          | 3,775         |
| Insurance claim                        | 5,460                         | -                           | -                          | 5,460          | 14,427        |
| Other buildings costs                  | 6,048                         | -                           | -                          | 6,048          | 7,814         |
| Organ & Music                          | -                             | -                           | -                          | -              | -             |
| Other expenses (incl. guild)           | 9,310                         | -                           | 2,512                      | 11,822         | 11,479        |
|  | <b>79,653</b>                 | <b>-</b>                    | <b>2,512</b>               | <b>82,165</b>  | <b>66,698</b> |
| <b>Other payments</b>                  |                               |                             |                            |                |               |
| Purchase of assets                     | -                             | 138,000                     | 3,488                      | 141,488        | -             |
| Purchase of investments                | -                             | -                           | -                          | -              | -             |
| Printing                               | 147                           | -                           | -                          | 147            | 10            |
| <b>Total Payments</b>                  | <b>80,019</b>                 | <b>138,000</b>              | <b>6,000</b>               | <b>224,019</b> | <b>66,708</b> |

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## 5. Minister's Stipend

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions. Stipends are paid in accordance with the national stipend scale which is related to years of service. We aspire to meeting our costs in full but our present contribution to the National Stipend Fund does not cover the costs of a minister. We have an interim ministry at present.

## 6. Collections for Third Parties

|                | 2023  | 2022  |
|----------------|-------|-------|
|                | £     | £     |
| -              |       |       |
| Lauder Larder  | 235   | -     |
| Poppy Scotland | 254   | 291   |
| Life and Work  | 252   | 216   |
| Christian Aid  | 316   | 330   |
|                | <hr/> | <hr/> |
|                | 847   |       |
|                | <hr/> | <hr/> |

Annual Report for year ending 31 December 2023

Appendix 1

**FUNDS HELD ON BEHALF OF THE CONGREGATION BY THE CHURCH OF SCOTLAND GENERAL TRUSTEES.**

| <b>Capital Fund</b>                                |                           | <b>2022</b>   | <b>2023</b>    |
|--|---------------------------|---------------|----------------|
| <b>Income</b>                                      |                           | -             | -              |
| <b>Expenditure</b>                                 |                           | -             | -              |
| <b>Excess Income / (Expenditure)</b>               |                           | -             | -              |
| <b>Fund Balance at 1st January at cost</b>         |                           | 59,498        | 59,498         |
| <b>Credit Balances held at 31 December at cost</b> |                           | 59,498        | 61,233         |
| Market Value of Balances at 31 December            |                           | <b>91,627</b> | 85,398         |
| <b>Revenue Fund</b>                                |                           |               |                |
| <b>Income</b>                                      |                           |               |                |
|  | Manse rent                | 7,106         | 8,790          |
|  | Dividends on Capital Fund | 1,773         | 2,732          |
|  | Interest on Revenue Fund  | 109           | 932            |
|  |                           | 8,988         | 12,455         |
| <b>Expenditure</b>                                 |                           | 469           | 17,401+4<br>80 |
| <b>Excess Income / (Expenditure)</b>               |                           |               |                |
| <b>Fund Balance at 1st January</b>                 |                           | 17,034        | 25,206         |
| <b>Fund Balance at 31st December</b>               |                           | <b>25,206</b> | 19,779         |

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