

ST MICHAEL AND ALL ANGELS' CHURCH, HELENSBURGH

A charity registered in Scotland SC006468

TRUSTEES' ANNUAL REPORT FOR THE PERIOD FROM 1ST SEPTEMBER 2017 TO 31ST AUGUST 2018

Reference and Administration Details

Charity Name St. Michael and all Angels' Church, Helensburgh

Scottish Charity Registration Number SC006468

Charity's Principal Address William Street
Helensburgh
Argyll and Bute
G84 8BD

Names of the Charity Trustees who manage the charity:

Trustee Name	Role	Dates acted if not for whole year	Person or body entitled to appoint trustee
Rev'd. David Cook	Rector	Until 1st Oct 2017	Bishop
Rev'd Dominic Ind	Rector	From 4th Aug 2018	Bishop
Mr Nicholas Davies	Honorary Secretary		Vestry
Mrs Janina Duncan	Honorary Treasurer		Vestry
Mr Derek Spall	Property Manager		Vestry
Mr John Busby	Children & Vulnerable Persons Protection.		Vestry & approval of the Bishop
Mrs Maggie Sheen	Lay Representative	Until 9 th May 2018	Congregation
Miss Ann Andrew	Elected Vestry member	From 12th Dec 2017	Congregation
Mrs Sheila Baker	Elected Vestry member	From 12th Dec 2017	Congregation
Mrs Jane Davies	Elected Vestry member		Congregation
Dr Helen Gibson	Elected Vestry member		Congregation
Mr Richard Horrell	Elected Vestry member		Congregation
Mr Geoff Mason	Elected Vestry member		Congregation
Mr David Menzies	Elected Vestry member		Congregation
Mr John Sadden	Elected Vestry member		Congregation
Mr Richard Smith	Elected Vestry member		Congregation

Trustees for the charity in whom the Heritable Property of the charity is vested:

Trustee	Dates acted if not for whole year
The Bishop of the Diocese of Glasgow and Galloway	
The Dean of the Diocese of Glasgow and Galloway	
The Chancellor of the Diocese of Glasgow and Galloway	
The Registrar of the Diocese of Glasgow and Galloway	

Names and addresses of Advisers:

Bankers	Royal Bank of Scotland	2, Colquhoun Square, Helensburgh, G84 8SJ
Investment Managers	SEC Unit Trust Pool	General Synod Office, 21 Grosvenor Crescent, Edinburgh, E12 5EE
Independent Examiner	Mrs S Brown CA	Clements Chartered Accountants, 17, Colquhoun Square, Helensburgh, G84 8AD
Architects	Simpson and Brown	St. Ninian's Manse, Quayside Street, Edinburgh, EH6 6EJ

Structure, governance and management

St. Michael & All Angels' Church is constituted as an unincorporated association and is governed by a constitution that was last amended in June 2010, adopted by the congregation on the 4th July and the 12th September 2010, approved by the Bishop of the United Diocese of Glasgow and Galloway of the Scottish Episcopal Church on 15th September 2010, with the consent of Office of the Scottish Charity Regulator being confirmed on 12th October 2010.

The temporal affairs of the Church are under the management of the charity trustees meeting as the Vestry (see Page 1 for the current membership).

The Vestry is made up of:

- six to nine elected members. Elections for at least three places are held every year. Elected members standing down after three or more years are not immediately eligible for re-election;
- the Lay Representative who is elected annually and is eligible for re-election;
- the Rector who is ex-officio and is appointed by the Bishop;
- the Secretary, Treasurer and Property Manager who are appointed by the elected members of the Vestry for three years and are eligible for re-appointment; and the Vulnerable Persons Protection Coordinator who is appointed by the Vestry with the approval of the Bishop.

Vestry members are inducted each year in front of the congregation.

As part of the Scottish Episcopal Church the clergy, all officials, the Vestry and the congregation are subject to the Canons of the church and the rules of the General Synod. The Rector and Lay Reader are also members of the North West Regional Council of the Diocese of Glasgow and Galloway.

The Vestry generally meets on nine occasions each year and reviews the financial position of St. Michael and All Angels' Church and the needs of the property in accordance with an agreed schedule.

Liturgical matters are the responsibility of the Rector as prescribed by the canons.

Rector's and People's Wardens

At the suggestion of the Bishop, a Rector's Warden was appointed by the Rector and a People's Warden elected by the congregation. They were entitled to attend Vestry meetings but were not members of the Vestry or Charity Trustees.

The need for Rector's and People's Wardens ceased with the retirement of the Rev'd Cook on 1st October 2017 and there are no plans to re-instate them.

Objects and Activities

The objects of the Church were agreed at the AGM in December 2006 and incorporated into the constitution in 2010.

The primary object of the Church and its congregation is to share our experience of God's love with all whom we come into contact through our worship, our fellowship, our welcoming and non-judgmental attitude and our involvement with the local community as individuals and as a church congregation.

The second object of the congregation is to grow spiritually.

Summary of the Main Activities in Relation to these Objects:

It is not easy to categorise Church activities but for the purpose of this report five main areas of charitable activity have been identified, the first four of which directly support the agreed objects. They are:

1. The provision of public worship. This is the most obvious activity of the Church.
2. Pastoral care. This is a low profile but important activity by the Rector and members of the Congregation.
3. Local outreach and education. This includes work with young people and support to local institutions and voluntary organisations.
4. Wider outreach and concern. This means the world beyond Loch Long and Loch Lomond.

The fifth area of charitable activity supports the agreed objects indirectly. The church and main hall buildings are Grade 1 listed. The church is reckoned to be a fine example of design by the reputed Scottish architect Robert Rowand Anderson and is a notable contribution to the Helensburgh town centre built environment. The fifth activity has therefore been the maintenance of the church, halls and rectory.

Grants to Others:

The Vestry operates a policy of allocating a proportion of our Unrestricted Income to other charities. Priority is given to local charities, those with particular connections with the Scottish Episcopal Church, and those that have a small fund-raising base.

Volunteers:

Volunteers make an enormous contribution in many different ways to Activities 1 to 3 and in the management of the conservation and upkeep of the buildings. These contributions are often unseen but are vital to Church life. A few aspects of this voluntary work are mentioned in the next section but there are too many others to mention them all.

Achievements and Performance

Summary of the Main Achievements of the charity during the year:

Provision of Public Worship:

Our Rector, Reverend David Cook retired on 1st October 2017, leaving St Michaels 'in vacancy' until our new Rector, Reverend Dominic Ind, was instituted on 4th August 2018. Services were conducted during the vacancy by our Lay Reader Mr Kevin Boak, by visiting locum priests, and by our Associate Priest Reverend Pat Smith. Services were advertised on church notice-boards, and on the revamped church web-site. The 'Open Spirit' informal style service was put into abeyance during the vacancy due to lack of demand.

There have also been monthly celebrations of the Eucharist in members' homes, to serve the communities in Cardross and on the Rosneath Peninsula.

There are 200 people on the current Congregational (Members and Adherents) Roll, from Helensburgh and its surrounding area, which ranges from Cardross to Cove, from Duck Bay to as far north as Arrochar. Most of those listed take Holy Communion at least once per year. The main Sunday service (Sung Eucharist) has an average attendance of about 70 - 90 adults and children, and the average total weekly attendance at all services (including House Communion in Cardross and on the Rosneath Peninsula) is 140-180.

In addition to the church services there have been 2 home-based Bible study groups, which include up to 25 members of the congregation. There is also a prayer meeting each week. Weddings, baptisms, and funerals have been conducted as requested.

Pastoral care:

Regular pastoral work of the church involves The Rector, the Lay Reader and several members of the congregation visiting a large number of church people, including the elderly, the house-bound, the bereaved, and those in hospital. This work extends beyond the immediate church family to people on the fringes of the church community. This has continued as far as possible during the vacancy.

St Michael's Sunday Club/Young Church:

St Michael's Sunday Club meets in the lower hall every Sunday morning during the Sung Eucharist. A small and variable number of children attend, and the children of church members and visitors are welcomed whenever they appear. There is a small team of leaders who provide activities for the children every week, including school holidays. We aim to provide a welcoming atmosphere to any children, regular or visitors, who come on Sunday mornings. We use the material to help the children to engage with the Bible, using stories, drama, active games and worksheets.

Local outreach:

The church magazine 'The Messenger' is delivered free to a wider readership than the congregation.

The monthly coffee mornings and the rambling group provide outreach opportunities as well as the chances of building friendships and well-being. The Mothers' Union branch also provides for some community needs.

Many activities on behalf of the local community have been supported. In some cases, this is done as a church, for example the voluntary staffing of the Vale of Leven Hospital Tea Bar. In other cases, the support is provided by individual members of the congregation applying their Christian principles, such as in helping to staff the week-day Helensburgh Senior Citizens' Lunch Club. It has been estimated that something like 20 community groups are being supported in this way.

Support has also been provided to the local community in the form of grants, both for Christian mission and for the relief of those in need. Details are in the notes to the Annual Accounts.

The Glasgow Diocesan Growth Strategy is all about 'outreach' and our own 'Mission Action Planning' Team supports this by helping the church to reach out more effectively into the local community. The scheme is subject to annual review by the Bishop of the Diocese.

Wider Outreach and Concern:

This has been expressed by means of the quota (currently approximately 15% of our income) paid to the Diocese & Province and collections and fund raising for appropriate charities at home and abroad. The notes to the Annual Accounts disclose the quota and include a list of the special collections and fund-raising activities.

The quota is used at Diocesan and Provincial level to fund various mission and outreach activities and to provide financial assistance to smaller congregations throughout Scotland.

As usual the congregation contributed significantly to the local ecumenical efforts during Christian Aid Week.

Care for Listed Buildings:

The main property expenditure this year has been the upgrade of the rectory during the vacancy. The project included redecoration throughout, updating the central heating system, installing a modern kitchen, refitting the bathroom and installing en-suite facilities in the guest bedroom. We were fortunate to have much of the work done, including project management, 'in house'. The challenge of funding this project was also eased by several donations and by the award of a provincial grant.

The church buildings remain in sound condition, but various repairs to the roof and guttering have been required. The interior painting carried out in the previous year had not stood up well due to high moisture content in the porous stone after an unusually wet winter, but a volunteer working party repainted the worst areas during the summer.

The central heating boilers remain serviceable thanks to careful maintenance, but their replacement will need to be considered as our next major expenditure.

In the church halls, the main achievement has been the installation of a new coffee/tea servery arrangement in the upper hall thanks to some generous anonymous donations.

The stacking church chairs, acquired in the 1970s, had become unsafe and have been replaced with the aid of anonymous donations.

Protection of Vulnerable Groups (PVG):

The PVG coordinator is appointed to take responsibility on behalf of the Vestry for ensuring that the work of the Church is carried out in accordance with the Law and the Church's policies on the protection of Children and Vulnerable Adults. These policies focus on prevention and safeguarding by ensuring that anybody appointed or volunteering to do "regulated work" with children or vulnerable adults have their details submitted to Disclosure Scotland who check for any relevant criminal convictions. Vulnerable adults include those people who, because they are affected by disability, mental disorder, illness, infirmity or ageing, are unable to protect themselves from abuse, or are more vulnerable to being abused than persons who are not so affected. Regulated work could include teaching or supervising 'Young Church' or providing some kind of regular welfare service to people with particular needs.

St Michaels safeguarding policy reflects SEC and OSCR guidance. Explanatory signs covering action to be taken in the event of a safeguarding issue are prominently displayed in the church. All those involved in 'Young church' or communicant visitor duties are members of the PVG scheme. PVG issues are discussed regularly at Vestry.

It is important to remember that it is **everyone's responsibility** to protect the vulnerable and everyone has an important part to play in developing a safe and supportive culture at St Michaels that protects everyone, regardless of the nature of their vulnerability. If any member of the congregation has concerns about possible incidents involving children or vulnerable adults they need to notify the PVG Coordinator. If neither is available and there is somebody at immediate risk, the police or local social work department should be contacted.

There have been no reports of any child or vulnerable adult at risk at St Michaels.

Financial Review

Statement of the charity's policy on Reserves:

The Vestry has determined that the reserves in the General Fund should be at least £40,000 in cash plus the value of the expendable investments. This figure is intended to provide some protection against the risk of major repairs to the buildings becoming necessary. It also provides a margin to cover fluctuations in income as members come and go.

More than one third of our regular gift income comes from only a small number of families. Therefore, our main source of income is vulnerable to the departure of certain key individuals.

Details of any Funds materially in Deficit:

Taking accrued income into account no funds were in deficit on 31st August 2018.

Further financial information:

Income and Expenditure During the Year Ended 31 August 2018:

The total income this year was £128,775 compared to £116,535 last year. £19,694 of this increase was in the Restricted Funds and was the result of a grant and specific gifts for special purposes. The income in the Unrestricted Funds, which must meet almost all of our routine expenditure, decreased by £7,532 to £95,200.

The total unrestricted congregational giving (including gift aid) decreased by £4,605. Pledged giving (including gift aid) decreased by £4,969 to £77,864 but unpledged unrestricted giving (including gift aid) increased by £364 to £9,104.

Hall lets decreased by £2,014. A yoga and an aerobics class stopped towards the end of the 2016/17 financial year: one dance class went elsewhere in November 2017 and another reduced their hours in January this year. On the other hand, two new dance classes started using the halls in 2018 which will partially compensate for the reductions recorded in this report. There is quite a lot of competition between dance classes in Helensburgh and this has knock-on effects on the rental market.

Last year's unrestricted income was boosted by a legacy and grant totaling £1,100, neither of which occurred this year.

Restricted income was boosted by a number of events: a Daffodil Tea at High Auchensail Farm; the 150th Anniversary weekend; and a share of the proceeds of a Garden Open day Scheme. However the biggest boosts came from the marvelous grant from the Province for the Rectory upgrade; and the very generous donations from individuals for the servery, the new hall chairs, the rectory upgrade, and the garden improvements.

The total expenditure decreased by £3,307 to £117,513. Although there were very substantial stipend and pension savings during the vacancy, they were more than offset by the expenditures on various aspects of the rectory upgrade. This year we also installed the servery in the hall and replaced most of our hall chairs: these were fully covered by the aforementioned contributions by members of the congregation. Notwithstanding some significant expenditure on projects, we have managed to avoid having to call on our capital reserves.

The expenditure from the Unrestricted Funds, which must meet almost all of our routine expenditure, fell by £30,150 to £61,456. The reduction in expenditure as a result of the vacancy was greater than this and the underlying trend in expenditure is, therefore, upwards.

Exceptional Items in the Unrestricted Funds:

First, we had a refund of £1,183 from RBS which represented 88% of unwarranted bank charges levied from 2004 to 2008. This has been brought to account as a credit in General Administration, where the original charges were brought to account over a decade ago. The refund was accompanied by £438 of interest which has been included in Note 7.

This refund and interest helped offset the other exceptional items ~ the costs of recruiting a new rector, including removal costs and institution expenses. These totaled £3,030. These costs have also been brought to account in General Administration.

The Dean Beard Memorial Fund:

The Dean Beard Memorial Fund was set up by subscription to provide a memorial for Dean Charles Beard, the Rector from 1905 until he died in 1943. At Dean Beard's request, only a small memorial was erected and most of the funds raised were set aside to provide an income to assist ex-choirboys to start a career: for example, to purchase of a set of tools at the start of an apprenticeship.

It has rarely been possible to use the income from the fund as originally envisaged. The last time it was possible to make a grant within the terms of the fund was in 2011. Accordingly, on 7 June 2018 the Vestry sought approval from OSCR to vary the purpose for which the income from the Dean Beard Memorial Fund can be used to become "for the maintenance and advancement of music in our worship". OSCR approved the proposed scheme on the 9

July 2018 using the powers given them by Section 43A of the Charities & Trustee Investment (Scotland) Act 2005. This variation has been reflected in these Annual Accounts. The change of purpose meant that it was appropriate to include the Dean Beard Memorial Fund with the other permanent endowments that can be applied to the core charitable activities of the Church. This re-assignment is reflected in Notes 3, 27 and 28. The income from the fund since July 2018 is included with the "Other endowments" in Note 7

The revised purpose was selected because it best reflected Dean Beard's keen interest in the place of music in worship and it was very likely that it would always be possible to make good use of the income.

Stewardship:

Pledged giving has fallen slightly due to a number of deaths and others moving away. With a growing congregation another stewardship campaign in 2020 is under consideration.

Future Plans:

We now have a beautiful Rectory and garden and major expenditure is not anticipated in the next year. We still have to decorate the halls and exterior of the church. The church boilers are old and spare parts are becoming harder to source. Though they continue to give good service they will have to be replaced at some stage.

As a vestry we pledge to support other charities and £4,000 has been set aside for this in 2018/19.

Financial Position on 31 August 2018:

Our share portfolio was held within the Scottish Episcopal Church (SEC) Unit Trust Pool (UTP) for the whole of the 2017/18 financial year. Over the year there was a gain on paper of £15,885 in the value of our holdings. This was an increase of approximately 10%.

Our bank balances and cash in hand totaled £37,260 (almost identical to our position at the same time last year). We are expecting approximately £19,000 Gift Aid (including the GA Small Donations Scheme) from HMRC in due course. A grant of £13,000 from the Provincial Building Grants Fund for the renovation of the rectory was awarded just before the end of the financial year and is accrued into these accounts because it was not received until September.

Declaration

The charity trustees declare that they have approved the Trustees' report above.

Signed on behalf of the charity trustees:

Full name:

Position:

Date:

**Independent Examiner's Report to the Trustees of
St Michael's and All Angels Church**

I report on the accounts for the year ended 31 August 2018 set out on pages eight to eighteen.

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's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was 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 seeking explanations from you as 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 connection with 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 to 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.

Shona Brown CA
Clements
Chartered Accountants
17 Colquhoun Square
Helensburgh
G84 8AD

Dated:

ST MICHAEL AND ALL ANGELS' CHURCH, HELENSBURGH

A charity registered in Scotland SC006468

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2018

Section A ~ Statement of Financial Activities

	Note	Unrestricted funds 3	Restricted funds 3	Endowment funds 3	Total this year	Total last year
Income & Endowments from:						
Donations, grants and legacies	4	£86,968	£30,056	-	£117,024	£103,833
Charitable Activities	5	£260	-	-	£260	£230
Other trading activities	6	£5,666	£798	-	£6,464	£7,994
Investments	7	£2,306	-	£2,721	£5,027	£4,478
Other income	8	-	-	-	-	-
Total Income this year		£95,200	£30,854	£2,721	£128,775	
<i>Total Income last year</i>		<i>£102,732</i>	<i>£11,160</i>	<i>£2,643</i>		<i>£116,535</i>
Expenditure on:						
Raising funds	9	£2,306	£124	-	£2,430	£2,542
Charitable Activities	11	£59,150	£50,909	£5,024	£115,083	£118,278
Total Expenditure this year		£61,456	£51,033	£5,024	£117,513	
<i>Total Expenditure last year</i>		<i>£91,606</i>	<i>£28,087</i>	<i>£1,127</i>		<i>£120,820</i>
Net income/(expenditure) & net movement in funds before investment gains/(losses)						
This year		£33,744	(£20,179)	(£2,303)	£11,262	
<i>Last year</i>		<i>£11,126</i>	<i>(£16,927)</i>	<i>£1,516</i>		<i>(£4,285)</i>
Net gains/(losses) on investments						
This year	24	£6,322	-	£9,563	£15,885	
<i>Last year</i>		<i>£8,319</i>	<i>-</i>	<i>£12,588</i>		<i>£20,907</i>
Net income/expenditure						
This year		£40,066	(£20,179)	£7,260	£27,147	
<i>Last year</i>		<i>£19,445</i>	<i>(£16,927)</i>	<i>£14,104</i>		<i>£16,622</i>
Net transfers between funds						
This year	28	(£10,954)	£12,317	(£1,363)	-	
<i>Last year</i>		<i>(£5,686)</i>	<i>£7,000</i>	<i>(£1,314)</i>		<i>-</i>
Net movement in funds						
This year		£29,112	(£7,862)	£5,897	£27,147	
<i>Last year</i>		<i>£13,759</i>	<i>(£9,927)</i>	<i>£12,790</i>		<i>£16,622</i>
Reconciliation of funds						
Total funds brought forward		£98,371	£16,447	£96,569	£211,387	£194,765
Total funds carried forward		£127,483	£8,585	£102,466	£238,534	£211,387

Section B ~ Balance Sheet

Balances on 31 August 2018						
	Note	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Fixed Assets:						
Investments						
Permanent Endowment Funds	25	-	-	£102,466	£102,466	£92,903
Expendable Endowment Funds	25	£67,719	-	-	£67,719	£61,397
Total Fixed Assets		£67,719	-	£102,466	£170,185	£154,300
Current Assets:						
Debtors	18	£16,255	£15,543	-	£31,798	£19,837
Short term investments		-	-	-	-	-
Cash at bank and in hand		£44,218	(£6,958)	-	£37,260	£37,422
Total Current Assets		£60,473	£8,585	-	£69,058	£57,259
Liabilities:						
Creditors: amounts falling due within one year	19	£709	-	-	£709	£172
Net Current Assets/(Liabilities)		£59,764	£8,585	-	£68,349	£57,087
Creditors: amounts falling due after one year	19	-	-	-	-	-
Provisions for liabilities		-	-	-	-	-
Total Net Assets or Liabilities		£127,483	£8,585	£102,466	£238,534	£211,387
Funds of the Church 3, 25, 27						
Unrestricted funds						
General Fund		£123,137			£123,137	£94,325
Designated for other charities		£4,346			£4,346	£4,046
Restricted funds						
Flower Fund			£341		£341	£371
Conservation Fund			£5,368		£5,368	£5,368
Special Purpose Funds			£2,876		£2,876	£10,708
Endowment funds						
Stipend enhancement funds				£31,486	£31,486	£28,547
Dean Beard Memorial Fund				-	-	£10,785
Other permanent endowments				£70,980	£70,980	£57,237
Total Funds		£127,483	£8,585	£102,466	£238,534	£211,387

The accounts on Pages 8 to 18 were approved by the Vestry on 16th October 2018 and signed on its behalf by:

Janina Elizabeth Duncan (Honorary Treasurer)

Section C ~ Notes to the accounts

Note 1: Basis of preparation

These accounts have been prepared in accordance with the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities – Statement of Recommended Practice (the Charities SORP (FRS 102)) and accounting standards.

Note 3 explains the structure of St Michael & All Angels' Church's funds.

Note 2: Accounting policies

INCOMING RESOURCES

Recognition of incoming resources	These are included in the Statement of Financial Activities (SoFA) when: <ul style="list-style-type: none"> ▶ the charity becomes entitled to the resources; ▶ the trustees are virtually certain they will receive the resources; and ▶ the monetary value can be measured with sufficient reliability.
Incoming resources with related expenditure	Where incoming resources have related expenditure (as with fundraising income) the incoming resources and related expenditure are reported gross in the SoFA.
Grants and donations	Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.
Tax reclaims on donations and gifts	Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.
Gifts in kind	Gifts in kind for sale are recognised in the accounts only when sold, and then under the analysis of activities for generating funds. Consumable gifts in kind for the use of the Church (flowers, home baking, etc) are not brought to account unless material.
Donated services	These are only included in incoming resources (with an equivalent amount in resources expended) when the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these services is the estimated value to the charity.
Volunteer help	The Church relies on a great deal of voluntary help but this defies quantification and is not included in the accounts.
Investment income	This is included in accounts when received from the SEC UTP.
Investment gains and losses	These include any gains or losses on the sale of investments and any gains or losses resulting from revaluing investments to market values at the end of the year.

EXPENDITURE AND LIABILITIES

Liability recognition	Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.
Governance costs	These include costs of preparing & examining statutory accounts and other monitoring reports and the costs of trustee meetings & the AGM.
Grants payable	These are recognised in the accounts when a commitment has been made to the charity or individual and there are no conditions to be met relating to the grant which remain in the control of the charity.
Church energy	Energy costs are calculated from our own meter readings at the beginning and end of the financial year.
Building upkeep	Provision for major unfunded work on the fabric of the Church, Halls and Rectory is made by transfers into the Special Purpose Funds.

Section C ~ Notes to the accounts (continued)

Note 2: Accounting policies (continued)

ASSETS

Tangible fixed assets for use by charity	The Church, Halls and the Rectory are vested in the Bishop, Dean, Diocesan Chancellor and Diocesan Registrar and are excluded from these accounts. The other fixed assets (church silver, office equipment, etc) are not considered material to these accounts. Expenditure on tangible fixed assets is charged to revenue as incurred.
Investments	Investments are valued at market prices at the year end.

Note 3: Funds and their purposes

UNRESTRICTED FUNDS	Funds that can be used entirely at the discretion of the Vestry.
General Fund	This fund is used for the normal core business of the Church. Expendable endowments (Miss Sandison's & Mrs Hepper's legacies and the General Endowment Fund) are included in the General Fund because there are, in effect, no restrictions on the use of the capital or the income.
Designated for Other Charities	This represents the money designated by the Vestry for giving for the wider work of the Church.
Lay Reader's Discretionary Fund	This held money designated by the Vestry that was used to assist local families with special needs that were not met by the benefits system.
RESTRICTED FUNDS	Funds that have been given and must be used for specific purposes.
Flower Fund	Income in this fund is from dedicated gifts by members of the congregation. It is used to defray the costs of Church floral decorations.
Conservation Fund	This fund was set up to track the income for and expenditure on the 2001 to 2011 Conservation Project on the church building. The balance left in the fund has been set aside to provide a reserve against the risks of major work being needed on the church during the following decade.
Special Purpose Funds	These comprise a number of small funds temporarily created to keep track of (1) gifts from individuals or grant-awarding bodies for specific improvements or (2) money designated by the Vestry for major improvements to the fabric.
ENDOWMENT FUNDS	Endowments & memorial funds for which the capital must be retained.
Stipend Enhancement Funds	These consist of Sir William Raeburn's Endowment and the Elderton Memorial Fund. Their purpose is to provide the Rector with a supplementary income over and above the Standard stipend.
Other Permanent Endowments	The other permanent funds are: <ul style="list-style-type: none"> ▶ the Dean Beard Memorial Fund (since 31/07/18 see Note 24); ▶ the Dean Beard Trust Fund; ▶ the Kenneth McKenzie Memorial Fund; ▶ the Thank Offering Endowment Fund. <p>Restrictions on the uses of the income from the funds are described in Note 25. In effect all this income can be applied to core charitable activities of the Church.</p>

Section C ~ Notes to the accounts (continued)

Note 4: Donations and legacies

	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Congregational giving					
Pledged giving					
~ Amount given	£63,231	-	-	£63,231	£66,892
~ Gift Aid due from HMRC	£14,633	-	-	£14,633	£15,941
Other giving					
~ Amount given	£7,152	£14,513	-	£21,665	£15,844
~ Gift Aid due from HMRC	£1,952	£2,543	-	£4,495	£3,556
Total congregational giving	£86,968	£17,056	-	£104,024	£102,233
Legacies	-	-	-	-	£1,500
Grants from outside bodies **	-	£13,000	-	£13,000	£100
Total this year	£86,968	£30,056	-	£117,024	
<i>Total last year</i>	<i>£92,673</i>	<i>£11,160</i>	<i>-</i>		<i>£103,833</i>

** £13,000 was awarded by the Provincial Building Grant Funds towards the Rectory upgrading costs.

Note 5: Income from charitable activities

	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Fees	£260	-	-	£260	£230
Income from other charitable activities	-	-	-	-	-
Total this year	£260	-	-	£260	
<i>Total last year</i>	<i>£230</i>	<i>-</i>	<i>-</i>		<i>£230</i>

Note 6: Income from trading activities

	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Fund raising events	£86	£563	-	£649	£1,072
Sales	£841	£235	-	£1,076	£169
Hall lets	£4,739	-	-	£4,739	£6,753
Total this year	£5,666	£798	-	£6,464	
<i>Total last year</i>	<i>£7,994</i>	<i>-</i>	<i>-</i>		<i>£7,994</i>

Note 7: Investment income

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Bank accounts and HMRC		£509	-	-	£509	£89
Endowments to enhance						
the Rector's stipend	25	-	-	£836	£836	£812
Dean Beard Memorial Fund **	25			£109	£109	£202
All other endowments	25	£1,797	-	£1,776	£3,573	£3,375
Total this year		£2,306	-	£2,721	£5,027	
<i>Total last year</i>		<i>£1,835</i>	<i>-</i>	<i>£2,643</i>		<i>£4,478</i>

** Until 31 July 2018. Thereafter the income is included with "All other endowments" (see Note 24).

Note 8: Other income

There was no other income in 2017/18 or 2016/17.

Section C ~ Notes to the accounts (continued)

Note 9: Costs of raising funds

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Costs of fundraising events		£308	-	-	£308	-
Costs of sales		-	£124	-	£124	-
Share of Hall running costs	10	£1,998	-	-	£1,998	£2,542
Total this year		£2,306	£124	-	£2,430	
<i>Total last year</i>		<i>£2,542</i>	<i>-</i>	<i>-</i>		<i>£2,542</i>

SEC Unit Trust Pool management fees are charged to the Pool and are not separately identifiable.

Note 10: Share of hall running costs

Analysis has shown that more than 70% of the use of the halls was by outside organisations. A power consumption monitor has shown that 41% of the electricity was used when the halls were occupied by outside organisations & private hirers. The balance, covering the church's own use, is included in Note 14.

Note 11: Costs of charitable activities

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Clergy pay & associated costs	12	£6,722	-	£836	£7,558	£39,264
Worship, mission & education	13	£5,189	£59	£3,899	£9,147	£8,239
Church, halls & rectory	14	£24,941	£50,489	£41	£75,471	£48,883
Administration & governance	15	£4,419	-	-	£4,419	£2,950
Quota		£14,179	£361	£248	£14,788	£14,153
Voluntary grants to others	16	£3,700	-	-	£3,700	£4,789
Total this year		£59,150	£50,909	£5,024	£115,083	
<i>Total last year</i>		<i>£89,064</i>	<i>£28,087</i>	<i>£1,127</i>		<i>£118,278</i>

Note 12: Clergy employment costs

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Gross stipend and allowances		£4,687	-	-	£4,687	£30,220
Employers NICs		-	-	-	-	£70
Pension contributions	21	£1,379	-	-	£1,379	£8,151
Rector's travel costs **		£205	-	-	£205	£711
Deputising fees and travel		£451	-	£836	£1,287	£112
Total this year		£6,722	-	£836	£7,558	
<i>Total last year</i>		<i>£38,452</i>	<i>-</i>	<i>£812</i>		<i>£39,264</i>

** Rector's travel costs include mileage at HMRC approved rates, bus, train and ferry fares.

Note 13: Worship, mission & education

	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Organists, choir and music	£2,921	-	£3,899	£6,820	£5,516
Sanctuary expenses	£783	-	-	£783	£1,425
Flowers and related expenses	-	£59	-	£59	£187
Publicity including website	£550	-	-	£550	£243
Communications	£858	-	-	£858	£688
Sunday school & youth work	£37	-	-	£37	£46
Adult education	-	-	-	-	£4
Other outreach	£40	-	-	£40	£130
Total this year	£5,189	£59	£3,899	£9,147	
<i>Total last year</i>	<i>£7,716</i>	<i>£499</i>	<i>£24</i>		<i>£8,239</i>

Section C ~ Notes to the accounts (continued)

Note 14: Church, halls & rectory

	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
Cleaning, routine repairs & renewals	£10,443	£1,922	-	£12,365	£7,039
Major works	-	£10,626	-	£10,626	£27,630
Gas and electricity (church use)	£3,024	-	-	£3,024	£3,070
Church, halls, indemnity insurances	£7,029	-	-	£7,029	£6,463
Rectory water, council tax, insurance	£3,033	-	-	£3,033	£4,658
Rectory maintenance	£1,412	£37,941	£41	£39,394	£23
Total this year	£24,941	£50,489	£41	£75,471	
<i>Total last year</i>	<i>£21,352</i>	<i>£27,491</i>	<i>£40</i>		<i>£48,883</i>

Note 15: Administration and governance

	Unrestricted funds	Restricted funds	Endowment funds	Total this year	Total last year
General administration	£3,387	-	-	£3,387	£1,986
Independent examiner's fees **	£960	-	-	£960	£900
AGM & other governance costs	£72	-	-	£72	£64
Total this year	£4,419	-	-	£4,419	
<i>Total last year</i>	<i>£2,950</i>	<i>-</i>	<i>-</i>		<i>£2,950</i>

** Fees were for reporting on the accounts. No consultancy or accountancy services were provided.

Note 16 Grants for other charities

Purpose of grant	Recipient	Grant
Mission & relief of suffering ~ local	Helensburgh Area Christian Youth Project	£2,400
	Helensburgh Food Bank	£300
	The Beacon Trust	£1,000
Total granted to other charities from St Michael's funds		£3,700

Note 17 Fund-raising & special collections for other charities

Stalls in the Hall raised: £153 for Eco-Congregation Scotland; £89 for Glasgow City Mission; £111 for the Scottish Churches Housing Association; £145 for the SEC Training Institute; and £163 for the Bible Society.

Sunday morning Tea & Coffee raised £1,623 for Franciscan Aid. The object of Franciscan Aid is to relieve poverty and advance the education of deprived people from the third world.

Special collections raised £381 for the Bishop's Lent Appeal and the retiring collection at the 2017 Advent ecumenical service raised £148 for the Helensburgh Area Christian Youth Project in addition to our grant.

St Michael's variety of contributions to Christian Aid Week totalled £1,211.

In addition to the cash gifts a selection of children's Christmas presents were passed to the Preshall Trust and the Glasgow City Mission received regular supplies of food given by members of the congregation.

Helensburgh Food Bank has also been supported by suitable gifts of commodities.

All the proceeds of the fund-raising and special collections have been forwarded to the charities concerned.

This fund-raising and these special collections for other charities are not included in the Statement of Financial Activities, nor are they subject to Independent Examination.

Section C ~ Notes to the accounts (continued)

Note 18: Analysis of debtors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year	Last year	This year	Last year
Trade debtors	-	-	-	-
Amounts due from associated undertakings	-	-	-	-
Other debtors	£13,000	-	-	-
Prepayments and accrued income	£18,798	£19,837	-	-
Total due from debtors	£31,798	£19,837	£0	£0

Note 19: Analysis of creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year	Last year	This year	Last year
Trade creditors	-	-	-	-
Amounts due to associated undertakings	-	-	-	-
Other creditors	-	£163	-	-
Accruals and deferred income	£709	£9	-	-
Total due to creditors	£709	£172	-	-

Note 20: Employees and other remunerated persons

	This year	Last year (restated)
Staff costs		
Gross stipends, salaries and wages	£9,802	£37,166
Employer's national insurance costs	£0	£70
Pension costs	£1,379	£8,151
Deputising fees and travel	£3,599	£1,157
Total staff costs	£14,780	£46,544

The Rectors also enjoyed rent-free accommodation.

Paid staff numbers	This year		Last year	
	Full time	Part time	Full time	Part time
Maximum number of employees during the year	1	5	1	5
Average number of full time equivalent employees	<2		<2	

More than 90% of staff remuneration was associated with the Charitable Activities of the Church.

Ex-gratia payments to others

Ex-gratia payments totalling £836 were made to two non-stipendiary members of the congregation for their unstinting contributions to the worship and pastoral care during the vacancy. This was taken from the income of the Stipend Enhancement Funds. The recipients were not Charity Trustees.

Note 21: Pension arrangements

Clergy are entitled to join the Scottish Episcopal Church Pension Fund which is a non-contributory defined benefit scheme with benefits based on final salary. The Rector is a member of the Fund.

St Michael and All Angels' Church is unable to identify its share of the underlying assets and liabilities of the fund on a consistent and reasonable basis and therefore accounts for its contributions as if the scheme were a defined contribution scheme.

The most recent actuarial valuation of the fund was as at 31 December 2017. The fund trustees proposed that contributions should continue at 32.2%. The General Synod agreed to this in June 2018.

There were no contributions outstanding on 31 August 2018 in respect of the two Rectors.

Note 22: Trustee remuneration and expenses

The Rectors received remuneration, allowances and travel expenses in respect of services as a stipendiary cleric in line with scales determined by the General Synod of the Scottish Episcopal Church.

The person connected to a trustee was given an honorarium in recognition of his outstanding contribution to the upgrade of the Rectory which saved St Michael's thousands of pounds.

The sums paid during the financial year were as follows:

Recipients	Remuneration or honorarium	Expenses	Total this year	Total last year
Rectors	£4,687	£205	£4,892	£30,931
Connected person	£250	-	£250	£0
Totals paid	£4,937	£205	£5,142	£30,931

No other Charity Trustee received remuneration, fees or expenses other than the reimbursement of purchases made on behalf of the Church.

Note 23: Loans and transactions with Trustees and related parties

Nothing was owed to or from the trustees or other related parties at the financial year end.

No transactions were undertaken in which a trustee or other related party had a material interest.

No donations were made by trustees or related parties with conditions that must be disclosed. In the course of the year the aggregate total of donations from trustees and related parties received without conditions that must be disclosed was almost £10,000.

Note 24: Changes in investment assets

Changes to holdings:

No changes to our portfolio were made during the financial year.

Carrying values: effect of additions, disposals & revaluations

All funds

Note: Carrying value is also known as book value.

Carrying value at start of year = market value at start of year	£154,300
Additions to investments at cost	-
Disposals at carrying value	-
Net gain/(loss) on revaluation {these are unrealised gains/(losses)}	£15,885
New carrying value = market value at end of year	£170,185

Summary of net gains or (losses)

All funds

Disposal proceeds	-
less Carrying value of disposals [as above]	-
Disposal net gains/(losses) {these are realised gains/(losses)}	-
Unrealised gains/(losses) [as above]	£15,885
Total realised & unrealised gains/(losses)	£15,885

Change to purpose of the Dean Beard Memorial Fund:

With the approval of OSCR the purpose of the Dean Beard Memorial Fund has been changed. A full explanation is included in the Financial Review in the Trustees Annual Report.

The Dean Beard Memorial Fund continues to exist, but since 31st July 2018 has been brought to account in Note 27 as part of "Other Permanent Endowments" because its new purpose permits it to be applied to the core charitable activities of the Church. This is shown as a transfer in Notes 27 and 28. The sum transferred represents the value of the SEC UTP units on 31st July plus the accumulated income to that date.

Section C ~ Notes to the accounts (continued)

Note 25: Allocation of investments

All our investments are held in the SEC Unit Trust Pool. We have 8,605 units allocated as shown below.

	Market value on 31 Aug 2018	Annual income
PERMANENT ENDOWMENTS		
SIR WILLIAM RAEBURN'S ENDOWMENT 55 SEC Unit Trust Pool units	£1,088	£29
ELDERTON MEMORIAL FUND 1,537 SEC Unit Trust Pool units	£30,398	£807
Both incomes to enhance Rector's stipend.		
DEAN BEARD MEMORIAL FUND 397 SEC Unit Trust Pool units	£7,852	£208
DEAN BEARD TRUST FUND 48 SEC Unit Trust Pool units	£949	£25
Both incomes to be used for maintenance & advancement of Church music.		
KENNETH McKENZIE MEMORIAL FUND 78 SEC Unit Trust Pool units	£1,543	£41
The income contributed to the upgrading of the Rectory.		
THANK OFFERING ENDOWMENT FUND 3,066 SEC Unit Trust Pool units	£60,636	£1,611
To provide a regular income - capital must be retained.		
Total Value of Permanent Endowments used in Balance Sheet	£102,466	£2,721
EXPENDABLE ENDOWMENTS		
MRS HEPPER'S LEGACY (Part of the General Fund) 1,696 SEC Unit Trust Pool units	£33,543	£890
To be used for local church activities.		
MISS SANDISON'S LEGACY (Part of the General Fund) 955 SEC Unit Trust Pool units	£18,888	£501
GENERAL ENDOWMENT FUND (Part of the General Fund) 773 SEC Unit Trust Pool units	£15,288	£406
Both to be used at the discretion of the Rector and Vestry.		
Total Value of Expendable Endowments used in Balance Sheet	£67,719	£1,797
Total Value of all Investments (Fixed Assets)	£170,185	£4,518

Note 26: Transactions in the Special Purpose Funds

The main activity this year was upgrading of the Rectory. The cost of refitting the kitchen and bathrooms (including the creation of an en-suite facility), painting and decorating etc was £28,201. Another £4,664 was spent on garden works (tree lopping, new gates and paving) and upgrading the electrics cost £5,076. This was paid for out of savings set aside in previous years, current revenue, dedicated giving by members of the congregation, and a handsome grant from the Provincial Building Grants Fund.

The second major activity was the creation of a servery in the Main Hall. This cost £10,751 and was entirely paid for by special congregational giving and fund-raising.

The final project was the replacement of the 40+ year old chairs in the halls. This cost £1,922 and was also entirely paid for by congregational giving.

The balance in the Special Purpose Funds is £2,876. £142 of this is the remnant of Myra Taylor's legacy for church music. The rest is accrued gift aid on the special giving and is set aside for meeting any quota obligations that may be due.

Section C ~ Notes to the accounts (continued)

Note 27: Movement of major funds this year and last year

Fund		Balances brought fwd	Income	Expenditure	Transfers (Note 28)	Gains and losses	Balances carried fwd
General Fund	U This year	£94,325	£95,200	£57,756	(£14,954)	£6,322	£123,137
	Last year	£83,532	£102,732	£86,817	(£13,441)	£8,319	£94,325
Designated for other charities	D This year	£4,046	-	£3,700	£4,000	-	£4,346
	Last year	£345	-	£4,054	£7,755	-	£4,046
Lay Reader's Discretion'y Fund	D This year	-	-	-	-	-	-
	Last year	£735	-	£735	-	-	-
Flower Fund	R This year	£371	£55	£85	-	-	£341
	Last year	£51	£535	£215	-	-	£371
Conservation Fund	R This year	£5,368	-	-	-	-	£5,368
	Last year	£22,868	-	£17,500	-	-	- £5,368
Special Purpose Funds	R This year	£10,708	£30,799	£50,948	£12,317	-	£2,876
	Last year	£3,455	£10,625	£10,372	£7,000	-	£10,708
Stipend Enhancement Funds	E This year	£28,547	£836	£836	-	£2,939	£31,486
	Last year	£24,679	£812	£812	-	£3,868	£28,547
Dean Beard Memorial Fund	E This year	£10,785	£109	-	(£11,459)	£565	-
	Last year	£9,618	£202	-	-	£965	£10,785
Other Permanent Endowments	E This year	£57,237	£1,776	£4,188	£10,096	£6,059	£70,980
	Last year	£49,482	£1,629	£315	(£1,314)	£7,755	£57,237
Total funds	This year	£211,387	£128,775	£117,513	-	£15,885	£238,534
	Last year	£194,765	£116,535	£120,820	-	£19,942	£200,602

Key: U = Unrestricted Fund; D = Designated Fund; R = Restricted Fund; E = Permanent Endowment Fund

Note 28: Transfers between funds

From:	To:	Reason	Amount
General Fund	Special Purpose Funds	For work on the Rectory, including the house, the electrics & the garden.	£12,317
General Fund	Designated for other charities	In accordance with recent practice.	£4,000
Other Permanent Endowments	General Fund	From Thank Offering Endowment Fund in accordance with its purpose.	£1,363
Dean Beard Memorial Fund	Other Permanent Endowments	Following OSCR's approval of the change of in its purpose the Dean Beard Memorial Fund was brought to account with the other permanent endowments whose income can be used for core charitable activities (see Notes 3 & 24).	£11,459