

Scottish Charity No: SC023266

St Mary's Episcopal Church, Aberfoyle

Annual Report and Accounts
for the year ended
30 September 2010

St Mary's Episcopal Church, Aberfoyle

Annual Report and Accounts for the year ended 30 September 2010

Contents

	<u>Page</u>
Reference and administrative information	3
Vestry Report	4
Independent Examiner's report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the accounts	11

St Mary's Episcopal Church, Aberfoyle

Reference and Administrative Information

Charity name and address St Mary's Church
Main Street
Aberfoyle
STIRLING
FK8 3UJ

Website www.stmarychurchaberfoyle.org.uk

Scottish Charity Number SC023266

Charity Trustees *Members of the Vestry:*

Rev Richard Grosse	Rector
Mark Seymour	Chairman
David Thompson	Secretary
Nicholas Cooke	Treasurer
Margie Stephen	Lay Reader
Barbara Carruthers	<i>(from 13 December 2009)</i>
Susan Forsyth	
Philip Gaskell	
Margaret Johnson	Verger
Jonathan North	
Bill Richardson	<i>(from 13 December 2009)</i>
Hannah Sanderson	
Anne Winther	

Bankers Bank of Scotland
55 Main Street
CALLANDER
Perthshire
FK17 8BD

Investment Managers Smith & Williamson
206 St Vincent Street
GLASGOW
G2 5SG

Independent Examiner Mr Iain Kyle CA
18 Forglan Crescent
Bridge of Allan
STIRLING
FK9 4BQ

Report of the Vestry (Trustees' report)

Year ended 30 September 2010

As the Charity Trustees of St Mary's Church, the Vestry presents its report and accounts for the year ended 30 September 2010. These have been prepared in accordance with the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (March 2005).

Structure, governance and management

The Church is an unincorporated association, governed by a Constitution which was updated in 2004. For the purposes of charities law, the members of the Vestry are the Charity Trustees of the Church. The Church is a member congregation of the Diocese of St Andrews, Dunkeld and Dunblane in the Scottish Episcopal Church. The Bishop of the Diocese has pastoral oversight of all the constituent congregations, who are subject to Canon Law of the Scottish Episcopal Church. The members of the Vestry normally hold office for four years and are elected at the Annual General Meeting. The Lay Representative who represents the church at Diocesan Synod is elected annually by the lay members of the congregation at the Annual General Meeting. The Vestry Chairman, Secretary and Treasurer are appointed by Vestry. The Vestry has delegated specific powers to its Worship & Music and Stewardship teams, which regularly report and submit recommendations to the Vestry. The Rector is appointed by the Vestry and the Bishop of the Diocese.

The Vestry is responsible for managing and safeguarding the assets of the Church on behalf of the Diocesan Trustees and all other temporal matters including appointing staff, and assists the Rector and Lay Reader in matters affecting the spiritual welfare of the congregation.

Members of the Vestry are provided with a copy of "Guidance for Charity Trustees" issued by the Office of the Scottish Charity Regulator when appointed and will in future receive an induction pack outlining their roles and responsibilities.

The Vestry regularly reviews the strengths and weaknesses of the Church, and will continue to assess the associated risks and opportunities in the context of the new Diocesan Policy.

Objectives and activities

The objectives of the Vestry are to advance the mission of the Christian Church, through worship, service, and fellowship. These objectives are carried out through mission and pastoral activities. The principal activities of the Church are public worship and the spiritual development of its members.

Donations are made regularly to charitable causes that provide benefits to disadvantaged individuals and communities in Scotland, the rest of the United Kingdom and overseas.

In carrying out its objectives the Vestry depends upon the contribution, both human and material, of many volunteers from the congregation. Activities carried out include contributions preparatory to and during worship, service on Vestry teams and through group activities, the maintenance of premises and fabric, and a variety of pastoral and social activities. These contributions are all highly valued and all members of the congregation are encouraged to, and many do, participate in them.

Achievements and Performance

During the past year the Vestry has confirmed its commitment to the 'Casting the Net' initiative launched by the Diocese in 2009, and will use this to develop a forward vision for the development of St Mary's mission. Following the Bishop's meeting with Vestry in July, the formation of a CTN Mission Planning Group from members of St Mary's is now being actively pursued to progress this. One aspect of our mission is the varied use of our beautiful Church building as a means of strengthening our working links with others in the wider community. As the only Episcopal Church serving over 15 villages in the Trossachs and Strathendrick area, we are well placed for this task, and the Rector's regular monthly services in Balfron and Killearn already provide a focus for spiritual outreach we can build on. Our Church Giving Fund may also have a pro-active supporting role in offering help to vulnerable social groups in the area.

With the completion of the Renovation Project we can now enjoy the transformation of our Church building after some 18 months of almost continuous work by a variety of contractors and specialist craftsmen. The results have included several highlights that were not part of the original works schedule but were added to it as work progressed, in full consultation with the Diocese and congregation. These features include the successful relocation of the stained glass into the west window, the new internal lighting scheme, and the replacement of the short pews with new chairs in the chancel crossing. The provision of an attractive triptych interpretation panel mounted on the wall of the west end of the nave now tells the visitor the story of how the Church came into existence and records the various stages of its renovation in 2008-09.

On Palm Sunday we welcomed a number of guests to a special service for the re-dedication of St Mary's and its congregation led by the Bishop, followed by an excellent lunch in the Aberfoyle Memorial Hall, to celebrate this major milestone in the history of St Mary's. This was preceded by two fundraising concerts given by the Lyra Vocal Ensemble and the Telemann Ensemble, each enjoyed by over 90 people, marking the start of a planned number of musical and other events to be held in the Church each year. Over the summer we welcomed the return of the very popular Kyiv Accordion Duo and we hosted an evening of Scottish folk music performed by local young people in the Stushie and Bow Mhor groups. We have received many favourable comments from first time visitors on the high quality of venue for public events like these which St Mary's now offers.

In June we learnt with regret that Hunter & Clark Ltd, the main contractors to the Renovation Project, was being placed in administration. Fortunately, this happened shortly after the expiry of the period for the final settlement of retention monies and thus had no impact on the satisfactory completion of all fabric repair works.

As noted in last year's report, after taking into account all the elements of the Renovation Project including the final figure of Heritage Lottery Fund grant and the settlement of all contractor payments, there was a small funding shortfall of £5,000 on total outlays of £316,000. To cover this, an internal transfer of funds has been made from the General Fund as shown in the Accounts. Additionally, in order to carry out some of the additional works, Vestry has accepted interest free loans from two members of the congregation, and this represents a significant liability which will have to be met in future years.

Further assistance was given in the form of a short term bridging loan of £10,000 from the Scottish Episcopal Church to cover a negative cash flow position over the closing stages of the Renovation project, and this will be repaid shortly as noted in the Accounts. As always, the Vestry has continued to benefit from helpful support and advice from the Diocesan Office over this and other matters, which is much appreciated.

Financial Review

Results

The General Fund produced an operating deficit of £3,459 in the year, a disappointing outturn which largely reflects a static baseline of congregational giving which has failed to keep pace with increases in clergy and ministry costs. To some extent this position may also reflect the recent exceptional demands placed on members of St Mary's by the Renovation Project. There is no doubt, however, that the Vestry will have to address the need for a renewed stewardship initiative in the coming year. Fortunately, the year end position of the General Fund was helped by a gain of £3,080 in the market value of investments.

The completion of the Church Renovation project with the use of loan funding noted above has resulted in a substantial net outflow of £36,578 from the Renovation Fund, with total works expenditure in the year amounting to £64,260. The closing negative balance of £18,267 in this Fund closely reflects the current extent of external loans, as noted in the Accounts. A review of the long term role of this Fund will be taken in 2011.

The Church Giving Fund was actively used to make donations totalling £1,200 to five UK registered charities. All of these were nominated by members of St Mary's personally connected with their work or, as in the case of the Haiti Earthquake Appeal of Medecins Sans Frontieres, was a cause which Vestry considered particularly important; our donation of £400 included the proceeds of a special Sunday collection.

Overall, the above three Funds declined in value by £37,850 in the year and now stand at 53% of their equivalent value a year previously. The coming year will require all of Vestry's discipline and vigilance in strengthening the reserves in the Balance Sheet.

Reserves Policy

The Vestry's policy is to maintain reserves so that cash and investment income is sufficient to meet three months normal operating costs and any other committed expenditure. The unrestricted cash balance held in the General Fund at 30 September 2010 was £2,898 and anticipated annual income from investments was £1,600. Measured against three months normal operating costs (net of St Andrew's Callander's share) of approximately £10,000, this position highlights the need to strengthen cash flow over the coming year, particularly when the future repayment of loans is also taken into account.

Investment Policy

Investments are held in a range of financial stocks and shares managed by Smith & Williamson. The investment objective of the Vestry is to achieve a balance between longer term growth and current income through discretionary management in accordance with the ethical investment policy of the Scottish Episcopal Church, which excludes investment in any company deriving more than 15% of its revenues from trading in tobacco, armaments, gambling or pornography.

Plans for Future Periods

The Vestry will continue its range of present activities in the foreseeable future. The forthcoming work of the 'Casting The Net Mission Planning Group' will be an important tool to enable St Mary's to strengthen the commitment of St Mary's members to local initiatives which address social and spiritual issues affecting members of the surrounding community.

Statement of Responsibilities of Members of Vestry

Charities Law requires the persons concerned in the management or control of every recognised body to prepare accounts for each financial year which give a true and fair view of its state of affairs and of its results for that period. In preparing those financial statements the members of the Vestry are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Church will continue in operation.

The members of the Vestry are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church and to enable them to ensure that the financial statements comply with the relevant legislation. The members of the Vestry are also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Conclusion

In conclusion, the Vestry wishes to thank all members of St Mary's congregation who help in so many different ways in carrying on the work of the Church and without whom nothing would be possible. We also record our appreciation and thanks to all the funding bodies, contractors and outside professionals for their support and input to the completion of our Church Renovation project. In the coming year, we look forward to seeing the work of our Mission Planning Group under the 'Casting The Net' programme strengthen the working links between the St Mary's community and other networks by bringing more people into a meaningful relationship with our Church.

BY ORDER OF THE VESTRY

David Thompson
Vestry Secretary

19th January 2011

Independent Examiner's Report to the Vestry of St Mary's Episcopal Church, Aberfoyle

I report on the accounts of the charity for the year ended 30 September 2010 which are set out on pages 9 to 16.

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 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

- 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 Regulationshave 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.

Iain Kyle CA
Chartered Accountant
18 Forglan Crescent
Bridge of Allan
Stirling
FK9 4BQ

19th January 2011

ST MARY'S EPISCOPAL CHURCH, ABERFOYLE
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Notes	Unrestricted Funds General Fund £	Restricted Funds Renovation Fund £	Restricted Funds Church Giving Fund £	Total 2010 £	Total 2009 £
Incoming Resources						
Incoming resources from generated funds						
<i>Voluntary income</i>						
Congregational giving – Gift Aid		30,833	2,718	494	34,045	64,473
Collections		1,734	-	313	2,047	2,574
Donations		3,606	725	-	4,331	19,527
Grants - Heritage Lottery Fund		-	7,235	-	7,235	82,710
„ - Listed Places of Worship Grant Scheme		-	6,914	-	6,914	25,959
„ - SEC Maintenance & Development Fund		-	-	-	-	10,000
„ - Trusts and other	16	-	9,997	-	9,997	18,380
<i>Activities for generating funds</i>						
Renovation Appeal fundraising events - net		-	81	-	81	7,839
General Fundraising events - net		1,048	-	-	1,048	-
Church Room refreshments - net		39	-	-	39	47
<i>Investment income</i>						
Investment income – dividends		1,331	-	-	1,331	2,603
Investment income - interest		7	12	-	19	200
Incoming resources from charitable activities						
St Andrew's, Callander - share of Linkage costs		16,645	-	-	16,645	14,017
Total Incoming Resources		55,243	27,682	807	83,732	248,329
Resources Expended						
Charitable activities 5						
Clergy and ministry costs		42,713	-	-	42,713	38,989
Worship and administration costs		8,510	-	-	8,510	7,688
Fabric costs - Church renovation project		-	64,260	-	64,260	246,262
„ „ - Church maintenance		1,298	-	-	1,298	991
Quota	13	6,031	-	-	6,031	6,109
Mission support (home and overseas)	6	-	-	1,200	1,200	750
Governance costs	14	150	-	-	150	150
Total Resources Expended		58,702	64,260	1,200	124,162	300,939
Net Incoming / (Outgoing) Resources		(3,459)	(36,578)	(393)	(40,340)	(52,610)
Loan interest		-	(500)	-	(500)	-
Transfer between funds		(5,000)	5,000	-	-	-
Gain / (loss) on market value of investments sold, and unrealised market value gains.		3,080	-	-	3,080	(1,380)
Net Movement in Funds		(5,379)	(32,078)	(393)	(37,850)	(53,990)
Fund balances at 1 October 2009		66,588	13,811	343	80,742	134,732
Fund balances at 30 September 2010		61,209	(18,267)	(50)	42,892	80,742

The notes on pages 11 to 16 form part of these accounts.

**ST MARY'S EPISCOPAL CHURCH, ABERFOYLE
BALANCE SHEET AS AT 30 SEPTEMBER 2010**

	£	2010 £	2009 £
Fixed Assets (Note 7)			
Heritable Properties at book value		20,654	20,654
Investments at market value (Book Cost: £31,230) (2009: £31,233)		38,130	35,050
		58,784	55,704
Current Assets			
Debtors (Note 8)	4,514		3,682
Bank & Cash	9,612		28,833
	14,126		32,515
Creditors: amounts falling due within one year			
Creditors & Accruals (Note 9)	(4,518)		(6,977)
Net Current Assets		9,608	25,538
Loans (Note 12)		(25,500)	(500)
TOTAL ASSETS LESS LIABILITIES		42,892	80,742
 Represented by:			
Unrestricted Funds:			
General Fund		61,209	66,588
Restricted Funds:			
Renovation Fund	(18,267)		13,811
Church Giving Fund	(50)	(18,317)	343
			14,154
TOTAL FUNDS (Note 11)		42,892	80,742

Approved by the Vestry on 19th January 2011 and signed on their behalf by:

Nicholas Cooke
Vestry Treasurer

Mark Seymour
Vestry Chairman

The notes on pages 11 to 16 form part of these accounts.

ST MARY'S EPISCOPAL CHURCH, ABERFOYLE
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

1. Accounting policies

Basis of preparation of accounts

The accounts have been prepared under the historical cost convention as modified by the revaluation of investment assets and are in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in 2005.

Note 2 explains the general purposes of St Mary's funds.

Tangible fixed assets and depreciation

Heritable properties are shown at cost, and expenditure on fabric renovation and repairs is treated as revenue expenditure. Depreciation is not provided on heritable properties. The heritable properties have useful lives in excess of fifty years. No depreciation has been provided against the book value of heritable properties as, in the opinion of the Vestry, due to the long useful economic lives of the properties and their high residual values, any depreciation charge and resultant accumulated depreciation are immaterial. In the opinion of the Vestry, no impairment of the carrying values has occurred during the year.

Expenditure on other tangible fixed assets is charged to revenue as incurred.

Fixed asset investments

Investments are shown at market value and the net movement in the year arising from disposals and acquisitions of stock, adjusted by unrealised gains and losses at the year end, is included in the Statement of Financial Activities.

Congregational giving, donations, legacies and grants

Congregational giving is accounted for when received. Donations, legacies and similar voluntary receipts are accounted for when St Mary's becomes entitled to the income and a reliable estimate of the amount to be received can be made. Gift Aid tax recoverable is accounted for at the point the tax reclaim is submitted to HMRC. Grants due are accounted for when submitted for payment in compliance with the donor body's conditions.

Disposals of investments

Realised gains and losses on the market value of investments are recognised on the date of disposal and are included in the Statement of Financial Activities.

Governance Costs

Governance costs relate to expenditure necessary to provide the governance infrastructure which allows St Mary's to operate and to generate the information required for public accountability.

Apportionment of Support costs

Resources expended are shown in the Statement of Financial Activities categorised by charitable activity and governance costs in accordance with the requirements of the Statement of Recommended Practice. Certain costs and grants awarded are capable of direct attribution to the categories; however other costs, in particular those of non clergy personnel and those associated with running the Church and Rectory buildings, are attributable to more than one category. These costs have been apportioned to the specified categories based in proportion with the direct costs. (See note 5)

2. Funds

Unrestricted funds are available for use at the Vestry's discretion in furtherance of the Church's objectives; restricted funds are those given for specific purposes. Designated funds are unrestricted funds that have been allocated for a specific purpose by the Vestry. St Mary's has three Funds:-

Unrestricted Funds:

General Fund Funds held for the general work of St Mary's as a church, including routine maintenance of the Church building and the Rectory. The balance held in the General Fund will at any time cover any deficit retained in the restricted funds. The value of all capitalised improvements and additions to church buildings are held in the General Fund.

Restricted Funds:

Renovation Fund Funds currently held for carrying out the major fabric renovation programme of the Church building begun in 2008 and completed in 2010. All funds and grants given to the Renovation Appeal for this purpose have been credited to the Renovation Fund which has financed the works, all of which have been categorised as fabric repairs and treated as revenue expenditure.

Church Giving Fund The Vestry regularly approves grants to UK registered charities nominated by members of the congregation, which are usually causes with a working connection to members of St Mary's. Special collections at the Christmas Carols and Harvest Festival services, and the associated Gift Aid tax recoverable, are credited to the Fund for this purpose.

3. Clergy and Staff costs and emoluments

	2010	2009
	£	£
Gross Stipend and Employer's National Insurance contribution	24,553	24,201
Pension contributions	7,289	5,588
	31,842	29,789
	2010	2009
	No.	No.
Average number of employees during the year	1	1
Average number of employees during the year (full time equivalent)	1	1

No employee received emoluments in excess of £60,000.

Information regarding stipendiary members of the clergy, who are technically not employees but office-holders, is included above.

Employees are eligible to join the Scottish Episcopal Church Pension Fund which is a non-contributory defined benefit scheme with benefits based on final pensionable salary. The Rector is a member of the Fund. St Mary's is unable to identify its share of the underlying assets and liabilities of the Fund on a consistent and reasonable basis and so accounts for its contributions as if the scheme was a defined contribution scheme. The contribution rate for the year under review was increased to 34.9% based on the recommendations of the Fund's Actuary following the periodic valuation of the Fund. There were no contributions outstanding at 30 September 2010 in relation to St Mary's employees.

4. Trustees remuneration, benefits and expenses

Except for the Rector, no member of the Vestry received remuneration or reimbursement of expenses other than reimbursement of purchases made on behalf of the Church. The Rector is *ex officio* a member of the Vestry and a trustee, and receives remuneration, benefits and reimbursement of expenses in respect of services as a stipendiary cleric in line with scales determined by General Synod of the Scottish Episcopal Church.

5. Resources expended on charitable activities

Resources expended on charitable activities include direct costs, grants awarded and support costs. Support costs, which relate primarily to sundry expenses and running the Church and Rectory buildings, are attributable to more than one category. These have been apportioned to the specified categories set out below.

	Direct Costs £	Grants awarded £	Support Costs £	2010 £	2009
Charitable activities					
Clergy and ministry costs	35,885	-	6,828	42,713	38,989
Worship and administration costs	8,084	-	426	8,510	7,688
Fabric costs	64,260	-	1,298	65,558	247,253
Quota	6,031	-	-	6,031	6,109
Mission support	-	1,200	-	1,200	750
	114,260	1,200	8,552	124,012	300,789

6. Grants for Mission Support

The following mission support was provided from the Church Giving Fund during the year:

Grants to UK charitable organisations:

Help For Heroes <i>To support the rehabilitation of wounded soldiers at the Edinburgh Army Recovery House.</i>	£250
Matthew Miller Cancer Relief Fund <i>To support the Fund's research programme into bowel cancer at Edinburgh Royal Infirmary.</i>	£250
Medecins Sans Frontieres (UK) – Haiti Earthquake Appeal <i>To provide emergency medical care to earthquake survivors in Port au Prince, Haiti.</i>	£400
Mercy Ships UK <i>To provide essential medical treatment within deprived communities in West African countries.</i>	£100
Christian Aid – 2010 Appeal <i>To support the work of Christian Aid projects across the world.</i>	<u>£200</u>
Total	<u>£1,200</u>

(2009 total grants: £750)

7. Fixed Assets

	Investments	Heritable Property	Total
	£	£	£
At 1 October 2009	35,050	20,654	55,704
Additions during year	9,339	-	9,339
Disposals during year	(9,383)	-	(9,383)
Realised loss on disposals	(454)	-	(454)
Unrealised gain on market valuation at 30 September 2010	3,578	-	3,578
Balance at 30 September 2010	38,130	20,654	58,784

The Church building and the Rectory, both in Main Street, Aberfoyle are owned by St Mary's. The original cost of the Church building and the cost of improvements to it prior to the Renovation project are not known and have not been included because, in the opinion of the Vestry, the cost of professionally valuing them to include a value in the accounts outweighs the benefits to users of the accounts.

On 1 October 2010 the Church and Rectory were insured for £1,663,940 based on a professional valuation of the replacement cost of buildings and contents. Replacement building cost does not represent the market value of the properties, and does not include valuation of the land on which the properties are situated.

St Mary's investments are held in a range of securities managed by Smith & Williamson Investment Management. The Vestry's current investment strategy is to focus on a flexible range of investments yielding a relatively high level of income and to keep these under regular professional review in the light of changing market conditions. During the year, minor adjustments were made to the portfolio, with all the holdings now in collective financial stocks and investment trusts.

8. Debtors

	2010	2009
	£	£
St Andrew's, Callander - share of Linkage costs	2,640	2,017
Other debtors and prepayments	1,874	1,665
	<u>4,514</u>	<u>3,682</u>

9. Creditors

	2010	2009
	£	£
St Andrew's, Callander	500	500
Other creditors and accruals	4,018	6,477
	<u>4,518</u>	<u>6,977</u>

10. Reconciliation of movement in funds

	Balance at 1 Oct 2009 £	Incoming Resources £	Resources Expended £	Transfers £	Investments Gains and losses £	Balance at 30 Sept 2010 £
Unrestricted Funds						
General Fund	66,588	55,243	(58,702)	(5,000)	3,080	61,209
Restricted Funds						
Renovation Fund	13,811	27,682	(64,760)	5,000	-	(18,267)
Church Giving Fund	343	807	(1,200)	-	-	(50)
	14,154	28,489	(65,960)	-	-	(18,317)
Total Funds	80,742	83,732	(124,662)	-	3,080	42,892

The following transfer between funds was made during the year:

From General Fund to Renovation Fund: £5,000 to meet an overall funding shortfall on the Church Renovation project.

11. Analysis of net assets between funds

	Unrestricted General Fund £	Restricted Renovation Fund £	Restricted Church Giving Fund £	Total £
Fund balances at 30 September 2010 are represented by:				
Fixed Assets				
Heritable Property	20,654	-	-	20,654
Investments at market value	38,130	-	-	38,130
Current Assets				
Debtors & Prepayments	3,545	969	-	4,514
Bank & Cash	2,898	6,764	(50)	9,612
Current Liabilities				
Creditors & Accruals	(4,018)	(500)	-	(4,518)
Loans	-	(25,500)	-	(25,500)
	61,209	(18,267)	(50)	42,892

The General Fund is an undesignated fund.

12. Loans

During the year, the Vestry carried out a number of improvements to the Church outwith the initial fabric repair programme, subject to securing additional grant or loan funding. These works included full re-wiring, re-lighting, internal redecoration and new carpeting, the upgrade of the Church sound system, new chairs to replace the pews in the chancel crossing, and the refurbishment and replacement of the Church railings. Part of this expenditure has been financed via an interest free loan of £15,000 from a member of the congregation, repayable at £1,000 a year from October 2011. An existing interest free loan of £500 from another member will be repaid in January 2011.

In addition, the Scottish Episcopal Church provided St Mary's with a 1 year bridging loan of £10,000 to cover a temporary negative cash flow position over the closing stages of the Renovation project, and this is repayable in full in December 2010 plus 5% interest for 12 months as provided in the accounts.

13. Quota

Quota is paid by St Mary's to the Diocese of St Andrews, Dunkeld and Dunblane to support the work of the Diocese and of the Scottish Episcopal Church as a whole.

14. Governance costs

Independent Examiner's fee £150 (2009: £150)

15. Future commitments

At the Balance Sheet date the Vestry had authorised the following committed expenditure as part of the Church Renovation project:-

Replacement of Church railings £5,050

This commitment has been fully funded under the Big Lottery 'Awards For All' grant secured by St Mary's for ancillary works forming part of the Renovation project.

16. External Grant Funding – Church Renovation Project

A final instalment of grant was received as recorded from the Heritage Lottery Fund for the fabric repairs element of the project, as well as further support from the Listed Places of Worship Grant scheme to recover VAT paid on eligible contractors' costs and professional fees.

We are pleased to acknowledge the receipt of a grant for £9,847 from the Big Lottery 'Awards For All' Scotland fund to cover specific additional works to the main project as noted above. We also acknowledge receipt of a further grant of £150 from the E. C. Champness Trust.