

The Church of Scotland
Netherlee Church of Scotland
Congregation No: 160877
Scottish Charity No: SC015303

Report and Accounts

For year ended 31 December 2019

Netherlee Church of Scotland Trustees Annual Report – Year Ended 31 December 2019

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out in pages 13 and 14 to the accounts and comply with the General Assembly Regulations for Congregational Finance, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 (effective 1 January 2015)).

OBJECTIVES & ACTIVITIES

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in polity. It exists to glorify God and to work for the advancement of Christ's Kingdom throughout the world. As a national Church it acknowledges a distinctive call and duty to bring the ordinances of religion to the people in every parish of Scotland through a territorial ministry. It co-operates with other churches in various ecumenical bodies in Scotland and beyond.

Mission Statement

As part of the Church of Scotland, Netherlee Parish Church is committed to worshipping God, as Father, Son and Holy Spirit; therefore, in the name of Jesus Christ our Lord, we commit ourselves to serve the needs of all people who live in the parish by:

- ensuring that the church embraces people of all ages, sharing God's love with all
- caring for the needy at home and abroad
- offering guidance for Christian living
- giving support for faith in Jesus Christ as Lord
- providing a welcoming Christian fellowship for all
- encouraging the open use of our premises

The Church seeks a commitment from its members to accept this statement and help realise its Mission.

Netherlee and Stamperland moving from Linkage to Union

At the joint Kirk Session of 1 April 2019 there was a positive attitude to the progress being made with the Linkage, and it was agreed to approach Presbytery to discuss a Basis of Union that included retaining both Netherlee and Stamperland Church buildings including the various attached halls. Stuart McGill from the Presbytery Strategic Planning Department presented a draft Basis of Union to the joint Kirk Session on 3 June 2019. The Basis of Union presented to the joint Kirk Session on 2 September 2019 was approved by those present. Rev Scott Blythe sent an explanatory letter and the proposed Basis of Union document to all members in September. Netherlee congregation voted unanimously to approve this Basis of Union on 6 October 2019. Stamperland congregation voted approval on the same date. The congregation was cited to appear before the Presbytery on 8 October 2019 where the Basis of Union for Netherlee and Stamperland (Church of Scotland) was approved. The Service of Union took place on Sunday 26 January 2020 at Stamperland Church as the Service of Linkage had been at Netherlee Church.

Services

Netherlee Church provides a regular "normal" service on most Sunday at 10:00am. We also have joint services with our linked church at Stamperland. The venue rotates and these services include Remembrance and Christmas and would start at various different times. There are also joint Communion services at 10:30am on the first Sundays of March, June, September and December. Refreshments in the Church Hall and the opportunity for time together follow all services. We held some Messy Church family tea time services from 4.00 – 6.00 pm in the beginning of the year, but these were becoming poorly attended so have been stopped as we review our way forward as a united church in 2020. From January until June and from September until December there is a short service on Wednesdays in the Lesser Sanctuary at 10:00am for about 30 minutes called "Open Doors" followed by refreshments and time together. The popularity of this service is very encouraging with on average 35 members regularly attending. Communion is offered four times a year during the Wednesday Service, usually following the traditional Sunday Communion services, when the attendance can increase to 40. The Church has a very competent Organist & Choirmaster and Assistant Organist; and there is a choir of around 25 very committed men and women who greatly enhance our weekly worship especially at Easter and Christmas.

Youth Activities

The Church provides accommodation for The Boys' Brigade. There is an Anchors Section (P1 to P3), a Juniors Section (P4 to P6) and a Company Section (P7 to S6) with total numbers of 66 boys / 17 leaders (2018: 60 boys / 18 leaders). The Guide Association also meets on Church premises. There are 2 Guide Companies (10-14yrs old), 3 Brownie Packs (7-10yrs old) and 2 Rainbow units (5-7yrs old) totalling 129 girls / 14 warranted leaders / 15 helpers (2018: 168 girls / 20 warranted leaders / 24 helpers).

Netherlee Church of Scotland Trustees Annual Report – Year ended 31 December 2019

Sunday Club

The Sunday Club meets on a Sunday morning, starting in the Church at the morning service and then after the All Age Address moving into the various halls. They cater for children aged from 3 to 12. There are currently 9 youngsters of Secondary School age who also meet on Sunday and at other times for a variety of activities. At 31 December 2019 there were 20 children on the roll led by 10 adults (2018: 35 children / 10 adults / 1 young helper). In the early years, the children learn Bible stories with an emphasis on fun, art projects and singing. As they grow older, the teaching follows similar messages to those being preached in the Church each week. The children are encouraged in service through charitable giving and the supply of gifts for others at Harvest and Christmas. They also provide funds for children at risk in Africa via Tear Fund.

Tear Fund is also supported by the Kirk Session with collections taken at the meetings of the various committees and groups, and in 2019 the total sum of £288 was raised.

Other facilities for the Community

The Church provides facilities for all ages in the community regardless of whether they are members or not. We have an adult Scottish Country Dance class which runs all year and a Keep Fit class for golfers over the winter. Our halls are also used for Keep Fit for the over 50's, Mindfulness, Balance Fitness (timed to coincide with dropping children off at school), as well as Pilates, Yoga, and Chair Yoga for people with limited mobility. There is a Craftwork Group which meets over the winter and we also make accommodation available to the Eastwood Stamp Club, which has regular meetings throughout the winter. For the younger generation there is a Toddler group, Baby Massage for parents and baby, La Jolie Ronde (a French class for children) and Enjoy-a-Ball which encourages both boys and girls to improve their ball skills. Clarkston After School & Breakfast Club (for primary age children) operates from Monday to Friday each week during term times, and now also runs during the school holidays. The contributions made by these community users of our premises assist with the running costs of our premises.

Guild

The Church has a branch of the Church of Scotland Guild - a movement that invites and encourages people to commit their lives to Jesus Christ and enables them to express their faith in worship, prayer and action. It meets from October to March; on first and third Wednesday evenings and the second and fourth Thursday afternoons. Total membership is 35 and average numbers attending are – Wednesday evening 25 and Thursday afternoon 8. They support the Guild's national projects, arrange open nights, and organise events such as an annual daffodil tea, a Hunger Lunch and summer Coffee mornings that allow them to make charitable donations to relief organisations.

Education

The Church organises opportunities for Christian education in the form of occasional Bible Study groups. The Minister holds new communicants' classes when people express a desire to join the membership. There is also a small adult Sunday Club group (SHARE) which carries out in depth studies of the Christian faith and how it can be applied in the modern world.

The Church and the Presbytery provide training for Elders. The Church also provides courses in the Protection of Vulnerable Groups with the assistance of trainers from the Safeguarding Office of the central Church.

From October to March, the Netherlee Forum meets once a month with distinguished speakers on their subjects of expertise. These meetings are open to any member of the community, and have regular attendances of between 35/50 people and give the audience an opportunity for discussion, asking questions and to increase their knowledge of the subjects discussed.

Social Events and Community Activities

The Church provides the venue for a regular series of Chamber Music concerts, promoted and organised by locally based professional musicians of national and international standard. These concerts have grown significantly in popularity with Church members and the community. We also hosted the Sounds International Community choir in early December which was supported by the Netherlee School choir to a packed audience and was very enjoyable.

Netherlee has a long-term relationship with St Andrews Scots Kirk in Colombo, Sri Lanka. That Church operates a Trust Fund for Netherlee Cottage, a halfway home for ladies released from the psychiatric wards of the local hospital. We send regular sums of money to assist with the maintenance and running expenses.

The Men's Association attracts church members with their neighbours and friends. It is achieving the purpose of showing the Church as a friendly, non-threatening organisation to those who are not members and know little about what the Church does.

Netherlee Church of Scotland Trustees Annual Report – Year Ended 31 December 2019

The Minister provides a chaplaincy function in Netherlee Primary School and Williamwood High School with colleagues from the ecumenical organisation, “Clarkston Churches Together” (CCT). CCT hosted a number of events during the year including holy week services and hourly services throughout Good Friday; the week of prayer for Christian Unity highlighted the work of Christian Aid in Scotland.

Every week our congregation generously supports the South East Glasgow Food Bank. In addition support is provided to the Gideons by filling tubes with 2p coins which are greatly appreciated. Our Minister is the chaplain for Williamwood House, a Church of Scotland Home for the confused elderly situated in the Parish and he conducts services for the residents and their relatives, in the House or in the Church. He also conducts communion services as required for any of our members living in Clarkston House, a recently opened house for elderly people, operated by North Care which lies just outside our parish boundary.

The Church assists with the fundraising activities of Christian Aid and Poppy Scotland by organising door-to-door collections in the local community as well as participating in the Christian Aid sponsored swim and assisting with the local Christian Aid Art Show. The Church also responds to other areas of national and international need at times of natural disaster.

ACHIEVEMENTS & PERFORMANCE

At the normal Netherlee 10:00am Sunday service we get on average 140 worshipers. As we now have joint Communion services – two at Netherlee Church and two at Stamperland Church – the number of worshipers has obviously risen. Netherlee used to get around 175 at Communion, where with joint services we now get up to 220 worshipers. At Netherlee we get about 40 worshipers at the mid-week Communion. Numbers will be higher at times of special services at Christmas and Easter. The annual statistics show that our membership dropped from 588 at 31 December 2018 to 558 at 31 December 2019. We admitted 3 new communicants during 2019 and we lost 14 members who transferred to other churches and 19 members who passed away.

We use a variety of ways to contact our members – the joint Church magazine called CONNECTIONS since our linkage with Stamperland – Facebook and website – weekly Order of Service – live streaming of Services on YouTube – distributing DVD recording of Services – Elders’ visits – Pastoral visitation team – by email where we have permission (only 170) – AV screens in the main Sanctuary and the Welcome Hall – Care & Share for parishioners in need. We also deliver our Christmas and CCT Easter programmes of Services to every household in the Parish.

This year we were again particularly encouraged by the significant numbers of non-members who attended our services at Christmas, in particular the Christmas Eve Christingle Service which this year was held in Stamperland. We were delighted to host the Netherlee Primary School Christmas service when the church was packed to capacity with pupils from P3–P7, relatives and friends. The talent of the school choirs and the praise band was terrific. The number of families who attended the Easter day service was also very pleasing. The joint early Easter morning service at 7:00am with Stamperland in Linn Park was well supported, with an enjoyable breakfast afterwards. Other joint services with Stamperland were very well supported.

Netherlee continued its quest to be environmentally friendly with regular guidance from one of our Elder members who is closely involved with Eco-Congregation Scotland which encourages churches and communities to address the issues of climate change and sustainability in practical ways.

The Monday Lunch Club started on 25 October 2015 offering a weekly lunch club for people living with dementia. We have 12 clients registered with us and a team of about 26 volunteer helpers, who deal with transport, prepare the lunch, afternoon tea and supervise a range of table games, carpet bowls, crafts, a nail bar, golf putting in the Sanctuary, leisurely keep fit and different quizzes designed to stimulate the clients mentally together with live musical events. It has proved a great success.

Our Common Good Fund is now linked with East Renfrewshire Council Good Causes to improve the distribution of financial assistance that is provided to individuals as distinct from other charities. We continue to support Glasgow South East Foodbank and Lodging House Mission. At the latter Christine McGowan, one of our Elders and an Officer in the Boy’s Brigade, is a regular volunteer, as are members of the Company Section from time to time. Poppy Scotland events including a Beetle Drive, a Floral demonstration, a Coffee morning, and collections door-to-door as well as at shops and schools raised around £5,000. Christian Aid door-to-door collections raised around £4,000, and in addition to supporting the annual Christian Aid Art Exhibition at Carmichael Hall, we held our own Coffee and Art fundraiser. Netherlee continued its strong links with Cranhill Church during 2019.

March saw Weston Barclay receive his Long Service Certificate. We thank him for 32 years of dedicated service since his Ordination as an Elder on the 13 September 1987.

Netherlee Church of Scotland Trustees Annual Report – Year Ended 31 December 2019

FINANCIAL REVIEW

The budget for the year was a surplus of £6,918. We ended the year with a surplus of £13,489. The improved performance mainly came from a higher than forecast offerings of £5,247 although this was partly offset by a negative variance of £2,705 in the income from the Use of Premises. This was due to two tenants retiring in the second half of the year. The Offerings were £45 more than reported in 2018. This was achieved despite a fall in the roll of 33 members on 2019. Expenditure was below the budget by £9,235. The main savings came under Minister's Travelling Expenses (£1,119), R & M (£4,508), Heat & Light (£1,236) and Miscellaneous (£1,355) Against last year total expenditure is only up by £788. As in previous years £5,000 was transferred from the General Fund to the Fabric Reserve Fund as per the Budget. The Trustees accepted the recommendation from the Finance Committee that we should adopt the principle that 25% of the Surplus in the General Fund at the end of a year should be transferred to the Fabric Reserve Fund. The transfer this year was £4,496. £6,298 was transferred from those funds that receive dividends and interest as our Ministries and Mission allocation is based on that income that does not appear in the General fund but the individual Reserve Funds.

The value of our Reserve Funds increased by £86,390 to £1,044,535 at year end. This includes £450,000 (2018 £400,000) from the value of the manse which was valued by Corum as at the 31st December 2019. The main expenditure from the Reserve Funds was borne by the Thomas White Legacy Fund (£9,616), and the Common Good Fund (£5,652). The expenditure from the Thomas White Legacy fund was in respect of the refurbishment of the floor in the Large Hall (£3,416) £5,000 to the St Rollox Parish Church Appeal, and £1,200 to Sri Lanka for the appeal following the bombings on Easter Sunday. All but £500 from the Common Good Fund was sent to East Renfrewshire Good Causes, with the £500 going to the Lodging House Mission. £15,349 was received in dividends and interest. There was a £13,489 Surplus in the General Fund after transferring £9,496, to the Fabric Reserve Fund. The value of investments increased in the year by £22,017.96 (2.7%)

No legacies were received in 2019.

INVESTMENT POLICY & PERFORMANCE

The Investment Committee reviewed, in the summer, the performance of the 2 portfolios we had with Hargreaves Lansdown. They were happy with the dividend income of £42,499 received in last 4 years on the original investment of £297,000. The growth performance had, however, been disappointing. The 2 funds had underperformed against their benchmarks in the last 4 years and although HL could give reasons for this what they failed to do was to convince the committee that the performance of the portfolios against their benchmarks would improve in the foreseeable future. The Committee recommended that £100,000 be sold from the HL Portfolio and invested in the Church of Scotland Investment Trust whose dividend performance in the last 4 years was similar to that of HL and its growth performance has been better than that achieved by HL. This recommendation was accepted by both the Finance Committee and the Session. The sale and purchase took place in November. A loss of £2,800 (2.7%) was made on the sale but this was more than compensated by the dividends of £14,719 received over the 4 years.

The Investment Committee will continue to monitor the investment performance of our investments, both with HL and The church of Scotland Investment Trust.

Other investments of the Church are held in the Church of Scotland Investors Trust, in their Growth, Income and Deposit Funds.

The investment policy of the Trustees is to ensure that the capital value of those funds not required for use in the short term is maintained, whilst those funds required in the short term are invested for income generation. The Church of Scotland Investors Trust does provide the level of portfolio management, supervision, and spread of risk the Trustees consider necessary to support the investment policy.

The criteria for the Hargreaves Lansdown investment is to increase the capital value of this fund, by at least inflation with a minimum of 3%, coupled with an annual dividend income in excess of bank deposit rates, circa 3%, whilst adopting a low risk approach. As a result of the coronavirus (COVID-19) and the economic uncertainty it has created the FTSE 100 share index has fallen in the week to stand at circa 6,000, a decline of some 20% since the start of the year. As the combined cash balances/deposits for Netherlee and Stamperland stood at £294,000 at 31st December 2019, we have more than sufficient resources to meet the projected expenditure in the budget for the General Fund and it is not anticipated that we will be forced to sell any of our investments in a depressed market.

Netherlee Church of Scotland
Trustees Annual Report – Year ended 31 December 2019

RISK MANAGEMENT

The Trustees have identified these principal risks facing the Church:

1. Working to minimise the loss of members during the integration and change that will occur through union
2. Financial impact on the Church finances of a declining and ageing congregation
3. Safeguarding
4. Difficulty in recruiting office bearers and others willing to give of their time and talents

The above risks are being addressed through the following actions:

1. Consultative and consensual approach within the Kirk Session. Regular conversations between the Elders, their Districts and the wider congregation; supported by frequent multi-channels communication to minimise confusion.
2. Finance Committee continues to review our financial position on a bi-monthly basis. During the year the various Trust and General Funds it controls on behalf of the Congregation are regularly reviewed; and decisions when and if we are required to hold any fund raising activities, run a stewardship campaign, or alter our investment strategy; would then be considered and communicated to the Kirk Session.
3. Netherlee hosted a Safeguarding training event for volunteers on 12 February 2019. This was run by staff from Glasgow Presbytery and there was an excellent attendance from the Netherlee Kirk Session. The Safeguarding Co-ordinator continues to advise the Kirk Session of future training events to ensure all have the opportunity to keep up to date. The Safeguarding Co-ordinator is also in the process of forming a Safeguarding Panel for the start of 2020. The Minister is not recommended to be a member of this as there is likely to be a pastoral role in the follow up phase to any situation. The panel (an odd number of members is recommended) will include the Safeguarding Co-ordinator plus two/four Elders. The Kirk Session has reviewed its position with Safeguarding and certified that its procedures were being adhered to and that it was maintaining an accurate record of everyone serving as voluntary workers with children, young people and adult groups in organisations under its jurisdiction.
4. All our routine Kirk Session meetings in 2019 were held jointly, and alternated between the venues of Netherlee and Stamperland. As the year progressed some of the sub-committees also began to meet jointly to share ideas, resources and avoid duplication. Along with everyone else we need to find a way to make ourselves more visible, useful and understood within the community we care for, and with whom we share our space. If we do so then perhaps finding volunteers may become easier. As a united congregation we will review our Group and Committee structure to ensure it will support our vision and purpose as we move forward.

The Trustees are fully aware of the issues identified above, and other less significant issues and are committed to addressing these.

RESERVES POLICY

The charity Trustees have considered the reserves required and have taken into account their current and future liabilities. It is the Trustees' policy to hold reserves of at least 12 months expenditure in the unrestricted funds. At the year end the united Church, Netherlee and Stamperland (Church of Scotland) held unrestricted funds of £641,785. This represents 26 months of the expenditure forecast in the 2020 Budget for the General Fund. At this time the Trustees are comfortable with this level of reserves and are aware of the need to replace various furnishings and fabric in the Sanctuary and the Halls and may use the additional reserves for this purpose.

The Church also holds £48,192 of restricted funds at the end of the year, which has been provided for the purposes specified in Note 15.

Netherlee Church of Scotland
Trustees Annual Report – Year ended 31 December 2019

PLANS FOR THE FUTURE

The Service of Union for Netherlee Parish Church linked with Stamperland Parish Church took place on 26 January 2020 in Stamperland. The name of the united church is **Netherlee and Stamperland (Church of Scotland)**. The united Kirk Session first met in Stamperland on 3 February 2020, and then in Netherlee for an Elders' Conference on 8 March 2020. At these two meetings we began a review the following:

(1) vision and purpose – our reflection process from 2018/19 provided us with the following aims:

- Need to be working more together
- Need to be 'seen' to be working more together
- Need to be worshipping more together

(2) group and committee and structure – time to review what we need to take us on our new journey:

WORSHIP	WIDER MISSION	LOCAL MISSION
FABRIC	EDUCATION	FINANCE
TIME TOGETHER	YOUTH WORK	PASTORAL CARE

(3) worship schedule – joint worship meets all the expressed wishes of our reflection process, and in addition:

- People enjoy the larger numbers present within the worshipping community
- It prevents the first service losing the minister after a short time for the second service; which allows the minister to have time with whole community after the service which is helpful for planning the following week
- It will allow the Sunday schools to work together
- It prevents heating two churches for same service

STRUCTURE GOVERNANCE & MANAGEMENT

The congregation is a registered charity, number SC015303 and is administered in accordance with the terms of the Deed of Constitution (Unitary Form) and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

Governing Document

Netherlee Church of Scotland is administered in accordance with the terms of the Unitary Deed of Constitution. Its management is controlled by one court – the Kirk Session responsible for both spiritual and temporal affairs.

Recruitment and Appointment of Trustees

All of the members of the Kirk Session are the charity Trustees, with the exception of Associate Elders – who have no voting power but are able to participate in the discussions of the Kirk Session. The Kirk Session members are the Elders of the church and are chosen from those members who are considered to have the appropriate gifts and skills. The minister, who is a member of the Kirk Session is elected by the congregation and inducted by the Presbytery.

Organisational Structure – please also refer to the chart on Page 7

The Kirk Session is moderated by the Minister and meets formally 5 times a year – all joint with Stamperland during 2019. It is responsible for all affairs within the Church under the Unitary Constitution. Additional meetings are arranged as required. Certain responsibilities are delegated to the Finance Committee which normally meets bi-monthly and the Fabric Committee which normally meets monthly.

The Kirk Session also has 6 groups and committees which are Worship, Finance, Fabric, Children & Youth Ministry, Community Matters and Wider Mission. These meet 4 or 5 times a year, in between the full Kirk Session meetings.

REFERENCE & ADMINISTRATIVE INFORMATION

Charity Name: Netherlee Church of Scotland

Charity Registration Number: SC015303

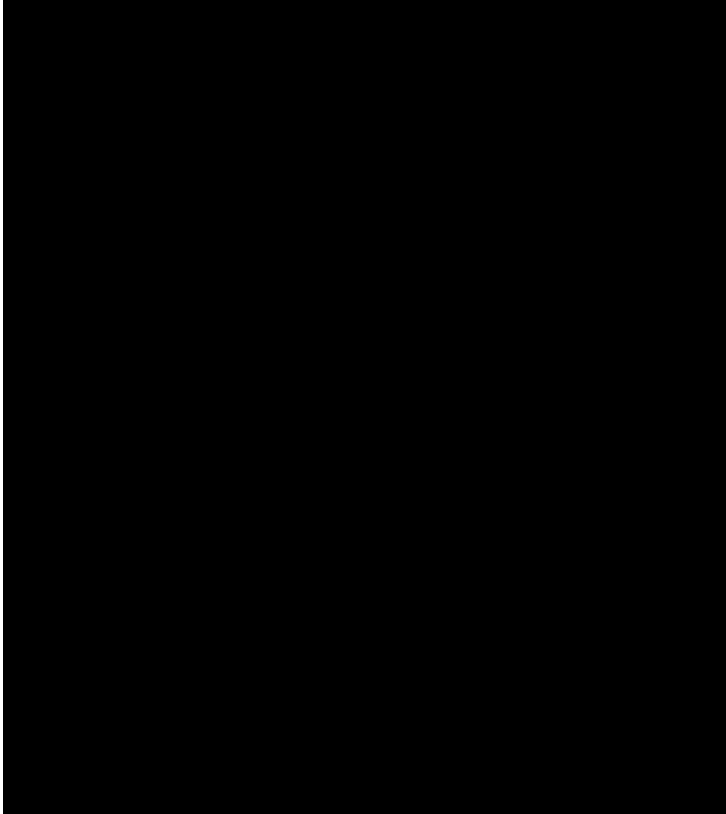
Congregational Reference No: 160877

Contact Address: The Church Office, Netherlee Church, 130 Ormonde Avenue, Netherlee, Glasgow, G44 3SL

**Netherlee Church of Scotland
Trustees Annual Report – Year Ended 31 December 2019**

TRUSTEES

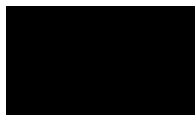
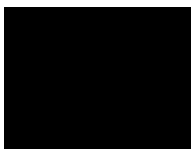
Kirk Session – Active Elders:



Kirk Session – Inactive Elders:



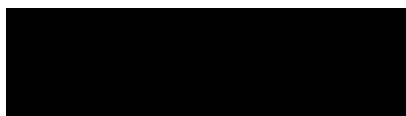
Associate Elders:



Netherlee Church of Scotland
Trustees Annual Report – Year ended 31 December 2019

Principal Office Bearers:

Minister
Session Clerk
Church Treasurer



Principal Office Church Office, 130 Ormonde Avenue, Glasgow G44 3SL

Independent Examiner Alexander Johnston CA
9 Williamwood Park, Netherlee, Glasgow G44 3TD

Bankers Bank of Scotland
20 Busby Road, Clarkston, Glasgow G76 7XH

Netherlee Church of Scotland is indebted to Office Bearers, Trustees and organisation leaders, who give of their time and talents on a voluntary basis to manage and execute the Church's activities.

STATEMENT OF TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity Trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity Trustees to prepare financial statements for each year, which show a true and fair view of the state of affairs of the charity and of the incoming resources, and application of resources of the charity for that period.

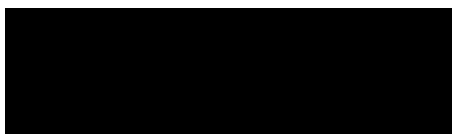
In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information on the congregation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 11 March 2020 and signed on their behalf,



Session Clerk

**Netherlee Church of Scotland
Trustees Annual Report – Year Ended 31 December 2019**

Independent Examiner's Report to the Trustees of Netherlee Church of Scotland

I report on the accounts of the charity for the year ended 31 December 2019, which are set out on pages 11-22.

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 (as amended). The charity Trustees consider that the audit requirements of Regulation 10(1) (a) to (c) of the Accounts Regulations do not apply. It is my responsibility to examine the accounts as required under Section 44(1) (c) of the Act and to state whether particular matters have come to my attention.


Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the Accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning 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) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended), and
 - To prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended) 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.



Chartered Accountant
9 Williamwood Park,
Netherlee,
Glasgow G44 3TD

11 March 2020

Netherlee Church of Scotland
Statement of Financial Activities
for the year ended 31 December 2019

	Note	Unrestricted Funds		Restricted Funds		Total	Total
		2019	2018	2019	2018	2019	2018
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	1	189,042	189,630	13,719	16,667	202,761	206,297
Charitable activities	2	250	350	-	-	250	350
Other trading activities	3	27,995	30,156	-	-	27,995	30,156
Investment income	4	14,260	15,725	1,088	1,024	15,349	16,749
Other	5	-	-	-	-	-	-
Total income		<u>231,547</u>	<u>235,861</u>	<u>14,807</u>	<u>17,691</u>	<u>246,354</u>	<u>253,552</u>
Expenditure on:							
Raising funds	6	89	94	-	-	89	94
Charitable activities		206,881	248,741	24,788	18,309	231,669	267,049
Other		-	-	-	-	-	-
Total expenditure		<u>206,970</u>	<u>248,835</u>	<u>24,788</u>	<u>18,309</u>	<u>231,758</u>	<u>267,143</u>
Net income/(expenditure) before gains and losses on investments		<u>24,577</u>	<u>(12,974)</u>	<u>(9,981)</u>	<u>(617)</u>	<u>14,597</u>	<u>(13,591)</u>
Net gains/(losses) on investments	10	21,019	(42,947)	999	(888)	22,018	(43,835)
Net gains/(losses) on property	9	50,000	-	-	-	50,000	-
Net income/(expenditure)		<u>95,597</u>	<u>(55,922)</u>	<u>(8,982)</u>	<u>(1,505)</u>	<u>86,614</u>	<u>(57,426)</u>
Transfers between Funds - In		(3,219)	-	21	-	(3,198)	205,704
Transfers between Funds - Out		3,219	-	(21)	-	3,198	(205,704)
Net movement in funds		<u>95,597</u>	<u>(55,922)</u>	<u>(8,982)</u>	<u>(1,505)</u>	<u>86,614</u>	<u>(57,426)</u>
Reconciliation of funds:							
Total funds brought forward		900,745	956,668	57,175	58,679	957,921	1,015,347
Total funds carried forward	15	<u><u>996,344</u></u>	<u><u>900,745</u></u>	<u><u>48,192</u></u>	<u><u>57,175</u></u>	<u><u>1,044,535</u></u>	<u><u>957,921</u></u>

The notes on pages 15 to 22 form part of these accounts

Netherlee Church of Scotland
Balance Sheet as at 31 December 2019

		Total Funds	Total Funds
	Note	2019	2018
		£	£
Fixed Assets:			
Tangible assets	9	450,000	400,000
Investments	10	404,993	382,987
Total Fixed Assets		<u>854,993</u>	<u>782,987</u>
Current Assets			
Debtors	11	9,739	8,538
Cash at bank and in hand		184,889	171,983
Total Current Assets		<u>194,628</u>	<u>180,521</u>
Liabilities			
Creditors falling due within one year	12	(5,085)	(5,588)
Net Current Assets		<u>189,543</u>	<u>174,934</u>
Net Assets		<u><u>1,044,535</u></u>	<u><u>957,921</u></u>
The funds of the charity:			
Restricted income funds	15	48,192	57,175
Unrestricted income funds		996,343	900,746
Total charity funds		<u><u>1,044,535</u></u>	<u><u>957,921</u></u>

The Accounts were approved by the trustees on 11 March 2020 and signed on their behalf by:

[Redacted Signature]

[Redacted Signature]

Session Clerk

[Redacted Signature]

[Redacted Signature]

Treasurer

The notes on pages 15 to 22 form part of these accounts

Netherlee Church of Scotland

Year ended 31 December 2019

Accounting Policies

The principal accounting policies, which have been applied consistently in the current and preceding year in dealing with items which are considered material to the accounts, are set out below.

Basis of preparation

The accounts have been prepared under the historical cost convention, modified to reflect the inclusion of investments and the manse at market value, and in accordance with applicable accounting standards, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Charity meets the definition of a public benefit entity under FRS 102.

Fund accounting

Funds are classified as either restricted funds or unrestricted funds, defined as follows.

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose, they are designated as a separate fund. The designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of interest paid or payable by the bank. Dividends on investments are recognised once the dividend has been declared and notification has been received of the dividend due.

On receipt, donated professional services and donated facilities are recognised as income on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised as expenditure in the period of receipt.

In accordance with the Charities SORP (FRS102) the general volunteer time of congregation members is not recognised.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Netherlee Church of Scotland

Year ended 31 December 2019

Fixed Assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church and halls, vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets. Expenditure incurred on the repair and maintenance of these assets is charged as resources expended in the Statement of Financial Activities in the period in which the liability arises.

The manse which is vested in local trustees is included at market value as estimated by the trustees.

All other tangible fixed assets costing in excess of £2,500 having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Buildings are not depreciated on the grounds of immateriality. The properties are maintained to a high standard and their estimated residual values are not materially different from their carrying values. It is the policy of the trustees to carry out an impairment review of all properties on an annual basis. Other fixed assets are depreciated on a straight-line basis to write off the cost or initial value, less residual value, of tangible fixed assets over their estimated useful lives as follows:

Fixtures, fittings and office equipment	5 Years
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Investments

Fixed asset investments are stated at market value at the balance sheet date. Unrealised gains and losses represent the difference between the market value at the beginning and end of the financial year or, if purchased in the year, the difference between cost and market value at the end of the year. Realised gains and losses represent the difference between the proceeds on disposal and the market value at the start of the year or cost if purchased in the year.

Taxation

Netherlee Church of Scotland is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is not registered for VAT and resources expended therefore include irrecoverable input VAT.

Netherlee Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2019

	Unrestricted Funds		Restricted Funds		Total	
	2019	2018	2019	2018	2019	2018
	£	£	£	£	£	£
1 Donations and Legacies						
Weekly Freewill Offering	15,740	14,784	-	-	15,740	14,784
Gift Aid	130,180	131,715	-	-	130,180	131,715
Ordinary Offerings	6,048	5,167	-	-	6,048	5,167
Tax recovered on Gift Aid	34,405	34,660	-	-	34,405	34,660
Legacies	-	-	-	-	-	-
Contributions from Congregational Orgs	2,670	2,787	-	-	2,670	2,787
Organisational Income	-	-	13,184	13,330	13,184	13,330
Other	-	516	534	3,337	534	3,853
	<u>189,042</u>	<u>189,630</u>	<u>13,719</u>	<u>16,667</u>	<u>202,761</u>	<u>206,297</u>
2 Income from charitable activities						
Weddings and funerals	250	350	-	-	250	350
Other	-	-	-	-	-	-
	<u>250</u>	<u>350</u>	<u>-</u>	<u>-</u>	<u>250</u>	<u>350</u>
3 Income from other trading activities						
Use of premises	27,795	29,878	-	-	27,795	29,878
Utility warehouse scheme	200	279	-	-	200	278
	<u>27,995</u>	<u>30,156</u>	<u>-</u>	<u>-</u>	<u>27,995</u>	<u>30,156</u>
4 Investment income						
Dividends received	12,861	14,186	925	925	13,785	15,110
Deposit interest	1,390	1,520	164	99	1,554	1,619
Bank Interest	9	20	-	-	9	20
	<u>14,260</u>	<u>15,725</u>	<u>1,088</u>	<u>1,024</u>	<u>15,349</u>	<u>16,749</u>
5 Other income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Netherlee Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2019

	Unrestricted Funds		Restricted Funds		Total	
	2019	2018	2019	2018	2019	2018
	£	£	£	£	£	£
6 Analysis of Expenditure						
Raising Funds						
Offering Envelopes	89	94	-	-	89	94
	<u>89</u>	<u>94</u>	<u>-</u>	<u>-</u>	<u>89</u>	<u>94</u>
Charitable Activities						
Ministries & Mission Allocation	118,088	116,293	-	-	118,088	116,293
Presbytery Dues	6,703	6,713	-	-	6,703	6,713
Minister's Telephone and Post	632	771	-	-	632	771
Pulpit Supply	285	357	-	-	285	357
Other Salary Costs	14,166	13,659	-	-	14,166	13,659
Fabric Repairs & Maintenance	12,210	55,610	3,935	1,630	16,145	57,240
Council Tax	1,992	2,367	-	-	1,992	2,367
Heating and Lighting	12,064	11,559	-	-	12,064	11,559
Church Office Expenses	2,838	2,901	-	-	2,838	2,901
Organ & Music	1,687	2,140	-	-	1,687	2,140
Other Expenses	6,797	7,260	20,853	16,679	27,650	23,939
Minister's Travel Expenses	1,081	2,151	-	-	1,081	2,151
Rates and Insurance	6,916	6,319	-	-	6,916	6,319
Printing and Stationery	1,711	2,507	-	-	1,711	2,507
Publicity and Advertising	360	22	-	-	360	22
Grants to Organisations	217	365	-	-	217	365
Cleaning and Laundry	18,828	17,747	-	-	18,828	17,747
Purchase and Maintenance of Equipment	304	-	-	-	304	-
	<u>206,881</u>	<u>248,741</u>	<u>24,788</u>	<u>18,309</u>	<u>231,669</u>	<u>267,049</u>
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>206,970</u>	<u>248,835</u>	<u>24,788</u>	<u>18,309</u>	<u>231,758</u>	<u>267,143</u>

Support costs have not been separately identified as the trustees consider there is only one charitable activity. Therefore support costs relate wholly to that activity and have not been separately identified.

Netherlee Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2019

	2019	2018
	£	£
7 Staff costs and numbers Unrestricted Funds Only		
Salaries and wages	14,166	13,659
Social security costs	-	-
	<u>14,166</u>	<u>13,659</u>

The average number of employees during the year calculated on the basis of a headcount was as follows:

	2019	2018
	Number	Number
Administration	1	1
Music staff	2	2
	<u>3</u>	<u>3</u>

No employee had employee benefits in excess of £60,000 (2018 nil)

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pension and housing loan fund. Stipends are paid in accordance with the national scale, which is related to years of service. For the year under review, the minimum stipend was £27,585 and the maximum stipend (in the fifth and subsequent years of service) was £33,899.

8 Trustee Remuneration and Related Party Transactions

Only the minister and [REDACTED] a trustee, received any remuneration or reimbursement of expenses during the year.

During the year the Minister was reimbursed as follows:-

	2019	2018
	£	£
Travelling expenses and telephone	1,713	2,922
Manse council tax	1,992	2,367
Diane Levey Assistant Organist - remuneration	1,030	1,000

No trustee or a person related to a trustee had any personal interest in any contract or transaction entered into by the charity during the year.

During the year a total of £31,830 (2018 £33,899) was donated to the congregation by trustees

Netherlee Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2019

9 Tangible Fixed Assets

	Manse	
	2019	2018
	£	
Cost		
At 1 January	400,000	400,000
Gain on revaluation	50,000	-
At 31 December	<u>450,000</u>	<u>400,000</u>
Accumulated Depreciation		
At 1 January	-	-
Charge for year	-	-
At 31 December	<u>-</u>	<u>-</u>
Net Book Value		
At 31 December	<u>450,000</u>	<u>400,000</u>

The manse was valued on an open market basis at 31st December 2019 by Corum. The Trustees have agreed that valuations should be obtained every 3 years

10 Investments

	2019	2018
	£	£
Market value at beginning of year	382,987	426,822
Investments purchased in year	99,988	-
Investments sold in year	(100,000)	-
Unrealised gain / (loss) on investments	22,018	(43,835)
Market value at end of year	<u>404,993</u>	<u>382,987</u>
Investments at cost	<u>373,938</u>	<u>376,738</u>

There was a loss made of £2,800 on the investments sold in the year.

The following investments are held, at market value:

Church of Scotland Investors Trust Growth Fund	80,531	15,001
Church of Scotland Investors Trust Income Fund	77,313	38,069
British Government Index Linked Treasury Stock	17,421	17,601
Quoted Shares, Unit/Investment Trusts	33,107	31,171
Hargreaves Lansdown	196,622	281,145
	<u>404,993</u>	<u>382,987</u>

Netherlee Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2019

11 Debtors

	2019	2018
	£	£
Gift Aid Tax Refund Due	8,316	7,965
Prepayments and Accrued Income	1,423	573
	<u>9,739</u>	<u>8,538</u>

12 Creditors

	2019	2018
	£	£
Accruals	3,492	3,155
Other	1,593	2,433
	<u>5,085</u>	<u>5,588</u>

13 Analysis of Net Assets Among Funds

	Unrestricted	Designated Restricted		Total
	£	£	£	£
Fixed Assets	-	450,000	-	450,000
Investments	381,880	-	23,113	404,993
Current Assets	148,293	21,256	25,079	194,628
Current Liabilities	(5,085)	-	-	(5,085)
Net assets at 31 December 2019	<u>525,087</u>	<u>471,256</u>	<u>48,192</u>	<u>1,044,535</u>

	Unrestricted	Designated Restricted		Total
	£	£	£	£
Fixed Assets	-	400,000	-	400,000
Investments	360,873	-	22,114	382,987
Current Assets	118,736	26,726	35,060	180,522
Current Liabilities	(5,588)	-	-	(5,588)
Net assets at 31 December 2018	<u>474,021</u>	<u>426,726</u>	<u>57,174</u>	<u>957,921</u>

14 Volunteers

In common with all congregations of the Church of Scotland the congregation benefits from the contribution made by volunteers who give their time and talents willingly for the benefit of the Church. The areas of congregational life which rely on the contribution of volunteers are many and varied and much of the activity would be unable to continue were it not for commitment shown.

Netherlee Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2019

15 Movements in Funds

	At 1 January 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	Unrealised Gains/(Losses) £	At 31 Dec 2019 £
Restricted funds						
Stained Glass Window Fund	2,530	16	-	-	-	2,546
James Nelson Trust Fund	15,407	620	(1,000)	-	-	15,027
Thomas White Legacy Fund	14,500	493	(9,616)	-	513	5,890
Stanley Mair Memorial Fund	15,715	494	(650)	-	486	16,045
Flower Fund	1,383	1,145	(1,231)	-	-	1,297
Sunday Club Fund	1,712	987	(234)	-	-	2,465
Sunday/Wednesday Coffee Fund	2,625	4,744	(4,507)	-	-	2,862
The Guild Fund	533	3,430	(3,709)	-	-	255
Choir Fund	366	22	(25)	-	-	363
Audio Visual Fund	519	-	(519)	-	-	0
Monday Lunch Club	1,884	2,855	(3,297)	-	-	1,442
	<u>57,174</u>	<u>14,807</u>	<u>(24,788)</u>	<u>-</u>	<u>999</u>	<u>48,192</u>
Unrestricted Designated						
Organ Fund	4,987	26	-	-	-	5,013
Properties Fund	400,000	-	-	-	50,000	450,000
Common Good Fund	21,740	176	(5,652)	(21)	-	16,243
	<u>426,726</u>	<u>203</u>	<u>(5,652)</u>	<u>(21)</u>	<u>50,000</u>	<u>471,256</u>
Unrestricted Free						
Fabric Reserve Fund	195,250	5,393	(718)	6,366	8,816	215,108
General Fund	39,770	218,821	(200,601)	(3,516)	2,012	56,488
General Legacy Fund	239,000	7,130	-	(2,829)	10,191	253,492
	<u>474,021</u>	<u>231,345</u>	<u>(201,318)</u>	<u>21</u>	<u>21,019</u>	<u>525,087</u>
Total funds	<u>957,921</u>	<u>246,354</u>	<u>(231,758)</u>	<u>-</u>	<u>72,018</u>	<u>1,044,535</u>

Netherlee Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2019

Purposes of Restricted Funds

Stained Glass Window Fund: to assist in the cost of maintenance and repair of Church windows.

James Nelson Trust Fund: to assist in the promotion of Christian Youth work, particularly those that have an association with Netherlee Church or the Nelson family. Grants totalling £1,000 were awarded during the year.

Thomas White Legacy Fund: grants to General Congregational Funds of the Church with the power to assist any extra parochial objects, which may need assistance.

Stanley Mair Memorial Fund: to apply the income to fees and expenses incurred by persons invited to lecture on preaching in the Department of Theology at Glasgow University and preach at Netherlee Church.

Flower Fund: to provide flowers for display within the Church.

Sunday Club Fund: to resource and enable the Sunday Club to support various charities.

Sunday/Wednesday Coffee Fund: to purchase commodities for after service coffee with the surplus distributed to charity.

Guild Fund: surplus distributed to charities.

Choir Fund: to purchase music and fund resources for the Choir.

Audio Visual Fund: to cover the cost of upgrading the audio visual system within the Church.

Monday Lunch Club Fund: to facilitate running of lunch club for sufferers and their carers.

Purposes of Designated Funds

Organ Fund: for repairs to Church organ.

Properties Fund: the previous accounting policy was to charge the cost of property to reserves in the year of purchase. This has changed and properties are now included at the latest professional valuation. The Trustees have agreed that the valuation should be done every 3 years. The current valuation was done in 2019.

Common Good Fund: to make small donations to very local charities in the fields of Education, Sport, the Arts, Children and the Elderly but not exclusively so.

Purposes of Unrestricted Funds

General Reserve Fund: used to supplement the General Fund as required and for specific capital spends.

Fabric Reserve Fund: maintenance of the fabric of Church properties.

General Fund: dealing with day-to-day income and expenditure.

General Legacy Fund: for the receipt of unrestricted legacies.

Netherlee Church of Scotland
Notes forming part of the financial statements
for the year ended 31 December 2019

16 Collections for Third Parties

	2019	2018
	£	£
Disbursed for others		
Al Shurooq School for the Visually Handicapped	-	312
Cranhill C of S	-	410
Lodging House Mission	489	-
Poppy Scotland	-	269
Scottish Bible Society	54	-
S E Food Bank	-	264
Shelter Scotland	566	459
Sri Lanka Netherlee Cottage	1,159	1,533
Sri Lanka Easter Sunday Terrorist Attack	1,200	-
Starchild	-	500
Starter Packs	101	323
Tear Fund	288	288
	<u>3,858</u>	<u>4,358</u>

In addition the Trustees approved the following donations from Unrestricted Funds

St Rollox Parish Church Appeal	5,000
Sri Lanka Easter Sunday Terrorist Attack	1,200
	<u>6,200</u>