

**The Church of Scotland**  
**Ettrick and Yarrow Parish Church**

**Report and Financial Statements**

**For the year ended**

**31st December 2022**

**Congregation No: 040263**

**Charity No: SC 034662**

## Reference and Administrative Information

Charity Name: Ettrick and Yarrow Parish Church

Charity Registration Number: SC034662

Congregation Reference No: 040263

Contact Address: C/o Myreside  
Hartwoodmyres  
Selkirk  
TD7 5HA

### Trustees

Rev. M Steele

Mrs Nora Hunter

Mrs A Blundell

Mrs A Blackadder

Mr C Carroll

Mr G Jack

Mrs J Telfer

Mrs S White

Mrs L Wilson

Mrs Elizabeth Davidson

Mr Andy Wright

### Principal Office-bearers

Minister: The Rev. Margaret Steele (retired 28/02/2022)

Locum Minister: Rev Scott Guy (appointed 06/03/2022)

Session Clerk: Mrs N Hunter

Church Treasurer: Mrs J Guthrie

### Independent Examiner

Mrs Vivien Hogg BA CA, Hogg & Thorburn, Moat House 14 Gala Park, Galashiels. TD1 1EX

### Bankers

Bank of Scotland

Market Place

Selkirk

TD7 4BX

# **Trustees' Annual Report**

## **Year ended 31 December 2022**

### **Structure, Governance and Management**

#### **Governing Document**

The congregation is operating under a Unitary Constitution.

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

Members of the Kirk Session are the charity trustees. The Kirk Session members are the elders of the Church and are chosen from those members of the Church who are considered to have the appropriate gifts and skills.

#### **Organisational Structure**

The Kirk Session is chaired by the Interim Moderator; it normally meets six times in the year and is responsible for all matters within the church. The Rev Margaret Steele was Moderator until her retirement from Ashkirk, linked with Ettrick and Yarrow, linked with Selkirk, on 28/2/22. The Rev George Shand was appointed as Interim Moderator in August 2022. The locum minister for Ashkirk Ettrick and Yarrow, Selkirk linked churches (the Rev Scott Guy) was appointed on 6/3/22.

Kirk Session meetings could not take place between February 2022 and August 2022 as no Interim Moderator was in post. Meetings resumed when Rev Shand was appointed as Interim Moderator. A smaller Group consisting of the Session Clerks of Ashkirk, Ettrick&Yarrow and Selkirk, one Elder, and ministers meets every 6 weeks to organise tasks delegated by Kirk Sessions.

All meetings have been conducted by Zoom since March 2020.

#### **Objectives and Activities**

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in polity. It exists to glorify God and to work for the advancement of God'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.

Ettrick and Yarrow has created and sustains a Christian worshipping community enabling members to live their lives as effective Christians. It provides continuing education in the faith to allow members to better live out their Christian faith. The church creates and sustains a caring and supportive community caring for each other and for other members of the community. The church makes its people available to the community for pastoral help, for baptisms, weddings and funerals. The church makes its buildings available for use by other community groups.

## **Trustees' Annual Report (cont.)**

### **Year ended 31 December 2022**

#### **Achievements and Performance**

Weekly services of worship are conducted, alternating between Kirkhope and Yarrow Churches. In summer on one Sunday per month there is also a service in Ettrick Church. One of the Sunday services (either at Selkirk or Ettrick and Yarrow) is filmed each week and loaded up on to a YouTube channel for the benefit of those who cannot attend in person and others outside the parish who watch regularly.

Remembrance Day ceremonies and services are conducted at three war memorials in the Ettrick and Yarrow valleys. Additional worship services include a Remembering Memorial service for the Bereaved and Christingle which, on Christmas Eve, attracts a large congregation many of whom are from the local community. The historic Blanket Preaching is held each July on the hillside overlooking St Mary's Loch and harks back to the days of the Covenanters.

During the Covid lockdown, all social gatherings and refreshments after the worship services had to be stopped. Refreshments have now been resumed either before or after services and the level of church attendance has increased as a result of the churches feeling again like welcoming spaces.

A high level of pastoral care is offered to all in need in the valleys by a small group of Elders and the Pastoral Assistant (Ms H Carroll) appointed in 2021.

As part of community outreach the church's Facebook page and website are updated weekly and are regularly accessed.

The church continues its involvement with the ecumenical group CTSV (Churches Together in Selkirk and the Valleys), Christian Aid Week, the Selkirk Food Bank and Fresh Start Borders. The congregation is encouraged to take difficult-to-recycle items to Sustainable Selkirk's shop in Selkirk.

#### **Financial Review**

This year's accounts have been drawn up under the Office of the Scottish Charity Regulator's (OSCR) guidelines, as instructed by the Church of Scotland. It should be noted that the congregation is not asked to approve the annual financial statements; the accounts are now required to be approved by the Trustees (The Board & Session) and are then presented to the congregation at an annual stated meeting.

The Church's main source of income comes through Gift Aided donations and the Gift Aid claimed thereon although, unfortunately, the level of these donations has continued to decline again during the year. General expenditure on the other hand, has increased considerably during the year, as a result of the rise in Ministries and Mission (M & M) costs. Please note however, that the M & M cost of £30,489 does include £7,374 in relation to the 2021 year, following a revised schedule of costs being issued by the Church of Scotland.

## **Trustees' Annual Report (cont.)**

### **Year ended 31 December 2022**

#### **Financial Review (cont.)**

However, the Church has shown a surplus of income over expenditure of £1,374 this year, compared with £1,810 in 2021. It is worth noting that this surplus is after the receipt of £13,340 from funds held by the General Trustees, to support the Church in meeting insurance and utility costs.

At 31st December 2022 the Church held investments with a market value of £16,362 over and above the bank balances.

#### **Reserves Policy**

It is the Trustees' policy to hold reserves to meet future expenditure at a level of approximately three to six months ordinary expenditure, which equates to between approximately £10,062 and £20,124. At the year end the Church held unrestricted funds of £7,584 which is considered to be on the low side. The trustees are aware that they will have to undertake significant fundraising efforts during the coming year in order to maintain sufficient general reserves.

The Church also held £48,357 of restricted funds which have been provided for the purposes specified in Note 2.

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

The members of the Kirk Session must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of the Church during the financial year. The members of the Kirk Session are responsible for keeping proper accounting records which, on request, must reflect the financial position of the Church at that time. This must be done to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 as amended, and the Regulations Anent Congregational Finance approved by the General Assembly of the Church of Scotland in 2007. They are also responsible for safeguarding the assets of the Church and must take reasonable steps for the prevention and/or detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf,

**Ms Nora Hunter**  
**Session Clerk**

**Date:** 15th March 2023

# **Independent Examiner's Report to the Trustees of Ettrick & Yarrow Parish Church**

I report on the accounts of the charity for the year ended 31st December 2022 which are set out on the following pages.

## **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 requirement of Regulation 10(1) (d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

## **Basis of independent examiner's statement**

An 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 9 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.

Mrs Vivien Hogg BA CA  
Hogg & Thorburn  
Moat House  
14 Gala Park  
Galashiels  
TD1 1EX

Date: .....

**Ettrick and Yarrow Parish Church**  
**Receipts and Payments Account**  
**Year ended 31 December 2022**

		Unrestricted Funds 2022	Restricted Funds 2022	Total 2022	Total 2021
<b><u>Receipts</u></b>	Note	£	£	£	£
Donations	3	16,440	7,500	23,940	21,874
Legacies		-	-	-	-
Activities for Generating Funds		-	390	390	-
Bank & Deposit interest		354	-	354	367
Investment income		-	-	-	-
		<u>16,794</u>	<u>7,890</u>	<u>24,684</u>	<u>22,241</u>
Rental of premises (Glebe rent)		1,908	-	1,908	1,880
Sale of investments		-	-	-	-
Grants		-	-	-	-
Receipts from General Trustees		13,430	-	13,430	-
Allocation from Presbytery		-	-	-	-
Other Receipts					
- Endowment income		5,061	-	5,061	2,928
- Sundry income		-	-	-	-
<b><u>Total Receipts</u></b>		<u><u>37,193</u></u>	<u><u>7,890</u></u>	<u><u>45,083</u></u>	<u><u>27,049</u></u>
<b><u>Payments</u></b>	4				
Costs of generating funds		-	-	-	-
Charitable activities		40,248	3,461	43,709	25,239
Governance costs		-	-	-	-
<b><u>Total Payments</u></b>		<u><u>40,248</u></u>	<u><u>3,461</u></u>	<u><u>43,709</u></u>	<u><u>25,239</u></u>
<b>Excess of Receipts over Payments for the year before transfers</b>		<b>(3,055)</b>	<b>4,429</b>	<b>1,374</b>	<b>1,810</b>
Transfers		(29)	29	-	-
<b>Excess of Receipts over Payments for the year</b>		<u><u>(3,084)</u></u>	<u><u>4,458</u></u>	<u><u>1,374</u></u>	<u><u>1,810</u></u>

**Ettrick and Yarrow Parish Church**  
**Statement of Balances**  
**At 31 December 2022**

	Unrestricted Funds 2022	Restricted Funds 2022	Total 2022	Total 2021
Note	£	£	£	£
<b><u>Bank &amp; Deposit Balances</u></b>				
Bank & deposit balances brought forward	10,668	43,899	54,567	52,757
<b>Movement in year:</b>				
Excess of Receipts over Payments for the year	(3,084)	4,458	1,374	1,810
Bank & deposit balances carried forward	<u>7,584</u>	<u>48,357</u>	<u>55,941</u>	<u>54,567</u>
<b><u>Investments at market value</u></b>				
(cost £ 1,515)	<u>16,362</u>	<u>-</u>	<u>16,362</u>	<u>18,301</u>
<b><u>Assets</u></b>				
Gift Aid Receivable	<u>1,992</u>	<u>-</u>	<u>1,992</u>	<u>1,789</u>
<b><u>Liabilities</u></b>				
Ministries & Mission	-	-	-	7,374
Pastoral Assistant expenses	-	-	-	69
Roof repairs	1,548	-	1,548	-
Share of Linkage expenses	384	-	384	-
	<u>1,932</u>	<u>-</u>	<u>1,932</u>	<u>7,443</u>

The accounts were approved by the Kirk Session and Financial Board on 15th March 2023.

For and on behalf of the Kirk Session and Financial Board

\_\_\_\_\_ **Session Clerk**

\_\_\_\_\_ **Treasurer**



**Ettrick and Yarrow Parish Church**  
**Year ended 31st December 2022**

**Notes to the Accounts**

**1. Trustee Remuneration and Related Party Transactions**

During the year 2 trustees received reimbursement of expenses incurred totalling £612 (2021 - 2 trustees received £3,091). 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, other than Rev. Scott Guy who received expenses of £188 (2021 - £nil), in his position as locum minister.

**2. Movements in Funds**

	At 1 Jan 2022	Receipts	Payments	Transfers	At 31 Dec 2022
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Fund	10,668	37,193	(40,248)	(29)	7,584
	<u>10,668</u>	<u>37,193</u>	<u>(40,248)</u>	<u>(29)</u>	<u>7,584</u>
<b>Restricted funds</b>					
Fabric Fund	43,086	7,890	(3,461)	29	47,544
Tumutumu Fund	813	-	-	-	813
	<u>43,899</u>	<u>7,890</u>	<u>(3,461)</u>	<u>29</u>	<u>48,357</u>
<b>Total funds</b>	<u><u>54,567</u></u>	<u><u>45,083</u></u>	<u><u>(43,709)</u></u>	<u><u>-</u></u>	<u><u>55,941</u></u>

Purposes of Restricted Funds

Fabric Fund: - This fund is to support the ongoing maintenance of the church properties.

Tumutumu Fund: - This fund is to cover incidental expenses in connection with Tumutumu affairs, and fund jotters and pencils for their schoolchildren.

	Unrestricted Funds 2022	Restricted Funds 2022	Total 2022	Total 2021
	£	£	£	£

**3. Analysis of Donations**

WFO Scheme (non Gift Aid)	2,081	-	2,081	565
Gift Aid Donations	7,220	-	7,220	8,265
Tax Recovered on Gift Aid Donations	2,611	-	2,611	2,561
Ordinary Offerings (Open Plate)	3,568	-	3,568	2,423
Other Offerings, Donations etc	960	7,500	8,460	8,060
	<u>16,440</u>	<u>7,500</u>	<u>23,940</u>	<u>21,874</u>

**Ettrick and Yarrow Parish Church**  
**Year ended 31st December 2022**

**Notes to the Accounts (continued)**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
<b>4. Analysis of Payments</b>				
<b>Costs of generating funds</b>				
Investment Managers' fees	-	-	-	-
Offering envelopes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Charitable activities</b>				
Ministries & Mission allocation	30,489	-	30,489	10,043
Presbytery dues	324	-	324	326
Pastoral Assistant	1,380	-	1,380	1,645
Minister's expenses	320	-	320	150
Locum Fees	-	-	-	-
Pulpit supply	410	-	410	155
Other staffing costs	-	-	-	-
Fabric repairs & maintenance	-	3,461	3,461	5,543
Council Tax	-	-	-	596
Heat and light	1,345	-	1,345	1,019
Insurance	3,447	-	3,447	3,402
Other building costs	-	-	-	-
Church office expenses	-	-	-	-
Organ & music	-	-	-	-
Printing, stationery and postage	133	-	133	233
Other expenses	2,400	-	2,400	2,127
	<u>40,248</u>	<u>3,461</u>	<u>43,709</u>	<u>25,239</u>
<b>Governance costs</b>				
Independent examiner's fees	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other payments</b>				
Purchase of assets	-	-	-	-
Purchase of investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**5. Minister's Stipend**

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pension and housing and loan fund. Ministers' stipends are paid in accordance with the national stipend scale, which is related to years of service. For the year under review the minimum stipend was £28,700 and the maximum stipend (in the 5th and subsequent years of service) £35,269.

**6. Collections for Third Parties**

There were no collections for third parties during the year to 31st December 2022, or the year to 31st December 2021.

## APPENDIX

### FUNDS HELD ON BEHALF OF THE CONGREGATION

#### BY THE CHURCH OF SCOTLAND GENERAL TRUSTEES

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b><u>CONSOLIDATED FABRIC (CAPITAL) ACCOUNT</u></b>		
Credit Balances held at 31 December at cost	<u>84,474</u>	<u>84,474</u>
Market Value of Balances at 31 December	<u>125,972</u>	<u>135,788</u>

#### **CONSOLIDATED FABRIC (CAPITAL) ACCOUNT (II)**

Credit Balances held at 31 December at cost	<u>328,134</u>	<u>328,134</u>
Market Value of Balances at 31 December	<u>344,063</u>	<u>384,841</u>

This account holds the net funds received from the sale of the Church Manse during the year to 31st December 2019, in addition to any interest earned thereon.

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b><u>REVENUE ACCOUNT</u></b>		
Credit Balance at 31 December	<u>27,378</u>	<u>31,701</u>