

ST JOHN'S EPISCOPAL CHURCH, ANNAN.

Annual Report and Accounts for the year ended 30 September 2023.

1. Administrative Information:

Principal Address St John's Episcopal Church, 12 St Johns Road, Annan DG12 6AW.

Website www.annan.church.scot

**Charity Trustees
(Vestry Members)** The Rev'd Martin Callaghan, Rector
John Armstrong
Mairi Mole
Kath MacDonald Hon Secretary
Ian Stewart Hon Treasurer
Roy Beeby Lay Representative
Florence Dewar

Bankers Royal Bank of Scotland, High Street, Dumfries

Independent Examiner Alan Rice

2. Annual report of the Members of the Vestry

Introduction

The Vestry is pleased to present the annual accounts of St John's for the year to 30 September 2023.

We are a small, friendly congregation whose objective is to advance the mission of the Christian Church in Annan and the surrounding district through worship, service and fellowship. We aim to do this through supporting existing church members, welcoming new members and visitors and cooperating with the other Churches in the Annandale Group, in the Galloway Region, in the Diocese, and where the opportunity arises, with the members of other denominations in our area.

We particularly value our links with the Episcopal Churches at Eastriggs and Gretna, who along with St John's, make up the Annandale Group. Ministry costs are largely met by the Diocese subject to a contribution from the Vestry of the three Churches on the basis of their ability to pay.

The Church is fully accessible and has disabled facilities.

This annual report and accounts presents a summary of our financial activities during the year and gives an overview of the general activities which have taken place in the life of the Church in the past year.

Activities and Achievements

The church continues to serve the community by offering Services every Sunday and being available for baptisms, weddings and funerals when approached to do so. The congregation remains small but are committed and enthusiastic about their mission and witness in the community.

In December 2022 a new church boiler was installed at a cost of over £4000. A generous grant by the Diocese of Glasgow and Galloway assisted in bringing this to fruition. Property repairs and upgrading which were recommended in the quinquennial survey undertaken on the church and hall buildings in May 2022 by ARPL architects are still under consideration.

A team of clergy and lay ministers assist the Rector, Martin Callaghan, to cover Services throughout the Annandale Group. Home visits and communions are undertaken. Links with Churches of other denominations remain strong. The Rector continues to act as chaplain to the local British Legion Branch and members of the congregation are active in Christian Aid and other charities.

Financial performance

Payments exceeded receipts by £6,222 giving a deficit over the past three years in excess of £16k. As our bank current account was running out of funds the balance in Scottish Widows Bank was withdrawn and that account has been closed. Expenditure during the year included the cost of the Quinquennial Inspection and the replacement of the boiler for which some grants were obtained. Although we only make a nominal contribution to ministry costs, most being met by the Diocese, the very small congregation means that we are not currently financially viable.

Reserves

Our cash reserves reduced by the amount of the deficit. We still have some investments but it is likely that we will have to liquidate some of these in the near future, particularly as there is a considerable amount of outstanding work arising from the quinquennial report.

Investments

Our portfolio of two managed funds was reviewed by a stockbroker three years ago and no changes were recommended.

Structure, Governance and Management

St John's is an unincorporated association, governed by a constitution. As a member congregation of the United Diocese of Glasgow & Galloway in the Scottish Episcopal Church, we are also governed by Canon Law of the Scottish Episcopal Church. The management team of the Church is known as the Vestry. For the purposes of charities law, the members of the Vestry are the Charity Trustees of the Church. Details of the Vestry members are given on the front page.

Apart from the Rector, the other Vestry members are elected by the congregation in annual meeting. The Secretary and Treasurer are elected annually whilst at least two of the ordinary Vestry members must retire annually but are eligible for re-election. The Vestry is chaired by the Rector.

Vestry Responsibilities

The Vestry are responsible for managing and safeguarding the assets of the Church and assisting the Rector in matters affecting the spiritual welfare of the congregation. They are also responsible for keeping proper accounting records and ensuring that the accounts are prepared in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Vestry regularly considers the risks faced by St John's and ensures that appropriate risk management procedures are in place to mitigate those risks.

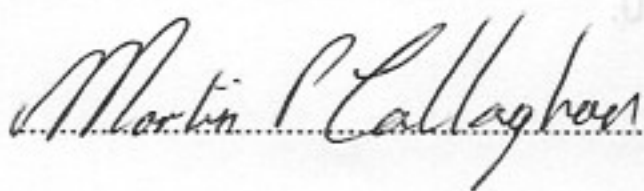
Relationship with Diocese and Province

St John's is supported by the Diocese and the Province through the pastoral oversight of the Bishop, central support functions provided at Diocesan level, and grants from central funds. The Church is represented at Diocesan level by the Rector and the Lay Representative. As a member of the Scottish Episcopal Church St John's has an obligation to contribute to the costs of the Diocese and the Province through payment of an annual quota. This amount is based on the relative level of our income in comparison with other Churches in the Diocese and the Province.

Conclusion

The members of the Vestry would like to thank all those who contribute their time, energy and money so generously to ensure the continuation and development of St John's as a centre of worship and an important part of the Christian life of the Annan District.

On behalf of the Trustees



Chairman of the Vestry. 12 October 2023.

3. Independent Examiner's Report to the Trustees of St John's Episcopal Church, Annan

I report on the accounts of the charity for the year ended 30th September 2023 as set out on pages 5 to 7.

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 report.

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.

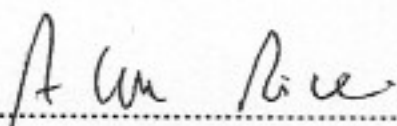
Independent examiner's statement.

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 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.



Alan Rice. 14 October 2023.

Address of Independent Examiner : 4 Falcon Drive, Gretna DG16 5JU.

Receipts and Payments Account for the year ended 30 September 2023

	Notes	General Fund Unrestricted £	Fabric Fund Restricted £	Total Funds 2023 £	2022 £
Receipts					
Donations	3	6,406	0	6,406	6,744
Legacies		0	0	0	0
Grants		0	3393	3393	0
Fundraising	4	0	0	0	0
Investment income	5	2,255	0	2,255	2,057
Hall income		80	0	80	2,508
Proceeds from sale of investments		0	0	0	0
Total Receipts		8,741	3393	12,134	11,309
Payments					
Payments relating to charitable activities	6	13,075	5281	18,356	13,747
Expenses of fundraising activities		0	0	0	0
Grants and donations		0	0	0	0
Governance costs		0	0	0	0
New hall lighting					1036
Total Payments		13,075	5281	18,356	14,783
Surplus/deficit(-) for the year		-4,334	-1888	-6,222	-3,474

Statement of Balances as at 30 September 2023

	Unrestricted	Restricted	Total Funds 2023	2022
Cash at Bank and in hand				
Balance at beginning of year	6,508	5,894	12,402	15,876
Surplus/deficit (-) for year	-4,334	-1,888	-6,222	-3,474
Total at end of year	2,174	4,006	6,180	12,402
Comprising				
RBS			6,180	8,702
Scottish Widows			0	3,700
Cash in hand			0	0
	0	0	6,180	12,402
Investments				
Market value at beginning of year	35,884	0	35,884	39,960
Unrealised gain/loss(-) in year	1,738	0	1,738	-4,076
Market value at end of year	37,622	0	37,622	35,884
1,100 Merchants Trust	5,951	0	5,951	5,522
2,213 M&G Charifund	31,671	0	31,671	30,362
	37,622	0	37,622	35,884
Total Reserves				
At beginning of year	42,392	5,894	48,286	55,836
Surplus/deficit(-) for year	-4,334	-1,888	-6,222	-3,474
Movements in investments	1,738	0	1,738	-4,076
	39,796	4,006	43,802	48,286
Other Assets and Liabilities - for information only				
Assets	0	None		
Liabilities	0	None		

On behalf of the Trustees

Martin P Callaghan

Rector 12 October 2023

5. Notes to the Accounts

1. Accounting Policies

Basis of Preparation

The accounts have been prepared on a receipts and payments basis. They consist of a summary of all moneys received and paid via the bank and in cash during the financial year, along with a statement of balances. No adjustments have been made for any income due but not received, nor for any expenses incurred but not yet paid at the year end. Except for investments, fixed assets are not capitalised.

Restricted Funds

The restricted fund balance represents money received over the years from various sources which is restricted to expenditure on the property of the church or hall. During the year the cost of the new boiler (£4,159) and the quinquennial inspection (£1,122) were charged to the Fabric Fund and the grants received towards this expenditure (£3,393) was credited to the Fund.

Joint Costs

As part of the Annandale Group, St John's pays an agreed share of ministry costs. This includes stipends, employer's national insurance, pension, travel, telephone, Council Tax, rectory costs and locum fees and expenses. In the past year our share has been £600 per month.

Buildings

Neither the Church or the hall is included in the statement of balances. The vestry believe that it is not possible to place an accurate market value on the Church. The buildings and contents of the church and hall are insured for £4,058,902 and £76,647 respectively.

2. Special collections

There were no collections for outside charities during the year.

3. Donations

Open plate

Banker's orders, etc

White Gift Aid envelopes

Tax recovered on Gift Aid

Donations

Weddings, Baptisms and Funerals

2023

2022

£

£

2,555

2,900

1,910

2,024

0

0

740

1,624

370

66

830

130

6,405

6,744

4. Fundraising

2023	2022
£	£
0	0

5. Investments

	2023	2022
	£	£
Bank interest	79	8
Dividends	<u>2,176</u>	<u>2,049</u>
	<u>2,255</u>	<u>2,057</u>

6. Payments relating to Charitable Activities

	2023	2022
	£	£
Share of Annandale Group Ministry costs	7,200	7,200
Provincial & Diocesan Quota	55	1,826
Insurance	2,810	2,578
Electricity	491	786
Gas	2,205	983
Church property maintenance	182	196
Sundry	131	178
Quinquennial Inspection	1,123	0
Replacement Boiler	<u>4,159</u>	<u>0</u>
	<u>18,356</u>	<u>13,747</u>

7. Remuneration and Expenses paid to Vestry Members

None of the vestry members received any remuneration or expenses relating to their position as vestry members. However the Rector received stipend in accordance with the SEC approved rate together with travel expenses. His accommodation was provided and council tax paid.