

FORTWILLIAM AND MACRORY PRESBYTERIAN CHURCH

Annual accounts for year ended 31st December 2012

Statement of financial activities

		Unrestricted funds	Restricted income funds	Endowment funds	Total this year	Total last year
		£	£	£	£	£
Incoming resources (Note 2)						
	Regular Direct Giving	41,293	18,145	-	59,438	72,879
	Gift Aid	6,571	3,016	-	9,587	13,195
	Donations & Legacies	190	-	-	190	854
	Activities that generate Income	1,621	24	-	1,645	3,622
	Investment income	8,684	17	1,522	10,223	3,810
	Other income sources	3,538	36,392	-	39,930	20,835
	Total incoming resources	61,897	57,594	1,522	121,013	115,195
Resources expended (Note 3)						
	Central Church Assessments	12,633	-	-	12,633	12,633
	Minister	26,884	-	-	26,884	26,489
	Other Ministry & Support staff	4,861	24,376	-	29,237	21,958
Life & Work	Worship & Fellowship	1,131	1,520	-	2,651	2,224
	Discipleship & Ministry	158	157	-	315	323
	Mission & outreach	1,014	12,910	-	13,924	11,444
	Governance costs	4,633	28	-	4,661	3,580
Property & Equipment	Utilities	10,490	-	-	10,490	10,035
	Repairs & Maintenance	6,021	34,281	-	40,302	18,481
	Insurance	6,517	-	-	6,517	6,489
	Depreciation	12,396	2,638	-	15,034	15,034
Grants to Missions & Charities	United Appeal	-	4,100	-	4,100	4,951
	Other PCI Schemes	-	1,501	-	1,501	2,030
	Other Missions & Charities	-	1,908	-	1,908	320
	Total resources expended	86,738	83,419	-	170,157	135,991
	Net incoming/(outgoing) resources before transfers	(24,841)	(25,825)	1,522	(49,144)	(20,796)
	Transfers between funds - in	700	44,904	-	45,604	6,619
	Transfers between funds - out	(23,349)	(1,278)	(20,977)	(45,604)	(6,619)
	Net incoming/(outgoing) resources before other recognised gains/(losses)	(47,490)	17,801	(19,455)	(49,144)	(20,796)
Other recognised gains/(losses)						
	In year Gain (Loss) on investment assets	16,740	(14)	2,315	19,041	2,409
	Adjustment on revaluation of Manse		(35,000)		(35,000)	
	Gain on part return of PMS investment				-	65,040
	Net movement in funds	(30,750)	(17,213)	(17,140)	(65,103)	46,653
	Church funds brought forward	368,442	431,224	60,587	860,253	813,600
	Total funds carried forward	337,692	414,011	43,447	795,150	860,253

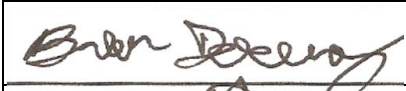

FORTWILLIAM AND MACRORY PRESBYTERIAN CHURCH

Annual accounts for year ended 31st December 2012

Balance sheet

		Unrestricted funds	Restricted income funds	Endowment funds	Total this year	Total last year
		£	£	£	£	£
Fixed assets						
Tangible assets	Note 4	101,673.00	386,522.00	-	488,195.00	538,229.00
Investments	Note 5	180,248	-	43,447	223,695	202,082
Total fixed assets		281,921	386,522	43,447	711,890	740,311
Current assets						
Debtors	Note 6	1,739	4,342	-	6,081	4,640
Cash at bank and in hand	Note 7	54,032	41,437	-	95,469	125,738
Total current assets		55,771	45,779	-	101,550	130,378
Creditors & Deferred Income: amounts falling due within one year	Note 8	-	18,290	-	18,290	10,436
Net current assets/(liabilities)		55,771	27,489	-	83,260	119,942
Total assets less current liabilities		337,692	414,011	43,447	795,150	860,253
Net assets		337,692	414,011	43,447	795,150	860,253
Funds of the Church						
Unrestricted funds	Note 9	44,796			44,796	241,136
Designated Funds		292,896			292,896	127,306
Restricted income funds		-	414,011	-	414,011	431,224
Endowment funds			-	43,447	43,447	60,587
Total funds		337,692	414,011	43,447	795,150	860,253

Signed on behalf of the Congregational Committee

Signature	Print Name	Date of approval
	Brian Downey	17.2.2013
	Claire Hughes	17.2.2013

I have examined the books and records of Fortwilliam & Macrory Presbyterian Church and have obtained all the explanations and information requested. I confirm that the foregoing Balance Sheet and Statement of Financial Activities presents a true and fair view of the financial transactions of the said Church for the year ended 31 December 2012



Graeme Allen FCA ACIS
Chartered Accountant Date 11th February 2013

Fortwilliam & Macrory Presbyterian Church
Notes to the Financial Statements
31 December 2012

1. 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.

The congregation has adopted the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (issued February 2005).

(i) Basis of preparation

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention, modified to reflect the inclusion of investments at market value, and in accordance with the Charities Act (Northern Ireland) 2008 and the Statement of Recommended Practice: Accounting and Reporting by Charities (2005).

ii) Funds

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 church.

Endowment funds are funds which have been given on the condition that the original capital sum is not reduced, but the income therefrom is used for the purpose defined in accordance with the objects of the church.

Unrestricted funds are expendable at the discretion of the congregational committee in furtherance of the objects of the church. If parts of the unrestricted funds are earmarked at the discretion of the committee for a particular purpose, they are designated as a separate fund. This designation is an administrative purpose only and does not legally restrict the committee's discretion to apply the fund.

(iii) Incoming resources

All donations and gifts are included within incoming resources under either unrestricted or restricted funds according to the terms under which the donations made and when the amount can be quantified with reasonable certainty. Donations and gifts in kind are brought into the Accounts at their market value to the church.

Gift Aid Tax Relief on "pass through" donations earmarked for missions, charities etc. is brought into the accounts when the relief has been received.

(iv) Resources expended

Expenditure is recognised on an accruals basis as the liability is incurred.

v) Tangible fixed assets

The church has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church, halls and manse, vested in the Congregational 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.

All tangible individual or grouped fixed assets costing in excess of £1000 having a value to the Church greater than one year, other than those acquired for specific purposes, are capitalised.

Depreciation is provided 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: a full year's depreciation is applied to assets acquired during the year irrespective of at what stage of the year they are acquired. Depreciation rates are as follows:-

Freehold buildings	50 years
Fixtures, fittings and office equipment	10 years
Computer Equipment	4 years
Vehicles	4 years

The manse is valued at a current valuation and not depreciated. The manse was valued at £345000 during 2010 by a Chartered Surveyor. The committee intends to have the manse professionally valued every 5 years. A professional revaluation is not yet due but with evidence of declining property values in the area the committee has decided that it is prudent to reduce the current book value to £310000.

(vi) 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.

(vii) Taxation

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

Fortwilliam and Macrory Presbyterian Church
Statement of Financial Activities by Fund year ending 31st December 2012

General Fund	Property	Fabric Fund (Inc. Boiler Fund)	Youth & Community	Flower Fund	Organisations	Sabbath School	Benevolent Fund	Boys Brigade Fund	Missions & Charities	Grand Total
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Note 2 Incoming Resources											
	£	£	£	£	£	£	£	£	£	£	£
Regular Direct Giving	41293		9237	2520	545	603				5240	59438
Gift Aid	6571		1737	452	53					774	9587
Donations & Legacies	190										190
Activities to Generate Income	1621		24								1645
Investment Income	8684		15				423	656	88	357	10223
Other Income Sources	3538		3800	30707		1665	220				39930
Total Incoming 2012	61897	0	14813	33679	598	2268	643	656	88	6371	121013

Note 3 Resources Used											
Central Church Assessments	12,633										12,633
Minister	26,884										26,884
Other Staff	4,861			24,376							29,237
Worship & Fellowship	1,131				615	337	568				2,651
Discipleship & Ministry	158						157				315
Mission & Outreach	1,014			11,238		1,672					13,924
Governance	4,633			28							4,661
Utilities	10,490										10,490
Repairs and Maintenance	6,021		34,281								40,302
Insurance	6,517										6,517
Depreciation		15,034									15,034
United Appeal										4,100	4,100
PCI Missions etc										1,501	1,501
Charities						137		1,000		771	1,908
Total Used 2012	74,342	15,034	34,281	35,642	615	2,146	725	1,000	0	6,372	170,157

Transfers 2012	700		21,087			248					22,035
	(21,087)				(300)	(400)			(248)		(22,035)

Net Incoming (Outgoing) 2012	(32,832)	(15,034)	1,619	(2,263)	(17)	(30)	(82)	(344)	(160)	(1)	(49,144)
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<i>Total Incoming 2011</i>	<i>68690</i>		<i>17321</i>	<i>17654</i>	<i>866</i>	<i>2338</i>	<i>404</i>	<i>631</i>	<i>80</i>	<i>7211</i>	<i>115195</i>
<i>Total Used 2011</i>	<i>71,479</i>	<i>15,034</i>	<i>16,243</i>	<i>22,935</i>	<i>806</i>	<i>1,945</i>	<i>337</i>	<i>0</i>	<i>0</i>	<i>7,211</i>	<i>135990</i>
<i>Transfer 2011</i>	<i>1,150</i>			<i>300</i>	<i>750</i>	<i>512</i>			<i>188</i>		<i>0</i>
<i>Net Incoming (Outgoing) 2011</i>	<i>(1,639)</i>	<i>(15,034)</i>	<i>1,078</i>	<i>(4,981)</i>	<i>(690)</i>	<i>(119)</i>	<i>67</i>	<i>631</i>	<i>(108)</i>		<i>(20,795)</i>

Note 4

Tangible fixed assets

4.1 Cost or valuation

	Church At Cost	Manse At Valuation	Patterson Halls At Cost - value at acquisition	Sound, Video & Computer Equipment	Organ	Church Fixtures, fittings and equipment	Payments on account and assets under construction	Total
	(Property Res) £	(Property Res) £	(Gen. Property Des) £	(Gen. Property Des) £	(Gen. Property Des) £	(Gen. Property Des) £	£	£
Balance brought forward	131,923	345,000	65,000	13,000	58,957	19,500	-	633,380
Additions	-	-	-	-	-	-	-	-
Revaluations	-	(35,000)	-	-	-	-	-	35,000
Disposals	-	-	-	-	-	-	-	-
Transfers *	-	-	-	-	-	-	-	-
Balance carried forward	131,923	310,000	65,000	13,000	58,957	19,500	-	598,380

4.2 Accumulated depreciation and impairment provisions

Basis	Fixed assets are depreciated on a straight line basis with the exception of the Manse at 5 Lismoyne Park which is not depreciated						
Rate	2%	0%	2%	25%	10%	10%	

Balance brought forward	52,763	-	9,100	9,750	17,688	5,850	-	95,151
Depreciation charge for year	2,638	-	1,300	3,250	5,896	1,950	-	15,034
Impairment provisions	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers*	-	-	-	-	-	-	-	-
Balance carried forward	55,401.31	-	10,400	13,000	23,584	7,800	-	110,185

Depn Unrestricted		12,396
Depn Restricted	2,638	

4.3 Net book value

Brought forward	79,160	345,000	55,900	3,250	41,269	13,650	-	538,229
Carried forward	76,522	310,000	54,600	-	35,373	11,700	-	488,195

The Manse was professionally valued in 2010 at £345,000; however given the present depressed state of the property market the current value is less certain and in view of estate agents asking prices for similar properties in the area the committee deem it prudent to reduce the book value by £35,000.

Note 5 Investments

		<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total</i>
Market Value at start of year		160,362	589	41,132	202,082
Additions at cost		5,427		3,571	8,999
Disposals		2,281	574	3,571	6,426
Unrealised gains (Losses) on investments		16,740	(15)	2,315	19,040
Market Value at end of year		<u>180248</u>	<u>0</u>	<u>43447</u>	<u>223695</u>
Investments at Cost		<u>178527</u>	<u>0</u>	<u>9155</u>	<u>187682</u>
Investments Held					
PCI General Fund	5330 Shares	555		39445	40001
City of London Inv. Trust	2150 Shares	2816		4002	6818
M&G Charifund	2206 Shares	26468			26468
M&G Charibond	16509.00 Shares	21677			21677
M&G Global Dividend	16750 Shares	23902			23902
Henderson Far East Income	4000 Shares	12972			12972
HICL Infrastructure	20043 Shares	24853			24853
Mercantile Investment Trust	1250 Shares	13863			13863
Murray International Trust	2500 Shares	26200			26200
Veritas Global Income A	174 Shares	26941			26941
Presbyterian Mutual Society	180 £100 Shares	1			1
		<u>180248</u>	<u>0</u>	<u>43447</u>	<u>223695</u>
Investments Held by Church Funds at Market Value					
General Fund	180249		Benevolent Fund		18930
Boys Brigade Fund	2324		Presbyterian Women		5871
Sabbath School Fund	12122		United Appeal Fund		4199

223695

Commentary

During the year the Church holding of UK Government stock was sold and the proceeds relating to Endowments reinvested, on the advice of our Stockbroker, in City of London Investment Trust at a cost of £6643. In addition a further investment in HICL infrastructure was purchased at a cost of £2916.

In relation to the Presbyterian Mutual Society £54960 remains outstanding, £18000 in shares in the society and the remainder loan capital. The 180 £100 Shares in the Society noted in Note 5 are written down to £1 in the accounts and the outstanding loan capital of £36960 is written off. It is possible, depending on an orderly wind down of the PMS and market conditions, that funds will become available to repay the outstanding loan and share capital in the future but this is likely to be a long term consideration (10 years +) and it is prudent to make no allowance for further return of capital in the accounts.

	2012				2011
	£ Unrestricted	£ Restricted	£ Endowment	£ TOTAL	£ TOTAL
Note 6 Debtors & Prepayments					
Grant Active Belfast B2B		2798		2798	
Gift Aid Tax Refund Due	1739	1544		3283	3202
Oil - Macrory (Insurance Claim)					1439
	<u>1739</u>	<u>4342</u>	<u>0</u>	<u>6081</u>	<u>4640</u>

Note 7 Cash at Bank and in Hand

Ulster Bank Ltd Current Account	(34,181)	39209		5027	282
Ulster Bank Ltd Reserve Account	31339			31339	17653
Church Petty Cash	154			154	13
Leeds Building Society	5008			5008	4993
Ulster Bank Ltd Moneydesk	50042			50042	100000
Cunningham Coates	1671	45		1715	608
Bowling Club Bank		750		750	773
Gardening Society Bank		576		576	565
Boy's Brigade Bank		653		653	675
Youth Club Cash		192		192	109
Gardening Society Cash		0		0	6
Boy's Brigade Cash		13		13	61
	<u>54032</u>	<u>41437</u>	<u>0</u>	<u>95470</u>	<u>125738</u>
	ERROR	ERROR			

Note 8 Creditors & Deferred Income - falling due within one year

Prepayment Bricks To Bridges Grant		8790		8790	436
Prepayment UMT & Board of Mission Grant		9500		9500	10000
	<u>0</u>	<u>18290</u>		<u>18290</u>	<u>10436</u>

Note 9 CHURCH FUND BALANCES at 31st December 2012

Fund	Unrestricted	Restricted	Endowment	2012	2011
General Fund Total	326717			326717	241136
Property Fund Total		386522		386522	538229
Fabric & Repairs Fund Total		5830		5830	4223
Youth & Community Fund Total	10975			10975	13237
Flower Fund Total		242		242	259
Bowling Club Total		750		750	773
Boys Brigade (41st Belfast Coy.) Total		666		666	761
Gardening Society Total		576		576	571
Youth Club Total		458		458	375
Sabbath School Fund Total		2086	12122	14208	13629
Benevolent Fund Total		15474	18930	34405	33741
Boys Brigade Fund Total		1407	2324	3731	3722
PCI United Appeal Total			4199	4199	4076
PCI Presbyterian Women Total			5871	5871	5519
Grand Total	337691	414011	43447	795150	860253

Note 10 Presbyterian Pension Fund

The Presbyterian Church in Ireland accounts for the year 2011 show a deficit in the Pension Fund of £22m for Ministers and £18m Unspecified. No Accrual or Liability is included in these accounts for any possible responsibility which the Congregation of Fortwilliam and Macrory may or may not have for this deficit.