

**PENICUIK TRINITY COMMUNITY CHURCH  
TRUSTEES' REPORT  
YEAR ENDED 31 DECEMBER 2022**

**PENICUIK TRINITY COMMUNITY CHURCH  
(CHURCH OF SCOTLAND)  
ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Congregation No. 030231  
Scottish Charity No. SC005838**

**PENICUIK TRINITY COMMUNITY CHURCH**  
**TRUSTEES' REPORT**  
**YEAR ENDED 31 DECEMBER 2022**

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out on pages 3 and 4 of the Financial Statement 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 published in July 2014.

**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 Christ's Kingdom throughout the world. As a national Church, it acknowledges a distinctive call and duty 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.

**Trinity Community Mission Statement**

The congregation recognises the importance of developing positive patterns of church life for the future and commits itself to building a church that is:

- **Multigenerational**, with all generations finding a meaningful place in the church family
- **Mission focussed**, reaching out to those in the community
- **Pastorally attentive**, ensuring that members are nurtured and supported in faith and life

**Achievements and Performance**

This year saw the Union of Penicuik: St Mungo's Parish Church with Penicuik: South and Howgate Church to form Penicuik Trinity Community Church. The Union was agreed at a service led by Lothian Presbytery on 7<sup>th</sup> April 2022 in the then St Mungo's church.

The new congregation agreed to use the former St Mungo's buildings (church and hall) and has now sold the former Penicuik South church, and the former Howgate church/hall. The minister of St Mungo's church [REDACTED] became the minister of the new congregation. The new Kirk Session, comprising all elders from both congregations, is the governing body, and all assets have been combined to form the assets of the new congregation of Penicuik Trinity Community Church.

The Union of the two congregations has proceeded fairly smoothly; the South Church building was effectively closed for Sunday worship at the end of December 2021, with members from both congregations subsequently worshipping in St Mungo's Church. This meant that, at the date of Union, the congregations had got to know one another to some extent, building on the preparatory activities in 2021. The present congregation has a membership of around 200, with 80 people worshipping regularly on a Sunday morning. Our numbers have been augmented by some members of the former Glencorse Church, which closed in 2021.

With the COVID restrictions having been relaxed, 'normal' activities have been restarted, and some initiatives introduced during 2019 have been continued, such as the weekly recorded YouTube service made available online after each Sunday morning service. The weekly prayer meeting takes place each Sunday evening, in the hall.

The hall is now being used again by community organisations (Brownies, Rainbows, dance classes etc) for weekly, monthly or occasional events. Messy Church (supported by all the Penicuik churches) is meeting again once a month, open to families with primary-age children, featuring craft activities, worship and a hot meal – all free of charge, and we have been encouraged by the number of new families attending.

Some new projects started in 2022: 'Gather on the Green' is a monthly outreach event on a Sunday afternoon in the large new housing area to the north of Penicuik, supported by Penicuik Churches Together (PCT); 'Renew 26' has started at the Glencorse Centre on a weekly basis, staffed by members of Penicuik churches, as 'a place where it's OK not to be OK'; Forest Church, which was started in 2021 by Penicuik:

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South and Howgate, continues to meet monthly to provide an opportunity to meet God outdoors. Several other new outreach projects are planned for 2023, and members of the new congregation continue to be actively involved in the local Foodbank (Food, Facts, Friends).

We give praise and thanks to God for guiding us through the process of becoming a new congregation, and seek his blessing and direction for our continuing work for his kingdom in Penicuik, in conjunction with the other Christian congregations.

**Financial Review**

We give God thanks and praise for his faithfulness throughout the year and for the seamless coming together of St. Mungo's with South and Howgate.

The Kirk Session extends a huge thank you to every member for their continued and faithful generosity throughout the year. The finances in 2022 have provided for all the requirements of the congregation in this testing time and we are richly blessed with resources. We give thanks for the faithful giving and good stewardship on the part of the congregation. During 2022 the union of the 2 churches has led to a significant increase in the income to the newly named Trinity Community Church through the offering, and also in monies invested in the Church of Scotland.

There are clear statistics which reflect this:

- An increase in regular giving (£62,788 in 2022, compared to £45,138 in 2021); however, this doesn't compare like with like: the amounts of 'giving' for 2022 do not include all of the giving from South and Howgate, and the figures for 2021 refer only to St Mungo's. It will be far more meaningful when we compare figures next year, when it is expected we shall see a rise in the 'giving' figures.
- A decrease in fundraising (£1,240 in 2022, compared £3,558 in 2021);
- An increase in hall rentals (£3,520 in 2022, compared to £1,108 in 2021);
- An increase in expenditure on utilities (light and heat): £6,659 in 2022 compared with £4,610 in 2021
- A significant increase in fabric expenditure: £28,785 2022 compared with £1,874 in 2021.  
However much of this was claimed back through insurance which covered that area of the church ceiling which came down as well as repairs to the organ.

In all five examples above it should be borne in mind that during 2021 we were still in lockdown. Naturally this made a difference to hall rentals and the expenditure on utilities. There was a fall off of monies raised from fundraising in 2022 but the Church was transitioning through a Union which concentrated our attention on the building of a strong Fellowship which we now enjoy together.

We are immensely blessed that our regular giving was maintained and grateful that we did manage some fundraising.

The church officer has provided vital IT services and the cleaner has cleansed the church and hall to a high standard. The church organist has been paid a retainer since March 2020.

We give thanks for our current financial solvency, allowing PTCC to look forward with a God-given confidence to fresh expressions of outreach and witness in the community.

With grateful thanks to the hard work of the Treasurer and the Finance Committee

(Finance Convenor)

**Reserves Policy**

The charity trustees have considered the reserves required and have considered their current and future liabilities. It is the trustees' policy to hold reserves of at least 6 months' expenditure including designated funds. At the year end the congregation held cash funds of £217,837, which includes £140,645 as cash reserves on Deposit with the Church of Scotland. Investments held in the Church of Scotland Investment Trust exceed £500,000.

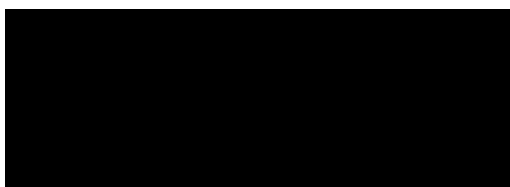
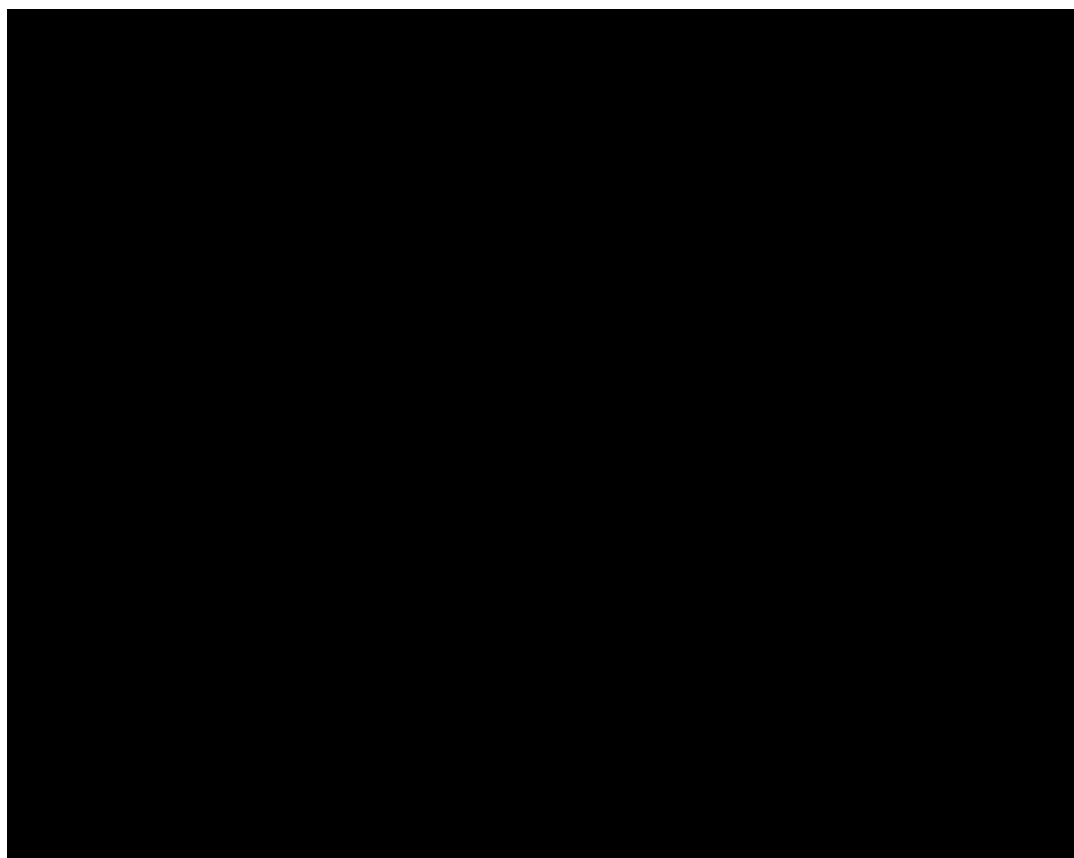
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**Structure, Governance and Management**

The congregation is a registered charity, number SC005838 and is administered in accordance with the terms of the Model Deed of Constitution and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

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 appropriate gifts and skills. The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery. The Kirk Session, which normally meets monthly, is responsible for spiritual and temporal affairs within the church.

**Reference and Administrative Information**



**Bankers**

Bank of Scotland  
Penicuik Branch  
163A John Street  
Penicuik EH26 8AT

Royal Bank of Scotland  
12 Bridge Street  
Musselburgh EH21 6AH

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**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.

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the organisation 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 principle in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statement of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

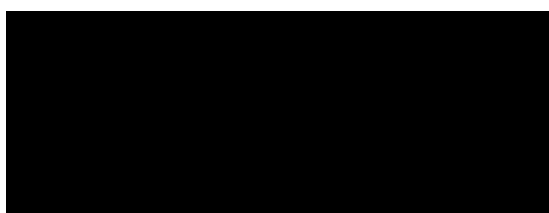
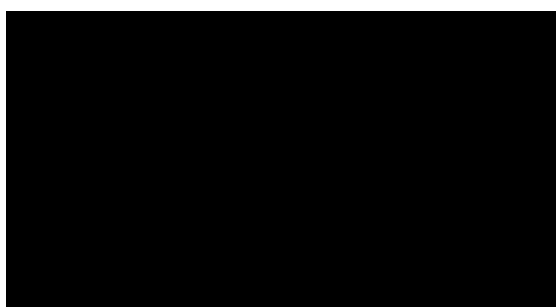
The members of the Kirk Session/Congregational Board must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of Trinity Community during the financial year.

The members of the Kirk Session/Congregational Board are responsible for keeping proper accounting records which, on request, must reflect the financial position of Trinity Community 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.

They are also responsible for safeguarding the assets of Trinity Community 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,



Date 12<sup>th</sup> May 2023

**Statement of Financial Activities  
Independent Examiner's Report**

I report on the accounts of the charity for the year ended 31 December 2022 which are set out on the Financial Statement pages 1 to 7.

**Respective responsibilities of trustees and examiner**

The charity trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (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**

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 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**

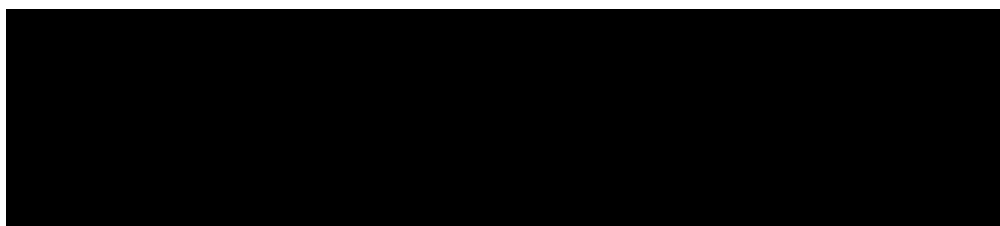
In the course of my examination, of the statement of accounts for the year ended 31 December 2022, no matter has come to my attention,

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. which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Date: .....12/05/2023.....

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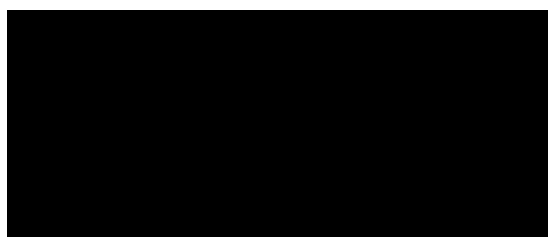
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**Statement of Financial Activities (Incorporating Receipts and Payments Accounts) for the Year Ended 31 December 2022**

Income and endowments		Unrestricted Funds 2022	Restricted Funds 2022	Total 2022 (Trinity Community)	Total 2021 (St Mungo's)
	Notes	£	£	£	£
Donations and Legacies	1	67,834		67,834	53,632
Charitable Activities	2	6,544	18,940	25,484	10,690
Other trading activities	3	3,520		3,520	1,108
Investments and Insurance	4	21,948		21,948	3,224
<b>Total Income</b>		<b>99,846</b>	<b>18,940</b>	<b>118,786</b>	<b>68,654</b>
<b>Expenditure</b>	5				
Raising funds		-	-	-	
Charitable activities		100,608	16,905	117,513	56,365
<b>Total expenditure</b>		<b>100,608</b>	<b>16,905</b>	<b>117,513</b>	<b>56,365</b>
Net income /(-)expenditure		-762	2,034	1,272	12,288
<b>Surplus/(-)excess expenditure for year</b>		<b>-762</b>	<b>2,034</b>	<b>1,272</b>	<b>12,288</b>
<b>Statement of Cash Balances as at 31 December 2022</b>					
Bank and Cash Balances B/fwd		85,926	3,168	89,094	76,806
Transfer from Penicuik South and Howgate		46,834		46,834	
Surplus/(-)excess expenditure for year		-762	2,034	1,272	12,288
<b>Bank and Cash Balances C/fwd</b>		<b>131,998</b>	<b>5,202</b>	<b>137,200</b>	<b>89,094</b>

**See Appendix for details of deposit and investment accounts with Church of Scotland**

The accounts were approved by the Trustees and signed on their behalf:



Date 16 May 2023

**Accounting Policies for the Year Ended 31 December 2022**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

**Basis of Accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities - Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16th July 2014, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

**Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the reinstatement of fixed assets at market value.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**Incoming Resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary Income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers had not been included in these accounts.

Investment income is included when receivable.

Incoming resources from charitable trading activities are accounted for when earned.

**Fixed Assets**

The Church including Halls and the Manse, are vested in the Church of Scotland General Trustees.

The value of these heritable properties is therefore not recorded in the Accounts.<sup>1</sup>

The capitalised value of heritable assets comprising churches, halls and manses is now required by charity accounting regulations to be shown in the General Trustees' of the Church of Scotland (central) accounts.

As at the end of 2015, the capitalised value (of properties vested into Church of Scotland General Trustees) amounted to £451,583,000 which the Trustees believe is a fair and reasonable assessment of the value of buildings vested in them on the basis detailed in their Annual Report and Financial Statements. The Trustees wish to emphasise that this amount does not represent money in the bank nor is it an indication of market value.<sup>2</sup>

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<sup>1</sup> Other models of ownership may apply in other congregations, but this is the one applicable to Trinity Community Church.

<sup>2</sup> From the report to Assembly of the General Trustees 2016  
[http://www.churchofscotland.org.uk/\\_data/assets/pdf\\_file/0003/32835/General\\_Trustees.pdf](http://www.churchofscotland.org.uk/_data/assets/pdf_file/0003/32835/General_Trustees.pdf)



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**Accounting Policies for the Year Ended 31 December 2022 (contd.)**

**Investments**

Fixed asset investments are stated at market value at the year-end date.

**Taxation**

Trinity Community 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 charity is not registered for VAT and resources expended therefore include irrecoverable VAT.

**Cash balances**

The funds at 31 December 2022 were held in three bank accounts:

Bank of Scotland (General + fabric (in part) + Guild)	£72,651
Royal Bank of Scotland (fabric)	£477
Bank of Scotland (fabric ex Penicuik South and Howgate)	£ 4,064

The balance of the funds is held in the Church of Scotland Deposit Accounts (see Appendix)

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**Notes forming part of the financial statements for the year ended 31 December 2022**

	Unrestricted Funds 2022	Restricted Funds 2022	Total 2022 Trinity Community	<i>Total 2021 (St Mungo's)</i>
	£	£	£	£
<b>1. Donations and Legacies</b>				
Offerings	62,788		62,788	45,138
Tax recovered on Gift Aid	5,046		5,046	8,494
<b>Total</b>	<b>67,834</b>		<b>67,834</b>	<b>53,632</b>
<b>2. Income from Charitable Activities</b>				
Weddings and Funerals	630		630	1,100
After service tea/coffee	26		26	126
Fund raising (Gift Day)		1,240	1,240	3,558
National Giving Day				3,172
Guild Income	1,430		1,430	557
Good causes		773	773	113
General Fund	812		812	855
Welfare Fund		22	22	-
Life and Work	8		8	540
Other income	1,055	16,905	17,960	-
Misc. Income	2,583		2,583	669
	<b>6,544</b>	<b>18,940</b>	<b>25,484</b>	<b>10,690</b>
<b>3. Income from other trading activities</b>				
Contributions for use of Premises	3,520	-	3,520	1,108
	<b>3,520</b>	<b>-</b>	<b>3,520</b>	<b>1,108</b>
<b>4. Investment income</b>				
Dividends received	21,948	-	21,948	3,224
	<b>21,948</b>		<b>21,948</b>	<b>3,224</b>
<b>Total Income</b>	<b>99,846</b>	<b>18,940</b>	<b>118,786</b>	<b>68,654</b>

**Notes:**

Other Income (Restricted) includes Aviva Insurance claim for £16,905 for repairs to church.

In addition, a sum of £46,834 was transferred to Trinity Community Church from Penicuik: South and Howgate after the Union with Penicuik: St Mungo's Church

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Notes forming part of the financial statements for the year ended 31 December 2022 (cont'd)

	Unrestricted Funds 2022	Restricted Funds 2022	Total 2022 (Trinity Community)	Total 2021 (St Mungo's)
	£	£	£	£
<b>5. Analysis of Expenditure</b>				
<b>Charitable Activities</b>				
Ministries & Mission Allocation	57,022		57,022	35,586
Presbytery Dues	1,504		1,504	480
Minister's expenses	684		684	260
Other Salary Costs	3,261		3,261	3,042
Fabric Repairs and Maintenance	11,880	16,905	28,785	1,874
Council Tax/Manse expenses	3,444		3,444	2,950
Utilities	6,659		6,659	4,610
Insurance	5,305		5,305	3,283
Church Office expenses	1,270		1,270	1,500
Gifts and Donations	2,372		2,372	-
Organ & Music	720		720	750
Guild expenses	660		660	132
Life and Work				360
Treasurer	1,238		1,238	500
Bank Charges	320		320	236
Leprosy Mission				160
Other expenses	4,270		4,270	642
<b>Total Charitable Activities</b>	<b>100,608</b>	<b>16,905</b>	<b>117,513</b>	<b>56,365</b>
<b>Staff costs and numbers</b>			Trinity Community 2022 (£)	(St Mungo's) 2021 (£)
Salaries and Wages			3,261	3,042
The number of employees during the year were as follows:				
Church Officer			1	1
Hall Cleaner			1	1
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.				

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Notes forming part of the financial statements for the year ended 31 December 2022 (cont'd)

Trustee Remuneration and Related Party Transactions

who is a member of the Kirk Session, received £1,932 for providing services as Church Officer.

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

Movement in Funds	As at 1 <sup>st</sup> January 2022 (St Mungo's)	Receipts	Payments	Transfers	As at 31 <sup>st</sup> December 2022 (Trinity Community)
	£	£	£	£	£
<b>Unrestricted Funds</b>					
Church Guild Fund	685	1,430	660		1,455
Designated Fabric Fund	73,069	34,650	90,005		17,714
General Fund	12,172	129,963	73,825		68,310
Transfer from PSAH		46,834			46,834
	<b>85,926</b>	<b>212,877</b>	<b>164,490</b>	<b>-</b>	<b>134,313</b>
<b>Restricted Funds</b>					
Religious Knowledge Society - Sunday School Grant Fund	89				89
Penicuik Churches Holiday Club	270				270
Audio/Visual Projection System Fund	19				19
Pipe Organ Restoration	24				24
Good Causes Fund	252	798	405		645
Welfare Fund		22			22
Afghan Fund *	928		928		0
Gift Day		1,240			1,240
National Giving Day *	1,586		1,009		577
	<b>3,168</b>	<b>2,060</b>	<b>2,342</b>		<b>2,886</b>
<b>Total Funds</b>	<b>89,094</b>	<b>214,937</b>	<b>166,832</b>		<b>137,199</b>

Purpose of Designated Funds

Church Guild Fund: used to account for Guild receipts and payments separately from the General account.

Fabric Fund: Funds set aside by the trustees for repair, maintenance, renovation, and extension of church property.

Purpose of Restricted Funds

Religious Knowledge Society - Sunday School Grant Fund: Grants made by RKS for Sunday School.

Audio/Visual Projection System Fund: Special donations for audio/visual system.

Pipe Organ Restoration Fund: To cover costs of restoring parts of the Church Pipe Organ to full working order.

Good Causes Support Fund: To support charities and/or good causes chosen by the Kirk Session.

Welfare Fund: to provide emergency payments in case of need

\* Restricted Fund suspense account

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**APPENDIX: DEPOSIT AND INVESTMENT ACCOUNTS**

<b>Investments at market value</b>				
	<b>No. of units</b>	<b>Cost Value £</b>	<b>Market Value 2022 £</b>	<b>Market Value 2021 £</b>
COSIT Growth Funds (unrestricted) St Mungo's	11,786	38,422	63,644	71,187
COSIT Growth Funds (unrestricted) Penicuik South and Howgate	50,851	267,985	274,595	n/a
COSIT Income Funds (unrestricted) St Mungo's	4,526	48,017	47,795	56,484
COSIT Income Funds (unrestricted) Penicuik South and Howgate (fabric)	13,136	160,785	138,716	n/a
COSIT Income Funds (unrestricted) Penicuik South and Howgate (general)	429	50,763	46,770	n/a
<b>Total Investments</b>			<b>571,520</b>	
	<b>£</b>			
Church of Scotland Deposit Fund (St Mungo's) <b>note: this sum is included in the accounts for 2022</b>	60,013			
Church of Scotland Deposit Fund (PSAH) <b>note: this sum is not included in the accounts for 2022</b>	80,632			
<b>Total Deposit Fund</b>	<b>140,645</b>			
Church of Scotland Consolidated Fund	<b>£</b>			
Trinity Community	<b>204,186</b>	<b>Provisional, pending allocation of funds from sale of buildings</b>		