

St. Mark's Unitarian Church, Unitarians in Edinburgh

Trustees' Annual Report for the year ended 31 December 2020



**St Mark's Unitarian Church
Trustees' Annual Report
for the year from 1 January 2020 to 31 December 2020**

CHARITY CONTACT INFORMATION

St. Mark's Unitarian Church
Also known as: Unitarians in Edinburgh
Registered Charity Number SC014167

Address	St. Mark's Unitarian Church, 7 Castle Terrace, Edinburgh EH1 2DP
Telephone number	0131 659 7600
Email address	enquire@edinburgh-unitarians.org.uk
Website	www.unitarians-edinburgh.org.uk
Facebook	facebook.com/unitariansinedinburgh
Twitter	twitter.com/unitariansinED

CHARITY TRUSTEES

The Elected Trustees and Council Members on the date of approval of Trustees' Annual Report were as follows:

Jane Aaronson	
Katie Brown	
Kate Foggo	(from 6 September 2020)
Lesley Hartley	
Rachael King	(from 6 September 2020)
Margery MacKay	(Secretary)
Mary McKenna	(Convener)
Kirsty Murray	(from 6 September 2020)
Ann Sinclair	(Acting Treasurer to 31 December 2020)

Names of all other Council Members during the period covered by this report

Joan Cook	(until 1 June 2020)
Ailsa Davidson	(until 22 May 2020)
Hugh McNeil	(until 6 September 2020)

Minister	Rev Peter Fairbrother
Celebrant	Joan Cook

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing structure

St. Mark's Unitarian Church is a Scottish Charitable Incorporated Organisation (SCIO) Scottish Charity Number SC014167.

Its governing document is the Constitution, last revised and adopted in 2013.

The Society is an autonomous body which is voluntarily affiliated to the General Assembly of Unitarian and Free Christian Churches.

Trustee recruitment and appointment

The members of Council (maximum 9, minimum 7) are the charity trustees.

The trustees are elected from amongst the members, by the members at the Annual General Meeting. If a vacancy arises, an additional member of Council may be co-opted.

Officers are appointed by the Council subsequent to the Annual General Meeting.

Final authority in the Society is vested in the members acting in a general meeting at which only members may vote.

OBJECTIVES AND ACTIVITIES

St. Mark's Unitarian Church has the following aims:

- To encourage spiritual and personal growth.
- To encourage the development and spread of Unitarian principles.
- To promote Unitarian ideals and Unitarianism by working with other Unitarian groups.
- To provide fellowship and spiritual support.
- To further grow our community, spiritually and numerically.
- To maintain, preserve and enhance the church premises and to optimise the use of our premises and material resources for the furtherance of the Society's aims.
- To liaise with the Scottish Unitarian Association and General Assembly of Unitarian & Free Christian Churches in furthering our mutual aims.

Our main activities in relation to these aims are;

- Provision of services of worship, and other services e.g. rites of passage, services to mark special events.
- Rites of passage services are available to all, not only members of our community.
- Provision of spiritual and social activities outwith regular Sunday services.
- Encouraging involvement and representation with other groups, both Unitarian and other like-minded organisations.
- Encouraging the involvement of members in Church activities.
- Financial assistance to support lay ministry and outreach; sponsorship of delegates attending national Unitarian events.
- Charitable donations to Unitarian and other causes.

ACHIEVEMENTS AND PERFORMANCE

While we started 2020 with great plans, everything was thrown off course by the Covid pandemic and subsequent lockdown. In March, with the help of our Minister, Rev Peter Fairbrother's IT skills and abilities, we moved seamlessly to delivering services on Zoom. This had the added benefit of housebound members of our community being able to reconnect with the community and attend services. Peter led many of the services on Zoom throughout the year and, with the accessibility of Zoom, he attracted new friends from much further afield, increasing regular attendances from an average of 50 prior to the pandemic to up to 70 and 80, occasionally 100, at virtual services. He and the ministry team introduced us to new forms of service from a wide variety of leaders and locations.

In April we appointed a new Children's Programme Leader. The programme continued to thrive and the Time for All Ages became a well-loved part of all services, alongside regular music slots from our pianist and muted hymn singing led by the ministry team convener.

Peter's skill on the computer produced weekly E-Bulletins, containing lots of information and links to on-line services and events. This complemented our bi-monthly newsletter, Waymark, which moved to online publication, and our updated website. Peter continued his commitment to building our community and he developed the work of the Pastoral Care Group. He led a group refreshing new membership materials. Peter's annual appraisal was undertaken in June by a group of members, and this was positive, identifying achievements and plans for the future.

With the emergence of the pandemic, St Mark's Council had to meet on Zoom and more frequently to manage the changes and challenges we faced. Following the resignation of two Council members in May and June, Council undertook an audit of skills and knowledge which highlighted the range and depth of knowledge in some areas but revealed a relative lack of experience in property and building management. While we were able to recruit new members, these gaps remain while the demands of building maintenance increased. Council devoted some time to clarifying and revising roles and responsibilities and discussing the relationship between our Minister and Council.

With lockdown restrictions still in place at the end of the year, we organised our Christmas programme online and planned for the year ahead, hoping we would be able to resume services within our church building in 2021.

Mary McKenna, Convener

Ministry & Worship

Services of worship were held on Sundays in the Church up until the middle of March and services subsequently via Zoom, led by the minister, visiting Ministers and various members of the community.

The following groups have met regularly during 2020 :

Children's Programme	Waymark Folding Group until March
Chalice Singers	Bereavement and Loss Support Group
Mindfulness @ Lunchtime	Heart Circles until March
Poetry for Pleasure	Earth-based Paths Exploration Group
Soup and Social until March	
Wednesday Social Group from March on Zoom	

From March 2020 our minister was shielding and 2 funeral services were led by a member of the Congregation.

Raising our Profile & Outreach

St Mark's has a dedicated Communications Team and employs various means of communicating with its members, friends and the wider community by use of social media, website, the Church magazine 'Waymark', as well as the weekly e-Bulletin updates.

St Mark's continues to support the following organisations on a regular basis:

- Chennai Unitarian Christian Church
- St Catharine's Convent Homeless Project
- Edinburgh Interfaith Association
- Edinburgh Pride March

St Mark's is also able to support several other charitable concerns by way of one-off donations.

St Mark's maintained the following affiliations in 2020:

- General Assembly of Unitarian & Free Christian Churches
- Scottish Unitarian Association
- Edinburgh Inter-Faith Association
- Equality Network
- Good Life, Good Death, Good Grief

Venue and Fabric

Venue lettings ceased in March with the lockdown due to Covid 19. Our Festival Fringe programme was cancelled; however almost all of our artistes asked for their bookings to be held over to 2021. We also had to close the church and cancel lettings for a few days in February after a gas leak was detected in the church.

The annual service of the boiler and heating system was carried out in early February. All was found satisfactory, although some parts requiring replacement were not immediately available, and a commercial safety certificate was issued. Before TB Mackay were able to arrange a second visit, the smell of gas was detected in the church on 19th February. Scottish Gas were called in on that same day. They found and dealt with a leak in the connection pipe bringing gas into the building from the street. TB Mackay came in and, with more sensitive equipment, found two further leaks on our side of the gas meter and a further one in the boiler house. TB Mackay attended again to attend to the gas leaks and to fit the required replacement parts on the boiler. All has been well since then.

At the beginning of March, enlarged cracks in the hall roof were discovered. A first investigation revealed wet rot in the roof beams. Once lockdown had eased, we had visits in August from three companies, and retained some contact over autumn, but none submitted quotations. By the end of the year, two firms had been invited to submit an estimate. One estimated for preliminary investigatory work only but early in the new year we received an estimate to undertake 'emergency' work.

Our premises were visited and checked weekly during their period of closure.

FINANCIAL REVIEW for 2020

Our policy on reserves

The Members adopt a cautious and prudent approach to reserves. The view of the Members is that the free unrestricted reserves, excluding tangible fixed assets and investments, should provide a resource for major projects and repairs, and that they should not be used to finance routine expenditure. However, it is recognised that the Church may require some of the income generated by investments to assist funding of Church activities.

Comments on the accounts

The layout of the accounts follows the format advised by the Office of the Scottish Charity Regulator (OSCR). You may find the pages towards the end, which detail our receipts and payments during 2020, useful for understanding where our money comes from and how we use it.

The main impact of the COVID 19 pandemic on our finances was a steep decrease in our venue income. However we ended the year in credit because we received two substantial one-off items of income. Firstly, we had undertaken essential high level roof works at the front of the building during 2019: the VAT reclaimed from the Listed Places of Worship Grant Scheme came through in January 2020 and is included under 'Grants'. Secondly, from

April 2020, we claimed Employment Allowance which allows 'small' employers to offset their National Insurance liability. We also made a retrospective claim for Employment Allowance for 2019-2020 and 2018-2019 and received a lump sum from HMRC which is included within our payments as a reduction in the minister's costs.

Our primary source of income is giving by our congregation, on which we claim Gift Aid whenever possible. During 2020 the number of monthly donations increased, some were able to increase their monthly gift, there were numerous one-off donations and many took advantage of the PayPal giving facility, with the result that live giving increased by almost 7% compared with 2019.

Because of the fall in stock market values at the beginning of 2020 and the predictions that dividend income was likely to decrease, we ceased to draw down £800 per month from our investments from May onwards, in order to preserve the capital value of our holdings. Thus in 2020 we drew down only £3200 compared with the £9600 drawdown in 2019.

The Speed Trust income is restricted to spending on outreach and equipment. The final instalment received in 2020 was smaller than the previous three and we should be prepared for a decrease in income under this heading in the future. In 2020 we used the income and some of the capital which had built up within our bank account to pay for the work of our children's coordinator, maintenance of our website and for the printing and posting of our bimonthly newsletter, Waymark. Because Waymark went almost fully on-line during the year, the costs were much reduced compared with 2019.

Our largest outlay is to support our Minister. As noted in the accounts for 2019, the stipend costs for 2019 were inflated by some £4000 which accrued to payments which were due in 2018. Further, as indicated above, we are now claiming Employment Allowance so we do not have to pay an employer contribution to National Insurance.

The independent examination of the 2019 accounts was undertaken pro bono by a member of the congregation who is a chartered certified accountant. We are very grateful for her advice and expertise.

Looking to the future

Venue income will be down in 2021 probably even compared with 2020, but there are indications that we might attract an income in the region of £7,000 to £10,000 in 2022.

A major refurbishment of our beautiful Grade 2 listed premises was completed in 2015 but our building still requires continuing upkeep, in addition to routine maintenance, and it would be prudent for us to budget for such repairs. In the spring of 2020, the upper hall roof suffered very obvious deterioration due to long-standing wet rot. It proved not possible to engage a contractor during the earlier stages of the pandemic and repair work was finally undertaken in March 2021.

Stock markets had recovered by the end of the 2020 but it seems unlikely that dividends will return to their previous levels any time soon, though future growth in the values of our holdings is possible. We will need to discuss with our investment manager how we might receive income from our investments going forwards.

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)	<i>Mary McKenna</i>	<i>M A MacKay</i>
Full name(s)	Mary McKenna	Margery Anne MacKay
Position (e.g. chair)	Convener	Secretary
Date	12/09/2021	12/09/2021

St Mark's Unitarian Church Charity Number SC014167

Statement of Receipts and Payments

1 January 2020 - 31 December 2020

Receipts	Unrestricted Funds	Restricted Funds	Year ended 31/12/2020 Total funds	Year ended 31/12/2019 Total funds
Donations	41787		41787	35175
Legacies	0		0	0
Grants	3999	4441	8440	4559
Fund-raising	131		131	557
Gross trading receipts [venue]	5027		5027	23267
Investment income	3200		3200	9600
Other charitable activities	437		437	50
Total Receipts	54581	4441	59022	73208
Payments				
Fund-raising costs	0		0	0
Venue expenses	504		504	1180
Cost of charitable activities	46303	4897	51200	88644
Grants and donations	3660		3660	3450
Governance costs				
Examination	0		0	2190
Other	2140		2140	1533
Total Payments	52607	4897	57504	96998
Surplus / deficit for year	1974	-456	1518	-23790

Statement of balances as at 31st December

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
Bank balances at start of year	50831	5006	55837	79627
Surplus/deficit for the year	1974	-456	1518	-23790
Bank balances at end of year	52805	4550	57355	55837

Investments

Fund	Market valuation at 31.12.20	Market valuation at 31.12.19
Geddie Fund	357,813	345,058
Capital Reserve Fund	47,211	46,995
Shared Interest	1,132	1,129
Total	406,156	393,182

Other assets

The Society owns the property at 7 Castle Terrace and its furniture and equipment. It undertook significant improvements to the property over the period 2009 to 2014.

The original value of the property is not available and has not been included because, in the opinion of the Members, the cost of professionally valuing it to include in the financial statements outweighs the benefits to users of the financial statements.

	Cost or valuation at 31.12.20	Additions	Cost or valuation at 31.12.19
Improvements to property	626,846		626,846
Furniture & equipment	28,680	2,249	26,431
Total	655,526		653,277

Liabilities

There were no significant liabilities at the year end.

Contingent Liabilities

The maintenance of our Grade B listed building will continue to present an ongoing challenge.

Signed by one or two trustees on behalf of all trustees

Signature	Print Name	Date of approval
<i>Kate Foggo</i>	Kate Foggo	12/09/2021
<i>Ann Sinclair</i>	Ann Sinclair	12/09/2021

Notes to the Accounts

St Mark's Investments

St Mark's has two portfolios which are managed by Brewin Dolphin in line with investment objectives and a risk classification which have been discussed and agreed with the Trustees.

Each portfolio is self-contained, in that all dividends, all management fees and all dealing fees are accounted for within the portfolio. The value of each portfolio rises and falls with the value of its constituent holdings, the income received and the fees deducted. The profits and losses deriving from sales and purchases of holdings are also contained within the overall value of the portfolio.

The **Geddie Fund** derives from a legacy received from the estate of Miss Mary Geddie. From January to April 2020 inclusive the Society drew down from this fund an income of £800 per month to support its general expenses.

On 1st January 2020 the fund had a value of £345,058; on 31st December 2020 its value, after all income, withdrawals and costs, was £357,813.

Brewin Dolphin management fees for the year totalled £1899 and dealing charges totalled £2730; underlying costs of external funds in the portfolio totalled £2102 so the total fees and charges for the year were £6731.

On 1st January 2019 the value of the fund was £302,596.

The **Capital Reserve Fund** derives from the balance left following extensive refurbishment work of our premises over 2012-2015 which was primarily funded from the sale of our manse.

On 1st January 2020 the fund had a value of £46,995; on 31st December 2020 its value, after all income and costs, was £47,211.

Management fees for the year totalled £264 and dealing charges totalled £500; underlying costs of external funds in the portfolio totalled £547 so the total fees and charges for the year were £1311.

On 1st January 2019 the value of the fund was £41,623.

Thus at 31st December 2020 the total value of our investments managed by Brewin Dolphin was £405,024.

St Mark's also has a holding with **Shared Interest** which was valued at £1131.88 on 31 December 2020. Generally the holding yields zero interest; however an interest accrual of £2.58 was received on 31 March 2020.

Restricted Fund

The **Speed Trust** is managed by the British & Foreign Unitarian Association which operates from Unitarian Headquarters in London. The income paid to the Society must be used for outreach purposes or for the purchase of equipment. During 2020 Speed Trust funds were used to pay for outreach via our children's programme, maintenance of our website and for the printing and distribution of our bimonthly newsletter, Waymark.

Payments to Trustees

Our Children's Co-ordinator was elected on to Council on Sunday 6th September and was subsequently paid £840 in line with the provision under section 67 of the Charities and Trustee Investment (Scotland) Act 2005 and decisions of Council taken on 25 March 2020 and retrospectively on 18 April 2021.

No expenses were paid to trustees.

Adjustments to 2020 figures

The grant for the VAT reclaim of £3999 which accrues to 2019 and the refund of Employer's National Insurance of £6948 which accrues to 2017, 2018 and 2019 were each one-off payments which disguise a deficit in our ongoing finances for the year primarily caused by the loss of venue income for three-quarters of the year due to the impact of COVID 19.

As noted above, we drew down only £3200 from our investments as compared with £9600 in previous years.

Receipts 2020 details

	2020	2019
Donations		
Congregational standing orders	30320	24667
Service collections	1647	6437
Other donations	4260	2710
Gift Aid tax reclaimed	5560	1361
Sub-totals	41787	35175
Legacies	0	0
Grants, including Speed Trust	8440	4559
Fund-raising activities	131	557
Gross trading receipts: venue	5027	23267
Investment income	3200	9600
Other charitable activities	437	50
Totals	59022	73208

Payments 2020 details	2020	Totals	2019	Totals
Expenses for fundraising	0		0	
Gross trading payments - venue expenses	504	504	1180	1180
Charitable activities				
Minister's stipend	28305		34075	
Minister's expenses	1471		2298	
* Refund of NI	-6947		0	
Visiting service leaders	250		1577	
Pianist	2120		1880	
Outreach	4897		5889	
Travel and conference fees	0		0	
Congregational expenses	1533		878	
Equipment	2973		1426	
Utilities	6355		6563	
Upkeep of premises	2309		3813	
Building Maintenance	2304		24897	
Insurance	5630		5348	
		51200		88644
Grants and donations				
GA Quota	2275		2275	
Subscriptions & donations	1385		1175	
		3660		3450
Governance costs				
Finance administration	1420		1526	
Admin expenses	720		7	
Professional fees	0		2190	
		2140		3723
Totals		57504		96998

* Refund of employer's National Insurance from previous years

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees/members of St Mark's Unitarian Church, Edinburgh

Registered charity number SC014167

On the accounts of the charity for the period 01 January 2020 to 31 December 2020 set out on pages 2 to 13 of St Mark's Annual Report 2020

Respective responsibilities of trustees and independent examiner

The charity's Trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation IO(1)(d) of the 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 2006 Accounts Regulations. 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 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.

Signed	<i>Susanne Urquhart</i> Date 21/08/2021
Name	Susanne Urquhart
Relevant professional qualification(s) or body (if any):	Member of the Association of Chartered Certified Accountants (ACCA)
Address	5 Bankhead Grove, Dalmeny, South Queens ferry, EH30 9JZ, Scotland, UK