



CROWN
COURT
CHURCH OF
SCOTLAND

COVENT GARDEN

Crown Court Church of Scotland

**Annual Report and Financial Statements for the year ended 31
December 2023**

Congregation No: 472426

Scottish Charity No: SC042648

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Trustees' Report for the year ended 31 December 2023

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in those statements 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 effective from 1 January 2019.

Objectives and Activities

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in government. It exists to glorify God and to work for the advancement of Christ's Kingdom throughout the world. As a national Church in Scotland, it acknowledges a distinctive call and duty to bring the ordinances of religion to the people in every parish of Scotland throughout a territorial ministry. It co-operates with other Churches in various ecumenical bodies in Scotland and beyond.

Crown Court Church is a congregation of the Church of Scotland, in the Presbytery of England and the Channel Islands. Our charitable purpose is the advancement of religion and we seek to achieve this through services of worship and other activities that shape the life of the congregation and its work.

Services of worship are conducted in Crown Court Church on Sunday mornings which are the main focus of the congregation's week, as congregants gather for worship from across Greater London and the South East of England. There is a Sunday School which meets once a month, a choir which leads the singing at Sunday services and on other occasions for worship, and also a branch of the Guild.

We are an open congregation, welcoming to all. Our Sunday services are livestreamed and watched by those who would otherwise not be able to attend in person. We use our resources wisely and welcome charitable and Christian groups to use our building. We operate a number of outreach programmes through Centrepont (Bruce House) and Christian Aid.

Achievements and Performance

Crown Court Church is uniquely located at the centre of London's Theatreland. The gathered congregation of around 180 members is committed to providing a warm welcome to the many visitors to London who attend services during their time in the capital. The congregation is Scottish and Presbyterian in character but attracts new members and adherents from other nationalities and Christian traditions.

The congregation prides itself in its liberal theological heritage and this year proudly celebrated its first same sex wedding ceremony, in addition to opposite sex weddings, marking a new chapter in the congregation's history. This was possible following the change in legislation at the Church of Scotland's 2023 General Assembly.

A midweek service was held during the summer until late in the year as well as an 'open doors' season to welcome visitors passing by the church. With the changing nature of the Covent Garden community, and home working since the Pandemic, the midweek service no longer commands the support it once did, and so the Kirk Session took the decision to cease this service, and to turn its attention in 2024 to the possibilities offered by Sunday evenings, when it is felt there will be a greater uptake of possibility for worship and fellowship. The Kirk Session's Worship Committee will undertake an exercise of reimagining what worship could look like in that time of the week. The

appointment to a new post of Director of Music will assist us in the aforementioned discernment but also in building more generally the congregation's outreach to the wider community through music.

This past year saw the [REDACTED] complete his first year of ministry at Crown Court Church leading the congregation in thinking about developing for its future flourishing. A congregational Strategy Day took place at which the whole congregation had an opportunity to articulate the community's values and hopes for the future. This resulted in the Kirk Session commissioning a 'Futures Committee' to investigate the potential for future redevelopment of the hall and sanctuary for future worship, and outreach to the business, residential and tourist sectors in our community. In early 2024, the Futures Committee met with architects in order to understand the potential for redevelopment of our premises. This work will continue during 2024 and beyond, and will see our premises refurbished and made fit for purpose.

We recognise that we also have to ensure the financial sustainability of the charity. As part of this movement the Kirk Session also reviewed its approach to the letting of its premises, arriving at the decision to move decisively in the direction of a more professional approach to lettings of the charity's estate and with the promise of that bringing an uplift in income and in the requisite amount of funds for subsequent investment and maintenance in the buildings.

Music continued to have an important place in the life of Crown Court Church, and with the departure of our Organist, the Kirk Session agreed to another step change in the life of the charity by replacing that position not with a like for like one, but instead by advertising for a Director of Music whose role will go beyond maintenance of what already exists musically, to development of new opportunities for the charity to extend its community reach through music.

All in all, 2023 has been a year for the charity to stabilise following the challenges of the Covid pandemic and a ministerial vacancy, but in addition to begin the necessary steps to move forward with a renewal of congregational life and increasing the charity's potential reach in central London.

Plans for Future Periods

There is no doubt 2024 will be a critical year for the Trustees as they consider options for a significant investment in the assets of the charity for its charitable purposes, which will also make the charity itself more financially sustainable in the long term but also see it make more of an impact on the locality of Covent Garden.

In order to better achieve their aims in the area of outreach through music the Trustees have agreed to fund a scholarship scheme for students at the many neighbouring Universities to join the choir at Crown Court. As well as adding to the worship of the congregation by strengthening the choir, this will also be a means of outreach to the wider community around us. The development of this scheme will be one of the main tasks of the Director of Music, [REDACTED] who joined us in March 2024.

Our Sunday services will continue in person, and online. Our online presence will be enhanced with the launch of a new website in May 2024.

Financial Performance

The principal sources of income are offerings made by members of the congregation on a weekly or monthly basis, and special fund-raising for major expenditure on the fabric of the Church. Wherever possible, members are encouraged to contribute under the Gift Aid scheme which allows the Church to recover tax incurred by the donors.

Total unrestricted income for the year, excluding legacies, increased from £96,726 to £111,561. During 2023, we have been informed of a significant legacy of £1.5m from a former member of the Church, which has been recognised in these accounts. After taking into account legacies and unrealised investment gains, unrestricted funds rose by £1,498,106. Overall funds increased by £1,490,332. The significant legacy will initially be invested in the Church of Scotland Investment Trust and subject to a decision by the Kirk Session, is likely to be used to partially finance our refurbishment project in 2024 and beyond.

In addition to the normal giving the congregation raised £2,718 (2022: £4,280) for charities working both in London and elsewhere.

At the balance sheet date the unrestricted reserves were £2,394,988 (2023: £896,882), including designated funds of £52,375 (2022: £65,134) with £12,271 (2022: £20,045) in restricted funds.

Reserves Policy

It is the policy of the trustees to hold reserves sufficient to meet not less than one year's ordinary expenditure, plus any major expenditure on the church or manse that could reasonably be expected to arise within a timeframe that is too short to allow specific fund-raising to be undertaken. This is considered to be a figure of approximately £200,000. Reserves held by the charity at 31 December 2023 are far in excess of the expected ordinary expenditure for 2024, or the minimum amount considered of £200,000. We expect that a large proportion of reserves which are held in excess of one year's ordinary expenditure will be used to partially finance our refurbishment project in 2024 and beyond.

At 31 December 2023, the Church held unrestricted funds of £2,394,988 (2022: £896,882). Of these funds, £51,835 (2022: £64,594) has been set aside in a designated fund for fabric expenditure, and £540 (2022: £540) in a designated welfare fund for those in need.

Investment Policy and Performance

Funds surplus to normal requirements are invested in units of the Church of Scotland Investors Trust, split between the Deposit Fund, Growth Fund and the Income Fund. The trustees are of the opinion that this provides an appropriate balance of risk and return. Any decision to invest or divest funds in the Church of Scotland Investors Trust must be approved by the Kirk Session. An investment of £100,000 was made in the Deposit Fund during 2023.

A description of the funds and amounts held in them at 31 December 2023 is overleaf.

Fund	Description	Value at 31 December 2023
Deposit	Intended for short-term investment, providing a high rate of interest, the fund is invested largely in short-term loans to banks and building societies and managed by professional fund managers (Thomas Miller Investment Ltd). On average, over the financial year, the interest rate on funds held in the deposit fund was 4.25%. Interest is calculated quarterly and paid twice a year.	£100,000
Growth	Intended for long term investment, the fund is largely equity-based and managed by professional fund managers (Newton Investment Management). Dividends are paid twice a year. The return on investments for the year to 31 December 2023 was 10.6%.	£578,260
Income	Intended for medium term investment, the fund is largely invested in fixed-interest securities and managed by professional fund managers (Royal London Asset Management). Dividends are paid twice a year. The return on investments for the year to 31 December 2023 was 9.44%.	£94,344

Further information on the Church of Scotland Investors Trust can be found at the weblink below:

[The Church of Scotland Investors Trust | The Church of Scotland](#)

Given the volatility of the markets during 2023, the Trustees are satisfied with the investment performance during the year.

Risk Management

The Kirk Session, supported by the Stewardship and Finance Committee, is focused on ensuring that the charity operates within its financial capabilities and achieves value for money in its prudent spending and investment decisions. The trustees are also mindful of their need to place a high priority in minimising risk to those who work for the charity, attend church or rent the premises. Policies are in place covering health and safety and fire prevention. During 2023, the Kirk Session approved Financial Operating Procedures for the charity.

The most significant risks to the charity are set out below:

Operational Risk

Significant expenditure is required to maintain the fabric of the church building

There is a risk that the church and hall are found to not meet health and safety, fire prevention, electrical safety and other regulations. Repairs to rectify these defects could exceed the value of our financial reserves.

Strategy to manage risk

Through the Fabric Committee, the trustees ensure that a regular programme of inspection on equipment and the fabric of the building are undertaken. Where inspections indicate that

work is required, the Fabric Committee will remedy the matters. Where significant expenditure is required, a decision for expenditure will be approved by the Kirk Session.

During 2023, an inspection of the church and hall, by a Health and Safety representation of the General Trustees of the Church of Scotland, found that a significant level of repair, maintenance and upgrade was required to ensure the charity met all relevant legislative requirements. Immediate requirements were met by the Fabric Committee. The Futures Committee, along with the Fabric Committee have now engaged the services of an Architect to embark on a significant refurbishment of our facilities. The Kirk Session and the Stewardship and Finance Committee will make a decision on the level of work to be undertaken, its cost and how it is financed.

Financial Risk**There is a significant fall in the level of congregational giving**

There is a risk that the level of congregational giving falls significantly enough to mean that we cannot meet our Giving to Grow payments to the Church of Scotland.

Strategy to manage risk

The level of congregational giving, along with gift aid and other donations, is closely monitored by the Treasurer, Stewardship and Finance Committee and the Kirk Session. All members are encouraged to complete Gift Aid forms to ensure the charity receives the benefit of tax that has been paid. We have recently installed contactless payment machines in the church and the hall to encourage giving in an increasingly cashless society.

The Stewardship and Finance Committee regularly consider whether there is a need to run a campaign to increase congregational giving.

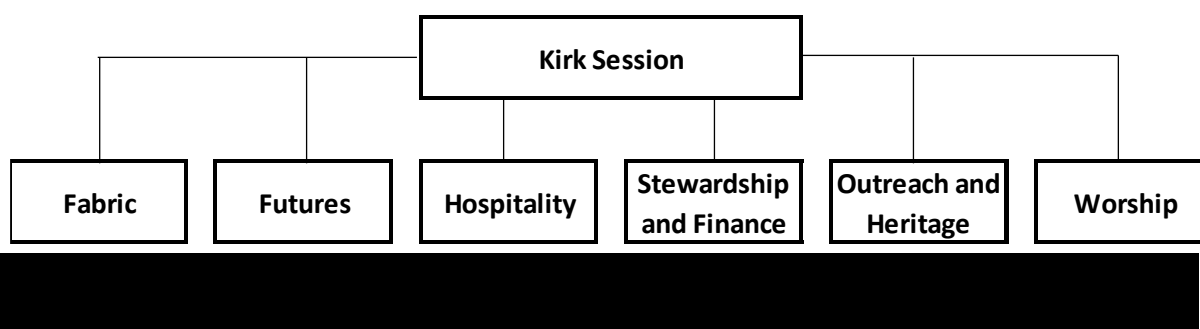
Structure, Governance and Management

The congregation is a registered charity, number SC042648, and is administered in accordance with the terms of the Deed of Constitution (Unitary Form). It is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

The members of the Kirk Session are the trustees of the charity. The Kirk Session members are elders of the church and are chosen from those members of the church who are considered to have the appropriate level of time and talents and have pledged to use those talents in furthering the ministry. The Kirk Session, which generally meets up to six times a year, is responsible for spiritual affairs within the church. All trustees are made aware of their responsibilities for the finance, management and pastoral outreach in the Church upon appointment and through regular training sessions. The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery.

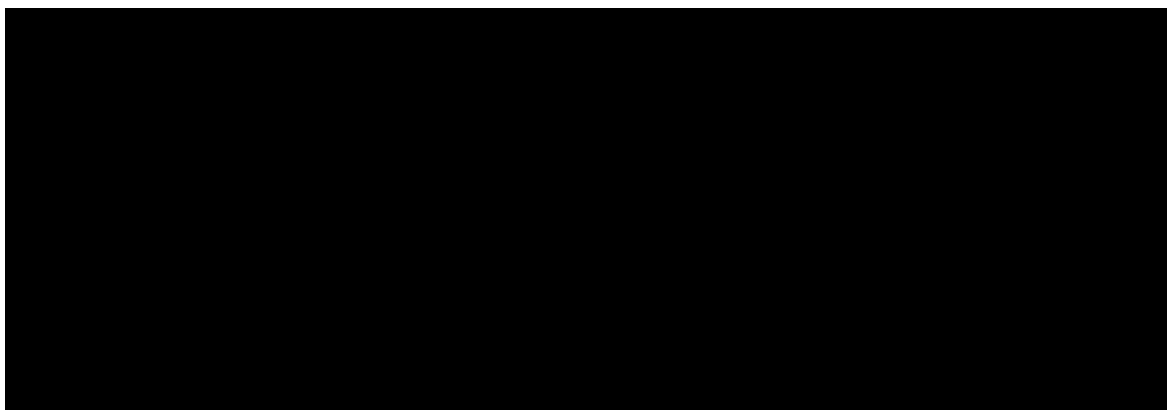
The Kirk Session has committed to refreshing its elder induction and training process, since the last elders were admitted in 2020. This will be completed during 2024 before new elders are inducted or admitted.

The Kirk Session has six main sub-Committees as set out below:



The Futures committee was created during 2023. Also, during 2023, the Education Committee was subsumed into the Worship Committee. Each sub-Committee has an elder of the church as Convener who reports to the Kirk Session, with the exception of the Worship Committee which is convened by Rev Scott Rennie. Sub-Committee conveners at the date of this annual report are noted in the diagram above. Sub-Committees meet on a regular basis, the frequency being determined by the workload and projects in hand.

Members of sub-committees do not require to be an elder of the church and we encourage congregational membership of the committees. In addition to trustee members, the following church members, who are not elders, sit on Committees:



In addition to the sub-Committees above, the charity also operates a Pastoral Care team, which reports directly to Kirk Session but is not considered to be a sub-Committee of the Session.

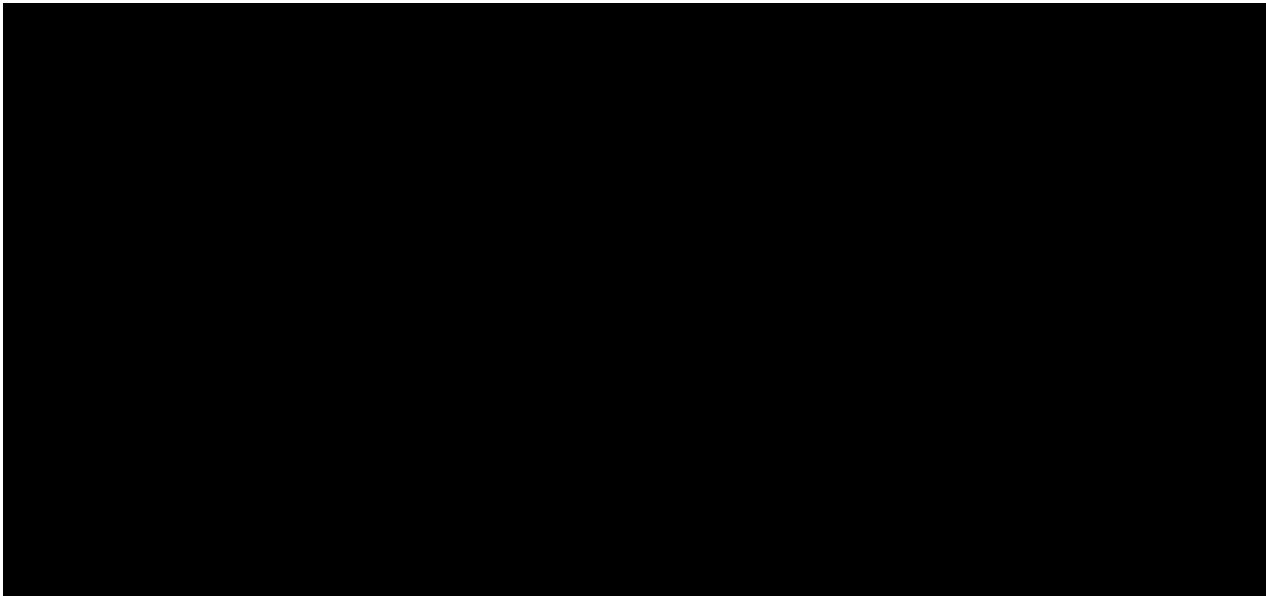
Decisions are made by the consensus of Kirk Session. Where urgent decisions require to be made regarding the fabric of the building, authority is delegated to the majority of the Minister, Session Clerk, Treasurer and Fabric Committee Convener. Any such decisions made are reported to the Kirk Session at the earliest opportunity.

For 2023, the charity had one employee, the Church Administrator. Their working hours are agreed with the Session Clerk and Minister. Their pay is recommended by the Stewardship and Finance Committee for approval by the Kirk Session.

Reference and Administrative Information

Trustees

The members of the Kirk Session are the trustees of the charity. The Kirk Session members are elders of the church and are chosen from those members of the church who are considered to have the appropriate level of time and talents and have pledged to use those talents in furthering the ministry. The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by Presbytery. The Rev [REDACTED] was inducted to the charge of Crown Court Church on 5 May 2022.



Principal Office Bearers

Minister

Session Clerk

Treasurer

Principal Office

Crown Court Church
Russell Street
Covent Garden
London
WC2B 5EZ

Auditor

Whitelaw Wells
Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

Bankers

The Royal Bank of Scotland
London Fleet Street Branch
1 Fleet Street
London
EC4Y 1BD

Investment Managers

Church of Scotland Investors Trust
121 George Street
Edinburgh
EH2 4YN

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 (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the method and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

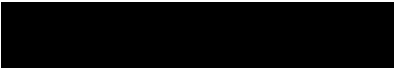
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information on the congregation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to auditors

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each Trustee has taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the Trustees and signed on their behalf by:


Session Clerk

20 June 2024

Independent Auditor's Report to the Members and Trustees of Crown Court Church of Scotland for the Year Ended 31 December 2023**Opinion**

We have audited the financial statements of Crown Court Church of Scotland (the 'charity') for the year ended 31 December 2023, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- Proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We performed income and expenditure testing which was designed to identify any irregularities as a result of mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

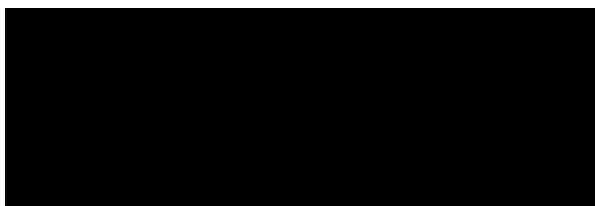
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Other Matters

The comparative financial statements are unaudited.



Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AT

24 June 2024

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities for the year ended 31 December 2023

		Unrestricted Funds 2023	Restricted Funds 2023	Total 2023	Unrestricted Funds 2022	Restricted Funds 2022	Total 2022
	Note	£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	2	1,535,343	1,040	1,536,383	74,389	14,278	88,667
Charitable activities	3	1,431	-	1,431	1,300	-	1,300
Other trading activities	4	23,140	-	23,140	15,657	-	15,657
Investments	5	20,014	-	20,014	11,325	-	11,325
Total income		1,579,928	1,040	1,580,968	102,671	14,278	116,949
Expenditure on:							
	6						
Raising funds		116	-	116	124	-	124
Charitable activities		127,800	8,814	136,614	104,378	259,046	363,424
Total expenditure		127,916	8,814	136,730	104,502	259,046	363,548
Net income/(expenditure) before gains and losses on investments		1,452,012	(7,774)	1,444,238	(1,831)	(244,768)	(246,599)
Net gains/(losses) on investments		46,094	-	46,094	(63,224)	-	(63,224)
Net income/(expenditure)		1,498,106	(7,774)	1,490,332	(65,055)	(244,768)	(309,823)
Transfers between funds		-	-	-	(260,000)	260,000	-
Net movement in funds		1,498,106	(7,774)	1,490,332	(325,055)	15,232	(309,823)
Reconciliation of funds:							
Total funds brought forward	16	896,882	20,045	916,927	1,221,937	4,813	1,226,750
Total funds carried forward		2,394,988	12,271	2,407,259	896,882	20,045	916,927

The charity has no recognised gains or losses other than the results for the year set out above.

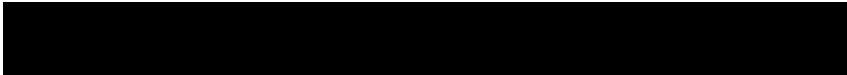
All activities of the charity are classed as continuing and are unrestricted in the current and previous years.

The notes on pages 19 to 29 are an integral part of this Statement of Financial Activities.

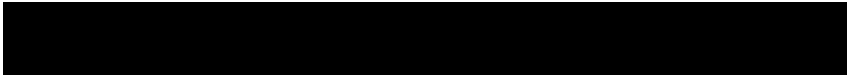
Balance Sheet as at 31 December 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Fixed Assets					
Tangible assets	9	63,768	-	63,768	49,893
Investments	10	672,604	-	672,604	626,510
Total Fixed Assets		736,372	-	736,372	676,403
Current Assets					
Cash and cash equivalents	11	187,408	12,271	199,679	171,706
Debtors	12	1,486,302	-	1,486,302	72,838
Total Current Assets		1,673,710	12,271	1,685,981	244,544
Liabilities					
Creditors falling due within one year	13	15,094	-	15,094	4,020
Net Current Assets		1,658,616	12,271	1,670,887	240,524
Net Assets		2,394,988	12,271	2,407,259	916,927
The Funds of the Charity					
Restricted income funds	16			12,271	20,045
Unrestricted income funds	16			2,394,988	896,882
Total Charity Funds				2,407,259	916,927

The financial statements were approved by the Trustees of the Charity on 20 June 2024 and signed on their behalf by:



Session Clerk



Treasurer

Cash Flow Statement for the year ended 31 December 2023

	2023	2022
	£	£
Net income/(expenditure) for the reporting period	1,490,332	(309,823)
Cash flows from operating activities		
(Gains)/Losses on investments	(46,094)	63,224
Dividends and interest from investments	(20,014)	(11,325)
(Increase)/decrease in debtors	(1,413,464)	302,378
Increase/(decrease) in creditors	11,074	(12,490)
	(1,468,498)	341,787
<i>Net cash provided by (used in) operating activities</i>	<i>21,834</i>	<i>31,964</i>
Cash flows from investing activities		
Dividends and interest from investments	20,014	11,325
Purchase of fixed assets	(13,875)	-
Purchase of investments	-	(300,000)
<i>Net cash provided by (used in) investing activities</i>	<i>6,139</i>	<i>(288,675)</i>
Change in cash and cash equivalents in the reporting period	27,973	(256,711)
Cash and cash equivalents at 1 January	171,706	428,417
Cash and cash equivalents at 31 December	199,679	171,706

Notes to the Financial Statements**Note 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.

Basis of preparation

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) effective from 1 January 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity is a Public Benefit Entity as defined by FRS 102.

Fund accounting

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 charity.
- **Unrestricted funds** are expendable at the discretion of the trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

Going concern

The trustees consider that there are no material uncertainties about the ability of the charity to continue for the foreseeable future, and therefore have adopted the going concern basis in preparing these financial statements.

Recognition of income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations and legacies

Donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource. For legacies, entitlement is taken as the earlier of the date on which either:

- the charity is aware that confirmation (or equivalent) has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or
- when a distribution is received from the estate.

Income from charitable activities

Income from activities is included in the SOFA in the period in which it is receivable.

Investment income and rental income

Income from investments and from rental income is included in the SOFA in the period in which it is receivable.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102) the general volunteer time of congregation members is not recognised in these financial statements.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised as expenditure in the period of receipt.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank or investment fund.

Recognition and allocation of expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Fixed assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the church, church hall and manse. 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 fixed assets costing in excess of £1,000 having a value to the charity 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.

Audio visual equipment

5 years

Investments

Fixed and current asset investments are stated at fair value at the balance sheet date. Unrealised gains and losses represent the difference between the fair value at the beginning and end of the financial year or, if purchased in the year, the difference between cost and fair value at the end of the year. Realised gains and losses represent the difference between the proceeds on disposal and the fair value at the start of the year or cost if purchased in the year.

Taxation

Crown Court Church of Scotland 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 input VAT.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand. The charity holds cash and cash equivalents with the Royal Bank of Scotland and the Church of Scotland Investors Trust.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due. Accrued income, where income has been earned, or in the case of legacies, notified and highly likely to be received, but not yet received, is recognised at the charity's best estimate of value.

Creditors

Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Critical Judgements and estimates

In preparing the financial statements Trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The estimates and assumptions with a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- The inclusion of legacies which have not been paid to the charity at the year end.

Note 2 – Donations and Legacies

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Offerings	53,296	-	53,296	55,375	-	55,375
Tax recovered on Gift Aid	12,422	-	12,422	10,578	-	10,578
Legacies	1,468,367	-	1,468,367	5,945	-	5,945
Other donations	1,258	1,040	2,298	2,491	14,278	16,769
	1,535,343	1,040	1,536,383	74,389	14,278	88,667

Note 3 – Income from Charitable Activities

Weddings and Funerals	1,384	-	1,384	1,300	-	1,300
Fundraising income	47	-	47	-	-	-
	1,431	-	1,431	1,300	-	1,300

Note 4 – Income from other trading activities

Rental income – Church and Hall	23,140	-	23,140	15,657	-	15,657
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Note 5 – Investment Income

Dividends received	16,206	-	16,206	10,898	-	10,898
Bank interest	2,437	-	2,437	427	-	427
Deposit account interest	1,371	-	1,371	-	-	-
	20,014	-	20,014	11,325	-	11,325

Note 6 – Analysis of Expenditure

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Raising Funds						
Offering envelopes	116	-	116	124	-	124
Charitable Activities						
Ministries & Mission	-	-	-	51,663	-	51,663
Giving to Grow	46,708	-	46,708	-	-	-
Presbytery dues	1,440	-	1,440	661	-	661
Minister travel expenses	492	-	492	358	-	358
Minister communications	1,607	-	1,607	162	-	162
Locum minister	-	-	-	3,238	-	3,238
Interim Moderator travel expenses	-	-	-	72	-	72
Pulpit Supply	443	-	443	489	-	489
Organist and Deputies	6,508	-	6,508	8,215	-	8,215
Church Administrator	5,791	-	5,791	5,092	-	5,092
Manse Expenditure *	6,228	7,892	14,120	4,773	257,654	262,427
Church & Hall Expenditure*	21,965	-	21,965	3,097	-	3,097
Insurance	5,533	-	5,533	5,277	-	5,277
Vacancy expenses	-	-	-	233	-	233
Temporary accommodation	-	-	-	1,228	-	1,228
Removal expenses	-	-	-	9,702	-	9,702
Disturbance allowance	-	-	-	1,708	-	1,708
Organ and pianos	1,257	-	1,257	1,080	-	1,080
Contract cleaning	3,098	-	3,098	2,142	-	2,142
Pest control	732	-	732	684	-	684
Church office costs	3,746	-	3,746	3,236	-	3,236
Software licences	609	-	609	70	-	70
Copyright licence	383	-	383	358	-	358
Radio licence	112	-	112	112	-	112
Website & Branding project	6,750	-	6,750	-	-	-
Kitchen & Catering costs	-	849	849	-	1,392	1,392
Flowers, less donations	256	-	256	233	-	233
Strategy day	-	-	-	200	-	200
Subscriptions, Memberships	814	-	814	(335)	-	(335)
Sunday School	-	73	73	-	-	-
Bank Charges	184	-	184	-	-	-
External audit fee	9,990	-	9,990	-	-	-
Pastoral Care & Outreach	390	-	390	(681)	-	(681)
Other expenses	2,764	-	2,764	1,311	-	1,311
	127,800	8,814	136,614	104,378	259,046	363,424
TOTAL	127,916	8,814	136,730	104,502	259,046	363,548

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Manse Expenditure						
Heating and lighting	-	-	-	951	-	951
Council tax	3,122	-	3,122	2,957	-	2,957
Water rates	949	-	949	851	-	851
Maintenance	2,157	7,892	10,049	14	257,654	257,668
Total	6,228	7,892	14,120	4,773	257,654	262,427
Church and Hall Expenditure						
Heating and lighting	5,220	-	5,220	5,858	-	5,858
Water rates	170	-	170	152	-	152
Maintenance	16,575	-	16,575	(2,913)	-	(2,913)
Total	21,965	-	21,965	3,097	-	3,097

Support costs have not been separately identified as the Trustees consider there is only one charitable activity. Therefore, support costs relate wholly to that activity.

Note 7 – Staff Costs and Numbers

	2023	2022
	£	£
Salaries and wages	5,791	5,092
Social security costs	-	-
Total	5,791	5,092

In 2023, there was one part-time administrator employed by the charity (2022: One). No employee earned benefits in excess of £60,000 (2022: None).

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 £30,135 and the maximum stipend (in the fifth and subsequent years) £37,032.

Note 8 – Trustee Remuneration and Related Party Transactions

During the year, the Minister, [REDACTED] received £492 for reimbursement of travel expenses (2022: £358). Council tax on the Manse of £3,122 (2022: £1,972 (part year)); mobile phone costs of £187 (2022: £115) and broadband costs for the manse of £515 (2022: £47) were paid on behalf of the Rev [REDACTED] the year the Kirk Session approved the purchase of an iPad for the [REDACTED] at a cost of £858.

[REDACTED] a member of the Kirk Session was employed as Church Administrator during the year and received remuneration of £5,791 (2022: £5,092).

[REDACTED] husband of Kirk Session member [REDACTED] received £565 (2022: £90) as Deputy Organist.

No other trustee or related person received any remuneration or other payment of expenses in 2023 (2022: None).

Except as noted above, no Trustee or person related to a Trustee had any personal interest in any contract or transactions entered into by the Charity during the year. Three trustees were also trustees of the Royal Scottish Corporation (ScotsCare) during 2023. None is considered to have been in a position of significant control at either entity and therefore this has not been considered as a related party to Crown Court Church.

During the year, donations were made by Trustees to the Charity. However, it is not practical for the total to be reported as donations may be made in cash, in kind and on an anonymous basis.

Note 9 – Tangible Fixed Assets

			2023	2022
	Buildings	Audio Visual Equipment	Total	Total
	£	£	£	£
Cost at 1 January	49,893	-	49,893	49,893
Additions	-	13,875	13,875	-
Disposals	-	-	-	-
Cost at 31 December	49,893	13,875	63,768	49,893

The Trustees hold the title to the Church and the Manse. No valuation for the Church is available, and it is excluded from the accounts. The Manse is shown in the accounts at cost. In the opinion of the Trustees, the market value of the property is not less than £2.5million.

Note 10 – Investments

	2023	2022
	£	£
Market value at 1 January	626,510	389,734
Purchases in year	-	300,000
Disposals in year	-	-
Unrealised gains/(losses)	46,094	(63,224)
Market value at 31 December	672,604	626,510
Investments at cost	570,000	570,000

All funds above are invested in the Church of Scotland Investors Trust. Crown Court Church holds units in both the Growth Fund and the Income Fund.

Note 11 – Cash and Cash Equivalents

	Unrestricted Funds 2023	Restricted Funds 2023	Total 2023	Total 2022
	£	£	£	£
Cash at bank	87,408	12,271	99,679	171,706
Church of Scotland Investors Trust Deposit Fund	100,000	-	100,000	-
	187,408	12,271	199,679	171,706

Note 12 – Debtors

	2023	2022
	£	£
Prepayments	485	873
Tax recoverable under Gift Aid	57,500	71,500
Trade debtors	2,193	465
Accrued income - legacies	1,426,124	-
	1,486,302	72,838

The charity has been made aware of a significant legacy that will be paid during 2024. This has been recognised as accrued income above.

Note 13 – Creditors

	2023	2022
	£	£
Sundry creditors	15,094	4,020

Note 14 – Analysis of Net Assets Among Funds

	General	Designated	Restricted	Total
	£	£	£	£
Fixed Assets	63,768	-	-	63,768
Investments	672,604	-	-	672,604
Current Assets	1,621,335	52,375	12,271	1,685,981
Current Liabilities	(15,094)	-	-	(15,094)
Net Assets at 31 December 2023	2,342,613	52,375	12,271	2,407,259
Fixed Assets	49,893	-	-	49,893
Investments	626,510	-	-	626,510
Current Assets	159,365	65,134	20,045	244,544
Current Liabilities	(4,020)	-	-	(4,020)
Net Assets at 31 December 2022	831,748	65,134	20,045	916,927

Note 15 – Volunteers

In common with all congregations of the Church of Scotland, the congregation benefits from the contribution made by volunteers who give their time and talents willingly for the benefit of the Church. The areas of congregational life which rely on the contribution of volunteers are many and varied and much of the activity would be unable to continue were it not for the commitment shown.

Note 16 – Movement in Funds

	At 1 January 2023	Incoming Resources	Outgoing Resources	Transfers between Funds	Investment Gains / (Losses)	At 31 December 2023
	£	£	£	£	£	£
Restricted Funds						
Manse	7,892	-	(7,892)	-	-	-
Kitchen and Catering	11,177	1,040	(849)	-	-	11,368
Sunday School	976	-	(73)	-	-	903
	20,045	1,040	(8,814)	-	-	12,271
Unrestricted Funds						
Designated Fabric	64,594	-	(12,759)	-	-	51,835
Designated Welfare	540	-	-	-	-	540
General	831,748	1,579,928	(115,157)	-	46,094	2,342,613
	896,882	1,579,928	(127,916)	-	46,094	2,394,988
Total Funds	916,927	1,580,968	(136,730)	-	46,094	2,407,259

	At 1 January 2022	Incoming Resources	Outgoing Resources	Transfers between Funds	Investment Gains / (Losses)	At 31 December 2022
	£	£	£	£	£	£
Restricted Funds						
Manse	4,813	733	(257,654)	260,000	-	7,892
Kitchen and Catering	-	12,569	(1,392)	-	-	11,177
Sunday School	-	976	-	-	-	976
	4,813	14,278	(259,046)	260,000	-	20,045
Unrestricted Funds						
Designated Fabric	-	1,100	2,899	60,595	-	64,594
Designated Welfare	-	-	-	540	-	540
General	1,221,937	101,571	(107,401)	(321,135)	(63,224)	831,748
	1,221,937	102,671	(104,502)	(260,000)	(63,224)	896,882
Total Funds	1,226,750	116,949	(363,548)	-	(63,224)	916,927

Purposes of Restricted Funds

Manse	This fund was established to provide for the cost of refurbishing the manse during 2022. The fund was fully utilised during 2023.
Kitchen and Catering	This fund was established to meet the costs of providing refreshments for congregational events and maintaining kitchen equipment.
Sunday School	This fund is available to provide resources for use by the Sunday School.

Incoming resources for the Kitchen and Catering Fund and the Sunday School Fund in 2022 include donations received in prior years, not previously incorporated in the church's financial statements.

Purposes of Designated Funds

Fabric	The Trustees have set aside funds for large projects and significant maintenance costs of the church and manse.
Welfare	The Trustees have set aside funds for those considered to be in need of support.

Note 17 – Collections for Third Parties

	2023	2022
	£	£
Borderline / ScotsCare	745	350
Christian Aid	980	1,561
Centrepont – Bruce House	133	-
DEC Ukraine Humanitarian Appeal	-	719
DEC Pakistan Floods Appeal	-	562
DEC Turkey-Syria Earthquake	537	-
St Mungo's	-	293
Westminster Foodbank	323	795
	2,718	4,280

Note 18 – Operating Leases

The charity holds one operating lease, for the church office photocopier. Future lease payments are as follows:

	£
Due within 1 year	1,099
Due within 2 – 5 years	4,121