

Holy Trinity Church, Melrose

Annual Report and Accounts
for the year ended
30 September 2022

Contents	Page
Vestry (Trustees') Report and Financial Review	2
Annual Accounts:	
Receipts and Payments Account	8
Receipts	9
Payments	10
Statement of Balances	11
Independent Examiner's Report	12

Report of the Vestry (Trustees) for year ended 30 September 2022

The Vestry of Holy Trinity Church Melrose, whose members, for the purposes of charities law, act as Trustees of the Church, submits its reports and accounts for the above period.

Objectives

Holy Trinity Church Melrose is established for the advancement of religion and to provide public benefit.

Structure, governance and management

Holy Trinity Church Melrose is an unincorporated association governed by a Constitution dated 9 June 2021. The Church is a member congregation of the Diocese of Edinburgh under the pastoral oversight of the Bishop of Edinburgh and is subject to the Canon Law of the Scottish Episcopal Church.

In accordance with the terms of the Constitution, an annual general meeting of the constituent members of the congregation is held each year at which, inter alia, it is the duty of such members to elect from amongst their number:

- a) up to six ordinary members of the Vestry, of whom three shall retire annually and not be eligible for re-election.
- b) i. Lay Representative; ii Alternate Lay Representative
- c) Area Council Member
- d) People's Warden
- e) A Treasurer, a Secretary, a Fabric Convenor and a Pastoral Care Co-ordinator (elected if the completion of their three-year term of office requires so requires)

The Rector's Warden is appointed annually by the Rector.

The foregoing, together with the Rector, comprise the Vestry, those in b) to e) being ex officio but all being entitled to vote. The names of the current members are shown below.

Composition of the Vestry, October 2021 to September 2022

Rector	Rev. Philip Blackledge
Rector's Warden (Rector appoints)	Giles Cuthbert (to Mar 22).
People's Warden (elected annually)	John Williams
Treasurer	John Wood
Secretary	Jan Howarth
Fabric Convenor	Carl Hodgson (from May 22)
Pastoral Care Co-ordinator	Ed Creaney
Lay Representative*	Mervyn Anthony
Alternate Lay Representative (elected annually)	Vacant
Borders Area Council Rep (elected annually)	Mervyn Anthony
Members	Liz Williams Ian Skinner Pamela Gordon Caroline Green (Oct 21 – Jan 22) Margaret Jackson (Oct 21 – Jan 22) Mary Cuthbert (Oct 21 – Jan 22) Marion Clayton (from May 22) Nancy Muir (from May 22) Chris Anthony (from Sep 22) Malcolm McVittie (from May 22)

Terms of office for the Vestry were reset at the 9 June 2021 with the signing of the new Constitution by Bishop John.

The Treasurer and Secretary, when elected, would normally serve a term of up to three years and may then be eligible for re-election to serve no more than one further such term, after which they should retire.

The Pastoral Co-ordinator and Fabric Convenor would normally serve a term of up to three years and may then be eligible for re-election to serve no more than one further such term, after which they should retire.

Ordinary members are elected for three years and will retire when their term of office is complete. They will not be eligible for re-election that year. If there are not three members who have served three years then the three longest serving should retire unless there are others wishing to resign.

Vestry duties and objectives

The management of the financial and temporal affairs of the Church is conducted by the Vestry, which has met eight times this year between October 2021 and September 2022. Additionally, Vestry met with the congregation in January 2022 for the 2021 AGM.

Vestry has continued using sub-committees to make progress on regular tasks and any actions agreed. Each of the sub-committees has its own terms of reference and remit, along with a convenor, secretary and members. A representative of the Vestry sits on sub-committees where appropriate. The Vestry receives reports and minutes from sub-committees at its meetings.

In addition to the duties defined in the Constitution, the Vestry assists the Rector in all matters affecting the spiritual welfare of the congregation. It also oversees a number of committees and working groups set up to ensure the smooth running of the Church and the pastoral care of all age groups within the congregation and the wider community, having particular regard to the current arrangements of the Protection of Vulnerable Groups (Scotland) Act 2007 and its recently updated amendments.

Through its representatives, the Vestry continues to play an active part in the work of the Churches' Borders Area Council, the Diocesan Synod and the eco-congregation churches network. The Vestry is grateful to the great many people who give freely of their time to keep the church clean and tidy, provide floral decorations, work in the church grounds, participate in services in many different ways, cater and provide refreshments, do pastoral work, reach out to the community, and welcome and support one another. Without them the church could not continue to function and meet its aims and objectives.

Activities and achievements in 2021-22

Following on from the restrictions of lockdown, Holy Trinity has continued to broadcast and live-stream an online Sunday service for existing and new members of the congregation who cannot or do not feel able to return to services in church.

Church services

In conjunction with legal requirements, and advice and direction from the Diocese, Holy Trinity has adapted to continue its services, mission and work wherever possible.

Members of the Church – particularly the Rector, his wife, the organist and choir – have continued to deliver and broadcast the online each Sunday at 11am. This has been supplemented by CDs and DVDs for those without online access. This service continues to be greatly appreciated and is seen by former church members who have moved away, along with new viewers who have not previously attended Holy Trinity Church. The Church was opened for private prayer, and services previously curtailed by covid have recommenced. Details of the various services and full content for the Sunday communion service are available on Holy Trinity's website.

Church fabric

A great deal of the work of Vestry and its Fabric and Finance Sub-committee this year has been devoted to the fabric and improvements of the church and, particularly, the Rectory. During the year the Rector and his family, with the support of Vestry, moved to a separate property while Vestry gives full and proper consideration to options for the future of the Rectory. Detailed work is underway, with the involvement of the Diocese; it will also take full account of the Quinquennial Review that has recently been completed. Meanwhile, the Rectory is rented to tenants, so defraying the costs of its upkeep.

Ordination

We were delighted during 2022 to prepare for the ordination of our Curate, Claire Nicholson. Bishop John joined us in Melrose for the ordination on 1 October. The occasion was marked by a presentation from the congregation of an Interlinear Bible, which came with their best wishes for Claire's future life and ministry within the Church.

Group and Committee reports

PVG Annual Safeguarding Report 2022

Question	Response
Are the SEC Policies for Children and Vulnerable Adults displayed prominently in the Church?	Yes
Is the 'Childline & Silverline' Posters displayed in the and other church premises?	Yes
Is the name and contact details of the PVG Coordinator displayed within the Church and Church buildings?	Yes, church and church hall
Does the PVG Coordinator have a copy of the Child Protection Training Booklet?	Yes
Do they have a copy of the Protecting Vulnerable Adults Booklet?	Yes
Are the contact details of the Diocesan Protection Officer and the Provincial Officer for the Protection of Children and Vulnerable Adults displayed within the Church?	Yes, Provincial Officer only
Does the Vestry have safeguarding on its agenda at each meeting?	Yes
Is an Annual Safeguarding Report presented to the Church AGM?	Yes
Has the Vestry identified a 'Regulated Work Employer'?	Yes, Philip Blackledge, Rector
Has the Vestry compiled a register of 'Regulated Work Positions' and 'Positions of Trust' within the Church?	Yes, Sunday School and Pastoral Group

Safe recruitment and Management of Volunteers/Staff

Who asks a person if they are willing to carry out regulated work or a position of trust within the Church on behalf of the Vestry?	Philip Blackledge, Rector
How is this publicised?	Personal invitation/church notices
Are job descriptions provided for the work required? How are they given eg verbally, in writing?	Yes JDs available for Sunday School helpers and pastoral care group which are both volunteer positions
Is the person interviewed, or the work discussed with the person before they take it on? Who does this?	Yes, volunteers informally assessed; work entailed discussed with Rector
Are references obtained for each person taking on regulated work or a position of trust, whether voluntary or paid?	References normally only taken up for paid positions
Is a PVG application made and the approval of the Provincial Officer received BEFORE anyone starts regulated work?	No. This is the case wherever possible; individuals awaiting PVG membership might occasionally work under supervision
Does each volunteer and any paid staff have an identified supervisor to whom they report? Please provide names.	Yes. Pastoral care reports to Rector; Sunday School to Sunday School Supervisor
Has each regulated work volunteer and paid staff been issued the appropriate pocket card of good practice?	Yes. Cards also on church/hall noticeboards
Please detail any training provided within your Church	Last formal training was in 2019. Any future safeguarding training sessions will be open to members of other congregations
Do you keep records of safeguarding training?	Yes
Have the Rector, Vestry Chair and Secretary been informed of the contents of this return?	Yes

Return completed by Marjorie Keys, PVG Co-ordinator, 30 October 2022

Lay representative Report for 2022

1 Diocesan Synod Notes for 2022

12th March 2022 held at St Pauls & St Georges church, George Street, Edinburgh.

Sadly, Bishop John was unable to be present due to covid isolation. The meeting was therefore chaired by the Dean. Bishop John did however pre-record an address. The main points from which were his Lent Appeal and also the Ukrainian crisis and I will not expand on them as this has already been adequately done by the rector.

Items of note from the day:

1. Cathedral finances are improving and whilst not yet at a point which the treasurer would prefer, they are healthier than they have been for some years.
2. The revised 1982 Liturgy is making progress and it is hoped that it will be published reasonably soon but it still has some hurdles to overcome. The intention is to make this Liturgy more gender neutral in how we refer to the Lord.
3. We were reminded of our duties with regard to PVG and Safeguarding and ensuring that any issues are dealt with appropriately and diocese informed.
4. It is the continued intention of the diocese that they will be Carbon Neutral by 2030 not only for churches but also rectories and other associated buildings. Only 16 out of 52 charges have appointed a representative to the group dealing with this. A tool kit has been launched to aid vestry and congregations to work out what they need to do, this is available on the diocese's website.
5. On 28th May starting at St Mary's Cathedral there will be a "Big Walk" to highlight the issues around Carbon Neutral needs. More details will be published online about times etc.
6. Diocesan Mission & Ministry Committee are planning a Big Walk between the 5th and 15th June which will take in various churches and prayer and reflection will be the theme.

In addition, we were provided with reports from the various committees and if anyone wishes to read the reports, please let me know and I will make them available. All the committees have continued to meet and move forward during the covid issues by working online and it is felt they have achieved much success.

2 Report from Synod held on 27th October 2022

NB In this report I have tried to maintain comments to a minimum but have used links to the papers for Synod which were presented to us, so that those wishing greater detail, may hopefully find the full information.

Bishop John opened Synod by welcoming all there and watching online. He then mentioned those who had passed away since our last Synod including Rev Margaret Pedersen and requested that all present stand in memory of those whom we had lost. Bishop John also indicated that following the situation within the Aberdeen and Orkney Diocese that he would be required to spend a few days each month dealing with matters in that Diocese as he was the Acting Bishop until the matter is resolved.

Minutes of the previous Synod meeting were proposed and after a request to correct an error they were approved.

A short presentation by Bethany Nelson of the Diocesan Environmental Group, mentioned that many churches had used the "Tool Kit" available online to review how their church was meeting the current challenges of being net zero for energy. Bethany also made it known that it would be a requirement for ALL rectories to have an EPC (Energy Performance Certificate) and that the Diocese would meet costs up to £80. Invoices for the EPC to be sent to Building Committee together with a copy of the EPC report. All rectories need to be up to the same standard required for any rental property.

The following organisations were mentioned and can be found on the web:

Green Christian <https://greenchristian.org.uk/>

HeatHack who also have places still available on courses. <https://heathack.org/>

Holy Trinity Melrose SC000966

There will be a “This Crisis Demands Action” protest on November 22nd at St Andrews Square in Edinburgh. (Hebrews 10 – 29-35)

Ian Lawson the Diocesan Treasurer presented the 2021 Accounts for “Note” and indicated that the year-end result showed a slight surplus of £93,000 for the first time in several years. The full document can be found here and can be downloaded from:

<https://edinburgh.anglican.org/wp-content/uploads/2022/05/Edinburgh-Diocesan-Accounts-2021-FINAL-SIGNED-PUBLISH.pdf>.

Comment was made on the 2022 Accounts which it seems may achieve a break-even result, but this is yet to be finalised.

We were then asked to consider the budget proposals for 2023. The budget can be found from page 12 of this link:

<https://edinburgh.anglican.org/wp-content/uploads/2022/10/Synod-Agenda-27-October-2022-v1.pdf>

Once the presentation had been made several of the House of Laity and House of Clergy members indicated that they wished to raise questions. The main area of concern was centred around the discrepancy between the salary increase percentage of the office staff and that of the clergy with many of the clergy expressing concerns that they were benefitting more than the office staff, and this was unfair in these current times. It was noted that a very small part of the clergy increase, related to an error which had occurred in 2008 and was now being corrected. Following significant discussion which threw the timetable into chaos it was agreed that the “Standing Committee” would reconsider the situation. However, the Dean did indicate that any further increase in staff salary levels may raise the “Quota” charge by 0.5%. With this proviso the draft budget was agreed but would be ratified fully at the next Synod if all were agreed on the proposals as revised.

Synod then moved on to consider a paper from Godfrey Robson Diocesan Secretary, which can be found in full by following the link above and going to page 17. The main points that were highlighted for discussion were as follows:

“In the light of some recent discussion about the Diocese’s strategy and direction of travel, it may be useful to bring together and set out in a single paper, what is underway and in prospect to:

- Keep the show on the road while we continue to discern future direction and need
- Invest in recovery of congregations in current difficulty
- Expand our footprint into areas of significant population growth, and
- continue to serve in areas of particular social need.”

One area of concern to the Borders churches is the continuing issues being experienced by the A7 group of churches and this was touched upon in the paper and will continue to be investigated to achieve a hopefully working solution for all involved. It should not impact directly on the clergy at Holy Trinity in the long-term. The paper also looks at ways we can develop contacts in more areas in addition to continuing to support existing congregations.

The paper also outlines the potential cost implications of implementing these proposals as well as where they anticipate the funds can be drawn down from over a period of 5 years.

If you are unable to use the links provided and wish a hard copy of this report do please let me know.

3 Borders Area Council

There have not been any meetings during 2022

Mervyn Anthony
Lay Representative

Financial Review

Financial position at 30 September 2022

The Church's income continues to derive predominantly from congregational giving (receipts 2021-2022 £69005, 2020-21 £67036). This was enhanced this year by the online Just Giving system (£245) and an additional source of income was the temporary renting out of the rectory from August 2022 at a rent of £800 per month. The church continues albeit restricted by Covid to undertake fund raising for general church purposes (2021-2022 £952, 2020-21 £987). The major item of expenditure remains that of paying for a full-time stipendiary priest (2021-22 £36,376, 2020-21 £36,022). The Church showed a small deficit of payments compared with receipts in 2020-21 of -£1,614 which largely due to catching up on repairs in the wake of Covid has grown in 2021-22 to -£4,842. With increased emphasis on stewardship added to the level of reserves currently held the Vestry hopes the Church can continue to flourish.

Reserves

The Vestry has formulated a new reserves policy to be reviewed annually. At least six months running costs (approximately £36,916 – based on average expenditure over the past five years) will be held in reserve to guard against any unexpected short-falls in income or cost of living increases. As total church assets are £103,243 this leaves a potential spend of £66,547. Certain large-scale projects – including some advised in the recent Quinquennial Report – and the remodelling of the heating system – would be underwritten at least partly by fund-raising campaigns. The potential increase of energy costs due to the war in Ukraine from £6,000 to £16,000 next year threaten to overwhelm all such budgeting strategies.

At the year end the Church held unrestricted funds of £88,816.82

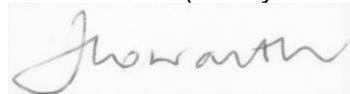
The Church relies on the contributions of many unpaid volunteers to meet certain pastoral, community and stewardship needs. The Vestry particularly thanks those individuals who have organised fund raising events this year.

Conclusion and plans for the future

Vestry will continue to play its part in all of its spiritual and pastoral work. In moving on from the challenges of lockdown, Vestry will continue to work with the Rector to improve the mission and growth of the church in terms of its spiritual life, and its ongoing secular and funding requirements, particularly in relation to the fabric of the church and the rectory.

In conclusion Vestry wishes to thank the various individuals and the groups and guilds who contribute to the smooth running of the church, its appearance and services and to all members of the Congregation who help in so many different ways in carrying out the work of the Church and without whom nothing would be possible.

BY ORDER OF THE VESTRY
Jan Howarth (Vestry Secretary)



Holy Trinity Church, Melrose

Receipts and Payments Account

For the year ended 30th September 2022

RECEIPTS (see attached schedule)	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total 2022</i>	<i>Total 2021</i>
Donations and grants				
Congregational Giving	50,856		50,856	44,604
Gift aid on congregational giving/donations	11,309		11,309	11,265
Donations & Legacies	7,172	2,824	9,996	11,167
Grants & Trusts	3,326		3,326	250
	<u>72,663</u>	<u>2,824</u>	<u>75,487</u>	<u>67,286</u>
Charitable Activities for Generating Funds				
Use of Church and grounds	3,565		3,565	925
Concerts	0		0	0
Fayres, coffee mornings etc.	952		952	987
Sundry			0	0
	<u>4,517</u>	<u>0</u>	<u>4,517</u>	<u>1,912</u>
Investment Income				
Investment Income	1,299		1,299	1,166
Interest	29	11	40	151
	<u>1,328</u>	<u>11</u>	<u>1,339</u>	<u>1,317</u>
Other income				
Miscellaneous	0	0	0	2,004
Other Incoming Resources				
			0	0
			0	0
	<u>0</u>		<u>0</u>	<u>0</u>
	<u>78,508</u>	<u>2,835</u>	<u>81,343</u>	<u>72,519</u>
PAYMENTS (see attached schedule)				
Charitable Activities				
Clergy and Ministry Costs	40,694		40,694	39,725
Worship Costs	6,870		6,870	9,559
Fabric Costs	25,489	4,253	29,742	16,754
Quota (diocesan dues)	7,205		7,205	7,396
Donations to other charities	1,675		1,675	700
	<u>81,932</u>	<u>4,253</u>	<u>86,185</u>	<u>74,134</u>
Difference Between Receipts and Payments	-3,424	-1,418	-4,842	-1,614
Opening Fund Balances	44,855	7,128	51,982	51,982
Transfers between Unrestricted and Restricted	-1,000	1,000		
Fund Balances carried forward	<u>40,431</u>	<u>6,710</u>	<u>47,140</u>	<u>50,368</u>

Holy Trinity Church, Melrose

Receipts for the year ended 30th September 2022

	2022		2021	
Receipts	£	£	£	£
Congregational Giving				
Regular giving	44178		42262	
Tax Reclaimed	11309		11265	
Free Will Offering (FWO)	1353		1552	
Ordinary Collections	5325		790	
Donations	9996		11167	
		72161		67036
Grants Investments & Trusts				
Diocesan Grants	0		0	
Investment Income	1299		1166	
Trusts	3326		250	
Interest	40		151	
		4665		1567
Fund Raising Activities				
Fayres	952		987	
Concerts	0		0	
Other				
		952		987
Sundry Income				
Use of Church	3565		925	
Church Yard	0		1034	
Miscellaneous	0		970	
		3565		2929
		<u>81343</u>		<u>72519</u>

Holy Trinity Church, Melrose

Payments for the year ended 30th September 2022

	Note	2022		2021	
		£	£	£	£
Stipend (Including National Insurance)		28290		27339	
Pension Contributions		8086		8694	
			36376		36033
Council Tax		2754		2693	
Travel		0		0	
Telephone					
Office Costs		723		639	
Conferences & Travel		841		360	
			4318		3692
Quota		7205	7205	7396	7396
Premises costs					
- Heat & Light		6292		3551	
- Insurance		4789		4504	
- Premises					
			11081		8055
Repairs and Maintenance					
Church and churchyard		14626		4928	
Church Hall		3267		3666	
Rectory		0		0	
Sundry					
			17893		8594
Sundry Expenses					
Altar		1224		48	
Church Yard / Grounds		768		105	
Youth support		0		81	
Music & Choir		4905		4886	
Locum Fees		0		0	
Pilgrimages and labyrinth					
Communications		460		3450	
Service sheets					
Miscellaneous		281		1094	
			7637		9664
Charitable Donations		1675	1675	700	700
			<u>86185</u>		<u>74134</u>

Holy Trinity Church, Melrose
Statement of Balances at 30th September 2022

	Unrestricted	Restricted	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Bank balances at start of year	44855	7128	51982	53597
Difference Between Receipts and Payments	-3424	-1418	-4842	-1614
Transfer between Unrestricted and Restricted	-1000	1000	0	0
Bank balances at year end	<u>40431</u>	<u>6710</u>	<u>47140</u>	<u>51982</u>
Unit Trust Pool Investments (cost £20,097)	<u>47599</u>		<u>47599</u>	<u>58447</u>
Value at the End of September 2022				
Assets				
Gift aid				
Due by Trinity Centre to Church	0			
Sundry	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Liabilities				
Accrued charges and provisions				
Due to Church by Trinity Centre	<u>0</u>	0	<u>0</u>	<u>0</u>

Movement in Restricted Funds	Fabric	Trinity	Total
	Fund	Centre	
Opening balances	5700	1428	7128
Receipts	10	2825	2835
Transfer		1000	1000
Payments	986	3267	4253
Balances at 30th September 2022	<u>4723</u>	<u>1986</u>	<u>6710</u>

Signed on behalf of the Vestry



 John Wood (Hon. Treasurer)

Independent Examiner's Report To the Vestry of Holy Trinity Church, Melrose

I report on the accounts of Holy Trinity Church, Melrose for the year ended 30 September 2022, which are set out on pages 8 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of accounts in accordance with the terms of the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) 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 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented in 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 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 Accounts Regulations (as amended), and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended) 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.

Name: Alexander Storie, AIB Scot



Address: Gordon, Berwickshire, TD3 6LR

Date: 25 November 2022