

Charity Registration No. SC012824 (Scotland)

Company Registration No. SC366844 (Scotland)

**CATALYST VINEYARD CHURCH**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**



# CATALYST VINEYARD CHURCH

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	C Freeland S Glazier A McIntyre J Purdie I Ferguson	(Appointed 23 March 2020)
<b>Secretary</b>	J Purdie	
<b>Charity number (Scotland)</b>	SC012824	
<b>Company number</b>	SC366844	
<b>Auditor</b>	Campbell Dallas Audit Services 3 West Craibstone Street Aberdeen AB11 6YW	
<b>Bankers</b>	The Royal Bank of Scotland 40 Albyn Place Aberdeen AB10 1YN  CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ  Kingdom Bank Ruddington Fields Business Park Mere Way Ruddington Nottingham NG11 6JS	
<b>Solicitors</b>	Ledingham Chalmers LLP Johnstone House 52-54 Rose Street Aberdeen AB10 1HA	

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# CATALYST VINEYARD CHURCH

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# **CATALYST VINEYARD CHURCH**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 AUGUST 2019***

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The Trustees, who are also directors for the purposes of company law, present their report and financial statements for the year ended 31 August 2019.

#### **Objectives and activities**

Our core purpose is to follow and serve Jesus Christ and to contribute to the advancement of the Christian faith. Our objectives are to grow spiritually and numerically and to serve the communities that we live in and are summarised in our vision statement to be "A growing, worshipping community of Jesus-followers passionate about being and speaking Good News to the world."

Over the years we have had a strong commitment to the relief of poverty locally through the involvement of our members with local charities, volunteer work in the local prison, fundraising events, and direct support from our own funds. We engage in the communities local to our various sites. We support overseas mission partners to advance the Christian faith and to relieve poverty.

We aim to encourage our members to take an active part in the church through being part of Connect Groups (for fellowship, prayer, and practical care and support), by taking an active role in society in their everyday lives, and by serving in some practical way in the church or for the good of society.

#### **Achievements and performance**

There were 1,182 registered members of Catalyst Vineyard Church at the end of 2019. During the period of this report local church communities met at seven sites (Aberdeen Central, Aberdeen North, Aberdeen West, Stonehaven, Ellon, Inverurie and Mearns) and 9 services, with Aberdeen Central (Gilcomston Park) hosting separate Sunday morning and Sunday evening services and a Monday evening Gateway service. The sites replicate the core activities to children, young people, students, families, older members, with various nationalities and social backgrounds reflecting diversity in the church make-up. During the period 224 people became Christians.

We invest in developing a strong sense of community, encouraging as many people as possible in finding a role. The church members contributed a significant number of hours of voluntary service over the course of the year. Our pastoral care team provided much-needed care to many individuals. We invested heavily in family life, with 51 families represented in marriage, marriage preparation and parenting courses. 17 families provided kinship care and fostering. Five CAP money courses were held.

Children's activities remained a priority and were one of the main drivers of church growth, with programmes during Sunday morning services for crèche and pre-school children, primary school children and P7's and S1's led by dedicated Children's Pastors. During the year the children's work transitioned from the former City Church M.A.D programme to the new Catalyst Kids programme. 1,123 people participated in the Easter Egg hunt, and 267 children together with around 300 parents and siblings joined the October school holiday club. The mid-week youth group, Catalyst Youth, for 11-17 years-olds, under the leadership of a dedicated Youth Pastor, provided a secure environment with 50 teenagers meeting weekly. The Ascent group for students was led by a Student Pastor. More than 40 small groups met regularly.

We distributed 200 Christmas hampers free of charge to elderly people in the vicinity of our sites. A well-attended Saturday programme of Lunch and Chat was run for elderly people. The Mainly Music programme provided parent and toddler groups on a weekly basis to 100 families.

We continued to support the Integrate Scotland charity as an important vehicle to deliver our social action activities: the Lifestyle Gateway service held weekly on Monday evenings provided 2,957 hot meals to 362 individuals; the CAP debt advice service assisted 31 people of whom 21 were new clients, with 12 people becoming debt-free since the inception of the centre; Café Church; the Storehouse programme provided 2,107 food parcels to 329 individuals with referrals from Social Services; 4 Community Drop-ins, providing support for those in difficult life situations, welcomed 177 individuals as guests; and the Parish Nursing initiative provided essential medical assistance at Lifestyle and the Drop-ins.

# CATALYST VINEYARD CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### **Achievements and performance (continued)**

We provided financial support to, and our members were actively involved in, the National Street Pastors initiative, providing teams of people to work in partnership with the police and the local authority to provide a calming influence on the city centre streets on Friday and Saturday nights. We continued to support a number of local charities and ministries including the Teen Challenge Sunny Brae drug rehabilitation centre. We ran a total of 14 Alpha courses, across all sites, with a total of 88 guests supported by 56 people on the teams. We ran services and activities in 18 local schools and provided chaplaincy services to several local secondary schools. Our Wavelength programme, making contact with teenagers hanging out on Friday nights, ran from Aberdeen North. The Miracle Question programme, helping people deal with difficult life situations, was run at several sites.

We provided financial support to 12 partners in 7 countries in a range of missions. These included the New Life children's home in Albania, a Bible school in China, humanitarian aid and ministry in Sri Lanka, the New Life Home Trust homeless children's charity in Kenya, children's work in Tanzania, the Kid's Club Kampala in Uganda, Mercy Ministries in the North of England, and a Tearfund project with CHO-Cambodia a charity dealing with sex-trafficking in Cambodia. Teams from our church took part in visits to four of our mission partners in Kenya, Tanzania, Sri Lanka and Albania.

Overall, the trustees are satisfied that the activities of Catalyst Vineyard Church in the period were well aligned with its stated purposes.

#### **Financial review**

The accounts show a surplus for the period of £109,346. The reserves of Catalyst Vineyard Church at 31st August 2019 were £755,559 and were allocated between restricted and unrestricted reserves as shown on page 10 of the accounts.

It is the policy of the Trust to invest any surplus funds in interest bearing bank accounts. Catalyst Vineyard Church uses CAF (Charities Aid Foundation) Bank and Kingdom Bank.

The annual accounts are subject to audit in line with the requirements of the Companies Act and the Articles of Association.

#### **Reserves policy**

The trustee's policy is to maintain reserves to meet one month of salaries and non-discretionary commitments (such as the mortgage).

#### **Risk management**

The legal structure as a company limited by guarantee is seen by the trustees as a key element in managing the risks of the charity as its activities continue to expand. The main strategic risk is to ensure that expenditures of the growing church remain within the financial means available. Catalyst Vineyard Church relies for its income on the financial contributions of its members. The financial position is carefully monitored, and control is exerted through detailed budgeting, monthly reporting and financial forecasting. Authority to spend money is carefully controlled. The church leaders are delegated with responsibility to manage the day-to-day expenditures of the church.

The church uses a secure online banking service to facilitate its financial operations. It uses pre-paid credit cards to reduce exposure to misuse and remove the risk of fraudsters having direct access to the bank account, as well as removing the need for staff members to incur church expenses on their personal credit cards. Procedures for staff expenses are in place to ensure compliance with HMRC requirements. During the period the Gifts Policy for staff was updated, and a Sabbaticals Policy put in place.

# CATALYST VINEYARD CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **Risk management (continued)**

A new bank account was opened with Kingdom Bank in addition to the existing CAF Bank account to ensure that the church's cash reserves were fully covered by the Financial Services compensation Scheme (£85,000 cover per institution). An internal audit of the church's financial processes was carried out (by the Treasurer) which identified actions to optimise the use of budgets and to control non-budgeted expenditures.

A "Strengthening the Stakes" campaign, centred around 7 key "stakes," took place in September 2018 to share the forward vision of the church with the congregations and to secure their involvement including their financial support. This resulted in a significant positive change to the church's financial outlook. We are looking to see income growth to mirror the increasing number of members and will continue to exercise rigorous financial oversight. A challenge is to encourage people to contribute financial support in a deliberate and identifiable way.

Insurance policies are in place to cover the main insurable risks, including buildings and content cover and civil liability. A review of the insurance policies was carried out in September 2017 by one of the trustees.

Working with children (Kids Church and holiday activities) is carefully organised and monitored. The statutory requirements of Disclosure Scotland are implemented for all adults engaged in children's activities. Key workers exercise line management responsibility with regard to disclosures for areas of ministry for which they have oversight: three Child Protection Officers are in place covering pre-school children, school-aged children, and youth respectively. One trustee assumes responsibility for safeguarding and meets regularly with the Child Protection Officers. A report on the PVG status of all persons involved in relevant activities is reviewed at each meeting of the trustee directors; these reports were refreshed during the year to show separately volunteers actively involved and back-up volunteers. A rota system of on-call responsible people for protection incidents is in place.

A Disclaimer Notice and Agreement document, which specifies standards of behaviour and risk mitigation measures on church trips, was implemented.

A previous inspection of the church building was carried out by the Aberdeen City Council's Environmental Health Officer with a positive outcome. An annual review of workplace safety is carried out and risk assessment updates are carried out. The renovation of the Gilcomston Park kitchen, to achieve fit-for-purpose hygiene, took place in 2019.

### **Plans for future periods**

The trustees look to see the church continue to grow and continue to work out its objectives. Our intention is that most of our growth should come by attracting those who have little or no connection with any existing church. Catalyst Vineyard Church has a strong focus on playing a part in the growth of the Christian church in Scotland through the planting of new churches. A new site was launched in Bridge-of-Don, Aberdeen in September 2019. Following a church plant in Inverness in 2017, and in Inverclyde and Stirling in 2018, a further plant was launched in East Kilbride in 2019. A Leadership Academy, which trains people for these activities, has been running since 2017 with 25 students in total at the end of 2019.

In autumn 2019 the Small Groups system was overhauled with the launch of Connect Groups attended by around 600 adults, a 50% increase on previous participation.

A key item in the forward delivery of the Church's vision is to provide a permanent presence for each of the sites in their local communities. The development of these Community Hubs was one of the key "stakes" identified in the "Strengthening the Stakes" campaign in late 2018. A Community Hubs Manager was recruited in September 2019 to spearhead the development of the Community Hubs through the acquisition of suitable buildings. In parallel, a new charitable company, Catalyst Community Regeneration Company, whose articles comply with the requirements of the Community Empowerment Act 2015, was set up to enable the church to acquire buildings through Asset Transfer should appropriate opportunities arise.

In 2020, after the end of the reporting period, Catalyst Vineyard Church had to respond to the lock-down measures put in place by the authorities in response to the COVID19 pandemic. Its staff moved to homeworking, with some individuals being put on furlough. All physical meetings stopped, church services moved fully to livestreaming and other activities moved to electronic media. The financial impact and the forward strategy will be captured in the 2019-2020 annual report.

# CATALYST VINEYARD CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### **Structure, governance and management**

Catalyst Vineyard Church is a charitable company limited by guarantee.

On 24th February 2019 the charity changed its name from City Church Aberdeen to Catalyst Vineyard Church to reflect its growing geographical presence and its affiliation.

Ian Ferguson was appointed as a trustee director on 23rd March 2020 to replace Janice Montgomery who stepped down.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

C Freeland

S Glazier

A McIntyre

J Montgomery

(Resigned 27 March 2020)

J Purdie

I Ferguson

(Appointed 23 March 2020)

New trustee directors are appointed by the unanimous decision of the existing trustee directors, selection being based on the character and skills possessed by the individuals, on a profession of Christian belief and on being a committed adherent of Catalyst Vineyard Church.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustee directors meet regularly to monitor the activities of the church, and to ensure the relevant financial and legal requirements are met. The trustee directors are all familiar with the work of the charity. One of the Lead Pastors ensures a link between the trustee directors and the Church Leadership Team (CLT).

#### **The Church Leadership Team (CLT)**

The CLT provides spiritual direction and leadership of the church, its Christian ministry and pastoral care and oversight of the church members. The trustee directors and CLT work in close cooperation to achieve the overall goals and missions of the charity. The CLT consists of 7 members: Chuck Freeland, Taryn Freeland, Caroline Crombie, David Chirside, Mike Wooldridge, Emma Wooldridge and James Duce.

#### **Pay Policy for Trustee Directors and Staff**

The trustee directors are volunteers and give their time freely except for Chuck Freeland whose remuneration and expenses are disclosed in notes 9 and 22 in the accounts.

Staff pay is based on a salary ladder, with clearly specified salary bands encompassing all positions, which is reviewed annually by the board of trustee directors.

#### **Staff**

The staff team are line-managed by four Associate Pastors (Tammy Doherty, Associate Pastor Ministries; Scott Robertson Associate Pastor Sites; James Duce, Associate Pastor Preaching; Gill Elder, Associate Pastor Core Support) who in turn report to Taryn Freeland, Lead Pastor. During the period Adam Bolton resigned as Technical Supervisor (and was subsequently replaced by Scott A Robertson), Bex Elder was appointed as Youth Administrator, Holly Nekonam as Communications Assistant and Beccy Gibbs as Finance assistant. At the period end the staff consisted of 9 full-time people and 20 part-time people (11 full-time equivalents).

#### **Affiliation to Vineyard**

Catalyst Vineyard Church is affiliated to Vineyard Churches UK & Ireland. The affiliation is by way of licensing the Vineyard trademark to Catalyst Vineyard Church's Lead Pastors, Chuck and Taryn Freeland, under which they are personally members of the Vineyard Association. In all other respects Catalyst Vineyard Church retains complete autonomy as a charitable organisation.

# CATALYST VINEYARD CHURCH

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **Statement of Trustees' responsibilities**

The Trustees, who are also the directors of Catalyst Vineyard Church for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. 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.

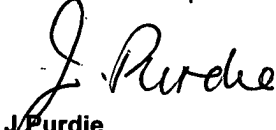
### **Auditor**

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



**J. Purdie**

Trustee

Dated: 19 August 2020



# CATALYST VINEYARD CHURCH

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CATALYST VINEYARD CHURCH

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#### Opinion

We have audited the financial statements of Catalyst Vineyard Church (the 'Charity') for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, 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 Companies Act 2006, 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 other 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

# CATALYST VINEYARD CHURCH

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF CATALYST VINEYARD CHURCH

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company 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 Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

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

# **CATALYST VINEYARD CHURCH**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF CATALYST VINEYARD CHURCH**

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#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' 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 charitable company, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Kathleen Kirkland (Senior Statutory Auditor)**  
**for and on behalf of Campbell Dallas Audit Services**

19 August 2020

**Statutory Auditor**

3 West Craibstone Street  
Aberdeen  
AB11 6YW

# CATALYST VINEYARD CHURCH

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2019**

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	1,152,558	6,837	1,159,395	837,183
Other trading activities	4	5,250	-	5,250	470
Investments	5	240	-	240	54
Other income	6	20,465	66,063	86,528	70,698
<b>Total income</b>		<b>1,178,513</b>	<b>72,900</b>	<b>1,251,413</b>	<b>908,405</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	7	1,063,555	69,763	1,133,318	959,076
Other	11	8,749	-	8,749	9,136
<b>Total resources expended</b>		<b>1,072,304</b>	<b>69,763</b>	<b>1,142,067</b>	<b>968,212</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>106,209</b>	<b>3,137</b>	<b>109,346</b>	<b>(59,807)</b>
Fund balances at 1 September 2018		641,890	4,323	646,213	706,020
<b>Fund balances at 31 August 2019</b>		<b>748,099</b>	<b>7,460</b>	<b>755,559</b>	<b>646,213</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

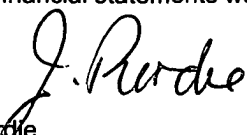
# CATALYST VINEYARD CHURCH

## BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	12		749,206		715,609
<b>Current assets</b>					
Debtors	14	27,433		20,771	
Cash at bank and in hand		194,770		111,981	
		222,203		132,752	
<b>Creditors: amounts falling due within one year</b>	16	(52,300)		(30,804)	
Net current assets			169,903		101,948
<b>Total assets less current liabilities</b>			919,109		817,557
<b>Creditors: amounts falling due after more than one year</b>	17		(163,550)		(171,344)
<b>Net assets</b>			755,559		646,213
<b>Income funds</b>					
Restricted funds	19		7,460		4,322
Unrestricted funds			748,099		641,891
			755,559		646,213

The financial statements were approved by the Trustees on 19 August 2020

  
J Purdie  
Trustee

Company Registration No. SC366844

# CATALYST VINEYARD CHURCH

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	23		163,729		(31,540)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(73,763)		(3,364)	
Proceeds on disposal of tangible fixed assets		-		340	
Interest received		240		54	
<b>Net cash used in investing activities</b>			(73,523)		(2,970)
<b>Financing activities</b>					
Repayment of bank loans		(7,417)		(7,063)	
<b>Net cash used in financing activities</b>			(7,417)		(7,063)
<b>Net increase/(decrease) in cash and cash equivalents</b>			82,789		(41,573)
Cash and cash equivalents at beginning of year			111,981		153,554
<b>Cash and cash equivalents at end of year</b>			194,770		111,981

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### **1 Accounting policies**

##### **Charity information**

Catalyst Vineyard Church is a private company limited by guarantee incorporated in Scotland. The registered office is 49 Gilcomston Park, Aberdeen, AB25 1PN.

The principal activity of the charity is to follow and serve Jesus Christ and to contribute to the advancement of the Christian faith.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Companies Act 2006, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### **1.4 Income**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor of the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1 Accounting policies

##### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

- expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource.

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Property	2% straight line
Property Improvements	5% straight line
Office furniture and equipment	20% reducing balance
Computers	33% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### 1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



# **CATALYST VINEYARD CHURCH**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **1 Accounting policies**

#### **1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### **1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

### **2 Critical accounting estimates and judgements**

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key sources of estimation uncertainty**

##### **Useful economic lives of estimation uncertainty**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and they physical condition of the assets.

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and gifts	954,919	6,837	961,756	690,293
Income tax refund	193,339	-	193,339	146,601
Donated goods and services	4,300	-	4,300	289
	<u>1,152,558</u>	<u>6,837</u>	<u>1,159,395</u>	<u>837,183</u>
<b>For the year ended 31 August 2018</b>	<u>826,218</u>	<u>10,965</u>		<u>837,183</u>

#### 4 Other trading activities

	Unrestricted funds	Total
	2019 £	2018 £
Letting and licensing arrangements	<u>5,250</u>	<u>470</u>

#### 5 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Interest receivable	<u>240</u>	<u>54</u>

#### 6 Other income

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Other income	<u>20,465</u>	<u>66,063</u>	<u>86,528</u>	<u>70,698</u>
<b>For the year ended 31 August 2018</b>	<u>20,802</u>	<u>49,896</u>		<u>70,698</u>

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 7 Charitable activities

	Pastoral	Administrative	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Staff costs	492,341	101,801	594,142	534,170
Depreciation and impairment	-	40,166	40,166	38,628
Ministry support and expenses	67,144	-	67,144	82,629
Missions	214,268	-	214,268	122,858
Alpha	4,217	-	4,217	1,475
Worship/Church life	23,598	-	23,598	26,755
Family life	13,923	-	13,923	7,959
Children	10,278	-	10,278	11,827
Youth	10,933	-	10,933	10,006
Donated goods and assets	-	-	-	289
Rent, rates and insurances	-	48,173	48,173	42,235
Light & heat	-	14,627	14,627	12,155
Repairs and maintenance	-	11,834	11,834	9,090
Motor expenses	-	6,665	6,665	5,545
Lease costs	-	20,212	20,212	20,263
Legal fees	-	2,353	2,353	-
Telephone	-	2,375	2,375	2,373
Other charitable expenditure	-	42,550	42,550	25,039
	836,702	290,756	1,127,458	953,296
Share of governance costs	-	5,860	5,860	5,780
	836,702	296,616	1,133,318	959,076
<b>Analysis by fund</b>				
Unrestricted funds	766,939	296,616	1,063,555	879,937
Restricted funds	69,763	-	69,763	79,139
	836,702	296,616	1,133,318	959,076
<b>For the year ended 31 August 2018</b>				
Unrestricted funds	601,062	278,875		879,937
Restricted funds	79,139	-		79,139
	680,201	278,875		959,076

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

<b>8</b>	<b>Net movement in funds</b>	<b>2019</b>	<b>2018</b>
		<b>£</b>	<b>£</b>
	Net movement in funds is stated after charging/(crediting)		
	Depreciation of owned tangible fixed assets	40,166	38,628

#### 9 Trustees

One or more trustees has been paid remuneration or received other benefits from employment with the charity or a related entity.

Mr C Freeland;

Employment as Church Leader

Salary of £49,146 (2018:£47,101) and pension contributions of £7,377 (2018: £7,197).

#### 10 Employees

##### Number of employees

The average monthly number of employees during the year was: 27

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Pastoral	17	18
Administrative	10	7
	<u>27</u>	<u>25</u>

##### Employment costs

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	484,485	441,970
Social security costs	37,680	34,396
Other pension costs	71,977	57,804
	<u>594,142</u>	<u>534,170</u>

There were no employees whose annual remuneration was £60,000 or more.

#### 11 Other

	<b>Unrestricted funds</b>	<b>Total</b>
		<b>£</b>
	<b>2019</b>	<b>2018</b>
Financing costs	<u>8,749</u>	<u>9,136</u>

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 12 Tangible fixed assets

	Property	Property	Office	Computers	Total
	Improvements	Improvements	furniture and		
	£	£	equipment	£	£
<b>Cost</b>					
At 1 September 2018	592,933	116,157	240,885	50,094	1,000,069
Additions	-	23,567	39,272	10,924	73,763
Disposals	-	-	(3,000)	(2,000)	(5,000)
At 31 August 2019	592,933	139,724	277,157	59,018	1,068,832
<b>Depreciation and impairment</b>					
At 1 September 2018	35,409	44,648	161,253	43,150	284,460
Depreciation charged in the year	11,859	3,958	19,831	4,518	40,166
Eliminated in respect of disposals	-	-	(3,000)	(2,000)	(5,000)
At 31 August 2019	47,268	48,606	178,084	45,668	319,626
<b>Carrying amount</b>					
At 31 August 2019	545,665	91,118	99,073	13,350	749,206
At 31 August 2018	557,524	71,509	79,632	6,944	715,609

### 13 Financial instruments

	2019	2018
	£	£
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	27,433	20,771
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	215,850	202,148

### 14 Debtors

	2019	2018
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	27,433	20,771

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 15 Loans and overdrafts

	2019 £	2018 £
Bank loans	171,320	178,737
Payable within one year	7,770	7,393
Payable after one year	163,550	171,344
Amounts included above which fall due after five years:		
Payable by instalments	128,295	137,801

The long-term loans are secured by a standard security over the property at 49 Gilcomston Park, Aberdeen. The effective interest rate is fixed at 4.99%.

#### 16 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank loans	15	7,770	7,393
Other creditors		44,530	23,411
		52,300	30,804

#### 17 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank loans	15	163,550	171,344

#### 18 Retirement benefit schemes

##### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £71,977 (2018 - £57,804).

There are no outstanding or prepaid contributions at the balance sheet date.

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 September 2018	Incoming resources	Resources expended	Balance at 31 August 2019
	£	£	£	£
Church planting /Missions	4,323	72,900	(69,763)	7,460

Purposes of restricted funds

Church planting - to fund the expansion of the Church into new geographical areas.

Missions and other restricted funds - to support people and projects engaged in Christian Missions both in the UK and abroad and other specific projects.

#### 20 Analysis of net assets between funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Fund balances at 31 August 2019 are represented by:				
Tangible assets	749,206	-	749,206	715,609
Current assets/(liabilities)	162,443	7,460	169,903	101,948
Long term liabilities	(163,550)	-	(163,550)	(171,344)
	<u>748,099</u>	<u>7,460</u>	<u>755,559</u>	<u>646,213</u>

#### 21 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	21,957	17,064
Between two and five years	28,493	15,793
	<u>50,450</u>	<u>32,857</u>

# CATALYST VINEYARD CHURCH

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 22 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	62,131	59,656

Church Leader and Trustee, Mr C Freeland's wife, Taryn Freeland received a salary of £35,798 (2018 - £28,854) and pension contributions of £4,366 (2018 - nil) for provision of services to the Church. Adrienne Purdie, wife of Trustee Mr J Purdie, received a salary of £12,670 (2018 - £12,361) and pension contributions of £2,001 (2018 - £1,952) for the provision of accountancy and administration services to the Church. Travel and subsistence costs amounting to £1,929 were paid to one Trustee and his wife in their role as employees during the year (2018 - £831).

Trustees and their spouses made donations to the charity amounting to £88,630 (2018 - £76,211).

#### 23 Cash generated from operations

	2019 £	2018 £
Surplus/(deficit) for the year	109,346	(59,807)
Adjustments for:		
Investment income recognised in statement of financial activities	(240)	(54)
Gain on disposal of tangible fixed assets	-	(179)
Depreciation and impairment of tangible fixed assets	40,166	38,628
Movements in working capital:		
(Increase) in debtors	(6,662)	(3,457)
Increase/(decrease) in creditors	21,119	(6,671)
<b>Cash generated from/(absorbed by) operations</b>	<b>163,729</b>	<b>(31,540)</b>