



# Origin Scotland

(Limited by Guarantee)

Report and Financial Statements

Year Ended 31<sup>st</sup> May 2011

Scottish Charity Number: SC032754

Company Number: SC228298

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## Charity Information

Scottish Charity Number SC032754

Company Registration Number SC228298

### Registered Office

65 High Street  
Edinburgh  
EH1 1SR

### Directors

Alistair Dewar \*  
Stuart McAra (Retired during the year) \*  
Colin Peckham (Managing Director) \*  
Fraser McLaren  
Sam Torrens

### Executive Committee

Executive Directors plus:

Alistair McLeod  
David Biddulph  
Norma Peckham  
Jonny Russell

### Bankers

Bank of Scotland  
Princes Exchange  
3 Earl Grey Street  
Edinburgh  
EH3 9BN

\* Executive Directors

## **Report of the Directors**

The directors have pleasure in presenting their report together with accounts for the year ended 31 May 2011

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

#### ***Status of charity and governing document***

Origin Scotland is a company limited by guarantee (No. SC228298) and a recognised Scottish charity, governed by its Memorandum and Articles of Association. The company was incorporated on 20 February 2002.

The company is recognised as a charity by HM Revenue and Customs for the purposes of Section 505 of the Income and Corporation Taxes Act 1988 and is registered with OSCR (Charity No. SC032754)

#### ***Administrative Structure***

The Board of Directors of Origin Scotland is responsible for the governance of the company. All members of the board are considered as trustees of the charity. The ongoing management of the company is the responsibility of the executive committee.

The board of directors ensure that all activities and funds are used in accordance with the charity's objects as defined in its Memorandum and Articles of Association. Origin Scotland's "Statement of Faith" is contained within these documents and members are required to discern God's will for the direction and development of the organisation and to make decisions accordingly. The board of directors are responsible for the overall direction of the organisation and for monitoring the performance of the executive committee and the activities they undertake.

The executive committee meets monthly. Auxiliary members of the committee attend these meetings and play a full part in discussions; however they are not eligible to vote on matters requiring one.

Compliance with regulatory bodies' requirements is the responsibility of the Directors, a proportion of whom, limited by the Articles of Association, are also members of the executive committee. The Directors meet as required, but at least 3 times per year.

None of the Directors or members of the executive committee receive any remuneration from Origin Scotland.

#### ***Appointment of Directors and Executive Committee Members***

The responsibility for considering suitable candidates for positions on the board of directors and executive committee rests with the existing members of the body in question. New appointees to the executive committee are subject to the approval of the board of directors, the executive committee may express a view on new appointees to the board of directors but the board are not obliged to act on that opinion.

Positions are unpaid and executive committee appointments have maximum service periods of six years, after which the member must stand down. Re-appointment is possible after the lapse of at least one year. There is no maximum period of service for Directors.

### **Objectives and Activities**

#### ***Charitable objectives***

The charity has two primary, and complimentary, objectives:

1. The furtherance of the Gospel of Jesus Christ and promotion of Christianity
2. To encourage unity among Christian denominations and organisations

## Origin Scotland

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During the year all activities of Origin Scotland were pursued in regard of at least one of these objectives.

### ***Principal Activities***

The charity's principal areas of activity are:

- Event Production
- Services to churches and other Christian organisations

### Event Production

Origin Scotland produces a variety of events throughout the year in furtherance of its stated objectives.

Using its associated volunteer choir, band and orchestra, *exile*, events provide a vehicle for different churches to come together to share worship; for presenting the Gospel in a culturally relevant way or both.

Smaller events in local churches encourage members of different churches in a community to join together in worship and celebration.

Larger events provide much of the focus of the year and are perhaps what Origin Scotland is best known for.

A full list of events produced in this year is contained at the end of this report

### Services

Origin Scotland provides a range of services to churches, both individually and as a whole.

Origin Creative Media, a group of graphic design and other media professionals provide services to churches and other Christian organisations helping them to achieve more professional promotional materials and advertising. The take up of this service grew so quickly that in 2007 a separate subsidiary trading company was established.

Individual churches can request the assistance of Origin Scotland's musicians and singers in their own events either to give their own musicians a well earned break, to inspire their congregation or to celebrate major milestones. These events are included in the list at the end of this report

### Other Activities

Origin Scotland continues to support our daughter organisation Origin South Africa through the provision of expertise and volunteers. In 2006/7 a new Scottish charity was formed, Origin South Africa (UK), which will enable Origin South Africa to directly fundraise and promote its work in Scotland.

### **Events Listing**

Steph Macleod: Light in the darkest of nights  
Sat 26<sup>th</sup> June 2010  
The Lot

24-hour Drummathon Fundraiser  
Fri 2<sup>nd</sup> July 2010  
Holy Trinity Church

City Praise Glasgow  
Sun 3<sup>rd</sup> October 2010  
Royal Concert Hall, Glasgow

Light of the World  
Sat 4<sup>th</sup> December 2010  
Usher Hall

Exile Band/Steph Macleod/Illuminate Band/Bob Bell Joint Event  
Sat 5<sup>th</sup> March 2011  
HMV Picturehouse

RESURRECTION  
Sun 24<sup>th</sup> April 2011  
Usher Hall

Spring Praise Night  
Sun 15<sup>th</sup> May 2011  
Findlay Memorial Church, Glasgow

### ***Volunteers***

Origin Scotland is entirely a volunteer organisation. The success of the work during this year is entirely dependent on the contribution of our volunteer base. Musicians, singers, stewards, security, technicians, designers, envelope stuffers and others are vital to the ongoing work of Origin Scotland.

The management of Origin Scotland is delighted to record its appreciation to all those volunteers who gave of their time during the year who are in themselves a wonderful advert for the objective of promoting church unity, representing as they do more than 50 different churches.

### **Financial Review**

#### ***Principal Funding Sources***

Origin Scotland is heavily dependent upon the donations of individual supporters and churches. The management wish to express their gratitude to all the financial supporters who give so faithfully that the work of Origin Scotland might continue.

#### ***Results for the Year***

It is very hard to compare accounts for Origin Scotland against previous years. This is because the main activity of the charity, music events, vary widely from year to year.

#### ***Income***

There was again an increase in income this year (£4,500) which is due to the fact that we organised more large events than we did in the previous year. The income received from regular donors has reduced again this year by just under £2,500. This regular financial support of the ministry is important for paying the ongoing costs of running the ministry that event offerings do not support (rental of storage, production and mailing of newsletters, insurances, licences etc). We do appreciate the gifts given by our supporters and are aware that in the current economic climate, the majority of charities are seeing a reduction in their donation income.

We are again grateful to the government for the transitional relief applied to Gift Aid claims since the reduction in the basic rate of income tax was introduced. However, this relief ended in April 2011 and the executive are continuing to look at ways of increasing donated income to help this shortfall, and also increase the amount of income generated to support the ministry. One such venture is an annual sponsored cycle which is being organised for September 2011.

It was also good to see an increase in the offerings collected at events, despite the economic situation in the country at the moment and decrease in the regular giving. The figures stated in the accounts would suggest a large increase in offerings, but it should be noted that we organised more events where there was an offering this year. Whilst the offerings still fall short of paying for the events we are pleased that people feel that they can support the events financially.

### *Expenditure*

Expenditure this year was broadly in line with the previous year, even though the programmes were very different. Throughout the year the executive have been ensuring that any service we procure, or item we purchase, has a number of quotes obtained prior to purchase to ensure that we are getting the best value for money. This has led to a reduction in price of some of the items / services we have bought.

### *Overall Summary*

Overall Origin Scotland made a small loss for the financial year to 31 May 2011 of £1,450.

We are very grateful to God for the financial resources he has provided to us in order that we can continue to do his work. A verse which keeps coming back to me as I look after the finances of Origin Scotland is the first half of Psalm 127v1 where it says *"Unless the Lord builds the house, its builders labour in vain"*. So far God has provided all we need in order to carry out his work. It is my prayer that the directors and executive of Origin Scotland never lose sight of this and rely on our own work in order to run the ministry.

### **Statement of director's responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 and other relevant legislation. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Annual Review**

A narrative Annual Review of the charity's work during the year to 31 May 2011 should be consulted for a more comprehensive review of activities during the year. Copies can be obtained by writing to the registered office or can be downloaded from our website at [www.originscotland.org](http://www.originscotland.org).

On behalf of the Directors

Dr Alistair Dewar  
28<sup>th</sup> January 2012

## **Independent Examiner's Report to the Trustees of Origin Scotland**

I report on the accounts of the charity for the year ended 31 May 2011 which are set out on pages 9 to 16.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity trustees consider that the audit requirement of Regulation 10(1) (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. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

### **Independent examiner's statement**

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: Christian Martin

Relevant Professional qualification/professional body: The Association of Chartered Certified Accountants

Address: 22/6 Warriston Road, Edinburgh

Date: 31 January 2012



## Statement of Financial Activities

(including income and expenditure account)  
for the year ended 31<sup>st</sup> May 2011

	Notes	Unrestricted General Fund £	Unrestricted Designated Funds £	Restricted Funds £	Total Funds £	2010 Total Funds £
<b>Incoming resources</b>						
<b>Incoming resources from generated funds:</b>						
<i>Voluntary income:</i>						
Donations	3	14,515	779	1,266	16,560	18,972
<i>Activities for generating funds:</i>	4	2,249	-	-	2,249	3,494
		<u>16,764</u>	<u>779</u>	<u>1,266</u>	<u>18,809</u>	<u>22,466</u>
<b>Incoming resources from charitable activities:</b>						
Events	5	29,667	-	771	30,438	22,332
Other	5	319	3,060	-	3,379	3,274
		<u>29,986</u>	<u>3,060</u>	<u>771</u>	<u>33,817</u>	<u>25,606</u>
<b>Total incoming resources</b>		<b><u>46,750</u></b>	<b><u>3,839</u></b>	<b><u>2,037</u></b>	<b><u>52,626</u></b>	<b><u>48,072</u></b>
<b>Resources expended</b>						
Costs of generating funds	6	1,159	4,864	-	6,023	3,218
Charitable activities	7	44,257	31	2,940	47,228	42,461
Governance costs	8	825	-	-	825	702
		<u>46,241</u>	<u>4,895</u>	<u>2,940</u>	<u>54,076</u>	<u>46,381</u>
<b>Net incoming resources before transfers</b>		<b>509</b>	<b>(1,056)</b>	<b>(903)</b>	<b>(1,450)</b>	<b>1,691</b>
Gross transfers between funds		-	-	-	-	-
<b>Net movement in funds</b>		<b>509</b>	<b>(1,056)</b>	<b>(903)</b>	<b>(1,450)</b>	<b>1,691</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		(1,933)	6,184	3,311	7,562	5,871
<b>Total funds carried forward</b>		<b><u>(1,424)</u></b>	<b><u>5,128</u></b>	<b><u>2,408</u></b>	<b><u>6,112</u></b>	<b><u>7,562</u></b>

The Statement of financial activities above includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

**Balance Sheet**at 31<sup>st</sup> May 2011

	Notes	2011 £	2010 £
<b>Fixed assets</b>			
Tangible assets	9	1,567	881
		<u>1,567</u>	<u>881</u>
<b>Current Assets</b>			
Debtors	10	1,813	2,787
Cash at bank and in hand		4,866	4,353
		<u>6,679</u>	<u>7,140</u>
<b>Creditors:</b> amounts falling due within one year	11	<u>(2,134)</u>	<u>(459)</u>
Net Current Assets		<u>4,545</u>	<u>6,681</u>
<b>Total assets less current liabilities</b>		<u><b>6,112</b></u>	<u><b>7,562</b></u>
<b>The funds of the charity:</b>			
Unrestricted funds			
General fund		(1,424)	(1,933)
Designated funds:			
Encouragement fund		3,662	2,914
Church Guide		1,466	3,270
		<u>3,704</u>	<u>4,251</u>
Total Unrestricted funds		3,704	4,251
Restricted funds			
Origin South Africa		2,408	3,311
		<u>2,408</u>	<u>3,311</u>
<b>Total Funds</b>		<u><b>6,112</b></u>	<u><b>7,562</b></u>

- (a) For the year ended 31<sup>st</sup> May 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.
- (b) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- (c) The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- (d) These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board on 28 January 2012 and signed by:

NAME	Alistair McLeod
DATE	28 January 2012
POSITION	Treasurer

## Notes to the financial statements

as at 31<sup>st</sup> May 2011

### 1. Accounting policies

#### a. Basis of preparation

The accounts have been prepared under the historical cost convention, and in accordance with applicable accounting standards. The accounts comply with the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" (Revised 2005).

#### b. Incoming resources

Income is included in the statement of financial activities on an accrual basis. The following specific policies are applied to particular categories of income:

##### **Donations**

Donations are included as voluntary income when received. The value of donated services provided by volunteers is not included in the accounts.

##### **Ticket Sales**

Ticket sales are included in the accounts upon receipt of the total ticket sales information from the venue. All tickets are sold at full price, with the exception of concession rates for students, and OAP's; a reduced concession rate for school aged children was introduced in 2010 and those offered at a discount to members of the Origin Partners scheme.

##### **Origin Partner scheme**

This is available to individuals who determine they wish to financially support Origin Scotland on a regular basis i.e.: by Standing Order. In return they receive discounts on ticket prices and advance notice of events.

##### **Gift Aid**

Gift Aid reclaimable is calculated and included in the accounts on a monthly basis. Reclaims are made quarterly or when the available reclaim is greater than £1,000, whichever is sooner.

##### **Program adverts**

At certain events a program is produced and given to those attending for free. Companies and other Charities are invited to place an advertisement within this program, and they are charged for this depending on the size of the advert. This income is included within the accounts at the date the invoice is issued.

##### **Grants**

Origin Scotland received no grants in the financial year to 31 May 2011, nor in the same period to 31 May 2010.

##### **Investment Income**

Origin Scotland has no investments, and therefore generates no investment income.

#### c. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred.

##### **Costs of generating funds**

Costs of generating funds are those incurred in attracting voluntary income.

**Charitable expenditure**

Charitable activities includes costs incurred in the delivery of our charitable activities for example the staging of musical events. It includes both costs that can be attributed directly to these activities and costs of an indirect nature necessary to support them.

**Governance costs**

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

**d. Fixed Assets**

Fixed assets are stated as cost less accumulated depreciation.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

<b>Asset category</b>	<b>Estimated useful life</b>
Computer equipment	3 years
Musical equipment	5 years
Technical equipment	5 years

**e. Stock**

None of the expenditure by the charity in the year was on items that could be regarded as stock.

**f. Staff costs**

Origin Scotland does not employ any staff, all work, including that by the Management team (executive committee and directors), is performed on a voluntary basis.

**g. Funds**

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Executive committee for specific purposes. The executive committee can re-assign these funds as required. The current designated funds held by the charity are:
  - *Church Guides Fund* – For the production of a printed guide to churches in the main university towns of Scotland and a tourist church guide of churches in Edinburgh for distribution throughout the city in the summer
  - *Encouragement Fund* – For use by the charity to support other Christians / Ministries in Scotland.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through terms of an appeal. The executive committee cannot re-assign these funds without the express permission of those donating to the fund. The current restricted funds held by the charity are:
  - *Origin South Africa Fund* – Funds raised by the charity for the use of Origin South Africa based in Cape Town, South Africa

**2. Legal Status**

Origin Scotland is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**3. Voluntary Income**

	Unrestricted			Total Funds £	2010 Total Funds £
	General Fund £	Designated Funds £	Restricted Funds £		
Donations from individuals <sup>1</sup>	7,405	-	-	7,405	5,357
Donations from members of the <i>Origin Scotland Partner Scheme</i> <sup>1</sup>	7,010	779	-	7,789	8,310
Donations from individuals for Origin Scotland's <i>South Africa Fund</i> <sup>1</sup>	-	-	1,266	1,266	2,370
Donations from churches	100	-	-	100	2,935
	<b>14,515</b>	<b>779</b>	<b>1,266</b>	<b>16,560</b>	<b>18,972</b>

<sup>1</sup> includes gift aid reclaimed on the income received

**4. Activities for generating funds**

	Unrestricted			Total Funds £	2010 Total Funds £
	General Fund £	Designated Funds £	Restricted Funds £		
Income from Origin Creative Media	2,000	-	-	2,000	1,000
Sale of CDs	249	-	-	249	2,494
	<b>2,249</b>	<b>-</b>	<b>-</b>	<b>2,249</b>	<b>3,494</b>

**5. Incoming resources from charitable activities**

	Unrestricted			Total Funds £	2010 Total Funds £
	General Fund £	Designated Funds £	Restricted Funds £		
<b>Events:</b>					
Ticket Sales	9,189	-	-	9,189	12,361
Collections at events for Origin Scotland funds <sup>1</sup>	16,598	-	-	16,598	6,768
Income for Program advertising	3,880	-	-	3,880	1,963
Collection for Origin Scotland's <i>South Africa Appeal Fund</i> <sup>1</sup>	-	-	771	771	1,240
	<b>29,667</b>	<b>-</b>	<b>771</b>	<b>30,438</b>	<b>22,332</b>
<b>Other:</b>					
Donations from Churches towards the publication of a church guide	-	3,060	-	3,060	3,270
Reimbursement of expenses for taking events for other organisations	314	-	-	314	-
Bank interest	5	-	-	5	4
	<b>319</b>	<b>3,060</b>	<b>-</b>	<b>3,379</b>	<b>3,274</b>
	<b>29,986</b>	<b>3,060</b>	<b>771</b>	<b>33,817</b>	<b>25,606</b>

<sup>1</sup> includes gift aid reclaimed on the income received

## 6. Costs of generating funds

	Unrestricted			Total Funds £	2010
	General Fund £	Designated Funds £	Restricted Funds £		Total Funds £
<b>Direct costs:</b>					
Cost of printing a Church guide	-	4,864	-	4,864	-
Cost of printing a Newsletter	549	-	-	549	538
Cost to produce CD	-	-	-	-	1,783
	549	4,864	-	5,413	2,321
<b>Support costs:</b>					
Marketing	-	-	-	-	275
Administration	610	-	-	610	493
Charges levied by on line donation service provider	-	-	-	-	129
	610	-	-	610	897
	<b>1,159</b>	<b>4,864</b>	<b>-</b>	<b>6,023</b>	<b>3,218</b>

## 7. Charitable activities

	Unrestricted			Total Funds £	2010
	General Fund £	Designated Funds £	Restricted funds £		Total Funds £
<b>Direct costs:</b>					
Venue Hire	13,755	-	-	13,755	11,734
Technical Equipment	13,978	-	-	13,978	12,734
Event Publicity	5,002	-	-	5,002	2,690
Music	2,309	-	-	2,309	3,918
Event Programs	2,139	-	-	2,139	1,050
General event costs	518	-	-	518	1,221
Volunteer Retreat	-	-	-	-	-
Speaker costs	125	-	-	125	150
Donation to Origin South Africa	-	-	2,940	2,940	2,056
Donation to other organisations & people	-	31	-	31	500
	37,826	31	2,940	40,797	36,053
<b>Support costs:</b>					
Insurance & Licences	1,644	-	-	1,644	1,376
Information Technology	258	-	-	258	806
Fixed Asset depreciation	692	-	-	692	651
Hospitality	767	-	-	767	676
Memberships	24	-	-	24	37
Storage	2,976	-	-	2,976	2,837
Other	70	-	-	70	25
	6,431	-	-	6,431	6,408
	<b>44,257</b>	<b>31</b>	<b>2,940</b>	<b>47,228</b>	<b>42,461</b>

## 8. Governance costs

	Unrestricted			Total Funds	2010 Total Funds
	General Fund £	Designated Funds £	Restricted funds £	£	£
<b>Direct Costs:</b>					
Annual return fee to Companies House	375	-	-	375	15
<b>Support costs:</b>					
Travel & Accommodation	450	-	-	450	601
Hospitality	-	-	-	-	86
	<b>825</b>	<b>-</b>	<b>-</b>	<b>825</b>	<b>702</b>

## 9. Fixed Assets

	Computer Equipment £	Musical Instruments £	Technical Equipment £	Total £
<b>Cost</b>				
At 1 June 2010	2,754	7,172	610	10,536
Additions	-	1,378	-	1,378
Write Downs	-	-	-	-
	<b>2,754</b>	<b>8,550</b>	<b>610</b>	<b>11,914</b>
<b>Depreciation</b>				
At 1 June 2010	2,754	6,291	610	9,655
Charge for year	-	692	-	692
Write Downs	-	-	-	-
	<b>2,754</b>	<b>6,983</b>	<b>610</b>	<b>10,347</b>
<b>Net book value</b>				
At 31 May 2010	-	881	-	881
At 31 May 2011	-	<b>1,567</b>	-	<b>1,567</b>

## 10. Debtors

	2011 £	2010 £
CD Sales	336	821
Gift Aid outstanding	1,477	1,966
	<b>1,813</b>	<b>2,787</b>

**11. Creditors:** amounts falling due within one year

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Administration	-	95
Donation to an organisation or individual	-	100
Hospitality	-	89
IT	-	25
Misc	24	-
Music	87	-
Technical Expenses	1,873	-
Speakers	150	150
	<u><b>2,134</b></u>	<u><b>459</b></u>

**12. Taxation**

As a registered charity, Origin Scotland is exempt from taxation on income and gains to the extent that these are applied to its charitable objects.