

V. REPORT

OF THE COMMITTEE ON FINANCE & SUSTENTATION

(A) FINANCE

1. Introduction.

The so-called era of financial austerity has in recent years overwhelmed virtually the whole of western society and Britain may be more affected by this malaise than some other comparable developed economies. The fact, therefore, that remittances from most of our Congregations have increased during the year under review in this year's Report to the General Assembly is testimony to the support and commitment of our loyal people, many of whom clearly continue to give sacrificially to the Cause of Christ in our land. More than that, however, we firmly believe that this is a continued manifestation of God's providential kindness towards us, notwithstanding our individual and corporate failings.

2. Income.

Total income for the year to end December 2011 was £697,448, showing an increase over the previous year of £45,335 (+6.9%). Of this, the total remitted by Congregations was £609,103 representing an increase over the previous year of £23,900 (+4%). The proportion of the income from Congregations represented by Gift Aid declarations was £98,058 (16% of total congregational remittances). Remittances from Congregations for the year represented 92% of total income. Included in the figure for total income was a legacy of £18,153 received from the estate of the late Kenneth MacPherson, Kilmuir and allocated to foreign missions at the specific instruction of the donor. The Committee is extremely grateful to those who remember the needs of the Church when putting their affairs in order. Rev. John Keddie has drafted a leaflet entitled *Remembering the Church in your Will* for future publication.

3. Expenditure.

Total expenditure for the year was £685,133, a reduction over the previous year of £59,441 (8%). In 2010 there was an operating deficit of £92,461. We are glad to be able to report that in 2011 there was a surplus of £12,315. Payroll costs were down on the figure for last year by £1,975 (0.05%). In the aftermath of last year's General Assembly and on the basis of projections from the General Treasurer it appeared that we might again be facing a deficit budget for the year in 2011. Letters were issued to the Conveners and Clerks of all Standing Committees of Assembly in August appealing for a reduction in expenditure. Thankfully most Committees responded to this request in a most positive way and this, together with the increase in remittances from Congregations, has produced a happy outcome. Despite the restriction on expenditure and the prospect of a substantial reduction in legal costs, we face major challenges in future to provide places of worship and accommodation for ministers. To enable us to attract external sources of commercial funding for this purpose where necessary, we need to be able to demonstrate a track record of financial prudence. An analysis of the total expenditure for the Denomination reveals the following principal costs:

Payroll costs amounted to £457,296 and represented almost 67% of total income for last year excluding costs for administrative staff.

4. Net Current assets.

At the close of the financial year total net assets stood at £482,860 including the valuation of fixed assets at £162,919. The equivalent figure for 2010 was £470,545 thus showing an increase over the year of 2.6%.

5. Legal Costs etc.

It is a matter of great regret and disappointment that the Determination in the Court of Appeal went against us in the Broadford case and that has a number of implications most of which will no doubt be addressed in the Report from the Legal Advice & Property Committee. There are, of course, long and short term financial implications of this that must be addressed by the Finance & Sustentation Committee. Provision has been made in the accounts for 2010 and 2011 for all of our legal costs to date in respect of the actions brought against us in Broadford and in Partick. As noted in the Committee's Report for last year, donations in the sum of £10,400 have already been received from a few generous donors in the Church to meet the Broadford appeal costs and a further £19,000 was pledged by an additional 12 donors, were we to be unsuccessful in our defence at law. The Committee is extremely grateful for these most generous offers of support but felt it best to delay calling in these offers for the time being until our actual financial liability has been quantified. Remarkably, and encouragingly, some of the funds pledged have already been sent to the General Treasurer. At the date of this Report being prepared no claim for costs has been received from the pursuers in the action. They will themselves, of course, have to bear a proportion of any such costs, having been forced to concede this on the basis of a procedural defect in the preparation and presentation of their case.

6. Cash Flow and Budgetary Planning.

Over many months the General Treasurer has sought to stress the critical importance of Deacons' Courts regularly sending remittances to central funds to meet payroll costs in particular. He has also frequently stated that if Congregations are willing to remit to central funds at least 75% of their total ordinary income we can overcome any current strains on our Denominational financial resources. It is a matter of great thankfulness that during last year most Deacons' Courts appear to have heeded these calls to increase their remittances but we continue to exhort all Congregations to strive to meet the 75% target which will bring the stability that is needed to our finances. The result of improved remittances and a reduction in expenditure is that although the Committee had predicted a possible deficit of around £34,000 for 2011, we are extremely thankful to be able to report a small operating surplus for the year. Clearly that is a function of a number of beneficial circumstances but it is still a great blessing for the Committee to be able to report such good news to the Assembly and we simply want to encourage our people and Congregations to keep up the good work. The amount of tax we are able to reclaim from Gift Aid contributions reduced from 28.2p to 25p in the £ as from April 2011 and this has the potential of reducing like-for-like income to central funds by over £10,000 per annum.

Budgetary planning, however, is a different matter altogether. The Memorandum of Procedure governing the remit of the Committee states the following:

1. The Committee remit is as follows:
 - 1.1 A Group 1 Standing Committee, responsible for all matters relating to Finance and Sustentation, and formulating policy in these areas.
 - 1.2 Monitoring of draft budgets for the financial year from Standing and Special Committees of Assembly

In this connection there are two particular issues of concern to the Committee that they wish to bring before the General Assembly. Firstly, Standing Committees are required by the terms of their own Memoranda to submit their draft budgets for the next financial year to the Clerk to the Finance & Sustentation Committee before 7 April. In his customary efficient way our Clerk issued the necessary documentation to all Committees on 13 February but there were a few returns from Standing Committees still outstanding by the due date. While most Committees appear to have heeded the request to keep spending to the essential minimum, it appears that the annual budgetary exercise is seen as an inconvenience. If the Finance & Sustentation Committee is conscientiously to fulfil the task assigned to it by the Assembly, draft budgets from Standing Committees must be submitted in time, otherwise the Finance & Sustentation Committee may have to consider different strategies for budgetary planning. In future it is proposed that the Committee will attempt to produce an annual composite budget for the Church and will present that to the October Commission of Assembly for debate and approval.

Secondly, unless a major unforeseen difficulty arises, Standing Committees must attempt to operate within their agreed budgets. If this does not happen the whole process becomes an irrelevance. On the other hand, we readily accept that circumstances can change even in the most well managed of organisations. We believe, however, that in a situation when the need for an unplanned expenditure arises there is an obligation on the part of the brethren to confer in advance with those who are struggling to manage the Denomination's finances. Above all courtesy, let alone Christian fraternity, requires the Convener or Clerk to confer in advance with their counterparts on the Finance & Sustentation Committee if a situation arises involving additional unbudgeted expenditure. It has been a source of irritation for our Finance Department staff as well as the Clerk and Convener during the past year to have had a number of requests directed to the Financial Administrator for funds that have had no prior authorisation from either the General Treasurer or the Convener. The brethren must take note of the fact that the Financial Administrator cannot release funds in the absence of the prior approval of the General Treasurer or, in his absence, of the Convener.

Commissioners to the last General Assembly and, more importantly, the Committee were taken by surprise by motions from the floor of Assembly to devote substantial sums of money to favoured causes. In order to ensure that the Committee is enabled to give prior mature consideration to the deployment of the Church's funds to any particular purpose not already included in the budgets of Standing Committees, an adjustment to Standing Orders is being proposed by the Committee.

In an attempt to provide the maximum time for mature thought and consultation throughout the Church, the Committee brought before the March Commission of Assembly proposals for a radical rethinking of the current arrangements for Sustentation of the Gospel ministry amongst us. We would again exhort Congregations, and in particular all Presbyteries, to engage with this most important issue and to communicate their views to the Clerk to the Committee.

7. Central Building Fund.

As a result of proposals brought by the Committee to the Special Commission of Assembly in November, a comprehensive strategy was adopted to address the potential future need for places of worship and accommodation for ministers in our Congregations. This involved amongst other things the setting up of a Special Committee to oversee this important task and the establishment of a central fund for the purpose. Although the response from Congregations to the appeal for funds by means of retiring collections was rather slow to begin with there has been a marked improvement in recent months. Deacons' Courts have now clearly recognised the need for a strategy to be formulated to address the need for buildings in situations where our Congregations are being deprived of their buildings. In some situations where Deacons' Courts have been rather slow to respond to this challenge there have been individuals who have forwarded their donations directly to the Financial Administrator. The Committee is extremely grateful to these people who have shown such practical response to the call "to come over and help us." At the date of preparation of this Report the Central Building Fund had a balance in hand of over £11,000. With the encouragement of the Committee the General Treasurer issued questionnaires to all congregations seeking information on fixed and liquid assets. The Committee are grateful to Mr Macmillan for the useful information generated by this exercise and to all congregational correspondents who responded so helpfully.

8. Loans.

There were a few requests for assistance during the year from Congregations seeking to provide buildings and the current situation is tabulated below. A special bank account known as the Legacy Building Fund was opened by the General Treasurer as a destination for bequests the terms of which specifically restricted them to use for the provision of buildings. That was used as the principal source of the funds loaned to the congregation at Edinburgh for their new church building. Other loans have been advanced from general funds, but it is hoped in future that all such applications will operate on a growing Central Building Fund. The Committee resolved to include the Resident Lay Agent and the Home Mission Worker in the list of those eligible for assistance under the Church's car loan scheme.

9. Work in Zambia.

Separate from meeting the cost of stipend for Rev. David Lachman, a restricted account was opened last year for donations from Congregations and individuals to support the work of the Covenant College ministry. These donations were used mainly for the upkeep of the students while attending the College. At the end of 2011, this Fund stood at £2,118, donations received having amounted to £4,520. The sum of £8041 was sent out for the college and £600 for the schools. The number of students has increased to 30, with more coming from further distances and staying there over the weekend. As a result the cost of upkeep of the students now has increased accordingly. Congregations and individuals are exhorted to continue to donate to this Fund to keep abreast of the needs of the college and of student maintenance.

10. Work in Sri Lanka

Rev. Partheepan Shanmugam was ordained and appointed to commence a work in his native Sri Lanka on 30 September 2011. In October the Finance & Sustentation Committee met with the Convener and Clerk of the Home & Foreign Missions Committee who presented a case for the work there being supported by means of the legacy that had been left specifically for the work of foreign missions. The Committee agreed to the provision of a grant not exceeding £18000 for mission work in Sri Lanka to be disbursed over a period of at least three years. The Home & Foreign Missions Committee agreed to set up a mechanism for payments to be conveyed by the Treasurer's Department and to provide the Finance & Sustentation Committee with regular and detailed reports itemising the expenditure of the grant. The Committee has a responsibility of care in terms of funds sent abroad.

11. Annual analysis of Congregational Accounts.

The General Treasurer has once again carried out his analysis of the information supplied in the annual Congregational Accounts and Statistical Schedules. The result of that process is appended to this Report. The Committee wish to remind Presbytery Clerks of the importance of annual accounts from Congregations together with the Schedules being sent as soon as possible to the General Treasurer after being attested by Presbyteries. This is important to facilitate the work of collating information for the General Assembly in good time.

12. Auditors

A new firm, C.I.B Audit, Stornoway, was appointed for the audit of the 2011 accounts. This has reduced the annual audit fee from £4,800 to £1,200 providing an annual saving to the Church of £3,600.

(B) SUSTENTATION

13. Ministerial Manpower Changes during 2011

Register of Ministers without Charge – eligible for call – as at 1st March 2012

Rev. R. Sherman Isbell, 3155 Lindenwood Lane, Fairfax, Virginia, USA VA22031

Entered in Register consequent upon an Extract Minute of the Free Presbytery of the U.S.A dated 8th January 2011. (Expiry date 7th January 2014).

Roll of Resigned Ministers

Rev. John J. Harding, 5 Middle Street, Deal, Kent, CT14 7AG demitted office on 6th June 2002.

Rev. David P. Murray, Grand Rapids, Michigan, U.S.A. demitted office on 29th August 2007.

Probationers

Nil.

14. Stipend.

When the Committee convened in March there was considerable debate over this issue. Although the stipend has been unchanged for a number of years, the Committee is again recommending to the General Assembly that there be no increase in the stipend paid to ministers.

15. Pension and Death-in-Service provisions.

The General Treasurer and our financial adviser Mr Donald Martin undertook a review of pension scheme providers during 2011. The conclusion from that was that the current pension scheme provider was very competitive and that no change should be made. It was recommended, however, that the pensions marketplace be kept under review. The Death-in-Service scheme was also reviewed and a change made to a new provider, Lutine. This will achieve savings in premiums paid by the Church of £1,300 per annum with increased benefits of two and a half times stipend payable on death up to the age of 70. This compares with an upper age limit of 65 with the previous provider.

The Committee has been asked on a number of occasions to consider what the Church might be able to do to augment the pensions paid to our retired ministers. We are given to understand that the Free Church has opened a special fund for this purpose. The Pensions Sub Committee was charged with examining this whole issue and reporting back to the Main Committee. While their Report has yet to be formally submitted, a number of issues have become clear. There are approximately 18 of our ministers eligible for, or in receipt of payments from the Free Church Pension Fund. It is an acknowledged fact that the Pension Fund has been consistently under funded, resulting in poor annuity values being available to provide a pension for those reaching retiring age. We believe that for the foreseeable future the Free Church intends to 'top up' their contributions substantially to address the current substantial funding deficit. It has also been brought to our attention that ministers' widows in the Free Church are being paid a sum of money in the form of a death grant to meet funeral costs yet this is apparently being denied to the widows of ministers in the FC(C). The Pensions Sub Committee will be charged with coming forward at an early date with proposals to address these concerns and the Committee will keep the Assembly and its Commissions fully informed of progress being made.

16. Arrangements for Sickness Cover for ministers.

Act IV 1994 appears to be the most recent piece of Assembly legislation which articulates the rules and procedures in instances of long term ministerial illness. This however fails to provide guidance concerning responsibility for the cost of pulpit supply in such circumstances. The Finance Department staff carried out enquiry with the Department of Work & Pensions when it became clear that in order for the Church to be able to recover Statutory Sick Pay we would have to have a significant number of personnel sick at the same time. In the light of this the Committee considered how best to deal with this matter taking into account the implications for affected Congregations and ease of administration. The Committee's decision in this matter is reflected in the proposed Deliverance.

17. Equal Dividend Platform.

Applications were received from the Congregations of Inverness (Greyfriars) and Duthil-Dores for admission to the Equal Dividend Platform. This was approved in both cases on the basis of commitments in terms of remittances to central funds that satisfy the requirements of current Assembly legislation (Act XV 1994).

During 2011 the respective Acts of Assembly expired whereby the following Congregations had been placed on the equal dividend platform under the provisions of Special Arrangements: Aberdeen, Assynt & Eddrachillis, Leverburgh, Knock & Point, North Uist & Grimsay, Poolewe & Aultbea. The Committee requests reports on an annual basis detailing progress in each of the congregations currently supported by the Church under these provisions and excerpts from these Reports will be found in the appendices to the Committee's Report.

With the exception of the Assynt & Eddrachillis Congregation, applications have been received for a renewal of Special Arrangements. When sending out the necessary documentation the Clerk to the Committee took the opportunity of reminding the applicant Deacons' Courts of the provisions governing the granting of this facility as detailed in Act of Assembly XVIII 1998. In addition to consideration being given to the geographical location and the potential for growth in the relevant congregations, they were asked to note the minimum financial contribution to the Minister's stipend that must be promised to enable the Committee to give favourable consideration to any such application. The Act is clear that the minimum amount that a Congregation must promise to remit annually to central funds is a sum equivalent to current stipend. The crucial point that must be borne in mind by such Congregations in this connection is that the Church must be protected from any prospect of underwriting by default other cherished financial objectives on the part of such Congregations. It does not seem to be just for the Church to be expected to subsidise a Minister's stipend while at the same time his Congregation is lodging money in a growing fabric fund. Taking these factors into account and having considered the recommendations of the relevant Presbyteries, the decision of the Committee in each case appears in the proposed Deliverance.

(C) SUPPLY

18. Pulpit Supply.

God's provision for us during the last twelve years in terms both of finance and manpower has been a source of wonder and thankfulness. The continuing provision of suitably gifted young men for the ministry of our Church having a genuine commitment to the historic witness and testimony of our Disruption fathers is indeed a cause of gratitude. The Church also owes a great debt of gratitude to those retired Ministers, Elders and others who have maintained preaching supply, especially to some of our more remote Congregations. Although we continue to face difficulties and uncertainties, we have no reason to believe that God will forsake us if we remain true to Reformation principles, for God is no man's debtor. As we move forward in faith, however, we must not be oblivious to the potential benefits of modern technology as we continue to think of more practical and cost effective ways of maintaining Gospel ordinances in our Congregations. The Edinburgh congregation, for example, have invested in a high definition TV camera and associated computer equipment to record all of their services. The DVDs produced by a small, dedicated team of amateur technicians are available for use in the homes of the house bound in the Congregation. Equally exciting, however, is the fact that the recordings of both services each Lord's Day are delivered to our Congregation in Arran who are able to view these recordings a week in arrears. The effect of this is that not only is the Arran Congregation able to visually interact with the preaching of the Word but they are able to benefit from a regular teaching ministry. They have invested in a high quality digital projector, the cost of which has been recouped over a relatively short period by the saving in pulpit supply costs. They are also assured that there will be services held on each Lord's Day irrespective of ferry sailings the day before being cancelled due to adverse weather and preventing the arrival of supply. The Committee intends to look more closely at the technology involved and to ascertain if there is an opportunity for using this elsewhere.

19. Supply Expenses and Preaching Fees.

In the light of escalating costs of fuel the Committee was instructed by the 2011 Assembly to 'review Supply Fees and Expenses' prior to this General Assembly. At their meeting in March the Committee resolved to leave unchanged the scale of fees approved by the last Assembly. This will be kept under review on an annual basis.

20. Resident Lay Agent.

Mr Donald Robertson continues to diligently serve the Church in preaching and pastoral rôles. In view of the recent induction of Rev. James MacInnes to the charge of Lochalsh & Strath all Presbyteries were invited by the Committee to submit proposals for re-deployment of Mr Robertson's services. When the Committee took up consideration of this matter it was clear that the only Presbytery that considered they had a need was the

Presbytery of Skye & Lochcarron, consequent upon Rev. John Keddie's retirement from the charge of Bracadale on 3rd April 2012. Accordingly, Mr Robertson is now supplying on a rotating basis at two-week intervals the Congregations of Assynt & Eddrachillis, and Bracadale and Duirinish. The Committee warmly commend Mr Robertson to the prayers of the Church.

(D) CONCLUSION

The Committee express thankfulness to the Most High for the support given by our loyal people and Congregations for the maintenance of the work of the Gospel within our bounds. We are humbly grateful for the financial provision enjoyed by the Church in 2011 as well as over the years since the sad division of 2000. Thanks are especially to be accorded to the General Treasurer and Financial Administrator for their diligence in their day-to-day financial and administrative tasks. In addition the diligence and commitment of the Committee's Clerk, Mr Cameron MacLeay, is also acknowledged with thanks. We commend these personnel and all members of the Committee to the prayers of the Church.

JOHN MACKENZIE, Convener.
JOHN W KEDDIE, Vice Convener.

PROPOSED DELIVERANCE

1. The General Assembly receive and adopt the Report of the Finance & Sustentation Committee and thank the Committee and the Clerk for their stewardship of the financial resources of the Church during the year;
2. The General Assembly humbly acknowledge our dependence upon God for the continued provision for our financial needs as a Church;
3. The General Assembly thank most sincerely all those who have contributed so liberally in support of the work of the Gospel;
4. The General Assembly express their sincere gratitude to Mr Angus Macmillan and Mrs Muriel Smith for their diligence and professional skill in discharging their responsibilities on behalf of the Church;
5. The General Assembly acknowledge with gratitude the diligence and commitment of congregational treasurers and Deacons' Courts in managing the financial affairs of our congregations;
6. The General Assembly thank C.I.B. Audit, 63 Kenneth Street, Stornoway, Isle of Lewis, HS1 2DS for their work on behalf of the Church and re-appoint them as auditors for the forthcoming year;
7. The General Assembly declare an Equal Dividend of £18,000 effective from 1 July 2012;
8. The General Assembly once again remind Deacons' Courts that the payroll cost for every minister is £22,080 when account is taken of pension, NI and death-in-service benefits at the current level of stipend;
9. The General Assembly welcome the improved death in service benefits available from the new provider and instruct the Committee to continue to strive to improve the pension and other benefits for Ministers and other members of staff;
10. The General Assembly express their thanks to Mr Donald Martin of CDFS, Stornoway for his continuing assistance to the Committee in connection with the Pension Plan and the Death-in Service Scheme;
11. The General Assembly continue to encourage our people to remember the needs of the Church when

drawing up their Wills and instruct the Committee to publish the proposed new brochure on this matter as soon as possible;

12. The General Assembly enact that Act IV 1994 be amended by the insertion of the following words as a new clause 1.6 *'In instances of ministerial sickness the Deacons' Court of the charge shall be deemed to be responsible for meeting the costs of pulpit supply and the expenses of an interim moderator if appointed by Presbytery.'* the clauses following in Act IV 1994 to be re-numbered accordingly;
13. The General Assembly remind Congregations and Presbyteries of the terms of Act XVIII 1998 when submitting applications for Special Arrangements;
14. The General Assembly express thanks for the continuing progress being made by Congregations on Special Arrangements;
15. The General Assembly note with thankfulness the admission of the Congregation of Inverness (Greyfriars) to the Equal Dividend Platform;
16. The General Assembly note with thankfulness the admission of the Congregation of Duthil-Dores to the Equal Dividend Platform;
17. The General Assembly direct that the Congregation of Aberdeen be placed on the Equal Dividend Platform under Special Arrangements in accordance with Act XVIII 1998 for a further period of five years from the rising of this Assembly, subject to the Congregation promising to remit to central funds at least 100% of stipend;
18. The General Assembly direct that the Congregation of Harris (Leverburgh) be placed on the Equal Dividend Platform under Special Arrangements in accordance with Act XVIII 1998 for a further period of five years from the rising of this Assembly, subject to the congregation promising to remit to central funds the sum of £17,600 annually;
19. The General Assembly direct that the Congregation of Knock & Point be placed on the Equal Dividend Platform under Special Arrangements in accordance with Act XVIII 1998 for a further period of five years from the rising of this Assembly, subject to the Congregation promising a) to remit to central funds 80% of ordinary annual income and b) to discharge the capital loan granted by the Committee at the rate of £4,170 per annum over a period of six calendar years; these conditions to be reviewed annually by the Committee at their March meeting and adjusted as may be necessary in consultation with the Deacons' Court;
20. The General Assembly direct that the Congregation of North Uist & Grimsay be placed on the Equal Dividend Platform under Special Arrangements in accordance with Act XVIII 1998 for a further period of five years from the rising of this Assembly subject to the Congregation undertaking to strive to remit to central funds 75% annually of total ordinary income subject to their circumstances anent buildings;
21. The General Assembly direct that the Congregation of Poolewe & Aultbea be placed on the Equal Dividend Platform under Special Arrangements in accordance with Act XVIII 1998 for a further period of five years from the rising of this Assembly, subject to the Congregation undertaking to strive to remit to central funds 75% annually of total ordinary income;
22. The General Assembly express their gratitude to all those who assisted with pulpit supply during last year and in particular in vacant congregations;
23. The General Assembly note with gratitude the excellent work carried out by Mr Donald Robertson during the last year in the Congregations of Assynt & Eddrachillis and Lochalsh & Strath. They commend him to

the prayers of the Church as he begins a new work in the Congregations of Bracadale and Duirinish;

24. The General Assembly commend the work in Zambia to the prayers of the Church and exhort our people to be mindful of the restricted account set up in support of the work of Covenant College;
25. The General Assembly commend the work in Sri Lanka to the prayers of the Church and express thanks for the limited financial support that the Finance & Sustentation Committee have been able to provide in the providence of God;
26. The General Assembly once again remind all Standing Committees of the need to ensure that annual budgets are submitted to the Committee on Finance & Sustentation by the due date;
27. The General Assembly encourage Presbyteries to make diligence of ensuring that Statistical Schedules and attested annual Accounts are submitted promptly to the General Treasurer;
28. The General Assembly resolve to amend the Standing Orders of Assembly by the addition of the following as paragraph V.6.9:

Any motion seeking the approval of the General Assembly for the commitment of additional expenditure in excess of £500, over and above that already budgeted for by any relevant Committee and accepted by the Finance & Sustentation Committee, shall be deemed incompetent unless (a) an attempt shall have been made to ensure that the Finance & Sustentation Committee have had due time to give the matter consideration at their regular meetings *and* (b) advice thereanent from the Finance & Sustentation Committee is available to the Assembly.

APPENDIX 1

Annual Reports from Congregations on Special Arrangements.

The following are condensed versions of the Reports submitted to the Finance Committee on behalf of all Congregations for whom Special Arrangements were in place during 2011.

Aberdeen. The report from this Congregation manifested a sense of encouragement and buoyancy mainly due to the addition of six new members, one by profession of faith. They reported improvement in finances and the hope that they might be able to purchase their current place of worship in the near future.

-
Ayr. The Congregation reported that having lost a number of people in 2010 due, in part, to events in Australia, the Lord has now started to bring people in. There are currently about 34 people in the Congregation. The minister has recently been able to purchase his own home, thus relieving the Congregation of the burden of rent. Finances have improved significantly and the Congregation hopes to be able to meet the commitment given to the Committee when seeking renewal of Special arrangements last year.

-
Assynt & Eddrachillis. The Congregation is extremely grateful for the support they receive from the Church by having on a fortnightly basis the diligent services of Mr Donald Robertson. They are also most grateful for the provision of a house in Scourie at no cost to the Church to provide accommodation for the Resident Lay Agent. Although extremely small, the Congregation is in good heart notwithstanding the death during the year of their oldest adherent and the inability now of their oldest member to attend services. There is some encouragement from the occasional attendance at our services in Lochinver by members of both the FP and APC churches.

-
Knock & Point. Numbers in the Congregation are being maintained. Although there were 3 deaths during 2011 they had the encouragement of seeing 4 new members and 1 adherent. At the date of the Report to the Assembly being drafted the new church building had been formally opened. By means of fabric fund appeals and donations they had raised 90% of the cost of the build. The Committee has provided the remainder in the form of a term loan.

-
Harris (Leverburgh). This is also an extremely small Congregation but numbers are being maintained and members and adherents are extremely supportive. The Congregation has the use of the former FP Northton meeting house and they are hopeful that the landowner will grant title to the land on which the building stands to them. In addition they have the use of St Kilda House which is available for ministers willing to give resident supply in exchange for a 'holiday'. The Congregation reports that they have remitted in excess of 75 % of ordinary income to central funds.

-
Lochalsh & Strath. The Congregation has been greatly encouraged by the recent ordination and induction to the charge of Rev. James MacInnes. Accommodation for the new minister was a major challenge, the manse having been forcibly taken from them just days before the Call was due to be signed. The loss of the manse, however, has galvanised the Congregation and stimulated them to work together to ensure their survival. A few people whose attendance at the services had lapsed have begun again to worship with the Congregation and this has been a source of encouragement.

-
North Uist & Grimsay. Attendance at the Sabbath services has remained fairly constant and the Congregation attempts to engage in outreach both locally and in the wider context. A free 20 page bi-monthly Congregational magazine is distributed outside the Congregation and is stocked by 3 local shops. The magazine together with the *Free Church Witness* and *The Explorer* are delivered to the local lending library. There is also a presence on the web and 3 or 4 enquiries are received from the UK and abroad for free Christian literature publicised by this

means. The Congregation has managed to remit to central funds about 70 % of its total ordinary income. The Deacons' Court has been brought under some pressure from their counterparts in the Free Church to unilaterally surrender their property but a robust reply to that has been issued. The Congregation continues to look to the covenant promises of God in their vulnerable situation.

Poolewe & Aultbea. This small Congregation continues to worship in a local school and they have recently had a lady with no prior church background attend the services. They were also encouraged by an elderly man joining the Congregation by certificate from another FC(C) Congregation. Efforts were made to mark the 400th anniversary of the publication of the authorised version of the Bible by offering copies of the commemorative edition to schools, old folks' homes and doctors' surgeries. Some were gladly accepted. The Congregation has its own web site carrying audio and video sermons.

-
Shettleston. The minister reports that there are "hundreds of thousands living within reach of our witness." He is of the opinion that as the population diminishes in the North and West the only hope for our Church is in the centres of population. Weekly Gospel ordinances are maintained and there are early morning prayer meetings 3 days per week. A member in the Congregation is running a mission to unchurched children, a proportion of whom are from an RC background. In excess of 20 children are attending and it is hoped that some of these will be encouraged to attend the Sabbath School. This has been of great encouragement to the Congregation. Regular outreach work continues and this is augmented by an annual visit from the Home Mission Worker. There is also monthly open air preaching conducted on a monthly basis in the centre of Glasgow. The fabric of both manse and church buildings is in poor condition and, although local trustees hold title to the manse, there is still a fear that it is vulnerable to legal process. Loss of these buildings would present an almost insuperable challenge to the Congregation.