

REPORT
OF THE
BOARD OF TRUSTEES

Over the past year, the Board of Trustees dealt with a variety of issues covering finance, policy, strategy, compliance and risk management. The Board continued to monitor the legal activities of the Free Church (Continuing). The Board is greatly assisted in its work by its Sub-Committees, namely the Finance Sub-Committee, the Compliance, Audit and Risk Management Sub-Committee, the Strategy Sub-Committee and the Legal Group.

(A) FINANCE

1. *Financial Overview* At the time of writing, the Annual Report and Accounts for the year ending 31st December 2010 were under review by the Church's auditors. The commentary below is based on draft figures although no substantive changes are anticipated. It is expected that final, audited accounts will be available for commissioners at the General Assembly.

The UK economy continued to face considerable challenges in 2010 as it struggled to emerge from recession. The Church is not immune to the effects of these wider economic difficulties as factors such as unemployment, inflation and real reductions in wages affect the disposable income of individuals and families. Income in the year, excluding the large increase enjoyed by the Colegio San Andres, was around £110,000 lower than in 2009, reflecting the challenges faced in the wider economy. Investment income was around £10,000 lower than 2009 which in turn was substantially lower than in 2008. Congregational remittances fell by around 3% (£90,000) in 2010 compared with 2009 although the overall reduction in remittances was only 1% as a result of increased remittances from individuals and from other organisations. Legacy income was around £20,000 for the year compared to £100,000 in 2009. Against this fall in income, expenditure, again excluding the Colegio San Andres, increased by around £140,000. Before taking into account the non-cash impact of investment gains and foreign exchange gains and excluding the surplus recorded by the Colegio San Andres, the reduction in income and increased expenditure resulted in a shortfall of around £170,000.

Non-cash items have a significant impact on the bottom line figure in the accounts which show a gain of around £1m for the year. This is a reversal of the position shown in the 2009 accounts where a loss of £330,000 was recorded. The two major items at play are a substantial actuarial gain on the Free Church of Scotland Pension Scheme (around £775,000) and an unrealised gain on the Church's investment portfolio (around £300,000). The Pension Scheme gain stems from a revaluation of the liabilities of the Scheme by the Scheme Actuary which reflects improved returns on scheme assets and the use of more favourable actuarial assumptions. There continues to be a substantial overall shortfall, comparing assets and liabilities, as discussed elsewhere in this Report. The gain on investments reflects the further recovery of investment markets during the year. Improvements in the value of the Church's investments are welcome but the Board recognises that valuations can vary significantly from year to year and therefore, they should not distract from the underlying financial performance.

While the Board records its gratitude for the support of all contributors and its thankfulness to God for his provision, it believes that it cannot ignore a situation where increases in expenditure are not matched by similar increases in income. Of particular concern is the fact that, having recorded such a shortfall in 2010, the prospects for 2011 look similarly challenging. The cost base will increase further in 2011 as a result of an increase in the salary bill of around £100,000, continued high inflation and an increase in the level of VAT. Against this, gift aid recovery will reduce by around 3% from April 2011 as a result of the removal of transitional relief. Recognising that the Church cannot sustain continued shortfalls of the level recorded in 2010, the Board is committed to working with other budget-holding committees and boards to examine carefully all the activities of the Church with a view to ensuring that any structural budget shortfalls are addressed. The Board is also committed to exploring all available avenues for increasing income to the Church.

A commentary on the first year under the new system of congregational remittances is provided in section (B) of this report.

2. 2012 Budgets As in previous years, the Board intends to make budget schedules available to committees and budget holders in advance of their first meetings following the General Assembly. Following a consultation exercise with committees, the Board will then draw up final recommendations for a balanced budget in light of anticipated income, and present these to the Commission of Assembly in October for final approval.

3. Stipend In January 2011, the level of stipend was increased to £20,500. This was lower than the target level of £21,000 proposed by the Personnel Committee. Although the Board agreed in principle with the Committee's desire to apply a larger increase, it concluded that this was not affordable and that an increase of £1,000 on the previous level struck an appropriate balance between aspiration and affordability. The stipend level of £20,500 was included in the budgets for 2011 and was approved by the Commission of Assembly in October 2010.

4. Pension Contributions The Board, in conjunction with the Personnel Committee, keep the level of "employer" contribution to the Church's Pension Scheme under review. The Board is grateful for the work of its Finance Sub-Committee and the Personnel Committee in this area and following receipt of reports from these committees, the Board recommends that the level of contribution be maintained at its current level of 10% of pensionable salaries. The request from the 2010 General Assembly to consider increasing the level of contribution to 15% is addressed in section (B) of this report.

5. Legacies The Board acknowledges with grateful thanks the following legacies received during 2010:

Legator	Fund Credited	£
Professor C. Graham	College Senate	17,567
Miss H. Robertson	General Fund	1,332
Miss H. Sinclair	Asian Ministry	<u>100</u>
		18,999

6. Investments The performance of the General Trust and Pension Fund investment portfolios was monitored throughout the year by a Joint Investment Committee comprising the Finance Sub-Committee and the Pension Scheme Trustees. The funds themselves were managed by Brewin Dolphin. In keeping with positive performance in markets in general, both funds recorded strong performance during 2010. The performance of each fund is noted below.

▪ **General Trust**

The General Trust continued its recovery from the sharp decline in 2008 with an annual return of around 13% in 2010. At 31st December 2010, the value of the fund was £4,092,160. The income from the portfolio helped to fund the activities of the Church and, in some cases, produced income for congregations that had funds invested with the Board.

Performance has continued to improve in the first quarter of 2011 and although the economic recovery remains fragile, the Fund Managers are optimistic that this performance will be maintained throughout the year.

The value of each unit in the share pool increased in keeping with the increase in the value of the portfolio. Each unit was worth £4.34 in 2010. Interest on the capital sums held for the major funds and committees of the Church was distributed at 14.0p per unit.

▪ **Pension Fund**

The Pension Fund also showed strong performance in 2010 and stood at £6,191,925 at 31st December 2010. Again, the return on the portfolio was around 13%. The Pension Fund has a similar outlook for 2011 as the General Trust and has experienced a similar improvement in its performance since the year end.

For accounting purposes, the Church is obliged, under the Financial Reporting Standards (FRS 17) to provide an updated valuation of the Free Church of Scotland Pension Scheme assets and liabilities. Towers Watson, the Scheme Actuary, has carried out this valuation for the year ended 31st December 2010. This shows that the total assets of the Scheme (including bank cash deposits) were £6.309m, an increase of £0.382m on the previous year. The Scheme liabilities reduced during the year to £9.289m (£9.802m in 2009). The combined effect has been to reduce the deficit in the Scheme on an FRS 17 basis to £2.980m, a reduction of £0.895m in the year.

7. *Colegio San Andres* In its report to the General Assembly in 2010, the Board recorded significant progress in the fortunes of the Colegio San Andres following several years of financial difficulties. The Board is delighted to report continued improvements in performance during 2010 with the school recording a surplus of around £120,000 before foreign exchange gains, and further increases in student numbers. While the figures are boosted somewhat by contributions from Scotland, the Board considers this to be a remarkable turnaround and wishes again to commend the school's headmaster, Mr Clive Bailey, and his staff for their achievements.

During the year, the Board met with Mr Bailey and representatives of the International Missions Board to discuss the powers granted to personnel in Peru and the transfer of the school to a new management association. Having reflected on these discussions and having received greater clarity in relation to the potential liabilities arising from legal action taken in Peru against the Church, the school and the former headmaster, the Board was pleased to agree to proceed with the creation of the new association and, ultimately, the transfer of the school to the control of the new association. In this regard, the Board is pleased to note that the Reformed Educational Association San Andres was established on 1st February 2011 and is committed to the transfer of the school's governance and assets to the new association in the coming months.

(B) FINANCIAL POLICY

The new system of congregational remittances and project fundraising came into operation from January 2010. The Board's Finance Sub-Committee monitored the implementation of the new system closely throughout the year and a review is provided below. The Sub-Committee also dealt with a number of financial policy matters referred to it by the Board.

1. *New Remittance System* One of the key aims of the new system of congregational remittances was to highlight the true cost of local ministry and to encourage congregations, where possible, to meet that cost. In this regard, the Board considers that the new system has been successful with a number of congregations responding positively and increasing their remittances to central funds in order to cover local ministry costs. A further benefit is that most congregations have attempted to meet these costs on an ongoing basis, thereby improving the overall cash flow of the Church. Many congregational treasurers are now submitting remittance forms electronically which should make completion of the forms more straightforward and simplify the processing of returns in the Church Offices.

A second objective of the new system was to raise awareness of the various projects undertaken by central committees and boards with particular reference to the projects of the Home and International Missions Boards. It was hoped that in raising the profile, additional support, including financial support, would be generated for the work of the boards. In order to raise such additional funds, congregations with higher levels of income were charged a central projects levy and the two mission boards were tasked with raising 30% of their budgets through project-led fund-raising. While the year end figures reveal that the project-led fund-raising came close to raising the target level of income, the response of Deacons' Courts to the central projects levy was rather more concerning. The Board recognises that individual congregations can face particular financial challenges in any one year that can make it difficult to meet all commitments but it wishes to stress the importance of prioritising remittances to central funds in order that the funding of vital projects is not compromised. To that end, the Board would like all Deacons' Courts and Finance Committees to give serious consideration to making contributions over and above the minimum required of them under the new system

Overall, the Board is satisfied that the new remittance system is bedding in well. It wishes to record its gratitude to the staff in the Church Offices, and in particular to Mrs Catriona Cazaly, the Church's Finance Manager, for their hard work in developing the new back office structures required to ensure

the smooth operation of the new system. The Board also wishes to recognise the contribution of Deacons' Courts and Finance Committees and congregational treasurers in ensuring a high level of compliance with the requirements of the new system. Any treasurers that continue to have difficulties with the new system are encouraged to contact the Church Offices where the staff will be pleased to assist. Similarly, if Deacons' Courts or Finance Committees are still unsure as to certain aspects of the new system, and in particular, the funding of central projects, the Offices staff will be happy to provide further guidance.

2. Pension Increases At the 2010 General Assembly, the Board was asked to liaise with the Personnel Committee to consider bringing forward proposals to increase the Church's pension contribution from 10% to 15% of pensionable salaries. It was suggested that such an increase could be phased in over a period of five years.

The Board's Finance Sub-Committee and the Personnel Committee gave this due consideration and concluded that the cost of each 1% increase in pension contribution would be around £22,500 per annum based on current stipend levels. Against this the committees set the desire to increase stipend as far as the Church's resources would allow. Both committees agreed that while resources are limited they would prefer to prioritise increases to stipend rather than increasing pension contributions. Following this course would allow ministers to opt to make tax efficient contributions to their pensions via salary sacrifice if they so desired.

The Board considered the recommendation from the committees and agreed with their analysis. Accordingly, the Board recommends that the level of pension contributions be kept under review but that priority be given to increasing stipend as far as possible. The Board is keen to encourage ministers to consider using a portion of any such increases to stipend to make additional personal contributions to their pensions.

3. Retirement Accommodation During the year, the Board continued to give consideration to the options for providing retirement accommodation to ministers or their families, particularly in the case of unforeseen circumstances. A number of options were considered by the Finance Sub-Committee although in most cases, finance presented a significant hurdle. The Board also received a proposal from the Personnel Committee in this regard which sought to deal with the particular circumstances of a manse family having to leave a manse following the death in service of a minister or of a minister having to leave unexpectedly due to ill health retirement. The Committee proposed that in such circumstances, and subject to a detailed set of conditions, a property could be acquired by the Church and leased to the family concerned with rent determined on a means tested basis. The Board received this proposal shortly before its final meeting before the General Assembly and, therefore, had insufficient time to consider the detail of it. Its immediate reaction was concern over the implications for the Church's liquid cash position. However, the Board does intend to revisit the matter in the coming months and will liaise with the Personnel Committee on the issues identified.

4. Guidance for contributors The Board was tasked by the 2010 General Assembly with producing guidance for contributors on tithing. The Finance Sub-Committee invested considerable time on this remit and after extensive debate produced a short leaflet which sought to provide general guidance on Biblical principles of giving. This included, but was not restricted to, comment on tithing and focused on the appropriate response of the Christian to the free gift of salvation through faith in Jesus Christ. The leaflet was circulated to all congregations for distribution to individual contributors. A more detailed paper was also produced to provide additional background material for ministers, Kirk Sessions and Deacons' Courts to aid teaching on the subject.

5. Financial Reporting The 2010 General Assembly also asked the Board to consider ways of presenting the Trustees' Report and Financial Statements in a format that would be more accessible and understandable to commissioners to the General Assembly and to the wider Church. Taking into account restrictions arising from audit requirements, the Board has approved the format of a one-page summary showing simplified accounts together with a brief financial summary. If the proposed timetable for signing off the Year End accounts is met, this summary document should be available to commissioners at this year's General Assembly.

6. Ministers Acting as Treasurers During the year, it came to the attention of the Board that a small number of congregations had their ministers acting as congregational treasurer. The Board

considered this to be poor governance practice and a highly inappropriate use of ministers' time. The Board acknowledges that in small congregations it can be difficult to find suitable, willing volunteers for this role. However, it strongly believes that, even if it means identifying somebody from a neighbouring congregation in the short term, the role should not be left to ministers. A letter was sent to Presbytery Clerks strongly discouraging this practice and asking Presbyteries to make clear that ministers should not take on the role of treasurer and should not supervise the work of treasurers.

(C) STRATEGY

During the year, the Strategy Sub-Committee continued to consider issues of strategic significance for the Church. On the basis that most of the actions identified in the three-year plan presented to the Commission of Assembly in October 2008 are now being carried forward by others, the Sub-Committee's focus shifted somewhat to identifying smaller scale pilot projects that could become models of best practice for the Church. The Sub-Committee did continue to monitor progress on the items from the three-year plan for which it had a specific remit and an update is given below.

1. *Next Steps* The Board endorsed the view of the Strategy Sub-Committee that rather than seek to produce a new over-arching strategy for the Church backed by General Assembly legislation, it should seek to identify and implement smaller, discrete projects that might act as models of best practice for the Church. In the first instance, the Sub-Committee sought to identify pilot projects in the areas of youth, long-term planning, training and education, preaching and continuous professional development for ministers and hub congregations. These projects remain at the development stage with time being invested in ensuring that the projects are sufficiently well defined with clear objectives and the right personnel. It is hoped that, if successful, the lessons learned can be applied on a wider scale.

2. *Diaconal Ministries* Act XXVIII, 2010 reminded Presbyteries that they were directed by the Commission of Assembly in October 2008 to identify Christian agencies within their bounds that are engaged in diaconal ministries and to initiate or develop links between suitable ministries and congregations. The aim of this initiative was to share experiences and efforts with other organisations with a view to mutual encouragement and improvement in practices. Presbyteries were instructed to report to the Board in order that it could in turn report to the General Assembly. The Board is disappointed to note that only the Presbytery of Glasgow and Argyll and the Presbytery of Edinburgh and Perth provided such feedback.

3. *Effectiveness of Presbyteries* Act XXVIII, 2010 also reminded Presbyteries that the October 2008 Commission of Assembly instructed them to consult with the Strategy Sub-Committee in relation to ways of improving their own effectiveness. Although not all Presbyteries responded, the Sub-Committee prepared a summary document which collated the responses from Presbyteries and highlighted areas for consideration.. Having discussed the recommendations from the Sub-Committee the Board believes that Presbyteries would benefit from giving careful consideration to the suggestions in the key areas below. It is hoped that this will enable Presbyteries to strike an appropriate balance between formal, procedural business and the overarching spiritual aims of the Presbytery.

▪ **Devotions, Fellowship and Pastoral Concern**

- Two congregations could be asked for a brief report on their work and to give points for prayer.
- A short period could be allocated to prayer in small groups halfway through the meeting.
- Time could be allocated for a book review or short meditation from Scripture.
- Holding an informal meal before Presbytery meetings could foster a spirit of fellowship.
- In accordance with existing General Assembly legislation, all ministers in their first charge should be mentored, with mentors being given a clearly specified role and being required to report back to Presbytery.

▪ **Presbytery as a Constitutional and Operating Body**

- Presbyteries should take ownership of decisions made at the General Assembly. In support of this, Business Committees should be tasked with giving thorough consideration to Assembly Deliverances and creating an action plan for their implementation. They should then check periodically on progress against actions identified.

- **Standing Orders and Business Procedures**
 - In order to improve time management, meetings should begin at the stated time. Unnecessary procedures should also be eliminated. For example, the calling of a roll could be replaced with a signing in sheet. The Presbytery's Business Committee should prioritise matters in advance of the meeting and only in the most exceptional circumstances should permission be given to raise matters not on the agenda.
 - The role of the Moderator is critical in the efficient conduct of business. Standing Orders should be applied graciously but firmly in the conduct of debates, discussions and the presentation of papers.
 - Chairmanship should be of a quality that ensures that nobody feels left out of a debate.
 - Standing Orders should be reissued each year and the Moderator should be fully conversant with these.
 - Committees should be used to process much of the business in order that time is not consumed with detailed discussion to the detriment of policy matters.
 - The Student Committee should operate under very specific, written guidelines in the mentoring of its subjects.
 - Membership of committees should be rotated so that all members of Presbytery are given an opportunity of serving if they are able. Periods of service on a committee could be modelled on the pattern of service used for central standing committees and boards.
 - Notwithstanding the above, the application of a skills audit, as being developed for central standing committees and boards, should be kept in mind.
 - Committees should be set up on an *ad hoc* basis to deal with specific, non-recurring matters.
 - Where possible, the location of meetings should be varied to include even outlying places within the Presbytery. This can not only make members feel less marginalised but also give more of an appreciation of the circumstances under which some are operating.
 - Opportunities for more of an informal, discursive format should be considered in order that the basis of debate can be broadened and the likelihood of an amicable conclusion enhanced when matters are put to a vote.

- **Induction for New – and Old – Members**
 - Information sheets on functions, structures and operation of the Presbytery should be prepared for all members. These should include explanation of the Latin terms used.
 - Plain English should be used wherever possible and speakers should explain any technical terms.
 - Experienced members could “shepherd” new members. For example, a one hour class could be held for new members and mentors could give instruction to new ministers.

- **Quinquennial Visitations**
 - A coordinator should be appointed who would ensure that all visitations are conducted in good time.
 - Action points should be highlighted in any report.
 - Responses to action points should be monitored carefully.

The Board suggests that Presbyteries should be encouraged to implement these recommendations and that they should report back to the 2012 General Assembly by responding to the following questions:

- Which of any of these recommendations does the Presbytery practise already?
- What General Assembly Deliverances has the Presbytery Business Committee been able to process?
- Which of the recommendations is the Presbytery seeking to implement?
- How does the Presbytery practise the induction of new members?
- Has the Presbytery appointed a co-ordinator for quinquennial visitation?

4. **Functioning of General Assembly** During the year, representatives of the Strategy Sub-Committee met with representatives of the Assembly Arrangements Committee to discuss proposals aimed at aligning the work of the General Assembly more closely to the needs of the Church. The Assembly Arrangements Committee's Report to the General Assembly will provide a more detailed account of the outcome of these meetings.

(D) COMPLIANCE AND RISK MANAGEMENT

The Board was assisted throughout the year by its Compliance, Audit and Risk Management (CARM) Sub-Committee and by the Church's Compliance Officer, Mrs Muriel Macleod. The work of the Board in this area covered a range of topics.

1. Governance The Board was pleased to note that all committees and boards were asked by the Nominations Committee to undertake an audit of skills requirements for committee and board members. The Board believes that this is very important in ensuring that standing committees and boards have the appropriate blend of skills and experience to fulfil their remits efficiently.

In seeking to raise the profile of compliance issues around the Church, the CARM Sub-Committee provided input to the revision of quinquennial visitation forms. These now include a section seeking confirmation that relevant policies have been adopted by congregations. Other aspects of governance in respect of charity regulation and fiduciary responsibilities were kept under review throughout the year by senior staff.

2. Risk Management The CARM Sub-Committee devoted a considerable amount of its time during the year to the issue of risk management. This involved a review of the work done to date and culminated in the production of a revised risk register together with proposals aimed at ensuring that risk management remained a key focus of the Board. The Board gave careful consideration to the various risks identified and the actions aimed at mitigating these risks. The Board intends to take this work forward in the coming year in consultation with other committees and boards where the action plan seeks to address risks that fall within their remits.

3. Legal Compliance The Compliance Officer continued to monitor legal developments with a view to advising the Board on any that could have an impact on the work of the Church. Two of the main areas of work related to immigration and safeguarding as noted below.

4. UK Border Agency During the year, the Compliance Officer provided advice to congregations as well as to committees and boards in relation to the prospective employment of workers from outside the EU. The requirements of the UK Border Agency's points-based immigration system can be complex and therefore, the Board would like to encourage any congregation, committee or board proposing to employ such a person, to make early contact with Mrs Macleod in order that appropriate advice can be given on the steps that are needed. It should not be assumed that the issuing of a Certificate of Sponsorship by the Church, or granting of a visa by the UK Border Agency, is a simple matter. Rather, there is a presumption against employing people from outside the EU if that is seen to displace a worker from the "resident labour market".

5. Protection of Vulnerable Groups Another major area of focus during the year was the introduction of the new Protection of Vulnerable Groups Scheme on 28th February 2011. This replaced the old system of disclosure checks for people who work with vulnerable groups in Scotland. In preparation for the introduction of the Scheme a series of guidance notes were prepared and circulated to congregational coordinators and to Kirk Sessions as well as being posted on the Church's website. The CARM Sub-Committee continues to consider ways of providing training for coordinators and workers and, in the coming year, aims to draw up a revised policy on the protection of vulnerable groups.

(E) LAW AND ADVICE

1. Legal Group Update The Legal Group continued its work in support of local congregations dispossessed of their properties by the actions of the Free Church (Continuing). This involved the provision of support and advice to congregations where a variety of options were being considered with a view to resolving local disputes.

The appeal in relation to the Broadford properties was heard before the inner house of the Court of Session in October 2010. Due to the unavailability of Mr Heriot Currie, QC, the Church was represented by Mr Gerry Moynihan, QC and Ms Ruth Charteris. At the time of writing, a judgment was still awaited.

A hearing was set for early May in relation to the attempts by the Partick congregation to recover its properties and funds. The date of the hearing had been set with a view to allowing time for reflection on the judgement in relation to Broadford since there is a clear overlap in the principle issues and arguments. However, in the absence of a judgement in the Broadford case, it is expected that the Partick hearing will be delayed further.

The Board understands that some local discussions with FCC congregations are ongoing with a view to resolving disputes without recourse to further legal action. In particular, the Board welcomes the return of members of the Kiltearn congregation back into membership in the Free Church and the residential supply currently being provided by their minister Rev. Calum Iain Macleod having also left the Free Church (Continuing).

2. *Legal Action in Peru* At the time of writing, the legal action taken in Peru against the Church, the Colegio San Andres and Mr Donald MacAulay, the school's former headmaster, remains unresolved. The Board remains committed to exploring the possibility of resolving this matter by way of an out of court settlement and to that end is continuing to work closely with the Church's Law Agent. The Board commends this difficult situation and all those involved in it to the continued prayers of the Church.

(F) WORSHIP

During the early part of the year, much of the Board's time was taken up in consideration of issues in relation to the worship practice of the Church. Having arranged a plenary conference for office bearers on the matter and submitted a Report to the Plenary Assembly in November 2010, the Board believes that it fulfilled the remit given to it by previous General Assemblies.

(G) OTHER MATTERS

1. *16 North Bank Street* In its Report to the 2010 General Assembly, the Board commented on the difficulties experienced in securing a tenant for the vacant premises at 16 North Bank Street, Edinburgh. The property offers excellent space but is in need of upgrading and refurbishment. Plans were outlined for an expanded bookshop and coffee shop within the ground floor accommodation and considerable work was done during the year to take this forward. Various professional advisers were engaged and more concrete plans were developed for the ground floor and for refurbished office accommodation on the first floor. All planning consents, including listed building consent and building warrant, have now been obtained. The Board believes that this is an exciting opportunity for the Church with the potential for extending its outreach in the heart of Edinburgh and it is now seeking a partner to run the coffee shop. A decision has yet to be taken on the use of the first floor accommodation although the possibility of moving the Church Offices into this part of the building is being considered. This could allow some of the accommodation within the existing Offices to be rented out.

2. *London Congregations* The Board understands that the Cobham and London City congregations have submitted draft constitutions to the Charity Commission for England and Wales with a view to registering the congregations as separate charities. Feedback on these is awaited from the Charity Commission.

3. *Pensions* During the year, the triennial actuarial valuation of the Free Church of Scotland Pension Scheme as at 31st December 2009 was undertaken. The Board was disappointed to note that despite substantial contributions from the Church over the period, as a result of poor market performance since the previous review, the Scheme continues to experience a considerable deficit. Following discussion with the Pension Scheme Trustees, it was agreed that the level of contribution from the Church to the Scheme should increase by £30,000 to £345,000 per annum in order to bring the Recovery Plan for the Scheme back into line. The Board remains committed to ensuring that the pension benefits accrued by members of the Scheme down through the years are funded adequately.

(H) JUDICIAL COMMISSION

Act II, 2010 requires the Board to bring forward recommendations to the General Assembly for new appointments to the Judicial Commission. In that regard, the Board recommends that Rev. Alex Cowie

(Presbytery of Glasgow & Argyll) and Rev. Iain MacAskill (Northern Presbytery) be appointed to the Judicial Commission to take the places of Rev. Kenneth Stewart and Rev. Andrew Fraser. The revised membership of the Commission appears in Section (H) of the Proposed Deliverance.

(I) CUSTODIER OF TITLES

Five Petitions for the sale of property have been received, together with four Petitions for access to funds. All Petitions have supporting documents from congregations and Presbyteries which are in order. The Petition from the Deacons' Court of Arran Free Church for access to funds was originally addressed to the Commission of Assembly but could not be taken by the Commission as the crave involved the amendment of an Act of Assembly.

(1) Dingwall and Strathpeffer

Unto the Venerable the General Assembly of the Free Church of Scotland indicted to meet in Edinburgh on Monday 23rd May 2011, the petition of the Deacons' Court of Dingwall and Strathpeffer Free Church humbly shows that:

1. Whereas the congregations of Dingwall and Strathpeffer were united by Act IV of the Commission of Assembly (October 2000) under one Kirk Session, and constituted with one Deacons' Court by Act XIV (2002), and the congregation are responsible for the upkeep of two large late Victorian church buildings, located approximately five miles apart in the towns of Dingwall and Strathpeffer;
2. Whereas the Strathpeffer Church building and the attached hall and a small strip of surrounding land are held under the terms of the Model Trust Deed, and the congregation also own a residential property at 8 Cromartie Drive, Strathpeffer, purchased for the use of a congregational worker and also held under the terms of the Model Trust Deed;
3. Whereas a Quinquennial Visitation Report approved by Presbytery in December 2008 recognised that the Strathpeffer church building requires substantial investment to make it fit for purpose in today's world and the Presbytery recommended that all Lord's Day worship services should be centred in Dingwall;
4. Whereas the Presbytery recommended that the congregation assess the value of retaining the Strathpeffer building as a long term asset which might assist in evangelism in a growing village community where there is no other evangelical witness and establish costings for modest modernisation proposals such as installing a new kitchen, disabled toilets, or complete re-organisation of interior with rooms for activities, and that if the costings prove exorbitant or such a vision completely unworkable that the Congregation undertakes to sell the building;
5. Whereas only three services of public worship have taken place in the Strathpeffer Church building in the past two years and available resources have not allowed for the redevelopment of the church building, and there are several good community facilities available for hire at a modest cost for the purpose of holding meetings and events;
6. Whereas the Deacons' Court unanimously agreed to propose that the congregation petition the General Assembly for permission to sell the Strathpeffer church property, to enable valuations and exploratory moves to be made to determine the best course of action to take in the prevailing market conditions;
7. Whereas the congregation will be notified again before any actual sale is entered upon;
8. Whereas the Presbytery recommended that the congregation refurbish the kitchen and toilets in the Dingwall church hall as finance allows, and there is a need to provide classrooms, meeting rooms and greater hall space to accommodate the work of the joint congregation, and there are insufficient funds to develop existing property or to purchase land or property for this purpose in Dingwall, and any funds released by the sale or partial sale of the church and hall or other property at Strathpeffer may provide for such developments in Dingwall and Strathpeffer;

9. Whereas the church courts and congregation remain committed to promoting the gospel in the district of Strathpeffer by all relevant and achievable means and may wish to reinvest resources from a sale or partial sale of congregational property to purchase replacement property or to refurbish any portion of the congregational property which may be retained in any sale, or to maintain or improve upon other congregational property or purchase land or property to advance the work of the congregation, or to fund such evangelistic or pastoral work as may be agreed by the Kirk Session from time to time;

10. Wherefore the Petition of the Deacons' Court humbly requests that the General Assembly take these premises into consideration, and grant authority to the Deacons' Court to sell all or part of the congregational property held in Strathpeffer, the proceeds to be held by the Trustees in behoof of the congregation, and the sum lodged and any interest thereon to be available upon due application for the purpose of purchasing land or property, or for repairing or improving congregational property, or for general congregational purposes including the funding of evangelistic or pastoral work carried out under the oversight of the Kirk Session.

Or do otherwise as your venerable Court shall see fit.

And your petitioners will ever pray.

John de la Haye, *Clerk*

(2) *Knock*

Unto the Venerable the General Assembly of the Free Church of Scotland indicted to meet in Edinburgh on Monday 23rd May 2011, the Petition of the Deacons' Court of Knock Free Church humbly shows that:

1. Whereas the church building at Aird, known as Aird Mission House, is in need of extensive repairs and renovation amounting to a minimum of £60,000, including the roof, windows and wiring;

2. Whereas this sum is beyond what the congregation can currently afford;

3. Whereas the building has no toilet amenities, disabled access ramp and facilities, and no car parking area apart from the adjacent main road;

4. Whereas the building has been used only once a month for the past decade, and is situated some three miles from the main church and hall at Garrabost;

5. Whereas the Deacons' Court considers that to raise the amount of finance required in the context of the current infrequent use of the building would not be good stewardship;

6. Whereas the congregation has been duly consulted and has given approval to the disposal of the building;

7. Whereas the building is under the Model Trust Deed which requires the Assembly's permission for disposal of the building;

8. Whereas the General Assembly has previously approved a recommendation that congregations rationalise the use of buildings when some of those they own are no longer essential;

Wherefore it is humbly requested that the General Assembly take these factors into their consideration and grant authority to sell the said building, and direct that the proceeds of sale be held by the Board of Trustees on behoof of the congregation, with interest on the proceeds being added to capital. The General Assembly further direct that the congregation have access to the proceeds for congregational purposes.

Or do otherwise as in their wisdom they deem best.

And your petitioners will ever pray.

Iain D. MacLennan, *Clerk*

(3) Bonar Bridge

Unto the Venerable the General Assembly of the Free Church of Scotland indicted to meet in Edinburgh on Monday 23rd May 2011, the Petition of the Finance Committee of Bonar Bridge Free Church humbly shows that:

1. Whereas the manse at Migdale was sold in 2009 and the new owners have expressed a desire to purchase additional land adjacent to their property for the erection of a shed to accommodate stables, workshop, and garaging as well as wood storage;
2. Whereas the area in question is the site of former outbuildings which are now tumbled down and untidy, and the proposed development would serve to tidy up the area;
3. Whereas the disposal of this area would not interfere with the current use of the glebe for agricultural purposes;
4. Whereas careful consideration has been given to the potential future uses of the glebe and it is believed that the disposal of this area would not be prejudicial to any such uses;

Wherefore it is humbly requested that the General Assembly grant authority to sell the piece of land adjacent to the car park of the Old Manse, extending no further than the access gate, the transaction to be carried out under the supervision of the Church's Law Agent, and direct that the proceeds of sale be applied to the funds of the Bonar Bridge congregation, or do otherwise as in their wisdom they deem best.

And your Petitioners will ever pray.

John Forbes, *Clerk pro tem*

(4) Kilwinning and Saltcoats

Unto the Venerable the General Assembly of the Free Church of Scotland indicted to meet in Edinburgh on Monday 23rd May 2011, the Petition of the Deacons' Court of Kilwinning and Saltcoats Free Church humbly shows that:

1. Whereas the church building at Kilwinning is in need of extensive repairs;
2. Whereas the congregation is elderly and lacking in the resources to contribute to the ongoing maintenance work on the church building;
3. Whereas the congregation has access to an alternative place of worship thanks to a generous offer from a neighbouring evangelical church;
4. Whereas the current reserves of the congregation would be better used in different ways for the spread of the gospel in the locality;

Wherefore it is humbly requested that the General Assembly grant authority to sell the said building, and direct that the proceeds of sale be applied to the funds of the congregation, or do otherwise as in their wisdom they deem best. And your petitioners will ever pray.

Graham Keith, *Clerk*

(5) Dumfries

Unto the Venerable the General Assembly of the Free Church of Scotland indicted to meet in Edinburgh on Monday 23rd

May 2011, the Petition of the Deacons' Court of Dumfries Free Church humbly shows that:

1. Whereas the manse at 2 Gillbrae Court, George town, Dumfries, is considered by the Strategy Committee of the Presbytery to be inadequate in size for a minister with a family, and the Presbytery approve the deliverance "*The Presbytery encourages the congregation to acquire a new manse*";
2. Whereas it will be necessary for the Deacons' Court to determine how additional finance shall be raised for the purchase of a new manse;

Wherefore it is humbly requested that the General Assembly grant permission for the sale of the manse at 2 Gillbrae Court, Georgetown, Dumfries, and that the congregation be allowed access to the capital for the purchase of a new manse, or do otherwise as in their wisdom may seem best.

And your petitioners will ever pray.

John B. B. Dodds, *Clerk*

(6) *Arran*

Unto the Venerable the General Assembly of the Free Church of Scotland indicted to meet in Edinburgh on Monday 23rd May 2011, the Petition of the Deacons' Court of Arran Free Church humbly shows that:

1. Whereas the congregation presently require the sum exceeding £25,000 for the extensive repair and improvement of the Brodick Free Church and the Free Church Manse at Shiskine;
2. Whereas under the provision of Act XVII, Class II, 1995, the sum of £7691.08 from the sale of the church building, and ground and cottage at Corrie is held by the Board of Trustees on behalf of the congregation of Arran;
3. Whereas Act XVII, Class II, 1995, authorising the sale of the said buildings and ground and cottage specified that only the interest from the proceeds of sale be made available to the congregation for congregational purposes;
4. Whereas it is necessary to petition the General Assembly to amend Act XVII, Class II, 1995, for permission to access funds from the capital sum for the purpose of repairing and improving the Brodick Free Church and the Free Church manse at Shiskine;

Wherefore your petitioners humbly request the General Assembly to take these matters into their consideration and amend Act XVII, Class II, 1995, to the extent that they authorise the residue sum of £7691.08 or more to be released to the congregation from the funds realised by the sale of the Corrie church building, ground and cottage, the sum to be used for the purpose of repairing and refurbishing the Brodick Free Church and the Free Church manse in Shiskine.

Or do otherwise as in their wisdom they may deem best. And your petitioners will ever pray.

Charles W. McAllister, *Clerk*

(7) *Wick*

Unto the Venerable the General Assembly of the Free Church of Scotland indicted to meet in Edinburgh on Monday 23rd May 2011, the Petition of the Wick and Keiss Finance Committee humbly shows that:

1. Whereas the congregation is vacant and is, at present, not in a position to support a minister;
2. Whereas the Northern Presbytery has proposed a new work in the town, led by a pioneer evangelist and supported financially by the congregation;

3. Whereas the congregation has sold three properties (the Keiss manse and church building, and the Wick manse) the proceeds of which sales are presently lodged with the General Trustees in behoof of the congregation;

4. Whereas the congregation has been granted authority to sell the Wick church building;

5. Whereas the terms of Act XXVII, Class II, 2006, granting authority to sell the Keiss church building, are as follows: *“The General Assembly grant the congregation access to the proceeds of sale for the purpose of repairs and improvements to remaining congregational property. The General Assembly amend Act XVIII, Class II, 1995, thereby granting the congregation access to funds from the sale of the Keiss Manse building in 1985 for repairs and improvements to remaining congregational property;”*

6. Whereas the terms of Act XL, Class II, 2009, granting authority to sell the congregation’s properties in Wick are as follows: *“the proceeds...made available for the procurement of a more suitable church building and manse...They direct that any residual balance shall be held on behalf of the congregation and shall be made available for congregational purposes upon application to the Board of Trustees;”*

Wherefore it is humbly requested that the General Assembly take these premises into consideration and amend Act XXVII, Class II, 2006 and Act XL, Class II, 2009, thereby granting the congregation access to funds from the sale of the Keiss manse and church building, and the Wick manse and church for congregational purposes, including the support of an evangelist in Wick, as proposed by Northern Presbytery, upon application to the Board of Trustees.

Or to do otherwise as in their wisdom may seem best. Your petitioners will ever pray.

Extracted from minutes by John Laing,
Clerk

(8) *Callanish*

Unto the Venerable the General Assembly of the Free Church of Scotland indicted to meet in Edinburgh on Monday 23rd May 2011, the Petition of the Deacons’ Court of Callanish Free Church humbly shows that:

1. Whereas Act XXVII, 2006, authorised the sale of the church building, the glebe, and the manse at Uig, Bernera, and directed that the proceeds of the sale be lodged with the General Trustees on behoof of the Congregation, with the interest being added to the capital;

2. Whereas the Congregation of Uig, Bernera and Callanish were consolidated in terms of Act XLVII, 2009, whereby the proceeds specified in Act XXVII, 2006 became the property of the consolidated charge;

3. Whereas major repairs and renovation to the church and manse buildings at Callanish are now required.

4. Whereas the funds presently available to the Deacons Court are inadequate to meet the costs of the said repairs and renovations;

5. Whereas the congregation have been duly consulted and have agreed to petition the General Assembly for access to funds held by the Board of Trustees on behoof of the congregation;

Wherefore may it please your Venerable Court to take these premises into consideration and authorise access to the funds held by the Board of Trustees on behoof of the congregation for renovation and repairs to the church and manse at Callanish up to a maximum of £30,000.

JAMES M. FRASER, *Chairman*

Appendix

CONGREGATIONAL REMITTANCES

Congregation	2010 £	2009 £	Change £
Stornoway	286,019	287,500	-1,481
Aberdeen	138,176	123,217	14,959
Glasgow - Downvale & Paisley	118,530	130,000	-11,470
Back	112,164	107,734	4,430
Smithton, Culloden & Nairn	76,300	79,000	-2,700
Rosskeen	68,126	65,677	2,450
Glasgow - St Vincent St	65,000	64,010	990
Inverness - Free North	58,961	108,044	-49,083
Greyfriars Stratherrick	57,211	66,733	-9,523
Edinburgh - Buccleuch	57,000	67,000	-10,000
Cross	56,041	60,524	-4,483
Lochs	54,000	61,000	-7,000
Knock	53,381	58,245	-4,864
Tain and Fearn	50,688	55,423	-4,735
Edinburgh - St Columba	46,771	31,500	15,271
Dingwall & Strathpeffer	46,625	42,500	4,125
Kinloch	44,870	44,482	387
Urray & Strathconon	41,502	46,000	-4,499
Urquhart & Resolis	40,119	37,448	2,671
Callanish	39,417	45,689	-6,272
Barvas	39,098	39,133	-35
Point	37,679	34,843	2,836
Carloway	36,037	41,058	-5,021
Dundee	34,910	42,932	-8,022
Trotternish	33,651	25,754	7,897
Poolewe & Aultbea	32,783	32,113	670
Falkirk	32,050	25,000	7,050
Shawbost	31,970	41,666	-9,696
Knockbain	31,957	35,352	-3,395
London City	31,827	20,330	11,497
Lochbroom	31,454	33,005	-1,551
Maryburgh & Killearnan	30,687	31,861	-1,174
Portree	29,681	27,651	2,030
Park	29,302	31,707	-2,405
Edinburgh - Leith	29,280	31,244	-1,964
North Uist, Grimsay & Berneray	29,257	26,606	2,651
Kilmallie	29,194	32,056	-2,861
Plockton & Kyle	28,821	25,801	3,020
Burghead	28,083	21,347	6,736

North Tolsta	28,064	28,283	-219
Fortrose	27,681	25,600	2,081
Glasgow - Partick	27,500	36,172	-8,671
Thurso & Reay	27,281	26,000	1,281
Kirkcaldy	27,250	29,863	-2,613
Glasgow - Govanhill	27,250	25,928	1,322
Livingston	27,250	25,513	1,737
Ayr	27,085	23,048	4,037
Oban	27,060	27,373	-313
Lairg & Bonar Bridge	26,786	25,838	948
Perth & Pitlochry	26,744	23,493	3,251
Dunblane	26,100	25,000	1,100
Lennoxton	25,994	24,000	1,994
Lochcarron & Applecross	24,173	21,320	2,854
Scalpay	24,048	21,749	2,299
Coatbridge	23,186	25,248	-2,062
Fort William	22,000	19,940	2,060
Duirinish	21,202	22,482	-1,280
Dornoch	20,897	18,623	2,274
Cumbernauld	20,000	18,000	2,000
Sleat & Strath	19,633	16,853	2,780
Glenurquhart & Fort Augustus	19,500	16,365	3,135
Golspie	19,000	18,800	200
London - Cobham	18,721	16,757	1,964
South Uist & Benbecula	16,833	12,589	4,244
Lochgilphead & Lochfyneside	16,601	16,401	200
Harris	16,075	14,989	1,086
East Kilbride	15,509	15,352	156
St. Andrews	15,225	11,512	3,713
Bracadale	14,592	15,512	-919
Dumfries	14,423	14,100	323
Badenoch	14,139	12,139	2,000
Gairloch & Kinlochewe	13,435	13,073	362
Arran	13,260	11,623	1,637
Bishopbriggs	13,073	18,081	-5,009
Elgin & Forres	12,844	17,344	-4,500
Dunfermline	8,952	6,678	2,274
Wick & Keiss	8,943	8,843	99
Assynt & Eddrachillis	8,248	9,411	-1,163
Olrig, Watten & Bower	7,827	6,116	1,711
Campbeltown, Tarbert & Islay	7,600	11,276	-3,676
Glenelg & Arnisdale, Lochalsh & Glenshiel	7,438	8,803	-1,365
Rogart	7,267	4,578	2,689
Helmsdale	6,504	15,121	-8,617
Kilwinning & Saltcoats	6,446	8,214	-1,768

Greenock	5,118	4,958	161
Lybster	5,001	6,426	-1,425
Kiltarlity & Kirkhill	4,758	6,329	-1,571
Clyne	4,283	9,831	-5,548
Mull & Coll	4,201	5,898	-1,697
Dunoon & Strachur	3,396	5,244	-1,848
Ardnamurchan, Acharacle & Strontian	2,789	3,588	-799
Tongue, Farr Strathy & Halladale	2,559	5,682	-3,123
Raasay	1,256	2,183	-927
Dumbarton	883	13,363	-12,480
Kiltearn	370	0	370
	2,982,874	3,058,691	-76,187
Glasgow- Shettleston	0	0	
Kilmorack & Strathglass	0	0	
Tarbat	0	0	
Ev. Presb, Church	25,589	13,000	
Toronto	3,885	0	
Livonia	0	0	
Eastern Charge	0	0	
Western Charge	2,714	0	
Charlottetown	507	0	
	3,015,569	3,071,691	

During 2010, the Ministry Levy was set at £26,100.

PROPOSED DELIVERANCE

(A) FINANCE

1. The General Assembly receive and adopt the Report of the Board of Trustees and thank the Chairman, members of the Board, the Chief Administrative Officer and his staff for their work.
2. The General Assembly acknowledge with humility and thanksgiving the provision made by the Lord for the work of the Church. They thank those who gave in a regular, responsible and liberal manner in support of that work and record their appreciation for legacies received during the year.
3. The General Assembly endorse the view that steps should be taken to address any structural shortfalls in the Church's finances and, to that end, instruct the Board to consult widely with other committees and boards to explore options for reducing costs and to identify the potential for increasing income.
4. The General Assembly instruct the Board to prepare draft budget schedules for circulation to committees and boards before their first meeting following the General Assembly with a view to approving the 2012 budget at the October meeting of the Commission of Assembly. The General Assembly empower the said Commission of Assembly to take up and finally dispose of a report from the Board on this matter.
5. The General Assembly record their appreciation for the work of Mr Clive Bailey, the headmaster of the Colegio San Andres, and his staff and give thanks to God for the continued improvement in the financial health of the school.
6. The General Assembly note the establishment of the Reformed Educational Association San Andres and endorse the Board's commitment to transfer the governance and assets of the Colegio San Andres to the Association.

(B) FINANCIAL POLICY

1. The General Assembly commend the work of the Finance Sub-Committee and thank its Convener, members and advisers.
2. The General Assembly note progress in the implementation of the new system of congregational remittances. They are particularly encouraged by the response of congregations to the challenge of meeting local ministry costs on a regular basis. They also wish to thank the Church's Finance Manager, Mrs Catriona Cazaly for her sterling contribution to ensuring the smooth operation of the new system.
3. The General Assembly note the concerns raised by the Board in relation to the funding of central projects. In this regard, they encourage Deacons' Courts and Finance Committees to make the levies required under the remittance system a budget priority and to give serious consideration to making contributions to central projects in addition to the minimum requirements of the remittance system.
4. The General Assembly note the work done in relation to provision of retirement accommodation for ministers and their families and recognise the financial challenges that exist. They instruct the Board to work with the Personnel Committee in exploring the merits and practicalities of making provision in certain exceptional cases.
5. The General Assembly note the circulation of guidance for contributors in relation to Christian stewardship and encourage Deacons' Courts and Finance Committees to make this widely available.
6. The General Assembly support the production of key financial information in a format that will prove more accessible to commissioners and to the wider membership of the Church.
7. The General Assembly endorse the view of the Board that it is inappropriate for ministers to act as congregational treasurers. They instruct Presbyteries to ensure that no minister is expected to take on the role of congregational treasurer, and thereby be diverted from his primary function.

(C) STRATEGY

1. The General Assembly commend the work of the Strategy Sub-Committee and thank its Convener, members, advisers and clerk.
2. The General Assembly note the intention to develop a series of small-scale, strategic projects with a view to fostering best practice. They instruct the Board to report back on progress to a future General Assembly.
3. The General Assembly note with disappointment the lack of feedback from Presbyteries in relation to the development of linkages in diaconal ministries with other Christian agencies. They encourage Presbyteries to actively seek out such linkages with a view to mutual encouragement in Gospel work.
4. The General Assembly endorse the following recommendations of the Board aimed at improving the effectiveness of Presbyteries. They instruct Presbyteries to give careful consideration to these with a view to implementation where appropriate.

■ Devotions, Fellowship and Pastoral Concern

- Two congregations could be asked for a brief report on their work and to give points for prayer.
- A short period could be allocated to prayer in small groups halfway through the meeting.
- Time could be allocated for a book review or short meditation from Scripture.
- Holding an informal meal before Presbytery meetings could foster a spirit of fellowship.
- In keeping with Act XXIV, 2003, all ministers in their first charge should be mentored, with mentors being given a clearly specified role and being required to report back to Presbytery.

■ Presbytery as a Constitutional and Operating Body

- Presbyteries should take ownership of decisions made at the General Assembly. In support of this, Business Committees should be tasked with giving thorough consideration to Assembly Deliverances and creating an action plan for their implementation. They should then check periodically on progress against actions identified.

■ Standing Orders and Business Procedures

- In order to improve time management, meetings should begin at the stated time. Unnecessary procedures should also be eliminated. For example, the calling of a roll could be replaced with a signing in sheet. The Presbytery's Business Committee should prioritise matters in advance of the meeting and only in the most exceptional circumstances should permission be given to raise matters not on the agenda.
- The role of the Moderator is critical in the efficient conduct of business. Standing Orders should be applied graciously but firmly in the conduct of debates, discussions and the presentation of papers.
- Chairmanship should be of a quality that ensures that nobody feels left out of a debate.
- Standing Orders should be reissued each year and the Moderator should be fully conversant with these.
- Committees should be used to process much of the business in order that time is not consumed with detailed discussion to the detriment of policy matters.
- The Student Committee should operate under very specific, written guidelines in the mentoring of its subjects.
- Membership of committees should be rotated so that all members of Presbytery are given an opportunity of serving if they are able. Periods of service on a committee could be modelled on the pattern of service used for central standing committees and boards.
- Notwithstanding the above, the application of a skills audit, as being developed for central standing committees and boards, should be kept in mind.
- Committees should be set up on an *ad hoc* basis to deal with specific, non-recurring matters.
- Where possible, the location of meetings should be varied to include even outlying places within the Presbytery. This can not only make members feel less marginalised but also give more of an appreciation of the circumstances under which some are operating.
- Opportunities for more of an informal, discursive format should be considered in order that the basis of debate can be broadened and the likelihood of an amicable conclusion enhanced.

when matters are put to a vote.

▪ **Induction for New – and Old – Members**

- Information sheets on functions, structures and operation of the Presbytery should be prepared for all members. These should include explanation of the Latin terms used.
- Plain English should be used wherever possible and speakers should explain any technical terms.
- Experienced members could “shepherd” new members. For example, a one hour class could be held for new members and mentors could give instruction to new ministers.

▪ **Quinquennial Visitations**

- A coordinator should be appointed who would ensure that all visitations are conducted in good time.
- Action points should be highlighted in any report.
- Responses to action points should be monitored carefully.

The General Assembly instruct Presbyteries to send to the Board by 31st January 2012 their responses to the following questions, so that the Board may report to the General Assembly of 2012 on progress.

- Which of any of these recommendations does the Presbytery practise already?
- What General Assembly Deliverances has the Presbytery Business Committee been able to process?
- Which of the recommendations is the Presbytery seeking to implement?
- How does the Presbytery practise the induction of new members?
- Has the Presbytery appointed a co-ordinator for quinquennial visitation?

(D) COMPLIANCE AND RISK MANAGEMENT

1. The General Assembly commend the work of the Compliance, Audit and Risk Management Sub-Committee and thank its Convener, members and advisers.
2. The General Assembly note the Board’s ongoing work in assessing the risks facing the Church and identifying possible actions to mitigate these risks. They encourage the Board to work with other committees and boards where these actions seek to address risks that fall within their remits.
3. The General Assembly instruct any congregation, committee or board to make early contact with the Church’s Compliance Officer for advice when considering employing any person from outside the European Union.
4. The General Assembly instruct the Board to keep developments in the implementation of the Protecting Vulnerable Groups Scheme under review. They encourage the Board to explore options for the provision of ongoing safeguarding training for coordinators and workers and for the provision of training on the new scheme. They also encourage the Board to review the Church’s existing policy on the protection of vulnerable groups.

(E) LAW AND ADVICE

1. The General Assembly commend the work of the Legal Group and thank its Convener, members and advisers.
2. The General Assembly note developments in relation to court proceedings with respect to properties and funds at Broadford and Partick.
3. The General Assembly welcome the return to the Kiltarn Free Church of Scotland of those previously in membership of the Free Church (Continuing) there. The General Assembly call upon all congregations in areas where division still exists and especially where assets are in dispute to seek an amicable solution through local discussion.

4. The General Assembly note with regret the ongoing legal action in Peru against the Church, the Colegio San Andres and the former headmaster of the school. They endorse the Board's desire to reach a mutually acceptable settlement and commend the issue to the Church as a matter for continued prayer.

5. The General Assembly thank Mr John Hodge and Ms Fiona Muirs of the Church's Law Agent for their support and advice to the Church during the year. They also thank the Church's Counsel, Mr Gerry Moynihan, QC and Ms Ruth Charteris for their work on behalf of the Church.

(F) WORSHIP

1. The General Assembly note the work of the Board in fulfilling its remit in relation to the worship, discipline and unity of the Church.

(G) OTHER MATTERS

1. The General Assembly support the Board's work in developing the property at 16 North Bank St with a view to maximising its usefulness in the work and mission of the Church.

2. The General Assembly note the position in relation to the registration of the London City and Cobham congregations with the Charity Commission for England and Wales.

3. The General Assembly note the ongoing financial commitment required to finance the retirement benefits accrued by members of the Free Church of Scotland Pensions Scheme.

(H) JUDICIAL COMMISSION

1. The General Assembly note that Rev. Kenneth Stewart and Rev. Andrew Fraser are no longer members of the Presbytery of Glasgow and Argyll and of the Northern Presbytery respectively and therefore cease to be eligible as members of the Judicial Commission.

2. The General Assembly reappoint the Judicial Commission as follows:

Judicial Commission			
	Rev A J Macdonald	EP	[3/1]
	Rev. Professor J R Macintosh	EP	[3/1]
	Mr J Macrae	EP	[3/1]
	Mr D W Matheson	EP	[3/1]
	Rev. A. J. Howat	GW	[3/1]
	Rev. A Cowie	GW	[3/1]
	Mr Evan MacDonald	GW	[3/1]
	Mr Norman Smith	GW	[3/1]
	Rev. Gordon Mair	ILR	[3/1]
	Rev. D. C. Meredith	ILR	[3/1]
	Mr Andrew Murchison	ILR	[3/1]
	Dr Gordon Fraser	ILR	[3/1]
	Rev. K. A. Macleod	N	[3/1]
	Rev. I Macaskill	N	[3/1]
	Mr David Lipp	N	[3/1]
	Dr James Skinner	N	[3/1]
	Rev. John H. MacLean	SWR	[3/1]
	Rev. D. G. MacDonald	SWR	[3/1]
	Mr John A. Gillies	SWR	[3/1]
	Mr Robert MacDonald	SWR	[3/1]
	Rev. James Maciver	WI	[3/1]

	Rev. Malcolm Macleod	WI	[3/1]
	Mr Murdo Macleod (Lochs)	WI	[3/1]
	Mr Murdo Murray (Stornoway)	WI	[3/1]
Chairman:	Rev. A J MacDonald		
Clerk:			

(I) CUSTODIER OF TITLES

1. The General Assembly receive the petition from the Deacons' Court of Dingwall and Strathpeffer Free Church and grant its crave. They grant authority to sell all or part of the congregational property held in Strathpeffer, the proceeds to be held by the Board of Trustees on behalf of the congregation, and the sum lodged and any interest thereon to be available upon due application for the purpose of purchasing land or property, or for repairing or improving congregational property, or for general congregational purposes including the funding of evangelistic or pastoral work carried out under the oversight of the Kirk Session, the transaction to be carried out under supervision of the Compliance Officer or the Church's Law Agent.

2. The General Assembly receive the petition from the Deacons' Court of Knock Free Church and grant its crave. They grant authority to sell the church building at Aird known as Aird Mission House, under supervision of the Compliance Officer or the Church's Law Agent, and direct that the proceeds of sale be held by the Board of Trustees on behalf of the congregation, with interest on the proceeds being added to capital. The General Assembly further direct that the congregation have access to the proceeds for congregational purposes upon application to the Board of Trustees.

3. The General Assembly receive the petition from the Finance Committee of Bonar Bridge Free Church and grant its crave. They grant authority to sell the piece of land adjacent to the car park of the Old Manse, extending no further than the access gate, the transaction to be carried out under the supervision of the Compliance Officer or the Church's Law Agent, and direct that the proceeds of sale be applied to the funds of the Bonar Bridge congregation

4. The General Assembly receive the petition from the Deacons' Court of Kilwinning and Saltcoats Free Church and grant its crave. They grant authority to sell the church building at Kilwinning, under supervision of the Compliance Officer or the Church's Law Agent, and direct that the proceeds of sale be applied to the funds of the congregation.

5. The General Assembly receive the petition from the Deacons' Court of Dumfries Free Church and grant its crave. They grant permission for the sale of the manse at 2 Gillbrae Court, Georgetown, Dumfries, under supervision of the Compliance Officer or the Church's Law Agent, and direct that the congregation be allowed access to the capital for the purchase of a new manse.

6. The General Assembly receive the petition from the Deacons' Court of Arran Free Church and grant its crave. They amend Act XVII, Class II, 1995, to the extent that they authorise the residue sum of £7691.08 or more to be released to the congregation from the funds realised by the sale of the Corrie church building, ground and cottage, the sum to be used for the purpose of repairing and refurbishing the Brodick Free Church and the Free Church manse in Shiskine.

7. The General Assembly receive the petition from the Finance Committee of Wisk and Keiss Free Church and grant its crave. They amend Act XXVII, Class II, 2006 and Act XL, Class II, 2009, thereby granting the congregation access to funds from the sale of the Keiss manse and church building, and the Wick manse and church, for congregational purposes, including the support of an evangelist in Wick, as proposed by Northern Presbytery, upon application to the Board of Trustees.

8. The General Assembly receive the petition from the Deacons' Court of Callanish Free Church and grant its crave. They authorise access to the funds held by the Board of Trustees on behalf of the congregation for renovation and repairs to the church and manse at Callanish up to a maximum of £30,000.

(J) SYNODS

The General Assembly remind Synod Clerks to ensure that the requirements of Act XXXIX, 2009, paragraphs 3-4 and 6-8, are implemented annually in accordance with the terms set out.

In accordance with the requirements of Act V, 2002, paragraph 2.1, the General Assembly appoint the Northern Presbytery as Assessor Presbytery to the Western Synod; the Presbytery of Inverness, Lochaber and Ross as Assessor Presbytery to the Southern Synod; and the Presbytery of Edinburgh and Perth as Assessor Presbytery to the Northern Synod. The General Assembly remind the North American Synod that such cases as require either of the two Presbyteries comprising that Synod to be at the bar of Synod should be forwarded directly to the General Assembly, or Commission of Assembly, whichever is the more appropriate.