

# Orkney Islands Church of Scotland

Scotland · Charity number SC003099

## Details

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Status	Active
Legal form	Unincorporated association
Part of	The Church of Scotland (SC011353)
Registered	1913-10-29
Register	<a href="#">View on the OSCR register</a>

## Contact

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Address	East Church Manse Thoms Street Kirkwall Orkney KW15 1PF
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## Activities

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**Activities:** 'It carries out activities or services itself'

**Purposes:** 'the advancement of religion'

**What the charity does:** The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in polity. It exists to glorify God and to work for the advancement of Christ's Kingdom throughout the world. As a national Church, it acknowledges a distinctive call and duty to bring the ordinances of religion to the people in every parish of Scotland through a territorial ministry. It co-operates with other Churches in various ecumenical bodies in Scotland and beyond. The charity comprises 17 Church of Scotland local worshipping communities serving almost the whole geographical extent of the historic county of Orkney as one parish. It conducts worship for most of its congregations every Sunday (less frequently or mid week in the Outer Isles), with joint services from time to time with neighbouring congregations and/or other denominations and locally hosts a variety of youth activities, fellowship meetings and social events as relevant to each locality

**Beneficiaries:** 'No specific group, or for the benefit of the community'

**Objectives:** the advancement of religion

## Geography

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- **Main operating location:** Orkney Islands
- **Geographical spread:** A specific local point, community or neighbourhood

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,382,082	£213,304	-	15
2023-12-31	£36,634	£35,450	-	1
2022-12-31	£46,716	£43,035	-	1
2021-12-31	£93,009	£84,532	-	1
2020-12-31	£75,454	£132,317	-	2

**Orkney Islands Church of Scotland**

Scotland - Charity number SC003099

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# Accounts

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# **Orkney Islands Church of Scotland**

**Congregational accounts for the year ended 31 December 2024**

**Congregation No: 311925**

**Scottish Charity No: SC003099**

# **Orkney Islands Church of Scotland Trustees' Report Year ended 31 December 2024**

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2024. The financial statements have been prepared under the historical cost convention in accordance with the accounting policies set out in the accounts and comply with the General Assembly Regulations for Congregational Finance, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland effective from 1 January 2019. The financial statements for the year ended 31 December 2023 were prepared on a receipts and payments basis. These financial statements have been prepared under an accruals basis. This has resulted in the revised financial statements for the year ended 31 December 2023 included herein reporting net income of £4,234 rather than an excess of receipts over payments of £1,184 and net assets at 31 December 2023 being reported as £39,908, having previously been reported as £40,219.

## **Objectives and Activities**

The Church of Scotland is Trinitarian in doctrine, Reformed in tradition and Presbyterian in polity. It exists to glorify God and to work for the advancement of Christ's Kingdom throughout the world. As a national Church, it acknowledges a distinctive call and duty to bring the ordinances of religion to the people in every parish of Scotland through a territorial ministry. It co-operates with other Churches in various ecumenical bodies in Scotland and beyond.

On 1 October 2024, Stromness Church of Scotland entered into a union with 16 other Church of Scotland congregations in Orkney, being Kirkwall East Church of Scotland, Shapinsay Church of Scotland, Kirkwall St Magnus Cathedral (Church of Scotland), Flotta Church of Scotland, Rousay Church of Scotland, Birsay, Harray and Sandwick Parish Church of Scotland, Orphir and Stenness Church of Scotland, East Mainland Church of Scotland, South Ronaldsay and Burray Church of Scotland, North Ronaldsay Parish Church, Sanday Church of Scotland, Hoy and Walls Parish Church of Scotland, Eday Church of Scotland, Moncur Memorial Church of Scotland Stronsay, Westray Parish Church and Papa Westray Parish Church.

The parish, which came into being on 1 October 2024, comprises 17 congregations serving almost the whole geographical extent of the historic county of Orkney. It is served by a team of 5 ministers supplemented by an OLM (non-stipendiary minister) who have been learning to work together as a team throughout the parish, is in the process of recruiting a minister to serve primarily in St Magnus Cathedral (with Flotta and Rousay) and in due course another (0.5 FTE) to serve primarily in Stronsay and Eday, and at 31 December 2024 was anticipating a further vacancy in East Mainland (with North Ronaldsay, Sanday and Eday). A new Kirk Session was formed at the union, with representatives from each of the local congregations, and has begun to learn how to operate effectively together.

The parish conducts worship for most of its congregations every Sunday, with those in the Outer Isles meeting less frequently and sometimes mid week as suits local requirements, and from time to time local congregations hold services jointly with neighbouring congregations in the parish and with other denominations. Local congregations host a variety of youth activities, fellowship meetings and social events as relevant to each locality.

## **Achievements and Performance**

The union on 1 October 2024 was created in order to provide support to smaller congregations, in particular to share administrative burdens, and also to facilitate resource-sharing across the parish. This is designed to free up time for local congregations to concentrate on mission and outreach and serving their local community.

As these accounts describe a three month period post-union, which included Advent and Christmas, the achievements and performance of the union was largely to be found in the individual Local Worshipping Communities (what had been the previous parish communities), undertaking their usual range of activities.

In terms of administration and governance, the united parish has made a good start on consolidating and streamlining the management of buildings, the record-keeping and charity governance tasks of the constituent areas, and the fulfilment of Church and civil law safeguarding requirements. This work has continued throughout 2025.

## **Financial Review**

The results for the year reflect 12 months' activities for Stromness Church and 3 months' activities for the 16 churches which joined on union. Assets acquired from the 16 incoming churches are disclosed as Transfer of Union balances and totalled £3,135k. Gift aid receivable for pre-union periods totalled £23k. Excluding these amounts, underlying income totalled £224k, including £22k specifically donated for the Malawi Partnership. Expenditure over the period totalled £213k including £17k remitted to the Malawi Partnership, indicating a net underlying surplus of income over expenditure. For Stromness church, whilst income rose by over 8%, costs increased substantially due to a £10k increase in Giving to Grow, slightly offset by savings in locum and pulpit supply costs, following the appointment of a minister in February 2024. Overall, the Stromness congregation generated a small surplus of £1k, down from £4k in the previous year.

The kirk session is planning a stewardship programme for Spring 2026, when a clearer position of the united parish's financial situation should be available.

## **Investment Policy and Performance**

The investments held at 31 December 2024 represent those transferred in at union from the merging congregations. Since then, the kirk session has approved an investment policy to achieve growth and income, aiming to generate sustainable returns whilst protecting the capital value of our investments and mitigating the effects of inflation. It has agreed to follow the risk appetite of the wider Church of Scotland by placing surplus funds into one or more of the following funds managed and administered by the Church of Scotland investors Trust:

- Investors Trust Growth fund – equity based and intended for long term investment, aiming to provide capital growth and managed by Newton Investment Management Limited
- Investors Trust Income fund – intended for medium-term investment, aiming to provide immediate high income with funds invested predominantly in fixed-interest securities and managed by Royal London Asset Management
- Investors Trust Deposit fund – intended for short-term investment and aiming to provide a high rate of interest and managed by Thomas Miller Investment Limited.

We have defined our liquidity needs as 6 months working capital which will be held in current bank accounts and the Investors Trust Deposit fund. The remainder will be split between Growth and Income investments in proportions determined by the Finance Committee based on a review of market expectations.

## **Risk Management**

The charity trustees consider the principal risks facing the charity to be an ageing and declining membership, with community perceptions that the church at large is of limited relevance in a secular world. This is expected to lead to increasing pressure on finances and on ability to administer the work of the charity through increasing burden on fewer volunteers.

The union creating Orkney Islands Church of Scotland on 1 October 2024 (with Firth Church joining on 1 September 2025) is an attempt to address these risks, with the Church of Scotland congregations across Orkney now sharing resources and one kirk session replacing 18 separate ones.

## **Reserves Policy**

The charity trustees have considered the reserves required and have taken into account their current and future liabilities. It is the Trustees' policy to hold reserves of approximately 6 months expenditure excluding designated funds. At the year end the Church held unrestricted funds of £2.8 million of which £753k was designated for the St Magnus Centre, £567k for King Street Halls, £123k for fabric purposes, £37k for the Cathedral choir and £45k for a variety of other purposes. The remaining balance of £1.2 million represents some 2 years of expenditure and while this is higher than would normally be expected, the Trustees are aware that this is likely to erode over time.

The church also held £358k of restricted funds which have been provided for the purposes specified in Note 16.

## **Plans for future periods**

Since 31 December 2024, the united parish has:

- hosted a visit from the Moderator of the General Assembly in April 2025, culminating in a joint service in St Magnus Cathedral
- held a mission initiative during the 20<sup>th</sup> International Island Games, led by the Kirkwall Council of Churches and supported by ministers and members of the Church of Scotland in Orkney
- held an Orkney-wide launch of the *God Welcomes All* hymn-book supplement
- continued recruitment of individuals to train as ministers, Readers and local preachers.
- welcomed Firth Church of Scotland into union with effect from 1 September 2025
- welcomed Rev Alison Dickie as minister for East Mainland church
- continued its work on consolidating and streamlining management and administration
- liaised with the General Trustees of the Church of Scotland in the acquisition by them of a new manse in Burray to replace the one in St Margaret's Hope, which will provide better accommodation for a minister and meet the Church of Scotland's minimum standards

It continues to meet with the Evie and Rendall Church of Scotland in the hope that agreement can be reached so that they too join the union. It is attempting to recruit a new minister for St Magnus Cathedral and is hoping to obtain permission from the presbytery of the North East and Northern Isles to call a new minister for the Stronsay church, and continuing refurbishment of the Cathedral and Stronsay manses in preparation for this. In addition, it is planning to refurbish the flat within the Kirkwall East church, which will allow it to recruit a replacement caretaker following the resignation of the former caretaker in early 2025.

It is planning a stewardship campaign for Spring 2026.

## **Structure, Governance and Management**

The congregation is a registered charity, number SC003099 and is administered in accordance with the terms of the Deed of Constitution (Unitary Form) and is subject to the Acts and Regulations of the General Assembly of the Church of Scotland.

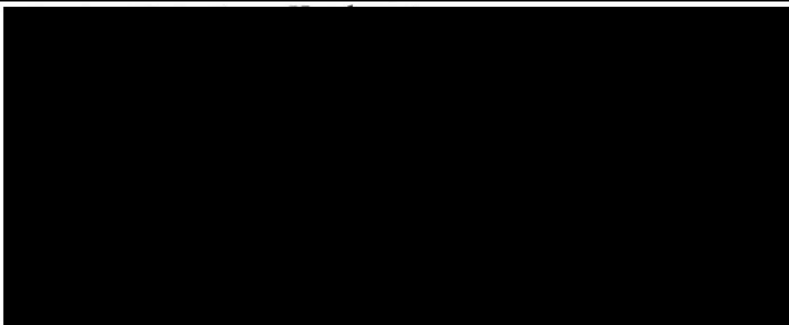
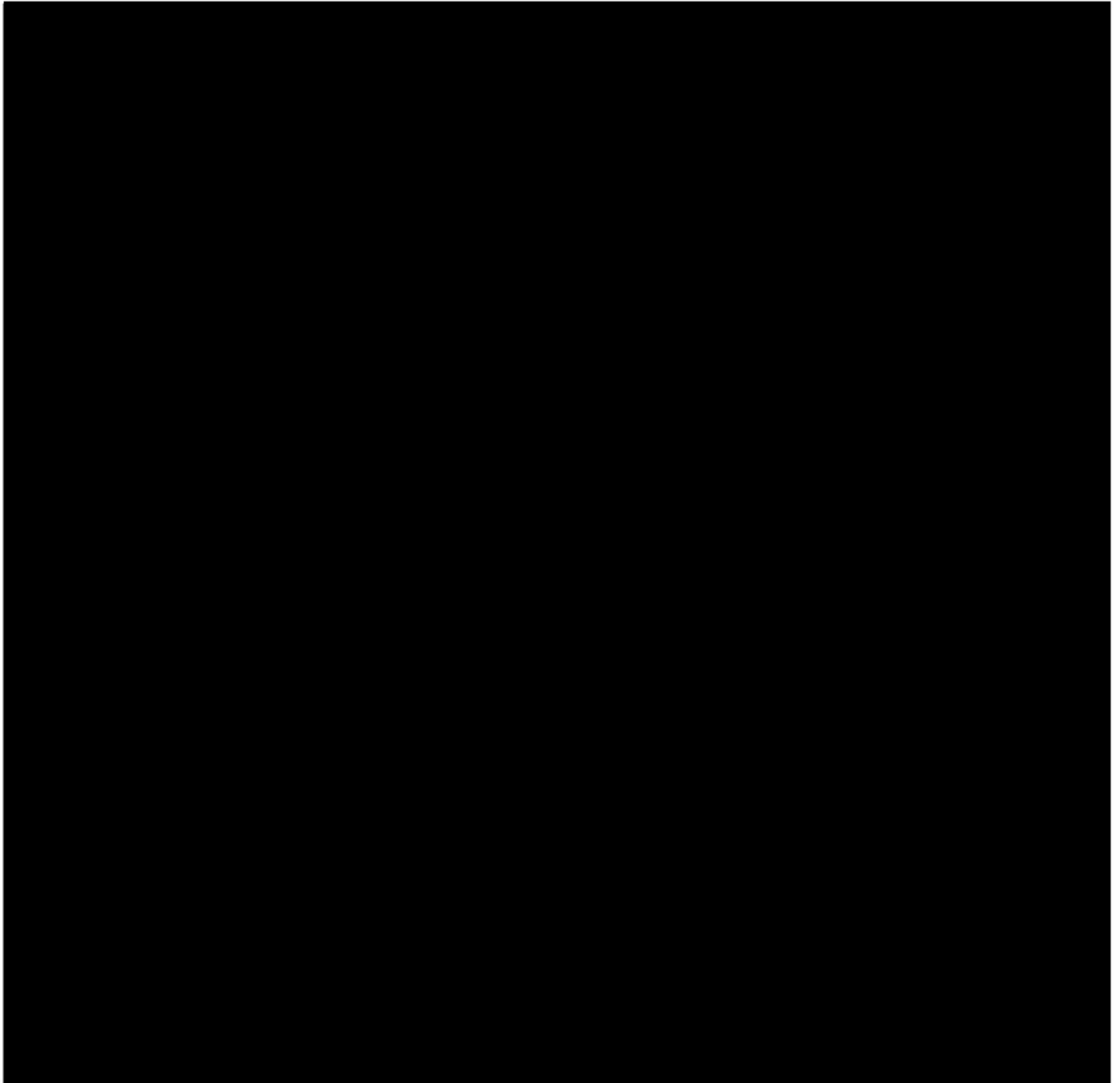
Members of the Kirk Session are the charity trustees. The Kirk Session members comprise the Church of Scotland ministers in the parish of Orkney together with up to two representative elders from each of the local worshipping congregations within the parish which form part of the union. The Kirk Session is chaired by one of the ministers and meets at least once every two months as appropriate. Certain responsibilities are delegated to the Finance Committee, the Property Committee and the Safeguarding Committee as appropriate. The Kirk Session is responsible for spiritual affairs within the parish.

It plans to introduce a formal induction process for trustees in 2026.

## Reference and Administrative Information

### Trustees

Trustees who served at any time during the year and up to the date of signing the accounts are as follows



## **Auditor**

A9 Accountancy  
Elm House  
Cradlehall Business Park  
Inverness IV2 5GH

## **Principal Bankers**

Bank of Scotland  
Royal Bank of Scotland  
Virgin Money

## **Parent charity**

The charity's parent charity is Church of Scotland SC011353

## **Trustees' Responsibilities in Relation to the Financial Statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the method and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information on the congregation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf

**Orkney Islands Church of Scotland**  
**Independent Auditor's Report to the Trustees of Orkney Islands Church of Scotland**  
**Year ended 31 December 2024**

**Opinion**

We have audited the financial statements of Orkney islands Church of Scotland for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their presentation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report: or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the statement of trustee' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below. We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- United Kingdom Generally Accepted Accounting Practice
- Charities and Trustee Investment (Scotland) Act 2005
- Charities Accounts (Scotland) Regulations 2006

We gained an understanding of how the charity is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence and board meeting minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance
- Performing audit work procedures over the risk of management override of controls including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business
- Procedures to confirm the existence and completeness of income ensuring it was recognised in line with the charity's accounting policies.
- Enquiries with management regarding the compliance with laws and regulations.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for our audit work, for this report, or the opinions we have formed.



**For and on behalf of A9 Accountancy Limited, Statutory Auditor**

Elm House  
Cradlehall Business Park  
Inverness  
IV2 5GH  
United Kingdom

Date..... 19/02/26 .....

# Orkney Islands Church of Scotland

## Statement of Financial Activities including income and Expenditure Account

Year ended 31 December 2024	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Endowment Funds 2024 £	Total 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Endowment Funds 2023 £	Total 2023 £
<b>Income and endowments from:</b>									
Donations and legacies	1	116,292	21,602		137,894	27,059			27,059
Charitable activities	2	22,428	2,703		25,131	640	1,912		2,552
Other trading activities	3	9,223	483		9,706	3,406			3,406
Investments	4	13,541	2,207	395	16,143	463			463
Other	5	2,743,726	355,625	93,857	3,193,208				
<b>Total income</b>		<b>2,905,210</b>	<b>382,620</b>	<b>94,252</b>	<b>3,382,082</b>	<b>31,568</b>	<b>1,912</b>		<b>33,480</b>
<b>Expenditure on:</b>									
Raising funds	6	167			167	34			34
Charitable activities		164,524	1,350		165,874	29,975	345		30,320
Grants and donations		1,084	17,430		18,514		550		550
Governance costs – audit fee		14,797			14,797	0			0
Other		13,952			13,952	0			0
<b>Total expenditure</b>		<b>194,524</b>	<b>18,780</b>		<b>213,304</b>	<b>30,009</b>	<b>895</b>		<b>30,904</b>
<b>Net income/(expenditure) before gains and losses on investments</b>		<b>2,710,686</b>	<b>363,840</b>	<b>94,252</b>	<b>3,168,778</b>	<b>1,559</b>	<b>1,017</b>		<b>2,576</b>
Net gains/(losses) on investments		10,710	201	1,381	12,292	1,658			1,658
<b>Net income/(expenditure)</b>		<b>2,721,396</b>	<b>364,041</b>	<b>95,633</b>	<b>3,181,070</b>	<b>3,217</b>	<b>1,017</b>		<b>4,234</b>
Transfers between Funds		6,188	(5,793)	(395)	0	1,100	(1,100)		-
<b>Net movement in funds</b>		<b>2,727,584</b>	<b>358,248</b>	<b>95,238</b>	<b>3,181,070</b>	<b>4,317</b>	<b>(83)</b>		<b>4,234</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		39,628	280		39,908	35,311	363		35,674
Total funds carried forward		2,767,212	358,528	95,238	3,220,978	39,628	280		39,908

The statement of financial activities includes all gains and losses recognized in the year. All income and expenditure derive from continuing activities.

# Orkney Islands Church of Scotland

## Balance Sheet

At 31 December 2024

	<u>Note</u>	<b>Total Funds 2024</b> £	<b>2023</b> £
<b>Fixed Assets:</b>			
Tangible assets	9	1,327,884	0
Investments	11	<u>595,097</u>	<u>22,480</u>
<b>Total Fixed Assets</b>		<b>1,922,981</b>	<b>22,480</b>
<b>Current Assets</b>			
Stock (all goods for resale)		7,818	0
Debtors	10	45,511	4,614
Cash at bank and in hand	12	<u>1,297,854</u>	<u>15,239</u>
<b>Total Current Assets</b>		<b>1,351,183</b>	<b>19,853</b>
<b>Liabilities</b>			
Creditors falling due within one year	13	<u>(53,186)</u>	<u>(2,425)</u>
<b>Net Current Assets</b>		<b>1,297,997</b>	<b>17,428</b>
Creditors falling due after more than one year		<u>0</u>	<u>0</u>
<b>Net Assets</b>		<b><u>3,220,978</u></b>	<b><u>39,908</u></b>
<b>The funds of the charity:</b>			
Endowment funds	16	95,238	0
Restricted income funds		358,528	280
Unrestricted income funds		<u>2,767,212</u>	<u>39,628</u>
<b>Total charity funds</b>	16	<b><u>3,220,978</u></b>	<b><u>39,908</u></b>

The financial statements were approved by the trustees on 17 February 2026:



# Orkney Islands Church of Scotland

## Statement of cash flows

For the year ended 31 December 2024

	<u>Note</u>	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	18	1,323,975	(264)
<b>Investing activities</b>			
Purchase of tangible fixed assets		(57,503)	0
Investment income received		16,143	463
<b>Net cash (used in)/generated from investing activities</b>		(41,360)	463
<b>Net cash generated from financing activities</b>		0	0
<b>Net increase in cash and cash equivalents</b>		1,282,615	199
Cash and cash equivalents at beginning of year		15,239	15,040
<b>Cash and cash equivalents at end of year</b>		<u>1,297,854</u>	<u>15,239</u>

## **Orkney Islands Church of Scotland Year ended 31 December 2024**

### **Accounting Policies**

The principal accounting policies, which have been applied consistently in the current and preceding year in dealing with items which are considered material to the accounts, are set out below. The charity is a public benefit entity as defined by FRS102.

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions over the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) effective from 1 January 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities accounts (Scotland) Regulations 2006 (as amended).

The financial accounts are prepared in sterling, which is the functional currency of the charity and monetary amounts in the financial statements are rounded to the nearest £.

### **Fund accounting**

Funds are classified as either restricted funds or unrestricted funds, defined as follows.

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Endowment funds are funds which have been given on the condition that the original capital sum is not reduced, but the income there from is used for the purpose defined in accordance with the objects of the charity.

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

### **Going concern**

The Trustees consider that there are no material uncertainties about the ability of the charity to continue for the foreseeable future, and therefore have adopted the going concern basis in preparing these financial statements.

### **Recognition of income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

### **Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In

accordance with the Charities SORP (FRS102) the general volunteer time of congregation members is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised as expenditure in the period of receipt.

### **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### **Recognition and allocation of expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

### **Fixed Assets**

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church, halls and manse, vested in the Church of Scotland General Trustees. No consideration is payable for the use of these assets. Expenditure incurred on the repair and maintenance of these assets is charged as resources expended in the Statement of Financial Activities in the period in which the liability arises.

All tangible fixed assets costing in excess of £1,000 having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Depreciation is provided on a straight-line basis to write off the cost or initial value, less residual value, of tangible fixed assets over their estimated useful lives:

Buildings 50 years  
Plant and machinery 4 to 10 years  
Computer equipment 2 to 4 years  
Fixtures and Fittings 2 to 5 years  
Church and office equipment 2 to 10 years

### **Investments**

Fixed asset investments are stated at market value at the balance sheet date. Unrealised gains and losses represent the difference between the market value at the beginning and end of the financial year or, if purchased in the year, the difference between cost and market value at the end of the year. Realised gains and losses represent the difference between the proceeds on disposal and the market value at the start of the year or cost if purchased in the year.

### **Taxation**

Orkney Islands Church of Scotland is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is not registered for VAT and resources expended therefore include irrecoverable input VAT.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held at various High Street banks and with the Church of Scotland Investors Trust.

### **Debtors**

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

### **Stock**

Stock is measured at the lower of cost and net realisable value.

### **Creditors**

Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

**Employee benefits and retirement benefits**

Unused holiday entitlements are recognised in the period the employee services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**Financial instruments**

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

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# Orkney Islands Church of Scotland

## Notes forming part of the financial statements

For the year ended 31 December 2024

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Endowment Funds 2024 £	Total 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Endowment Funds 2023 £	Total 2023 £
<b>1. Donations and Legacies</b>								
Offerings	67,099	1,633		68,732	21,781			21,781
Tax recovered on Gift Aid	43,845	4,181		48,026	4,534			4,534
Candles	996			996				
Other	4,352	15,788		20,140	744			744
	<u>116,292</u>	<u>21,602</u>	<u>0</u>	<u>137,894</u>	<u>27,059</u>	<u>0</u>	<u>0</u>	<u>27,059</u>
<b>2. Income from charitable activities</b>								
Weddings and Funerals	3,720			3,720	640			640
Mums and Toddlers	277			277				
Guild events		2,703		2,703		1,912		1,912
St Magnus Centre	11,759			11,759				
King Street Halls	6,672			6,672				
	<u>22,428</u>	<u>2,703</u>	<u>0</u>	<u>25,131</u>	<u>640</u>	<u>1,912</u>	<u>0</u>	<u>2,552</u>
<b>3. Income from other trading activities</b>								
Rent Received from Hall Lets	3,139			3,139	1,462			1,462
Fundraising events	4,642	483		5,125	1,944			1,944
Other income	1,442			1,442				
	<u>9,223</u>	<u>483</u>	<u>0</u>	<u>9,706</u>	<u>3,406</u>	<u>0</u>	<u>0</u>	<u>3,406</u>
<b>4. Investment Income</b>								
Dividends received	2,569		395	2,964	463			463
Deposit interest	10,972	2,207		13,179				
	<u>13,541</u>	<u>2,207</u>	<u>395</u>	<u>16,143</u>	<u>463</u>	<u>0</u>	<u>0</u>	<u>463</u>
<b>5. Other Income</b>								
Receipts from General Trustees	2,400			2,400				
Transfer of Union Balance	2,685,813	355,625	93,857	3,135,295				
Wind turbine FIT/RHI	12,696			12,696				
Grants received	42,817			42,817				
	<u>2,743,726</u>	<u>355,625</u>	<u>93,857</u>	<u>3,193,208</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

# Orkney Islands Church of Scotland

## Notes forming part of the financial statements

For the year ended 31 December 2024	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Endowment Funds 2024 £	Total 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Endowment Funds 2023 £	Total 2023 £
<b>6. Analysis of Expenditure</b>								
<u>Raising Funds</u>								
Investment Manager's Fees	167	0	0	167	34	0	0	34
Offering Envelopes	167	0	0	167	34	0	0	34
<u>Charitable Activities</u>								
Giving to Grow Allocation	49,496			49,496	11,481			11,481
Presbytery Dues	2,292			2,292	1,090			1,090
Locum	7,419			7,419	1,200			1,200
Ministers' Expenses	5,676			5,676	114			114
Pulpit Supply	1,068			1,068	1,570			1,570
Other salary costs incl organist fees	13,358			13,358	5,590			5,590
St Magnus Centre	22,405			22,405				
King Street Halls	11,765			11,765				
Fabric Repairs & Maintenance	10,247			10,247	1,300			1,300
Other Church property costs	16,991			16,991	6,304			6,304
Other Manse costs	3,705			3,705				
Church Office Expenses	606			606	396			396
Organ & Music	925			925	681			681
Depreciation	8,507			8,507				
Wind turbine	4,963			4,963				
Other Expenses	5,101	1,350		6,451	249	345		594
	<u>164,524</u>	<u>1,350</u>	<u>0</u>	<u>165,874</u>	<u>29,975</u>	<u>345</u>	<u>0</u>	<u>30,320</u>

# Orkney Islands Church of Scotland

## Notes forming part of the financial statements

For the year ended 31 December 2024

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Endowment Funds 2024 £	Total 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Endowment Funds 2023 £	Total 2023 £
<b>6. Analysis of Expenditure cont'd</b>								
Grants and donations								
Malawi Partnership		16,690		16,690		50		50
Christian Aid	230			230				
Blythswood	500			500				
RNLI	99			99				
Farm Aid	55			55				
Orkney Blide Trust						50		50
Mary's Meals	200			200				
Clan Cancer Support		100		100		100		100
Hamnavoe Carers						50		50
Orkney Crossroads		50		50		100		100
Orkney Disability Forum						50		50
The Peedie Retreat						50		50
Guild projects		200		200		100		100
Leprosy Mission Scotland		50		50		50		50
Project Vine trust		100		100		100		100
Fellowship of Least Coin		40		40				
Malawi Music Project		50		50				
Age Concern		50		50				
Samaritans Orkney		50		50				
Blade Trust Orkney		50		50				
	1,084	17,430	0	18,514	0	550	0	550
<u>Governance costs</u>								
Audit fee	14,797			14,797	0	0	0	0
	14,797	0	0	14,797	0	0	0	0

Support costs have not been separately identified as the trustees consider there is only one charitable activity. Therefore support costs relate wholly to that activity and have not been separately identified.

**Notes forming part of the financial statements  
for the year ended 31 December 2024**

	2024	2023
	£	£
<b>7. Staff costs and numbers</b>		
Salaries and wages	26,059	4,350
Social security costs	0	0
Pensions	331	0
Total	<u>26,390</u>	<u>4,350</u>

The average number of employees during the year was as follows:

	2024	2023
	Number	Number
Ministerial support	0	0
St Magnus Centre	1	0
Music staff	1	0
Premises maintenance	1	1
	<u>3</u>	<u>1</u>

No employee had employee benefits in excess of £60,000 (2023 nil). The charity operates a defined contributions pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

All Church of Scotland congregations contribute to the National Stipend Fund which bears the costs of all ministers' stipends and employer's contributions for national insurance, pension and housing and loan fund. Ministers' stipends are paid in accordance with the national stipend scale, which is related to years of service. For the year under review the minimum stipend was £31,642 and the maximum stipend (in the tenth and subsequent years) £38,884.

**8. Trustee Remuneration and Related Party Transactions**

During the year one trustee was paid organist fees of £560 and one was paid £118 for pulpit supply. 11 trustees received reimbursement of expenses incurred (mileage, manse expenses, gutter cleaning, worship materials, postage and sundry expenses) totalling £1,263.

No trustee or a person related to a trustee had any personal interest in any contract or transaction entered into by the charity during the year.

During the year a total of £10,919 was donated to the congregation by trustees.

**Notes forming part of the financial statements  
for the year ended 31 December 2024**

**9. Tangible Fixed Assets**

	<b>Buildings</b>	<b>Plant and machinery</b>	<b>Computer Equipment</b>	<b>Church and Office equipment</b>	<b>Fixtures &amp; fittings</b>	<b>Assets under construction</b>	<b>Total</b>
<b>Cost</b>	£	£	£	£	£	£	£
At 1 January 2024	0	0	0	0	0	0	0
Additions	1,211,700	69,169	5,795	44,696	4,579	4,415	1,340,354
Disposals							
At 31 December 2024	<u>1,211,700</u>	<u>69,169</u>	<u>5,795</u>	<u>44,696</u>	<u>4,579</u>	<u>4,415</u>	<u>1,340,354</u>
<b>Accumulated Depreciation</b>							
At 1 January 2024	0	0	0	0	0	0	0
Charge for year	8,208	2,147	449	1,411	255	0	12,470
Eliminated on Disposals							
At 31 December 2024	<u>8,208</u>	<u>2,147</u>	<u>449</u>	<u>1,411</u>	<u>255</u>	<u>0</u>	<u>12,470</u>
<b>Net Book Value</b>							
At 31 December 2023	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
At 31 December 2024	<u>1,203,492</u>	<u>67,022</u>	<u>5,346</u>	<u>43,285</u>	<u>4,324</u>	<u>4,415</u>	<u>1,327,884</u>

Kirkwall East Manse has not been recognized in the financial statements as its original cost cannot be reliably measured.

**10. Debtors**

	<b>2024</b>	<b>2023</b>
	£	£
Gift Aid Tax Refund Due	24,884	4,614
Invoiced letting income	3,197	
Prepayments & accrued income	<u>17,430</u>	<u>0</u>
	<u>45,511</u>	<u>4,614</u>

**11. Investments**

	<b>2024</b>	<b>2023</b>
	£	£
Market value at 31 December 2023/2022	22,480	20,822
Investments transferred in on union	560,325	0
Unrealised gain / (loss) on investments	<u>12,292</u>	<u>1,658</u>
Market value at 31 December 2024/2023	<u>595,097</u>	<u>22,480</u>
Investments at cost	<u>402,744</u>	<u>7,405</u>

**Notes forming part of the financial statements  
for the year ended 31 December 2024**

**11 Cont'd**

The following investments are held:

64,931 units in Church of Scotland Investors Trust Growth Fund  
16,199 units in Church of Scotland Investors Trust Income Fund  
£1,676 in National Savings and Investments

**12. Cash at bank and in hand**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank balances	826,885	5,239
Short term deposits with Church of Scotland Investors Trust	469,053	10,000
Cash in hand	1,916	0
	<u>1,297,854</u>	<u>15,239</u>

**13. Creditors**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade creditors	24,003	0
Accruals	17,031	2,425
Deferred income	9,090	0
Other	3,062	0
	<u>53,186</u>	<u>2,425</u>

Deferred income all arose during the year and comprises wedding deposits received and prepaid rent for the St Magnus Centre.

**14. Analysis of Net Assets Among Funds**

	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	647,489	1,188,731	23,841	62,920	1,922,981
Current Assets	641,001	343,177	334,687	32,318	1,351,183
Current Liabilities	<u>(46,984)</u>	<u>(6,202)</u>	<u>          </u>	<u>          </u>	<u>(53,186)</u>
<b>Net assets at 31 Dec 2024</b>	<u><b>1,241,506</b></u>	<u><b>1,525,706</b></u>	<u><b>358,528</b></u>	<u><b>95,238</b></u>	<u><b>3,220,978</b></u>
	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	0				0
Current Assets	42,053		280		42,333
Current Liabilities	<u>(2,425)</u>	<u>          </u>	<u>0</u>	<u>          </u>	<u>(2,425)</u>
<b>Net assets at 31 Dec 2023</b>	<u><b>39,628</b></u>	<u><b>0</b></u>	<u><b>280</b></u>	<u><b>0</b></u>	<u><b>39,908</b></u>

**Notes forming part of the financial statements  
for the year ended 31 December 2024**

**15. Volunteers**

In common with all congregations of the Church of Scotland the congregation benefits from the contribution made by volunteers who give their time and talents willingly for the benefit of the Church. The areas of congregational life which rely on the contribution of volunteers are many and varied and much of the activity would be unable to continue were it not for the commitment shown.

**16. Movements in Funds**

	At 1 Jan 2024 £	Income £	Expenditure £	Transfers £	At 31 Dec 2024 £
<b>Endowment funds</b>					
East Mainland Brechin		5,500			5,500
East Mainland Gorn		22,240			22,240
Cathedral Meil bequest		4,279			4,279
Eday Cpt J Swan memorial		300			300
Stronsay – Cooper, Chalmers		23,234		(145)	23,089
Stronsay–Moncur, Spence, Shearer		40,080		(250)	39,830
	0	95,633	0	(395)	95,238
<b>Restricted funds</b>					
Cathedral Guild		1,444	(360)		1,084
East Mainland Carpeting fund		17	0	(17)	0
East Mainland disabled access		51	0	(51)	0
East Mainland fabric fund		30,226	0	68	30,294
East Mainland Guild		1,804	(212)	(500)	1,092
East Mainland organ fund		2,024			2,024
East Mainland Parishioners Fund		1,236			1,236
Eday Stewart bequest		28,362			28,362
Kirkwall East maintenance		84,430		(3,130)	81,300
Malawi Partnership		21,853	(16,690)	50	5,213
Milestone Guild		2,290	(106)		2,184
Milestone messy kirk		406			406
Milestone Scarth memorial		171			171
North isles		313		(313)	0
North Ronaldsay Stewart bequest		28,462	(454)		28,008
Papa Westray Stewart bequest		28,461			28,461
Rousay Stewart bequest		28,461			28,461
Sanday Guild		397	(10)		387
Sanday music		1,542			1,542
Sanday Stewart bequest		23,462		(1,600)	21,862
Shapinsay Flower		61			61
Shapinsay Reflective Routes		1,315	(166)	(1,149)	0
Shapinsay reflective Space maintenance		2,000		1,149	3,149
Shapinsay Stewart bequest		23,076			23,076
South Ronaldsay & Burray guild		405	(42)		363
South Ronaldsay & Burray bible		109			109
South Ronaldsay & Burray youth		679			679
Stromness guild	280	1,301	(710)	(550)	322
Stronsay music		2,293			2,293
Stronsay property maintenance		5,600		250	5,850
Stronsay Stewart bequest		28,462			28,462
Westray guild		3,536	(30)		3,506
Westray Stewart bequest		28,572			28,572
	280	382,821	(18,780)	(5,793)	358,528

**Notes forming part of the financial statements  
for the year ended 31 December 2024**

**16. Cont'd**

**Unrestricted funds**

Cathedral candle		996			996
Cathedral Choir		37,484	(177)		37,307
Cathedral Toddlers		2,280	(442)		1,838
St Magnus Centre		779,570	(26,653)		752,917
Eday designated fabric		14,538			14,538
Hoy & Walls designated fabric		139		(139)	0
King Street Halls		577,020	(14,707)	4,929	567,242
Kirkwall East designated fabric		4,904			4,904
Kirkwall East designated outreach		6,046			6,046
Kirkwall East designated social committee		3,526			3,526
Milestone designated management committee		8,806	(650)		8,156
Milestone designated mission		126			126
Milestone designated Traidcraft		911	(696)		215
Orphir designated fabric		1,747		(1,747)	0
Orphir designated memorial		4,424		(4,424)	0
Orphir designated organ		1,438		(1,438)	0
Orphir designated reserve		16,714			16,714
Papay designated fabric		2,200			2,200
Papay designated turbine		10,000	(2,023)		7,977
Rousay designated fabric		4,487		(4,487)	0
Rousay designated fabric Guild		3,732		(3,732)	0
Sanday designated fabric		131,400		(131,400)	0
Shapinsay designated fabric		3,534			3,534
Stronsay designated fabric		40,827			40,827
Westray designated fabric		56,643			56,643
General fund Stromness	39,628	25,304	(27,644)	(37,288)	0
General Fund		1,177,124	(121,532)	185,914	1,241,506
	<u>39,628</u>	<u>2,915,920</u>	<u>(194,524)</u>	<u>6,188</u>	<u>2,767,212</u>
<b>Total funds</b>	<u>39,908</u>	<u>3,394,374</u>	<u>(213,304)</u>	<u>0</u>	<u>3,220,978</u>
	<b>At 1 Jan</b>				<b>At 31 Dec</b>
	<b>2023</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Endowment funds</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Restricted funds</b>					
Stromness Guild	363	1,912	(895)	(1,100)	280
<b>Unrestricted funds</b>					
General Fund	<u>36,273</u>	<u>32,264</u>	<u>(30,009)</u>	<u>1,100</u>	<u>39,628</u>
<b>Total funds</b>	<u>36,636</u>	<u>34,176</u>	<u>(30,904)</u>	<u>0</u>	<u>39,908</u>

## Notes forming part of the financial statements for the year ended 31 December 2024

### 16. Cont'd

Transfers from the Endowment funds represent interest received used for Stronsay buildings upkeep and general congregational purposes which was spent by the General Fund.

Transfers from the Restricted funds represent Guild donations (£1,050) to the General fund together with reimbursement of the General fund for fabric maintenance (Kirkwall East maintenance) and general congregational purposes within Sanday church (Sanday Stewart bequest)

#### **Purposes of Endowment Funds**

Income from the East Mainland Brechin Bequest is to be used for general running costs

Income from the East Mainland Gorn bequest is to be used for general running costs

Income from the Captain John Swan Memorial bequest is to be used for the benefit of the parish in Eday.

Income from the Meil bequest may be used for general purposes.

Income from the Cooper, Chalmers, Groat, Smith, Spence, Peace and Twatt Bequests is to be used for general Stronsay congregational purposes

Income from the Moncur, Spence and Shearer Bequest is to be used for the upkeep of the Stronsay church, hall, manse and grounds.

#### **Purposes of Restricted Funds**

The Guild funds are to be used for the purposes of the relevant guild.

The Stewart Bequests are to be used for the furtherance of the gospel, pastoral care, Christian education and missionary outreach within the respective parishes of Eday, Westray, Papa Westray, Rousay, Sanday, Stronsay, Shapinsay and North Ronaldsay

The East Mainland fabric fund is for upkeep of the kirk and manse.

The East Mainland organ fund is for purchase and maintenance of all aspects of music related to worship.

The East Mainland Parishioners fund is for distribution to parishioners at Christmas.

The Kirkwall East Fair Trade fund is for promotion of fair trade practices

The Kirkwall East maintenance fund is a fund administered to a "Life Cycle Works" scheme for King Street Halls

The Malawi Partnership fund is for supporting Thyolo Presbytery in Malawi with various charitable projects under a partnership agreement

The Milestone messy kirk fund is for Messy kirk use.

The Scarth Memorial fund is for provision of flowers in Milestone church

The north isles fund is for supporting the mission work of Westray, Stronsay and other Outer North Isles churches.

The Sanday music fund is for upkeep of the organ and purchase of music.

The Shapinsay Flower Fund is to provide flowers for display during worship

The Shapinsay Reflective Routes fund is for a wellbeing project producing a booklet of walks, which has been completed.

The Shapinsay Reflective Space maintenance fund is for maintenance of the space

South Ronaldsay & Burray bible fund is for the purchase of new bibles

South Ronaldsay & Burray youth fund is for youth projects.

The Stronsay music fund is for providing music resources and to contribute towards the cost of a replacement organ

The Stronsay property maintenance fund is for the maintenance of the Stronsay Church and manse.

**Notes forming part of the financial statements  
for the year ended 31 December 2024**

**16. Cont'd**

**Purposes of Designated Funds**

Fabric: The Trustees have set aside funds for the maintenance of the respective church properties.

Cathedral Candle fund is for distribution to good causes

Cathedral choir fund is for the use of the Cathedral choir

Cathedral Toddlers is for the mothers and toddlers group

St Magnus Centre is for the operation of the Centre as outreach into the community

Kirkwall East social committee fund is for involving the wider congregation in social and charitable activities

Kirkwall East designated outreach is for outreach activities

King Street Halls is for the operation of the King Street Halls as outreach into the community

Milestone mission fund is for mission

Milestone Traidcraft fund is for Traidcraft West

Milestone management committee fund is for the committee's use in relation to the church building

Orphir memorial fund is for memorials.

Orphir organ fund is for maintenance of Orphir's organ

Orphir reserve fund is set aside for unforeseen requirements

Papay turbine fund is for maintenance of the turbine for Papa Westray's church

**17. Collections for Third Parties**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Christian Aid	1,532	768
DEC Earthquake appeal		334
Orkney Foodbank	1,789	100
ShelterBox		771
Orkney Presbytery Malawi Fund		16
Farm Africa	65	
RSAIB	232	
Blythswood	30	
Poppy Scotland	57	
Royal British Legion Scotland	429	
GoGo Olive	80	
Soma's Light	410	
Westray Inter-kirk Ecumenical Fund	464	
Christian Blind Mission	130	
Water Aid	201	
Westray & Papay pastoral fund	70	
	<hr/> 5,489 <hr/>	<hr/> 1,989 <hr/>

**18. Cash generated from operations**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	3,181,070	4,234
<b>Adjustments for:</b>		
Depreciation	12,470	0
Non cash balances transferred on union	(1,837,827)	
Investment income recognized in statement of financial activities	(28,435)	(2,121)
Movements in working capital:		
(Increase)/decrease in stocks	(694)	0
(Increase) in debtors	(39,418)	2,168
(Decrease) in creditors	36,809	(4,545)
<b>Cash generated from operations</b>	<u>1,323,975</u>	<u>(264)</u>

**19. Analysis of net assets acquired on union at 1/10/24**

	<b>Assets acquired</b>
	<b>£</b>
Fixed assets	1,282,851
Current assets	1,852,445
Current liabilities	<u>0</u>
Total net assets acquired on union	<u>3,135,296</u>

**20. Capital commitments**

As at 31 December 2024, the charity had entered into a capital commitment to purchase solar PV panels for Birsay Harray and Sandwich church totalling £44,029.

**FUNDS HELD ON BEHALF OF THE CONGREGATION  
BY THE CHURCH OF SCOTLAND GENERAL TRUSTEES**

<u>CAPITAL ACCOUNT</u>	2024 £	2023 £
Credit Balances held at 31 December at cost	<u>1,078,302</u>	<u>0</u>
Market Value of Balances at 31 December	<u>1,096,974</u>	<u>0</u>
<u>REVENUE ACCOUNT</u>		
Credit Balance at 31 December	<u>233,505</u>	<u>0</u>
<u>TEMPORARY ACCOUNT</u>		
Credit Balance at 31 December	<u>341,172</u>	<u>291,364</u>