

St Machar's Cathedral Parish Church of Scotland Aberdeen

Scotland · Charity number SC008157

Details

Status	Active
Legal form	Unincorporated association
Part of	The Church of Scotland (SC011353)
Registered	1888-03-19
Register	View on the OSCR register

Contact

Address The Chanonry
Aberdeen
AB24 1RQ

Website www.stmachar.com

Activities

Activities: 'It carries out activities or services itself'

Purposes: 'the advancement of religion'

What the charity does: The Church's main purpose is to lead worship through weekly services and regular specific dates in the Christian Calendar. The Charity has an outreach programme with events and collections for local and international charities. The Charity is committed to opening it's doors to the public 365 days a year for personal reflection, as a tourist attraction, family history research or attending concerts and runs a biodiversity programme in the kirkyard in partnership with the local authority.

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

Objectives: The advancement of religion.

Geography

- **Main operating location:** Aberdeen
- **Geographical spread:** Wider, but within one local authority area

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£376,689	£391,260	-	13
2024-12-31	£281,987	£325,551	-	13
2023-12-31	£932,052	£330,453	-	13
2022-12-31	£199,732	£288,856	-	15
2021-12-31	£415,241	£830,426	-	16
2020-12-31	£612,225	£1,187,855	-	14

St Machar-s Cathedral Parish Church of Scotland Aberdeen

Scotland - Charity number SC008157

Accounts

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

**CONGREGATION NUMBER: 311927
SCOTTISH CHARITY NUMBER: SC008157**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

**MHA
CHARTERED ACCOUNTANTS
12 CARDEN PLACE
ABERDEEN
AB10 1UR**

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

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ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report and financial statements for the year ended 31 December 2025. During the year 2025, a Union was effected between St Machar's Cathedral and St Mary's Church King Street, Aberdeen. While the Union was marked on 29th June with a joint service of union held in St Machar's Cathedral, the congregation of St Mary's had been unable to worship in the church building which had been declared unsafe before the turn of the year. The union was supported unanimously by both Kirk Sessions, and the proposal to unite was the subject of separate votes of both congregations and was passed by large majorities. St Mary's congregation had a further vote by which they accepted that the Rev Sarah Brown be the minister of the united congregation, that it continue under the name of St Machar's Cathedral, and that all worship be carried out in St Machar's Cathedral. All references to St Machar's Cathedral worship and witness in this report will mean, unless the context prescribes otherwise, both the pre and post union St Machar's Cathedral.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Articles and Memorandum of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

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.

Achievements and Performance

The church's main purpose is to lead worship. Weekly services are held in St Machar's Cathedral every Sunday, with the morning service at 11am continuing to attract congregations in excess of one hundred. Communion is served on the last Sunday of each month, and on Easter Sunday, Pentecost and Christmas Day.

Evening services are held at 6pm. It attracts a smaller congregation and is a more contemplative service, where Communion is usually served.

All services are normally conducted by our Minister, Rev Sarah Brown. During her annual leave or other absences, we have been fortunate to have the willing support of several gifted preachers who are either members of the congregation or friends of this place.

In addition to the weekly services, worship is held to mark specific dates in the Christian calendar, or to mark public events. Throughout Holy Week daily services are held, while at Christmas, the Christingle Service, held early in the evening of Christmas Eve, and the Service of Lessons and Carols at 11pm are established features of our worship. In addition, special services are held regularly to mark public events.

The biggest issue to be faced in 2025 was the Union between St Mary's and St Machar's, effected in June 2025. Discussions on a proposed Union had begun towards the end of 2024 but were hastened by a survey of the St Mary's church and buildings which reached the conclusion that the buildings were unsafe and were no longer capable of use for worship or any other purposes. The church was closed in February 2025. The buildings and the site were taken into the guardianship of the Church of Scotland General Trustees, with the intention that they be sold on the open market.

The Union between St Machar's and St Mary's, following on from the Union three years earlier with St George's, underlined further the challenges of a greatly extended parish, with a range of pastoral outreach and mission needs. We are pleased to say that at the end of the year we were given permission (and the necessary funds) to recruit an Associate Minister, a large part of whose duties will be focused on mission in the former parishes of St George's and St Mary's. At the time of writing, we have now successfully completed the recruitment process and await the arrival of the successful candidate.

Christian education continues to be addressed through holding of monthly Bible Study sessions and by classes for prospective new members.

Sadly, the Sunday School has had a disappointing year as we do not have a regular supply of children attending on Sunday mornings. We have a team of experienced and able leaders, and we will examine ways in which we might attract families with children.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

The Education Officer has continued to receive educational visits throughout the year. School visits predominated. Primary school numbers were a little down this year but that was offset by an increase in Secondary numbers. There were also visits from North East Scotland College and from Aberdeen University. Two Family Fun Days and two Welcome sessions for new students were held.

The Biodiversity project in the graveyard continued to get national recognition as an example of good environmental practice and the Gardening Group continue to offer the community a chance to be involved in the maintenance of the Graveyard and to develop their skills and awareness of eco-friendly practice.

The future use of the former St George's building remains unresolved. At the beginning of the year, the General Trustees were attempting to recover vacant possession from the occupants who had had a short term agreement. Their concern was based on a troubling survey carried out in 2024 which concluded that the building was unsafe, and with the cost of repair estimated as very high, the General Trustees and the Kirk Session agreed that the building ought to be immediately vacated and sold on the open market as soon as possible. That survey however was contradicted by a subsequent survey later in 2025. On the basis of the second survey, there is now a possibility of an off market sale to the current occupying group. The resolution of this long-standing issue is a priority for all concerned in 2026.

The Old Aberdeen Parish Grouping, set up under the Presbytery Mission Plan, has not featured this year. The union between St Machar's and St George's means that the only remaining members are St Machar's, St Stephen's and Bridge of Don Oldmachar. The pressure of work generated by the unions has meant that the formation of the Grouping has taken a back seat for the moment.

Music continues to be central to our worship and to the life of St Machar's. 2025 was the first complete year under the musical direction of Stuart Muir. The quality of singing in the choir continues to impress, and it means that morning worship singing is always a major feature of services. We continue to have the services of eight Choral Scholars, whose presence is supported thanks to a generous legacy from a previous Director of Music.

Outreach continues to be a major feature of the life of the congregation. Fund raising continued for our two nominated charities, Médecins Sans Frontières and Big Noise Torry. They received sums collected at special Christmas Services and from the proceeds of social activities such as the Poetry Afternoon held in October. We also continued to support the foodbanks at Instant Neighbour and the St Vincent de Paul Society through our Food Appeals held in Lent, in the weeks leading up to the Harvest Festival and over Christmas. We are also keen participants in Christian Aid Week in May of each year, and in 2025 we collected money through the distribution of envelopes, the holding of a Bread and Cheese Lunch, and our always popular Plant Exchange and Sale.

At St Machar's we are always aware that while we are first and foremost a worshipping church, we are many other things as well - a major tourist attraction, a performance venue and a place of unique peace and beauty. We are proud of the fact that we have been able to open every day of the year, and provide a welcome to a variety of visitors from all over the world. Some come looking to learn more of the history of the area, some to attend concerts and some simply to enjoy the peace and beauty of the building. They are all welcome and we seek to provide tours and activities to meet their needs.

Over the year, more than 40,000 visitors were received and many of them came on Cruise ships. We are seeking to increase our income from that source by the negotiation of a set fee per coach. This will not affect the free access by individuals but will help us deal appropriately with coach visitors during busy periods.

The Education Officer, had another busy year, hosting visits from school parties, both primary and secondary. During 2025, 1524 pupils visited the Cathedral. In addition, the Education Officer continues to work with project groups such as the Gardening Group, working in partnership with the City Council to promote Biodiversity in the graveyard.

All of these activities would not be possible without the enthusiastic and loyal support of a large number of volunteers who are on hand to help welcome visitors, to prepare materials and to make the Cathedral able to operate as a very popular place for visitors, whatever they are seeking. We are much in their debt.

Financial review

During the period under review, total incoming resources were £376,689 (2024 - £281,987) of which £39,545 was for restricted funds. Total expenditure for the year was £391,260 (2024 - £325,551) of which £49,649 was from restricted funds. Net expenditure for the year before gains and losses on investments was £14,571 (2024 - £43,564 net expenditure).

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Financial review (continued)

The principal regular source of income for the Cathedral remains voluntary giving by members, and the main expenditure the remittance of funds to the national church which increased this year following the union with St Mary's Church.

Fabric repairs increased substantially this year and include the design and installation of a new lighting system for £12,000 and external works to repair water ingress to the south and east elevations, the central aisle and both towers at a cost of £33,267 (including architect management fee).

The reserves position in both unrestricted and restricted funds remains healthy.

Investment policy and performance

The majority of the charity's investments are held in Church of Scotland Investors Trust funds.

The Church of Scotland Investors Trust provides three funds for investors which offer a simple and economical medium for the investment of monies. The charity has decided to invest in two of the funds: the Growth Fund and the Income Fund. The Growth Fund is largely equity based and is intended for long-term investment. The fund is operated on a unitised basis and aims to provide capital growth. The Income Fund is intended for medium-term investment and aims to provide immediate high income with funds invested predominantly in fixed-interest securities and operated on a unitised basis. Units in both funds can be purchased or sold monthly.

Risk management

The Kirk Session is aware of its responsibilities for the safeguarding of the church's assets and receives regular reports, in the form of management accounts, in order to identify any trends which might, if undetected, threaten the stability of our financial position. In particular, the following areas of risk have been identified as priorities for action and these are set out here with the proposed mitigation measures:

(a) Structure of Building

The Cathedral is, as already stated, the oldest occupied building in Aberdeen. Its maintenance and repair can on occasions be very expensive and no contributions are received from central or local government or any other external source. The Kirk Session addresses this risk through the Fabrics Committee, which oversees an annual programme of repair and renewal.

The major risks attaching to the building fabric were contained within the contract for the refurbishment of the roof, stained glass windows and ceiling. Although the contract termination date was some time ago, most of the year was covered by the Defects Liability period, during which the major contractors bore much of the risk for the integrity of the roof etc. But no major problems were encountered and the retention has now been released, with the happy result that all expenditure came within budget.

In addition, a sum of £64,567 was spent on repairs and maintenance of the Cathedral and other associated buildings.

(b) Former St George's Church Tillydrone

At the beginning of the year, the expectation was that we would recover vacant possession and by that time the General Trustees would have put the property on the market. But by the end of the year, the conclusions of the survey which had suggested the building was unsafe had been disputed, and the current view is that the property can be occupied. There is a possibility that the current occupants may be allowed to purchase the building. Until this is resolved, there remain maintenance and insurance risks associated with the building and a reputational risk to the church if the building was to be sold off for another use.

(c) Voluntary Giving

Weekly giving by worshippers at the Cathedral makes up over half of its annual income. It is important therefore that giving levels are maintained and keep pace with inflation. To that end, the budget for 2026 and subsequent years will continue to be set at increased but achievable levels and the Session will, through its Finance and Personnel Committee, monitor very closely performance against budget and be prepared to take initiatives to increase levels of giving if necessary. Such measures will include maximisation of drawdown of Gift Aid.

(d) Health and Safety

The Session receives and reviews updates on Health and Safety matters through its appointed Health and Safety Co-ordinator.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Risk management (continued)

(e) General Data Protection Regulations

The Kirk Session continues to consider and review its duties in terms of the General Data Protection Regulations and in January 2023 reviewed and readopted its Data Protection Policy and Privacy Statement.

(f) Safeguarding

The Kirk Session continues to have oversight of the Safeguarding needs of the church. A Safeguarding Co-ordinator is appointed, and there is a Safeguarding Panel. During 2025 the Kirk Session carried out a comprehensive review of its Annual Safeguarding Audit, and elders are regularly reminded of training opportunities.

Reserves policy

At the end of the year the Church held unrestricted reserves of £966,441 (2024 - £933,136).

The Church held restricted reserves of £852,129 (2024 - £810,104) which have been provided for the purposes specified in Note 16 to the financial statements.

Structure, governance and management

The congregation is a registered charity, number SC008157 and is administered in accordance with the terms of the Model Deed of Constitution (Unitary Form). It 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 are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by the Presbytery. Within the unitary framework, the Kirk Session is responsible for the management of the church's assets and for spiritual matters within the church. The Kirk Session meets at least eight times a year.

Reference and administrative information

Charity name:	St Machar's Cathedral Parish Church of Scotland Aberdeen
Congregation number:	311906
Charity registration number:	SC008157
Operational address:	Cathedral Office The Chanonry Aberdeen AB24 1RQ

Trustees

Trustees, which include the principal office bearers, who served since 1 January 2025 were:

Kirk Session

David Birse	Rev. Sarah Brown	Dr Shona Buxton
Jane Cameron (to February 2025)	Sheila Cameron	William Cameron (to June 2025)
Cameron Campbell	Alexis Darg	John Fraser (to September 2025)
Kathleen Fraser	Alan Grant	Prof. David Hewitt
Janice Hutchinson (from June 2025)	Jonathan Le Poidevin	Patricia Le Poidevin
Muriel Love (to June 2025)	Lesley Macnab	Sandra Massey
Jan McRobbie	Catherine Mason	Ian Munro
Shona Mutch	Judith Norton (to June 2025)	Fola Omidiji
Daniel Pedersen	Alexander Riddell	Elsbeth Ross
Valerie Sinclair	Helen Stephen	Peter Stephen
Michael Strachan	Christiane Taylor	Valerie Thomas
Rev. Prof. Philip Ziegler		

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Principal Office Bearers

Reverend Sarah Brown	Minister
Alan Grant	Session Clerk
-	Associate Session Clerk
Sandra Massey	Treasurer

Independent Examiner

William D Anderson, Chartered Accountant, MHA, 12 Carden Place, Aberdeen, AB10 1UR

Bankers

Bank of Scotland plc, 48 Upperkirkgate, Aberdeen, AB10 1BA

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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 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, *24th March 2026*



Alan Grant
Session Clerk

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN



FOR THE YEAR ENDED 31 DECEMBER 2025

I report on the accounts of the charity for the year ended 31 December 2025 set out on pages 9 to 23.

Respective responsibilities of trustees and independent examiner

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

The Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

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

A handwritten signature in cursive script that reads 'William D Anderson'.

William D Anderson
Chartered Accountant
For and on behalf of MHA
Aberdeen

25 March 2026

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership based in England and Wales (registered number OC455542).

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
Donations and legacies	3	149,194	12,003	161,197	123,027	20,415	143,442
Charitable activities	4	99,925	-	99,925	82,817	-	82,817
Investments	5	30,877	26,729	57,606	26,786	21,539	48,325
Other	6	<u>57,148</u>	<u>813</u>	<u>57,961</u>	<u>7,403</u>	<u>-</u>	<u>7,403</u>
Total income		<u>337,144</u>	<u>39,545</u>	<u>376,689</u>	<u>240,033</u>	<u>41,954</u>	<u>281,987</u>
Expenditure on:							
Raising funds	7	72,063	-	72,063	70,220	-	70,220
Charitable activities		<u>269,548</u>	<u>49,649</u>	<u>319,197</u>	<u>208,760</u>	<u>46,571</u>	<u>255,331</u>
Total expenditure		<u>341,611</u>	<u>49,649</u>	<u>391,260</u>	<u>278,980</u>	<u>46,571</u>	<u>325,551</u>
Net (expenditure)/income before gains and losses on investments		(4,467)	(10,104)	(14,571)	(38,947)	(4,617)	(43,564)
Net gains on investments	8	<u>46,364</u>	<u>43,537</u>	<u>89,901</u>	<u>36,929</u>	<u>41,358</u>	<u>78,287</u>
Net (expenditure)/income		41,897	33,433	75,330	(2,018)	36,741	34,723
Transfers between funds		<u>(8,592)</u>	<u>8,592</u>	<u>-</u>	<u>(8,168)</u>	<u>8,168</u>	<u>-</u>
Net movement in funds		33,305	42,025	75,330	(10,186)	44,909	34,723
Funds brought forward	16	<u>933,136</u>	<u>810,104</u>	<u>1,743,240</u>	<u>943,322</u>	<u>765,195</u>	<u>1,708,517</u>
Funds carried forward	16	<u>966,441</u>	<u>852,129</u>	<u>1,818,570</u>	<u>933,136</u>	<u>810,104</u>	<u>1,743,240</u>


ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Note	Total 2025 £	Total 2024 £
Fixed assets:			
Tangible assets	11	-	-
Investments	12	<u>1,604,542</u>	<u>1,461,589</u>
Total fixed assets		<u>1,604,542</u>	<u>1,461,589</u>
Current assets:			
Debtors	13	36,929	33,216
Cash at bank and in hand		<u>212,751</u>	<u>281,762</u>
Total current assets		249,680	314,978
Liabilities:			
Creditors falling due within one year	14	<u>(35,652)</u>	<u>(33,327)</u>
Net current assets		<u>214,028</u>	<u>281,651</u>
Net assets	15	<u>1,818,570</u>	<u>1,743,240</u>
The funds of the charity:			
Restricted	16	852,129	810,104
Unrestricted	16	<u>966,441</u>	<u>933,136</u>
Total charity funds		<u>1,818,570</u>	<u>1,743,240</u>

The accounts were approved by the Trustees on *24th March* 2026 and signed on their behalf by:


Alan Grant
Session Clerk


Sandra Massey
Treasurer

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Total 2025 £	Total 2024 £
Net cash used in operating activities	19	<u>(73,565)</u>	<u>521,110</u>
Cash flows from investing activities			
Interest and dividends		57,606	48,325
Purchase of fixed assets		(53,052)	(459,981)
Proceeds from sale of investments		<u>-</u>	<u>-</u>
Net cash provided by investing activities		<u>4,554</u>	<u>(411,656)</u>
Cash flows from financing activities			
Advanced		-	-
Repayment of borrowings		<u>-</u>	<u>-</u>
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the year		(69,011)	109,454
Cash and cash equivalents brought forward		<u>281,762</u>	<u>172,308</u>
Cash and cash equivalents carried forward		<u>212,751</u>	<u>281,762</u>

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2025

1. 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.

(a) Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

(b) Going concern

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

(c) 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.
- 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. The designation has an administrative purpose only and does not legally restrict the Trustees' discretion to apply the fund.

(d) 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.

Receipt of a legacy is recognised when it is probable that it will be received. Receipt is normally probable when there has been grant of confirmation, the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy and any conditions attached to the legacy are either within the control of the charity or have been met.

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 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.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

(e) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure can be classified under the following activity headings:

- Costs of raising funds comprise the costs of weekly offering envelopes and the direct costs associated with fundraising events.
- Expenditure on charitable activities includes all other costs associated with the running of the charity to further its purposes and the associated support costs

(f) Tangible fixed assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church, halls, gatehouses 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.

(g) Operating leases

The charity classifies the lease of printing equipment as an operating lease; the title to the equipment remains with the lessor and equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years.

Rental charges are charged on a straight line basis over the period of the lease.

(h) 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.

(i) Taxation

St Machar's Cathedral Parish Church of Scotland Aberdeen, 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.

(j) Cash and cash equivalents

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

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

(k) 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 foundation 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 receipts 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 foundation's contractual obligations expire or are discharged or cancelled.

(l) Retirement benefits

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

2. Critical accounting estimates and judgements

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

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

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2025

3. Donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Offerings	99,252	-	99,252	90,088	-	90,088
National Giving Day income	7,347	-	7,347	3,552	-	3,552
Tax recovered on gift aid	26,305	-	26,305	23,812	-	23,812
Legacies	4,000	-	4,000	-	-	-
Grants	6,742	7,953	14,695	3,018	7,415	10,433
Endowment income	3,356	-	3,356	2,557	-	2,557
Poor funds	-	4,050	4,050	-	13,000	13,000
Other income	2,192	-	2,192	-	-	-
	<u>149,194</u>	<u>12,003</u>	<u>161,197</u>	<u>123,027</u>	<u>20,415</u>	<u>143,442</u>

4. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Weddings	7,425	-	7,425	2,350	-	2,350
Use of premises	39,959	-	39,959	44,141	-	44,141
Outreach surplus	17,071	-	17,071	8,694	-	8,694
Tour and coach visits	11,560	-	11,560	1,668	-	1,668
Tourist collection box	23,910	-	23,910	25,964	-	25,964
	<u>99,925</u>	<u>-</u>	<u>99,925</u>	<u>82,817</u>	<u>-</u>	<u>82,817</u>

5. Investment income

	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Investment dividends	30,303	26,380	56,683	25,014	20,346	45,360
Deposit interest	574	349	923	1,772	1,193	2,965
	<u>30,877</u>	<u>26,729</u>	<u>57,606</u>	<u>26,786</u>	<u>21,539</u>	<u>48,325</u>

6. Other income

	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Receipts from General Trustees	-	-	-	7,403	-	7,403
Transfer of union balance	57,148	813	57,961	-	-	-
	<u>57,148</u>	<u>813</u>	<u>57,961</u>	<u>7,403</u>	<u>-</u>	<u>7,403</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

7. Analysis of expenditure

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Raising funds						
Offering envelopes and stewardship	120	-	120	254	-	254
Tourist brochures and translations	-	-	-	2,841	-	2,841
Salaries – beadles	27,408	-	27,408	26,315	-	26,315
Heat, light and water rates	14,403	-	14,403	15,046	-	15,046
Hall running costs	16,358	-	16,358	13,936	-	13,936
Weddings: locum ministers and organist	1,700	-	1,700	240	-	240
Performing Rights charges	368	-	368	745	-	745
Administrative expenditure	<u>11,706</u>	<u>-</u>	<u>11,706</u>	<u>10,843</u>	<u>-</u>	<u>10,843</u>
	<u>72,063</u>	<u>-</u>	<u>72,063</u>	<u>70,220</u>	<u>-</u>	<u>70,220</u>
Charitable activities						
Ministries and Mission allocation	104,436	-	104,436	82,353	-	82,353
Presbytery dues	<u>4,626</u>	<u>-</u>	<u>4,626</u>	<u>3,869</u>	<u>-</u>	<u>3,869</u>
	109,062	-	109,062	86,222	-	86,222
Minister's expenses and pulpit supply	4,695	-	4,695	4,982	-	4,982
Salaries – beadles	10,963	-	10,963	10,526	-	10,526
Salaries – music	-	25,295	25,295	-	22,814	22,814
Fabric repairs and maintenance	64,567	-	64,567	19,133	-	19,133
Council tax	2,441	-	2,441	3,075	-	3,075
Business rates	13,073	-	13,073	-	-	-
Heat, light and water rates	15,139	-	15,139	20,915	-	20,915
Insurance	17,588	-	17,588	15,449	-	15,449
Security systems	2,667	-	2,667	10,653	-	10,653
Administrative expenditure	17,559	-	17,559	16,264	-	16,264
Advertising	286	-	286	1,245	-	1,245
Organ expenditure	-	3,478	3,478	-	2,653	2,563
Music	-	2,383	2,383	-	358	358
Sunday school expenses	-	-	-	74	-	74
Communion and other expenses	466	-	466	2,573	-	2,573
Donations	47	-	47	-	-	-
Poor fund payment	-	2,901	2,901	-	5,605	5,605
Auditor's fee	-	-	-	3,660	-	3,660
Independent examiner's fee	8,952	-	8,952	8,040	-	8,040
Outreach & education expenses	2,043	15,592	17,635	5,187	15,141	20,328
Iona Youth Festival trip	<u>-</u>	<u>-</u>	<u>-</u>	<u>762</u>	<u>-</u>	<u>762</u>
	<u>269,548</u>	<u>49,649</u>	<u>319,197</u>	<u>208,760</u>	<u>46,571</u>	<u>255,331</u>
Total	<u>341,611</u>	<u>49,649</u>	<u>391,260</u>	<u>278,980</u>	<u>46,571</u>	<u>325,551</u>

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.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

8. Net gains/(losses) on investments

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Realised gain/(loss) on investments	-	-	-	-	-	-
Unrealised gain/(loss) on investments	<u>46,364</u>	<u>43,537</u>	<u>89,901</u>	<u>36,929</u>	<u>41,358</u>	<u>78,287</u>
	<u>46,364</u>	<u>43,537</u>	<u>89,901</u>	<u>36,929</u>	<u>41,358</u>	<u>78,287</u>

9. Staff costs and numbers

	2025 £	2024 £
Salaries – secretary and beadles	60,689	57,882
Salaries – music	25,295	22,814
Salaries – education and outreach workers	<u>15,592</u>	<u>15,141</u>
	<u>101,576</u>	<u>95,837</u>

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

	Number	Number
Administration	1	1
Beadles	3	4
Music	8	7
Education and Outreach	<u>1</u>	<u>1</u>
	<u>13</u>	<u>13</u>

No employee had employee benefits in excess of £60,000 (2024 - £60,000).

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 £32,433 and the maximum stipend (in the fifth and subsequent years) was £39,856.

10. Trustee remuneration and related party transactions

During the year eight Trustees received reimbursement of expenses incurred totalling £9,707 and one Trustee received payments for pulpit supply services totalling £400.

During the year a total of £28,678, excluding Gift Aid, was donated to the Congregation by Trustees.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

11. Tangible fixed assets

Following investigation the Trustees have now been able to establish that the property known as Dunbar Street Hall is held by the Trustees on behalf of the Congregation. The land on which this property was built over 100 years ago was granted to the Congregation in order to build the hall, subject to many onerous conditions which have now expired as a result of recent legislation. Accordingly, the Trustees are of the opinion that this land will not revert back to the superior and as a result the land and hall erected thereon now belongs to the Trustees.

The financial statements do not record any value for this land and property as the historic cost is unknown and is not deemed to be a material amount given the length of time since the use of the land was granted and the hall erected thereon.

The Trustees have obtained a current valuation of this property from Shepherd, Chartered Surveyors, of £170,000 who have valued the property on 17 April 2018 on the basis of market value with the benefit of vacant possession. The Trustees have no plans to dispose of this property.

12. Investments

	2025	2024
	£	£
Cost		
Market value at 1 January 2025	1,461,589	923,321
Additions	53,052	459,981
Disposals	-	-
Realised gain/(loss) on investments	-	-
Unrealised gain/(loss) on investments	<u>89,901</u>	<u>78,287</u>
Market value at 31 December 2025	<u>1,604,542</u>	<u>1,461,589</u>
Investments at cost	<u>1,211,350</u>	<u>1,198,198</u>
The following investments are held:		
Church of Scotland Investors Trust Growth Fund	835,348	867,457
Church of Scotland Investors Trust Income Fund	<u>769,194</u>	<u>594,132</u>
	<u>1,604,542</u>	<u>1,461,589</u>

13. Debtors

	2025	2024
	£	£
Grant income	3,264	1,431
Gift aid tax/investment tax recoverable	26,118	23,811
Other debtors	<u>7,547</u>	<u>7,974</u>
	<u>36,929</u>	<u>33,216</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

14. Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals and prepaid income	<u>35,652</u>	<u>33,327</u>
	<u>35,652</u>	<u>33,327</u>

15. Analysis of net assets among funds

	Unrestricted	Designated	Restricted £	Total £
Investments	169,644	665,704	769,194	1,604,542
Current assets/(liabilities)	<u>(159,336)</u>	<u>290,429</u>	<u>82,935</u>	<u>214,028</u>
Net assets at 31 December 2025	<u>10,308</u>	<u>956,133</u>	<u>852,129</u>	<u>1,818,570</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

16. Movements in funds

	1 January 2025 £	Incoming resources £	Resources Expended £	Gain/ (loss) on investments £	Transfers £	31 December 2025 £
Restricted funds						
Music fund	736,084	25,239	(31,156)	43,537	-	773,704
Adam fund	1,671	56	-	-	-	1,727
Poor fund	64,700	6,185	(2,901)	-	-	67,984
Tomb fund	1,724	57	-	-	-	1,781
Fabric fund	5,925	195	-	-	-	6,120
John Calder Trust fund	-	7,000	(15,592)	-	8,592	-
Senior citizen fund	-	515	-	-	-	515
Benevolent fund	-	298	-	-	-	298
	<u>810,104</u>	<u>39,545</u>	<u>(49,649)</u>	<u>43,537</u>	<u>8,592</u>	<u>852,129</u>
Unrestricted funds						
Congregational fund	-	229,464	(207,169)	-	(11,987)	10,308
Designated funds						
Pastoral outreach fund	-	52,542	(53,517)	-	975	-
Dunbar St hall fund	-	14,382	(16,358)	-	1,976	-
Fabric fund	929,239	40,144	(64,567)	45,770	-	950,586
Reserve fund	2,572	-	-	-	-	2,572
Special projects fund	1,178	1,051	-	594	-	2,823
Benevolent fund	147	5	-	-	-	152
Church fabric fund	-	(384)	-	-	384	-
Manse fabric fund	-	(60)	-	-	60	-
	<u>933,136</u>	<u>337,144</u>	<u>(341,611)</u>	<u>46,364</u>	<u>(8,592)</u>	<u>966,441</u>
Total funds	<u>1,743,240</u>	<u>376,689</u>	<u>(391,260)</u>	<u>89,901</u>	<u>-</u>	<u>1,818,570</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

16. Movements in funds (continued)

	1 January 2024 £	Incoming resources £	Resources expended £	Gain/ (loss) on investments £	Transfers £	31 December 2024 £
Restricted funds						
Music fund	700,394	27,300	(25,556)	41,358	-	736,084
Adam fund	1,626	45	-	-	-	1,671
Poor fund	55,736	8,068	(8,384)	-	-	64,700
Tomb fund	1,677	46	-	-	-	1,724
Fabric fund	5,762	157	-	-	-	5,925
John Calder Trust fund	-	7,000	(15,141)	-	8,141	-
Special projects fund	-	(27)	-	-	27	-
	<u>765,195</u>	<u>41,954</u>	<u>(46,571)</u>	<u>41,358</u>	<u>8,168</u>	<u>810,104</u>
Unrestricted funds						
Congregational fund	-	163,412	(193,708)	-	(30,296)	-
Designated funds						
Pastoral outreach fund	-	36,327	(52,203)	-	15,876	-
Dunbar St hall fund	-	12,253	(13,936)	-	1,683	-
Fabric fund	940,096	28,023	(19,133)	36,276	(56,023)	929,239
Reserve fund	2,572	-	-	-	-	2,572
Special projects fund	511	14	-	653	-	1,178
Benevolent fund	143	4	-	-	-	147
	<u>943,322</u>	<u>240,033</u>	<u>(278,980)</u>	<u>36,929</u>	<u>(8,168)</u>	<u>933,136</u>
Total funds	<u>1,708,517</u>	<u>281,987</u>	<u>(325,551)</u>	<u>78,287</u>	<u>-</u>	<u>1,743,240</u>

Restricted funds

The purpose of the Music fund is to support and enhance music for liturgical purposes and the musical activities of the congregation.

The purpose of the Adam Augmentation fund is to provide a modest addition to the Minister's salary.

The purpose of the Poor fund is to support appropriate charitable causes outwith the Cathedral and also pastoral work with infirm or housebound members of the congregation.

The purpose of the Tomb fund is to support the upkeep of tombs and memorials within the care of the Cathedral.

The purpose of the Fabric fund is to provide support for repairs, maintenance, renovation and capital expenditure on Cathedral buildings.

The purpose of the income from the John Calder Trust is to support the cost of the salary for an Education officer.

The purpose of the Special Projects fund is to support the Cathedral's development plan; phase one, the refurbishment of the interior, was completed in 2018. During 2019, 2020, 2021 and 2022 there was expenditure incurred on phase two, work on the roof, windows and ceiling.

The purpose of the Senior Citizen fund, received following the Union with St Mary's, is to support pastoral work with infirm or housebound members of the congregation.

The purpose of the Benevolent fund, received following the Union with St Mary's, is to support appropriate charitable causes within the Parish.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

16. Movements in funds (continued)

Designated funds

The purpose of the Pastoral outreach fund is to provide support for the opening of the Cathedral to the public on every day of the year, and community outreach generally.

The purpose of the Dunbar St hall fund is an income/expenditure fund for the Dunbar St Hall.

The purpose of the Fabric fund is to provide support for repairs, maintenance, renovation and capital expenditure on Cathedral buildings.

The purpose of the Reserve fund is to maintain a financial reserve which can be applied to any Cathedral Fund.

The purpose of the Special Projects fund is to support the Cathedral's development plan; phase one, the refurbishment of the interior, was completed in 2018. During 2019, 2020, 2021 and 2022 there was expenditure incurred on phase two, work on the roof, windows and ceiling.

The purpose of the Benevolent fund is to help the needy of the parish at the discretion of the minister.

The purpose of the Church fabric fund is to provide support for repairs and maintenance on St Mary's church buildings.

The purpose of the Manse fabric fund is to provide support for repairs and maintenance of St Mary's manse.

17. 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.

18. Controlling party

The charity is under the control of the Trustees, as detailed on page 6.

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net movement in funds	75,330	34,723
Deduct interest income	(57,606)	(48,325)
Deduct gains on investments/add back losses	(89,901)	(78,287)
Decrease/(increase) in debtors	(3,713)	601,380
Increase/(decrease) in creditors	<u>2,325</u>	<u>11,619</u>
Net cash used in operating activities	<u>(73,565)</u>	<u>521,110</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

20. Collections for third parties

During the year the following collections were made for third parties:

	2025 £	2024 £
Medecins Sans Frontieres	271	1,199
Big Noise Torry	271	1,214
Disaster Emergency Commission	405	514
Instant Neighbour	1,009	298
St Vincent de Paul	550	-
Christian Aid	403	-
Gordon Highlanders Museum	677	-
Crossreach	90	-
MacMillan	700	-
Tilly Flat	355	713
Star Flat	354	-
Sight Savers	709	-
Judith Norton	-	1,234
	<u>5,794</u>	<u>5,172</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

APPENDIX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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

	2025 £	2024 £
Capital account		
Credit balance at 31 December 2024 at cost	179,523	179,523
Property costs	-	-
Credit balance at 31 December 2025 at cost	<u>179,523</u>	<u>179,523</u>
Market value of balances at 31 December 2025	<u>179,523</u>	<u>179,523</u>
Revenue account		
Credit balance at 31 December 2024	11,317	9,338
Transfer of union balance	55	-
Investment income	11,706	10,342
Administration costs	(410)	(960)
Property costs	-	(7,403)
Credit balance at 31 December 2025	<u>22,668</u>	<u>11,317</u>
Temporary funds		
Debit balance at 31 December 2024	(2,400)	-
Transfer of union balance	(1,330)	-
Advance from consolidated fabric fund	10,000	-
Property sale – 456 King Street	238,999	-
Legal and professional fees	(8,110)	-
Property costs	<u>(13,707)</u>	<u>(2,400)</u>
Credit balance at 31 December 2025	<u>223,452</u>	<u>(2,400)</u>

St Machar-s Cathedral Parish Church of Scotland Aberdeen

Scotland - Charity number SC008157

Accounts

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

**CONGREGATION NUMBER: 311906
SCOTTISH CHARITY NUMBER: SC008157**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

**MHA
CHARTERED ACCOUNTANTS
12 CARDEN PLACE
ABERDEEN
AB10 1UR**

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

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ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Articles and Memorandum of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

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.

Achievements and Performance

The church's main purpose is to lead worship. Weekly services are held every Sunday, with the morning service at 11am continuing to attract congregations in excess of one hundred. Communion is served on the last Sunday of each month, and on Easter Sunday, Pentecost and Christmas Day.

Evening services are held at 6pm. It attracts a smaller congregation and is more contemplative service, where Communion is usually served.

All services are normally conducted by our Minister, [REDACTED]. During her annual leave or other absences, we have been fortunate to have the willing support of several gifted preachers who are either members of the congregation or friends of this place.

In addition to the weekly services, worship is held to mark specific dates in the Christian calendar, or to mark public events. Throughout Holy Week daily services are held, while at Christmas, the Christingle Service, held early in the evening of Christmas Eve, and the Service of Lessons and Carols at 11pm are established features of our worship. In addition, special services are held regularly to mark public events.

During 2024 there were three weddings, two baptisms and nine funerals held in St Machar's.

We continued during 2024 to respond to the needs of our expanded parish, following the union in 2022 with St George's, Tillydrone. The Kirk Session established a Congregational Life Committee to take forward such issues as pastoral care, and Christian Education. During the year classes for new communicants were held and a Bible Study Group now meets monthly.

The negotiations on the lease of the former St George's Church building continued throughout most of the year. Towards the end of the year, however, these negotiations were brought to an abrupt halt by the production of an updated survey which indicated that the condition of the roof had deteriorated to such an extent that it was no longer safe to be used, and that the estimated cost of repairs made the whole project unfeasible. To the considerable disappointment of all concerned, but particularly the community group who had planned to take on the lease, vacant possession is now being obtained, and the Church of Scotland General Trustees will offer the building for sale in 2025.

The Old Aberdeen Parish Grouping, set up under the Presbytery Mission Plan, and of which St Machar's is a part, has not established itself, as priority has had to be given to questions of closure or union. At the end of the year, the Kirk Sessions of St Mary's King Street and St Machar's have been in discussion on the possibility of union. These discussions proved fruitful and were given a note of urgency by a survey finding which indicated that the St Mary's buildings were now unsafe to use. As a result, a Basis of Union has been agreed between the two Kirk Sessions and at the time of writing, the two congregations are due to vote on the Union. If it goes ahead, it is likely that it will be completed this year.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Music continues to be central to our worship and to the life of St Machar's. And 2024 saw a "changing of the Guard". In April, our much-respected Director of Music, [REDACTED] retired, with Easter Sunday being his last service. He was replaced by [REDACTED] who was already a "weel kent face" among musicians and singers around Aberdeen, as a result of his connection with the University Chapel Choir, and has led the choir and played organ through another busy and impressive year. The choir continues to be augmented by the presence of eight Choral Scholars. They receive their funding support thanks to a generous legacy from a previous Director of Music. The result is that we have an outstanding choir, who perform at least one anthem every morning service, and who sing at special services and other occasions.

St Machar's continues to be committed to its Outreach programme. During the year we supported our two nominated charities, Medecins Sans Frontières and Big Noise Torry, the highlight being a well attended Coffee Morning and Concert at which the young people of Big Noise Torry showed their developing talents. We also continued to collect food and cash for our Foodbank partners, Instant Neighbour and the St Vincent de Paul Society, with collections at Harvest, Christmas and Lent. And, as always, we place great emphasis on Christian Aid, marking Christian Aid Week in May with a mix of House Collections, Bread and Cheese Lunches and the ever popular Plant Sale.

At St Machar's we are always aware that while we are first and foremost a worshipping church, we are many other things as well - a major tourist attraction, a performance venue and a place of unique peace and beauty. We are proud of the fact that we have been able to open every day of the year, and provide a welcome to a variety of visitors from all over the world. Some come looking to learn more of the history of the area, some to attend concerts and some simply to enjoy the peace and beauty of the building. They are all welcome and we seek to provide tours and activities to meet their needs.

In the context of visits, it is worth mentioning the arrival in Aberdeen of Cruise ships. Made possible by the development of the new harbour, these ships have brought thousands of visitors to the North East and presented tourist operators and visitor attractions with a number of opportunities.

The Education Officer, having led the Activity Programme during the period of reconstruction, is continuing to host visits from school parties, both primary and secondary. During 2024, 1524 pupils visited the Cathedral. In addition, the Education Officer continues to work with project groups such as the Gardening Group, working in partnership with the City Council to promote Biodiversity in the graveyard.

All of these activities would not be possible without the enthusiastic and loyal support of a large number of volunteers who are on hand to help welcome visitors, to prepare materials and to make the Cathedral able to operate as a very popular place for visitors, whatever they are seeking. We are much in their debt.

Financial review

Net expenditure for the year before gains and losses on investments was £43,564 (2023 - £601,599 net income). General income amounted to £282,000 (2023 - £954,660) and expenditure to £325,551 (2023 - £317,666), money given or promised to the development programme amounted to £(13) (2023 - £(22,608)) while money expended upon it amounted to £nil (2023 - £12,787).

Investment policy and performance

The majority of the charity's investments are held in Church of Scotland Investors Trust funds.

The Church of Scotland Investors Trust provides three funds for investors which offer a simple and economical medium for the investment of monies. The charity has decided to invest in two of the funds: the Growth Fund and the Income Fund. The Growth Fund is largely equity based and is intended for long-term investment. The fund is operated on a unitised basis and aims to provide capital growth. The Income Fund is intended for medium-term investment and aims to provide immediate high income with funds invested predominantly in fixed-interest securities and operated on a unitised basis. Units in both funds can be purchased or sold monthly.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Risk management

The Kirk Session is aware of its responsibilities for the safeguarding of the church's assets and receives regular reports, in the form of management accounts, in order to identify any trends which might, if undetected, threaten the stability of our financial position. In particular, the following areas of risk have been identified as priorities for action and these are set out here with the proposed mitigation measures:

(a) Structure of Building

The Cathedral is, as already stated, the oldest occupied building in Aberdeen. Its maintenance and repair can on occasions be very expensive and no contributions are received from central or local government or any other external source. The Kirk Session addresses this risk through the Fabrics Committee, which oversees an annual programme of repair and renewal.

The major risks attaching to the building fabric were contained within the contract for the refurbishment of the roof, stained glass windows and ceiling. Although the contract termination date was some time ago, most of the year was covered by the Defects Liability period, during which the major contractors bore much of the risk for the integrity of the roof etc. But no major problems were encountered and the retention has now been released, with the happy result that all expenditure came within budget.

In addition, a sum of £19,133 was spent on routine repairs.

(b) Former St George's Church Tillydrone

During the year, much effort was spent in trying to complete the lease of the former church building to the Community Group who wished to run it for the benefit of the local community. Sadly, however, as is mentioned earlier in this report, a survey revealed the need for very expensive repairs. This led to the decision that the lease negotiations would have to be abandoned, and the property sold on the open market. At the time of reporting, vacant possession is being sought from the prospective tenants, who had entry under a short term let. Once that is achieved, the General Trustees will market the building and takeover responsibility for its interim maintenance and insurance.

(c) Voluntary Giving

Weekly giving by worshippers at the Cathedral makes up over half of its annual income. It is important therefore that giving levels are maintained and keep pace with inflation. To that end, the budget for 2024 and subsequent years will continue to be set at increased but achievable levels and the Session will, through its Finance and Personnel Committee, monitor very closely performance against budget and be prepared to take initiatives to increase levels of giving if necessary. Such measures will include maximisation of drawdown of Gift Aid.

(d) Health and Safety

The Session receives and reviews updates on Health and Safety matters through its appointed Health and Safety Co-ordinator.

(e) General Data Protection Regulations

The Kirk Session continues to consider and review its duties in terms of the General Data Protection Regulations and in January 2023 reviewed and readopted its Data Protection Policy and Privacy Statement.

Reserves policy

At the end of the year the Church held unrestricted reserves of £933,136 (2023 - £943,322).

The Church held restricted reserves of £810,104 (2023 - £765,195) which have been provided for the purposes specified in Note 17 to the financial statements.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management

The congregation is a registered charity, number SC008157 and is administered in accordance with the terms of the Model Deed of Constitution (Unitary Form). It 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 are the elders of the church and are chosen from those members of the church who are considered to have the appropriate gifts and skills. The minister, who is a member of the Kirk Session, is elected by the congregation and inducted by the Presbytery. Within the unitary framework, the Kirk Session is responsible for the management of the church's assets and for spiritual matters within the church. The Kirk Session meets at least eight times a year.

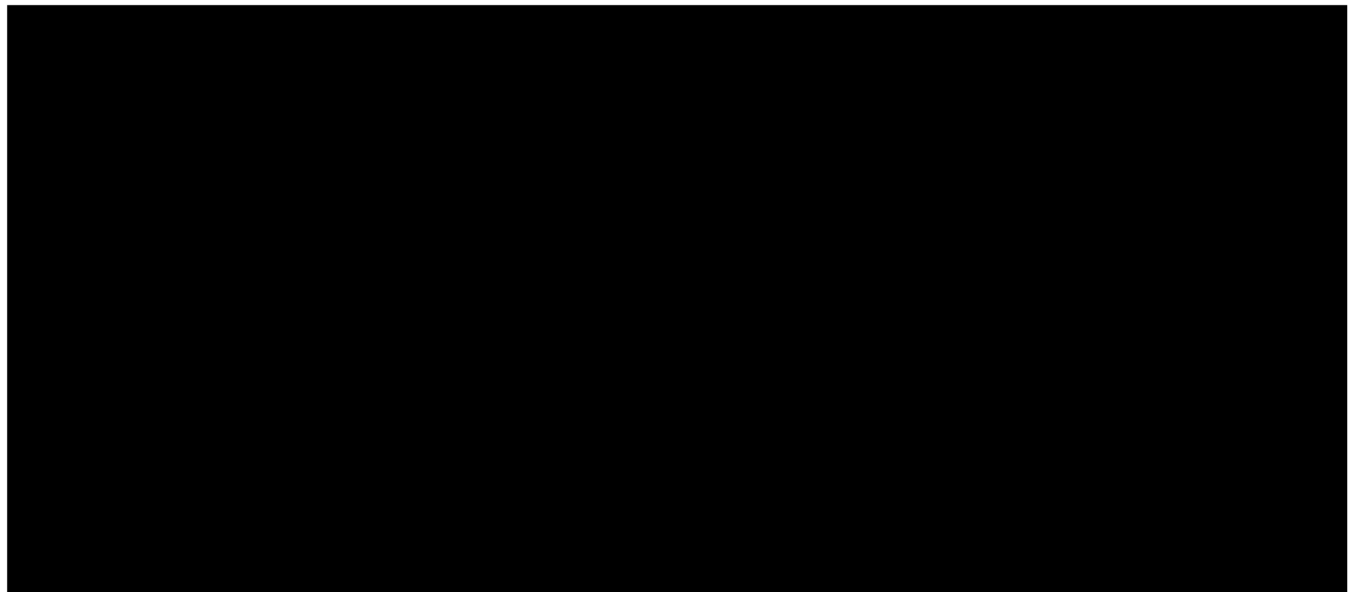
Reference and administrative information

Charity name:	St Machar's Cathedral Parish Church of Scotland Aberdeen
Congregation number:	311906
Charity registration number:	SC008157
Operational address:	Cathedral Office The Chanonry Aberdeen AB24 1RQ

Trustees

Trustees, which include the principal office bearers, who served since 1 January 2024 were:

Kirk Session



ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Independent Examiner

Bankers

Bank of Scotland plc, 48 Upperkirkgate, Aberdeen, AB10 1BA

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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 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,

Session Clerk

18 June 2025

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN



FOR THE YEAR ENDED 31 DECEMBER 2024

I report on the accounts of the charity for the year ended 31 December 2024 set out on pages 9 to 23.

Respective responsibilities of trustees and independent examiner

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

The Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

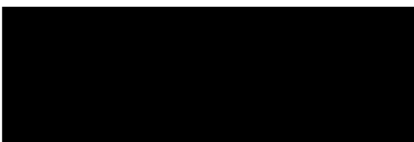
Independent examiner's statement

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

1. which gives me reasonable cause to believe that any material respect of the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended), and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Chartered Accountant
For and on behalf of MHA
Aberdeen

19 June 2025

MHA is the trading name of MHA Advisory Ltd, a limited company registered in England and Wales (company registration number 16233746).

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:							
Donations and legacies	3	123,027	20,415	143,442	772,582	(7,241)	765,341
Charitable activities	4	82,817	-	82,817	89,160	-	89,160
Investments	5	26,786	21,539	48,325	9,243	20,249	29,492
Other	6	<u>7,403</u>	<u>-</u>	<u>7,403</u>	<u>48,059</u>	<u>-</u>	<u>48,059</u>
Total income		<u>240,033</u>	<u>41,954</u>	<u>281,987</u>	<u>919,044</u>	<u>13,008</u>	<u>932,052</u>
Expenditure on:							
Raising funds	7	70,220	-	70,220	59,580	-	59,580
Charitable activities		<u>208,760</u>	<u>46,571</u>	<u>255,331</u>	<u>224,146</u>	<u>46,727</u>	<u>270,873</u>
Total expenditure		<u>278,980</u>	<u>46,571</u>	<u>325,551</u>	<u>283,726</u>	<u>46,727</u>	<u>330,453</u>
Net (expenditure)/income before gains and losses on investments		(38,947)	(4,617)	(43,564)	635,318	(33,719)	601,559
Net gains on investments	8	<u>36,929</u>	<u>41,358</u>	<u>78,287</u>	<u>14,522</u>	<u>40,328</u>	<u>54,850</u>
Net (expenditure)/income		(2,018)	36,741	34,723	649,840	6,609	656,449
Transfers between funds		<u>(8,168)</u>	<u>8,168</u>	<u>-</u>	<u>(35,395)</u>	<u>35,395</u>	<u>-</u>
Net movement in funds		(10,186)	44,909	34,723	614,445	42,004	656,449
Funds brought forward	17	<u>943,322</u>	<u>765,195</u>	<u>1,708,517</u>	<u>328,877</u>	<u>723,191</u>	<u>1,052,068</u>
Funds carried forward	17	<u>933,136</u>	<u>810,104</u>	<u>1,743,240</u>	<u>943,322</u>	<u>765,195</u>	<u>1,708,517</u>

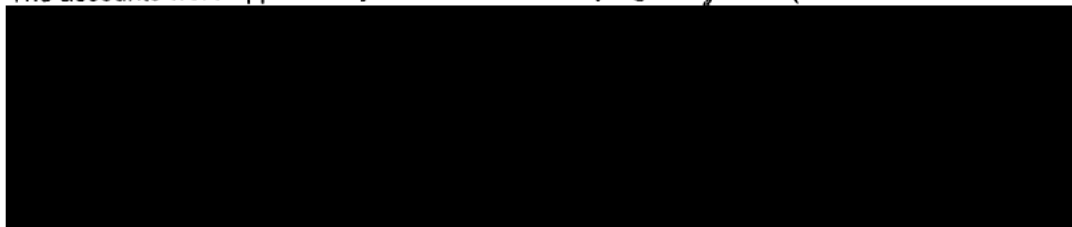
ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Note	Total 2024 £	Total 2023 £
Fixed assets:			
Tangible assets	11	-	-
Investments	12	<u>1,461,589</u>	<u>923,321</u>
Total fixed assets		<u>1,461,589</u>	<u>923,321</u>
Current assets:			
Debtors	13	33,216	634,596
Cash at bank and in hand		<u>281,762</u>	<u>172,308</u>
Total current assets		314,978	806,904
Liabilities:			
Creditors falling due within one year	14	<u>(33,327)</u>	<u>(21,708)</u>
Net current assets		<u>281,651</u>	<u>785,196</u>
Net assets	16	<u>1,743,240</u>	<u>1,708,517</u>
The funds of the charity:			
Restricted	17	810,104	765,195
Unrestricted	17	<u>933,136</u>	<u>943,322</u>
Total charity funds		<u>1,743,240</u>	<u>1,708,517</u>

The accounts were approved by the Trustees on 1 Feb June 2025 and signed on their behalf by:



ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Total 2024 £	Total 2023 £
Net cash used in operating activities	20	<u>521,110</u>	<u>(6,017)</u>
Cash flows from investing activities			
Interest and dividends		48,325	29,492
Purchase of fixed assets		(459,981)	-
Proceeds from sale of investments		<u>-</u>	<u>-</u>
Net cash provided by investing activities		<u>(411,656)</u>	<u>29,492</u>
Cash flows from financing activities			
Advanced		-	-
Repayment of borrowings		<u>-</u>	<u>-</u>
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the year		109,454	23,475
Cash and cash equivalents brought forward		<u>172,308</u>	<u>148,833</u>
Cash and cash equivalents carried forward		<u>281,762</u>	<u>172,308</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

1. 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.

(a) Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

(b) Going concern

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

(c) 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.
- 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. The designation has an administrative purpose only and does not legally restrict the Trustees' discretion to apply the fund.

(d) 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.

Receipt of a legacy is recognised when it is probable that it will be received. Receipt is normally probable when there has been grant of confirmation, the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy and any conditions attached to the legacy are either within the control of the charity or have been met.

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 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.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

(e) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure can be classified under the following activity headings:

- Costs of raising funds comprise the costs of weekly offering envelopes and the direct costs associated with fundraising events.
- Expenditure on charitable activities includes all other costs associated with the running of the charity to further its purposes and the associated support costs

(f) Tangible fixed assets

The charity has the right to occupy and use for its charitable objects certain tangible fixed assets, including the Church, halls, gatehouses 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.

(g) Operating leases

The charity classifies the lease of printing equipment as an operating lease; the title to the equipment remains with the lessor and equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years.

Rental charges are charged on a straight line basis over the period of the lease.

(h) 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.

(i) Taxation

St Machar's Cathedral Parish Church of Scotland Aberdeen, 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.

(j) Cash and cash equivalents

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

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

(k) 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 foundation 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 receipts 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 foundation's contractual obligations expire or are discharged or cancelled.

(l) Retirement benefits

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

2. Critical accounting estimates and judgements

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

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

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

3. Donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Offerings	90,088	-	90,088	96,037	-	96,037
National Giving Day income	3,552	-	3,552	6,277	-	6,277
Tax recovered on gift aid	23,812	-	23,812	25,417	-	25,417
Legacies	-	-	-	641,622	8,443	650,065
Grants	3,018	7,415	10,433	645	(23,274)	(22,629)
Endowment income	2,557	-	2,557	2,584	-	2,584
Poor funds	-	13,000	13,000	-	6,500	6,500
Special Project income	-	-	-	-	1,090	1,090
	<u>123,027</u>	<u>20,415</u>	<u>143,442</u>	<u>772,582</u>	<u>(7,241)</u>	<u>765,341</u>

4. Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Weddings	2,350	-	2,350	3,900	-	3,900
Use of premises	44,141	-	44,141	51,517	-	51,517
Outreach surplus	8,694	-	8,694	9,721	-	9,721
Tourist collection box	<u>27,632</u>	<u>-</u>	<u>27,632</u>	<u>24,022</u>	<u>-</u>	<u>24,022</u>
	<u>82,817</u>	<u>-</u>	<u>82,817</u>	<u>89,160</u>	<u>-</u>	<u>89,160</u>

5. Investment income

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Investment dividends	25,014	20,346	45,360	9,041	20,039	29,080
Deposit interest	<u>1,772</u>	<u>1,193</u>	<u>2,965</u>	<u>202</u>	<u>210</u>	<u>412</u>
	<u>26,786</u>	<u>21,539</u>	<u>48,325</u>	<u>9,243</u>	<u>20,249</u>	<u>29,492</u>

6. Other income

	Unrestricted Funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Receipts from General Trustees	<u>7,403</u>	<u>-</u>	<u>7,403</u>	<u>48,059</u>	<u>-</u>	<u>48,059</u>
	<u>7,403</u>	<u>-</u>	<u>7,403</u>	<u>48,059</u>	<u>-</u>	<u>48,059</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

7. Analysis of expenditure

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Raising funds						
Offering envelopes and stewardship	254	-	254	128	-	128
Tourist brochures and translations	2,841	-	2,841	-	-	-
Salaries – beadles	26,315	-	26,315	22,882	-	20,882
⇒ Heat, light and water rates	15,046	-	15,046	10,297	-	10,297
Hall running costs	13,936	-	13,936	15,950	-	15,950
Weddings: locum ministers and organist	240	-	240	750	-	750
Donation boxes and stands	-	-	-	1,085	-	1,085
Performing Rights charges	745	-	745	150	-	150
Administrative expenditure	<u>10,843</u>	<u>-</u>	<u>10,843</u>	<u>8,338</u>	<u>-</u>	<u>8,338</u>
	<u>70,220</u>	<u>-</u>	<u>70,220</u>	<u>59,580</u>	<u>-</u>	<u>59,580</u>
Charitable activities						
Ministries and Mission allocation	82,353	-	82,353	77,747	-	77,747
Presbytery dues	<u>3,869</u>	<u>-</u>	<u>3,869</u>	<u>2,525</u>	<u>-</u>	<u>2,525</u>
	86,222	-	86,222	80,272	-	80,272
Minister's expenses and pulpit supply	4,982	-	4,982	4,649	-	4,649
Salaries – beadles	10,526	-	10,526	9,153	-	9,153
Salaries – music	-	22,814	22,814	-	21,207	21,207
Fabric repairs and maintenance	19,133	-	19,133	56,396	-	56,396
Council tax	3,075	-	3,075	2,782	-	2,782
Heat, light and water rates	20,915	-	20,915	18,770	-	18,770
Insurance	15,449	-	15,449	13,873	-	13,873
Security systems	10,653	-	10,653	1,885	-	1,885
Administrative expenditure	16,264	-	16,264	12,507	-	12,507
Advertising	1,245	-	1,245	1,142	-	1,142
Organ expenditure	-	2,653	2,653	-	2,562	2,562
Music	-	358	358	-	1,787	1,787
Sunday school expenses	74	-	74	89	-	89
Communion and other expenses	2,573	-	2,573	2,259	-	2,259
Poor fund payment	-	5,605	5,605	-	8,384	8,384
Auditor's fee	3,660	-	3,660	2,100	-	2,100
Independent examiner's fee	8,040	-	8,040	3,900	-	3,900
Outreach & education expenses	5,187	15,141	20,328	14,369	1,851	16,220
Iona Youth Festival trip	762	-	762	-	-	-
Development costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,936</u>	<u>10,936</u>
	<u>208,760</u>	<u>46,571</u>	<u>255,331</u>	<u>224,146</u>	<u>46,727</u>	<u>270,873</u>
Total	<u>278,980</u>	<u>46,571</u>	<u>325,551</u>	<u>283,726</u>	<u>46,727</u>	<u>330,453</u>

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.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8. Net gains/(losses) on investments

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Realised gain/(loss) on investments	-	-	-	-	-	-
Unrealised gain/(loss) on investments	<u>36,929</u>	<u>41,358</u>	<u>78,287</u>	<u>14,522</u>	<u>40,328</u>	<u>54,850</u>
	<u>36,929</u>	<u>41,358</u>	<u>78,287</u>	<u>14,522</u>	<u>40,328</u>	<u>54,850</u>

9. Staff costs and numbers

	2024 £	2023 £
Salaries – secretary and beadles	57,882	47,980
Salaries – music	22,814	21,207
Salaries – education and outreach workers	<u>15,141</u>	<u>16,219</u>
	<u>95,837</u>	<u>85,406</u>

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

	Number	Number
Administration	1	1
Beadles	4	4
Music	7	7
Education and Outreach	<u>1</u>	<u>1</u>
	<u>13</u>	<u>13</u>

No employee had employee benefits in excess of £60,000 (2023 - £60,000).

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 fifth and subsequent years) was £38,884.

10. Trustee remuneration and related party transactions

During the year seven Trustees received reimbursement of expenses incurred totalling £7,039 and one Trustee received payments for pulpit supply services totalling £500.

During the year a total of £27,622, excluding Gift Aid, was donated to the Congregation by Trustees.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

11. Tangible fixed assets

Following investigation the Trustees have now been able to establish that the property known as Dunbar Street Hall is held by the Trustees on behalf of the Congregation. The land on which this property was built over 100 years ago was granted to the Congregation in order to build the hall, subject to many onerous conditions which have now expired as a result of recent legislation. Accordingly, the Trustees are of the opinion that this land will not revert back to the superior and as a result the land and hall erected thereon now belongs to the Trustees.

The financial statements do not record any value for this land and property as the historic cost is unknown and is not deemed to be a material amount given the length of time since the use of the land was granted and the hall erected thereon.

The Trustees have obtained a current valuation of this property from Shepherd, Chartered Surveyors, of £170,000 who have valued the property on 17 April 2018 on the basis of market value with the benefit of vacant possession. The Trustees have no plans to dispose of this property.

12. Investments

	2024 £	2023 £
Cost		
Market value at 1 January 2024	923,321	868,471
Additions	459,981	-
Disposals	-	-
Realised gain/(loss) on investments	-	-
Unrealised gain/(loss) on investments	<u>78,287</u>	<u>54,850</u>
Market value at 31 December 2024	<u>1,461,589</u>	<u>923,321</u>
Investments at cost	<u>1,198,198</u>	<u>738,217</u>
The following investments are held:		
Church of Scotland Investors Trust Growth Fund	867,457	567,702
Church of Scotland Investors Trust Income Fund	<u>594,132</u>	<u>355,619</u>
	<u>1,461,589</u>	<u>923,321</u>

13. Debtors

	2024 £	2023 £
Grant income	1,431	7,002
Gift aid tax/investment tax recoverable	23,811	25,417
Other debtors	<u>7,974</u>	<u>602,177</u>
	<u>33,216</u>	<u>634,596</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and prepaid income	<u>33,327</u>	<u>21,708</u>
	<u>33,327</u>	<u>21,708</u>

15. Contingent asset

As at 31 December 2024 the charity had been notified of a residuary legacy the value of which is uncertain as the executor has not received confirmation of all charges to be deducted from the Estate. At the date of approval of these financial statements no further information had been received and so the legacy has not been recognised.

16. Analysis of net assets among funds

	Unrestricted	Designated	Restricted £	Total £
Investments	105,605	630,326	725,658	1,461,589
Current assets/(liabilities)	<u>(105,605)</u>	<u>302,810</u>	<u>84,446</u>	<u>281,651</u>
Net assets at 31 December 2024	<u><u>-</u></u>	<u><u>933,136</u></u>	<u><u>810,104</u></u>	<u><u>1,743,240</u></u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

17. Movements in funds

	1 January 2024 £	Incoming resources £	Resources Expended £	Gain/ (loss) on investments £	Transfers £	31 December 2024 £
Restricted funds						
Music fund	700,394	20,157	(25,825)	41,358	-	736,084
Adam fund	1,626	45	-	-	-	1,671
Poor fund	55,736	14,569	(5,605)	-	-	64,700
Tomb fund	1,677	47	-	-	-	1,724
Fabric fund	5,762	163	-	-	-	5,925
John Calder Trust fund	-	7,000	(15,141)	-	8,141	-
Special projects fund	-	(27)	-	-	27	-
	<u>765,195</u>	<u>41,954</u>	<u>(46,571)</u>	<u>41,358</u>	<u>8,168</u>	<u>810,104</u>
Unrestricted funds						
Congregational fund	-	163,412	(193,708)	-	30,296	-
Designated funds						
Pastoral outreach fund	-	36,327	(52,203)	-	15,876	-
Dunbar St hall fund	-	12,253	(13,936)	-	1,683	-
Fabric fund	940,096	28,023	(19,133)	36,276	(56,023)	929,239
Reserve fund	2,572	-	-	-	-	2,572
Special projects fund	511	14	-	653	-	1,178
Benevolent fund	143	4	-	-	-	147
	<u>943,322</u>	<u>240,033</u>	<u>(278,980)</u>	<u>36,929</u>	<u>(8,168)</u>	<u>933,136</u>
Total funds	<u>1,708,517</u>	<u>281,987</u>	<u>(325,551)</u>	<u>78,287</u>	<u>-</u>	<u>1,743,240</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

17. Movements in funds (continued)

	1 January 2023 £	Incoming resources £	Resources expended £	Gain/ (loss) on investments £	Transfers £	31 December 2023 £
Restricted funds						
Music fund	658,322	27,300	(25,556)	40,328	-	700,394
Adam fund	1,581	45	-	-	-	1,626
Poor fund	56,052	8,068	(8,384)	-	-	55,736
Tomb fund	1,631	46	-	-	-	1,677
Fabric fund	5,605	157	-	-	-	5,762
Special projects fund	-	(22,608)	(12,787)	-	35,395	-
	<u>723,191</u>	<u>13,008</u>	<u>(46,727)</u>	<u>40,328</u>	<u>35,395</u>	<u>765,195</u>
Unrestricted funds						
Congregational fund	-	175,331	(169,863)	-	(5,468)	-
Designated funds						
Pastoral outreach fund	-	33,742	(41,517)	-	7,775	-
Dunbar St hall fund	-	10,762	(15,950)	-	5,188	-
Fabric fund	326,166	699,205	(56,396)	14,011	(42,890)	940,096
Reserve fund	2,572	-	-	-	-	2,572
Special projects fund	-	-	-	511	-	511
Benevolent fund	139	4	-	-	-	143
	<u>328,877</u>	<u>919,044</u>	<u>(283,726)</u>	<u>14,522</u>	<u>(35,395)</u>	<u>943,322</u>
Total funds	<u>1,052,068</u>	<u>932,052</u>	<u>(330,453)</u>	<u>54,850</u>	<u>-</u>	<u>1,708,517</u>

Restricted funds

The purpose of the Music fund is to support and enhance music for liturgical purposes and the musical activities of the congregation.

The purpose of the Adam Augmentation fund is to provide a modest addition to the Minister's salary.

The purpose of the Poor fund is to support appropriate charitable causes outwith the Cathedral and also pastoral work with infirm or housebound members of the congregation.

The purpose of the Tomb fund is to support the upkeep of tombs and memorials within the care of the Cathedral.

The purpose of the Fabric fund is to provide support for repairs, maintenance, renovation and capital expenditure on Cathedral buildings.

The purpose of the income from the John Calder Trust is to support the cost of the salary for an Education officer.

The purpose of the Special Projects fund is to support the Cathedral's development plan; phase one, the refurbishment of the interior, was completed in 2018. During 2019, 2020, 2021 and 2022 there was expenditure incurred on phase two, work on the roof, windows and ceiling.

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

17. Movements in funds (continued)

Designated funds

The purpose of the Pastoral outreach fund is to provide support for the opening of the Cathedral to the public on every day of the year, and community outreach generally.

The purpose of the Dunbar St hall fund is an income/expenditure fund for the Dunbar St Hall.

The purpose of the Fabric fund is to provide support for repairs, maintenance, renovation and capital expenditure on Cathedral buildings.

The purpose of the Reserve fund is to maintain a financial reserve which can be applied to any Cathedral Fund.

The purpose of the Special Projects fund is to support the Cathedral's development plan; phase one, the refurbishment of the interior, was completed in 2018. During 2019, 2020, 2021 and 2022 there was expenditure incurred on phase two, work on the roof, windows and ceiling.

The purpose of the Benevolent fund is to help the needy of the parish at the discretion of the minister.

18. 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.

19. Controlling party

The charity is under the control of the Trustees, as detailed on page 6.

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds	34,723	656,449
Deduct interest income	(48,325)	(29,492)
Deduct gains on investments/add back losses	(78,287)	(54,850)
Decrease/(increase) in debtors	601,380	(540,573)
Increase/(decrease) in creditors	<u>11,619</u>	<u>(37,551)</u>
Net cash used in operating activities	<u><u>521,110</u></u>	<u><u>(6,017)</u></u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

NOTES AND ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21. Collections for third parties

During the year the following collections were made for third parties:

	2024 £	2023 £
Cultivate Aberdeen	-	1,224
Water Aid	-	1,229
Medecins Sans Frontieres	1,199	648
Big Noise Torry	1,214	648
The Salvation Army	-	228
Disaster Emergency Commission	514	-
Tilly Flat	713	-
Instant Neighbour	298	-
Judith Norton	<u>1,234</u>	<u>-</u>
	<u>5,172</u>	<u>3,977</u>

ST MACHAR'S CATHEDRAL PARISH CHURCH OF SCOTLAND ABERDEEN

APPENDIX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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

	2024 £	2023 £
Capital account		
Credit balance at 31 December 2023 at cost	179,523	227,582
Property costs	<u>-</u>	<u>(48,059)</u>
Credit balance at 31 December 2024 at cost	<u>179,523</u>	<u>179,523</u>
Market value of balances at 31 December 2024	<u>179,523</u>	<u>179,523</u>
Revenue account		
Credit balance at 31 December 2023	9,338	1,305
Investment income	10,342	8,372
Transfer from temporary funds account	-	(118)
Administration costs	(960)	(221)
Property/energy costs	<u>(7,403)</u>	<u>-</u>
Credit balance at 31 December 2024	<u>11,317</u>	<u>9,338</u>
Temporary funds		
Debit balance at 31 December 2023	-	(118)
Property costs	(2,400)	-
Transfer to revenue account	<u>-</u>	<u>118</u>
Debit balance at 31 December 2024	<u>(2,400)</u>	<u>(-)</u>