



Dornoch Free Church of Scotland

Trustees' Report
Year Ended 31 December 2024

Dornoch Free Church of Scotland

Church Information

Trustees

A list of active Trustees during 2024 is provided in the Trustees' Report on Page 3.

Address



Bankers

Bank of Scotland
Tower Street
Tain
Ross-shire
IV19 1DY

Independent Examiner



Voluntary Groups Sutherland
Alba
Main Street
Golspie
Sutherland
KW10 6TG

Dornoch Free Church of Scotland

Report of the Trustees

The Trustees are pleased to present their report together with the financial statements of the church for the year ended 31 December 2024.

Status of Charity and Governing Document

Dornoch Free Church of Scotland is unincorporated and governed by its Constitution. The church is a registered Scottish Charity (SC014926).

Aims and Affiliation

Dornoch Free Church of Scotland is a congregation of the Free Church of Scotland working towards the common aims set out below. It is a Presbyterian church adhering in its worship and doctrine to the position of the Church of Scotland at the Reformation. The Free Church of Scotland has an explanatory document which explains the origins of the Church and which gives the historical background to the Church coming into being in 1843 and lists documents in which is embodied the constitution of the Church. The document is available on request from the Free Church of Scotland, 15 North Bank St., The Mound, Edinburgh, EH1 2LS.

The Free Church of Scotland currently has over 100 congregations in Scotland, as well as one in London and four in North America, and sister Churches founded by mission work in India, Peru and South Africa. The Church also has a seminary in Edinburgh for the training of ministers and other Christian workers and sustains an extensive missionary programme relative to the size of the church. The principal activity of the Church is the conduct of public worship and associated matters in the context of local congregations.

Dating from 1843 but with its roots in the Reformation, the Free Church of Scotland owes its distinctive title to its historical struggle to remain 'free' from state interference in its internal affairs. It has close and active relations with many other Reformed churches of Jesus Christ throughout the world and stands firmly in the tradition which accepts the Bible in its entirety as the Word of God and, therefore, derives its forms of teaching, worship, ministry and government from it. The main emphasis of our worship is the preaching of the gospel - the good news of a free and sovereign salvation through Jesus Christ alone.

The congregation is authorised by the Church to have a minister paid from central funds of the Church.

The Church buildings and the Minister's manse are the property of the congregation.

Trustees and Office Bearers

The congregation is governed and administered by elected office bearers (all volunteers) and its minister. The Kirk Session, being the minister and elected elders, has responsibility for spiritual oversight, while the Deacons' Court, composed of Kirk Session members plus elected deacons, oversees financial and property matters. Under Charity Law, the Deacons' Court are deemed to be the trustees of the congregation as those with responsibility for day to day management and control. This is distinct from the role of property (congregational) trustees who are responsible only for holding property in trust.

The members of the Deacons' Court (the Trustees) who served during the year were as follows:-



Dornoch Free Church of Scotland

Report of the Trustees

Appointment of Charity Trustees

The Kirk Session exercises its discretion in determining the most appropriate method of electing new Trustees (Elders and Deacons). Any election process must involve the communicant membership of the congregation. There is no fixed term for Trusteeship. Prior to their appointment, new Trustees would have served the Church for some time in various roles and would be familiar with the Church's values, its aims and objectives as well as its day-to-day operations. As part of their induction programme, new Trustees are required to understand their statutory responsibilities as well as the responsibilities of their office within the congregation as elder or deacon.

Achievements and Performance

2024 saw the Church complete the renovation of the church building after a 16 year programme of works. A Dedication Service was held in June and was well attended. We now have a new first floor Worship Room accessed by a lift and stairs and a ground floor Community Room as well as a Café area all with toilets, kitchen and storage space.

Sunday morning services are live streamed and can be viewed online at any time. Activities are provided for all ages within our community, e.g. Little Lambs, Living Room, Youth Club, Services in a local Retirement Home and an annual Holiday Bible Club which attracted more than 50 primary aged children for a week in the summer.

The congregation continued its commitment to support the Free Church of Scotland at national level, spiritually, financially and practically with an Elder serving on the Board of Trustees and associated committees. The Minister serves on the national Communications Committee. Locally, the Minister is a member of the Northern Presbytery Strategy Committee, an Elder has served on the Presbytery and another Elder has served as Assessor Elder for another congregation.

Local Community Groups and individual users continue to use the Community Room on a regular basis, including a weekly Falls Prevention Group, Dementia coffee mornings, Kids Parties etc.

Financial review

In relation to congregational funding:

- An 8% reduction in donations from church members and adherents via standing orders, weekly offerings and Gift Aid donations. (2024 - £56,027; 2023 - £61,115). This was largely due to the cost of living crisis impacting donations.
- £10,441 was received as Gift Aid income from HMRC for general and Holiday Bible Club donations (2023 - £10,630). The majority of tax payers within the church that donate regularly are members of the Gift Aid scheme.
- Restricted Income of £66,665 allowed us to complete the Church Building Renovations and make scheduled loan repayments of £12,000.
- The congregation was able to remit £41,053 to central church funds (2023 - £41,387) and fully met our commitment of the full costs of Ministry and the Administration/Training Levy and part of the Mission Levy.

Principal sources of funding

The congregation receives its funding by way of standing orders, weekly offerings and Gift Aid donations.

Results for the year

The financial statements for the year are set out in this document. The Statement of Receipts and Payments reflects a net decrease of £16,818 before the revaluation of fixed assets and investments, compared with a net increase of £17,607 in 2023. This is largely due to the cost of completing the building renovation works at the church. In relation to the church building renovations in 2024, £77,954 was spent and £66,665 was received.

Dornoch Free Church of Scotland

Report of the Trustees

Reserves

It is the policy of the congregation to maintain a reasonable level of unrestricted funds, i.e. funds not committed or invested in fixed assets. This allows sufficient funds to enable the ongoing work of the church to be maintained. The balance of unrestricted Bank Current Account Cash Assets at 31 December 2024 amounted to £1,751 (2023 - £1,836).

Total reserves, including the net book value of fixed assets and balances on restricted funds less loans outstanding amounted to £344,750 (2023 - £308,047).

Grant Making Policy

From time to time the congregation makes grants and donations from its gift income to individuals and organisations whose aims are compatible with the congregation's objectives. During 2024 donations were made to India Village Ministries.

Statement on Risk

The Trustees assess the major risks to which the congregation is exposed on an ongoing basis and have established procedures to mitigate those that are identified as a result of these reviews.

On behalf of the Trustees



Trustee/Congregational Treasurer

Dated: 21 January 2025

Independent Examiner's Report to the Trustees of Dornoch Free Church

I report on the financial statements of the charity for the year ended 31 December 2024, which are set out on pages 7 to 12.

Respective responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("the 2005 Act") and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("the 2006 Regulations"). The charity's trustees consider that the audit requirement of Regulation 10(1)(d) of the 2006 Regulations does not apply. It is my responsibility to examine the accounts as required under section (44)(1)(c) of the 2005 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 2006 Regulations. 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

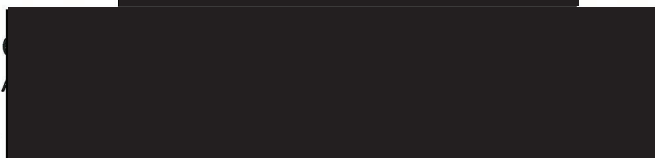
In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Regulations have not been met, or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date: 19th February 2025



DORNOCH FREE CHURCH OF SCOTLAND

Statement of Receipts and Payments – For the Year Ended 31 December 2024

Receipts	Note	Congregational & Fabric	Fabric & Build	Total	Total
		Unrestrict/Design Funds	Restricted Funds	2024	2023
Voluntary Receipts					
Donations & Gift Aid	4	71,149	19,990	91,139	129,262
Grants/Legacy	5	250	40,000	40,250	36,000
Fund Raising	6	4,643	0	4,643	0
Bank Interest/Dividends	7	205	129	334	322
Receipts from Charitable Activities	8	4,336	6,546	10,882	37,907
Loans	9	0	0	0	86,688
		80,583	66,665	147,248	290,179
Payments					
Cost of Fund Raising		0	0	0	0
Cost of Charitable Activities	10	85,841	77,954	163,795	272,572
Grants & Donations	11	271	0	271	0
Governance Costs		0	0	0	0
Total Payments		86,112	77,954	164,066	272,572
Surplus/(Deficit) for the year		(5,529)	(11,289)	(16,818)	17,607
Transfers between funds		(11,289)	11,289	0	0
Surplus/(Deficit) for the year		(16,818)	0	(16,818)	17,607

DORNOCH FREE CHURCH OF SCOTLAND

Statement of Balances – As at 31 December 2024

Funds Reconciliation	Unrestr/Desig Funds	Restricted Funds	Total 2024	Total 2023
Cash at Bank & In Hand - 01/01/2024	2,570	28,556	31,126	13,519
Surplus/(Deficit) for year	(5,529)	(11,289)	(16,818)	17,610
Intra Fund Transfers*	10,000	(10,000)	0	0
Cash at Bank & In Hand – 31/12/2024	7,041	7,267	14,308	31,126

*28 Jun £4,000 from Restrict to Unrestr
5 Dec £6,000 from Restrict to Unrestr

Other Assets (Unrestricted Fund)

Manse Building	425,000	400,000
Investments held by Free Church of Scotland	8,438	7,435
Benevolent Loan	0	1,300
	433,438	408,735

Liabilities

Loans (Church Building & Manse Renovations^)	88,688	100,688
Total Net Assets	344,750	308,047

^ Loans

	1 Jan 24	Drawdown	Repayment	31 Dec 24
Loan 1 Church	68,000	0	12,000	56,000
Loan 2 Church	26,169	0	0	26,169
Loan 3 Manse	6,519	0	0	6,519
Total	100,688	0	12,000	88,688

All loans are interest free with flexible repayment structures

The Notes on pages 9 -12 form an integral part of these accounts.

Approved by the trustees and signed on their behalf by:-



Congregational Treasurer/Trustee

21 January 2025

DORNOCH FREE CHURCH OF SCOTLAND

Notes to the Accounts For the year ended 31st December 2024

1. Basis of Accounting

These accounts have been prepared on the Receipts & Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

V.A.T.

The congregation is not registered for V.A.T. and expenditure includes V.A.T. where applicable.

Tax Refunds

Tax Refunds shown in the Income and Expenditure Account are the tax refunds actually received from HMRC in respect of Gift Aid Donations and (qualifying) VAT incurred through the Church Building Renovation project reclaimed from the Listed Places of Worship scheme.

2. Nature and purpose of funds

For the purpose of the Receipts and Payments account as shown on page 7, funds are defined as follows:

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity.

Designated funds are unrestricted funds set aside for a specific essential or future purpose.

Restricted funds are those which have been received for the objects of the charity and specified for a restricted purpose within these objects by the donor.

Fixed Assets:-The congregation owns the church building and Hall at Church Street, Dornoch and the manse at Rowan Crescent, Dornoch.

The manse was informally valued by Court members at 31st December 2024, on the basis of sales of similar property, at £425,000 and is shown at this amount in the Balance Sheet. The Church and Hall have not been valued in view of the limited market available and are not included in the Balance Sheet.

The manse is insured for £1,000,000, the Church for £4,308,950 and the Church contents for £86,095.

3. Related Party Transactions

No remuneration was paid to the trustees or to any connected persons during the year.

4. Analysis of Donations

	Congregational & Fabric Fund	Build Fund	2024	2023
Offerings – Standing Order	30,608	0	30,608	38,170
Offerings – Envelope	7,067	0	7,067	5,040
Offerings – Plate & Other	18,352	0	18,352	16,829
Tax Refunds – Gift Aid	10,441 ¹	7,577	18,018	23,396
Donations – Building Renovats	0	12,413	12,413	41,252
Donations Paypal	0	0	0	1,076
Donations – Holiday Bible Club	3,297	0	3,297	1,017
Miscellaneous	501	0	501	482
Donations – Study Books	432	0	432	0
Donations – Ex Denom	281	0	281	0
Donations – Little Lambs	170	0	170	0
Totals	71,149	19,990	91,139	129,262

5. Grants/Legacy

	Congregational & Fabric Fund	Build Fund	2024	2023
Legacy – Mackintosh	0	30,000	30,000	0
Baird Trust	0	5,000	5,000	0
Ferguson Bequest Fund	0	5,000	5,000	0
Co-op (Holiday Bible Club)	250	0	250	0
Fyrish Foundation	0	0	0	30,000
Benefact Trust				6,000
Totals	250	40,000	40,250	36,000

6. Fundraising Activities

	Congregational & Fabric Fund	Build Fund	2024	2023
Holiday Bible Club	4,643	0	4,643	0
Totals	4,643	0	4,643	0

7. Bank Interest/Dividends

	Congregational & Fabric Fund	Build Fund	2024	2023
Bank Interest	0	129	129	131
Dividends	205	0	205	191
Totals	205	129	334	322

8. Receipts from Charitable Activities

	Congregational & Fabric Fund	Build Fund	2024	2023
Tax refunds – VAT	0	6,546	6,546	36,554
Letting Income	2,401	0	2,401	1,073
Benevolent Loan repaid	1,400	0	1,400	0
Flower Fund	535	0	535	280
Totals	4,336	6,546	10,882	37,907

¹ Gift Aid of £641 attributable to Holiday Bible Club

9. Loans - drawdown

	Congregational & Fabric Fund	Build Fund	2024	2023
Loan 1 (Church)	0	0	0	54,000
Loan 2 (Church)	0	0	0	26,169
Loan 3 (Manse)	0	0	0	6,519
Totals	0	0	0	86,688

10. Cost of Charitable Activity

	Congregational & Fabric Fund	Build Fund	2024	2023
Denominational Commitment	41,053	0	41,053	41,387
Building Loan Repayments	12,000	0	12,000	6,000
Church Heat & Light	4,836	0	4,836	3,914
Holiday Bible Club	4,025	0	4,025	1,972
Manse Heat & Light	3,719	0	3,719	2,110
Manse Council Tax	3,599	0	3,599	2,103
Insurance – Church & Manse	2,669	0	2,669	2,470
Cleaning	2,219	0	2,219	2,176
A MacInnes expenses	1,993	0	1,993	4,885
Sundry Payments	1,268	0	1,268	1,220
Church Broadband/Lift	1,191	0	1,191	1,320
Northern Presbytery Dues	983	0	983	885
Pulpit Supply	740	0	740	479
Manse Phone & Internet	496	0	496	206
Accounts Audit Fees	420	0	420	0
Flower Fund	398	0	398	129
Study Books/Bibles	376	0	376	514
Leaving Gifts	340	0	340	0
Lift Servicing	336	0	336	0
Kitchen Supplies	325	0	325	0
Sunday School	310	0	310	0
CCLI/Easy Worship Licences	264	0	264	253
Praise Band	250	0	250	187
Church Magazines	129	0	129	96
Church Website	117	0	117	233
Outreach	45	0	45	337
Stationery/Printing	6	0	6	107
Benevolent Loan	0	0	0	1,300
Repairs: Church	1,370	77,954*	79,324	184,428
Manse	364	0	364	13,861
Totals	85,841	77,954	163,795	272,572

***10a Church Renovations**

Joinery	31,923	71,764
Audio Visual/Broadband	22,153	0
Flooring	12,466	1,760
Miscellaneous / Finishes	4,461	1,488
Plumbing	2,923	9,659
Electrical	2,440	28,312
Professional Fees	1,044	3,000
Roofing	544	0
Steel	0	47,715
Building works	0	11,316
Plaster/Painting	0	8,934
Total	77,954	183,948

11. Grants & Donations

	Congregational & Fabric Fund	Build Fund	2024	2023
Ex. Denomination donations:-				
India Village Ministries	271	0	271	0
Totals	271	0	271	0

12. Bank Account Closing Balances at 31/12/24Unrestricted Funds

Dornoch Free Church General Account	1,750
Fabric Fund Account	1
Total	1,751

Designated Funds

Dornoch Free Church General Account	5,290
<i>Holiday Bible Club</i>	5,290
Total	5,290
Total Unrestricted/Designated Funds	7,041

Restricted Funds

Reserve Account	7,267
Total Funds	14,308

End of Report