

Fortrose Free Church of Scotland

Trustees' Report and Financial Statements
Year Ended 31 December 2024

Fortrose Free Church of Scotland

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Fortrose Free Church of Scotland

Church Information

Trustees at 31 December 2024



Contact address

Free Church of Scotland
5 Church Street
Fortrose
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Bankers

Bank of Scotland
Inverness City
2-6 Eastgate
Inverness
IV2 3NA

Solicitors

Blackadders LLP
10 Euclid Crescent
Dundee
DD1 1AG

Independent Examiner



Mann Judd Gordon Ltd
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

Fortrose 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

Fortrose Free Church of Scotland is established by Constitution.

The church is a Scottish Charity (No. SC 038119).

Aims and Affiliation

Fortrose 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 building and the minister's manse are the property of the congregation and are held under the Church's model trust deed.

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 Deacons' Court (the Trustees) who served during the year were as follows. All served throughout the year. In addition [REDACTED] deacon of the congregation, served until the date of his passing on 3rd December 2024.

Minister

Elders

Deacons



Congregational Trustees:

For holding property:



Fortrose Free Church of Scotland

Report of the Trustees

Appointment of 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 their responsibility as elder or deacon.

Achievements and Performance

During the year, the church met regularly for worship in the church building in Church Street. Throughout the year it carried out various activities in pursuit of the above stated aims. Weekly events through a typical week included Café Blether, Women's Bible Study and the midweek prayer meeting. The congregation continued its commitment to support the National Free Church of Scotland both spiritually and financially. Along these lines the congregation supports the national Free Church's vision of 'A Healthy Gospel church in every community in Scotland'.

The new church building continued to prove to be a helpful asset through the year, not only for the congregation but also for various organizations in the community.

Additional appeals were made during the year resulting in donations totalling over £3,000 being made to:

- Damaris House
- Free Church Camps
- African Inland Church
- Mission Aviation Fellowship

Financial review

The income to the general fund has increased over 2023, with a marked increase in giving through gift aid and much greater income arising from rental of the church premises to outside agencies. The increase in income is reflected in an increase in the payments made to the central funds of the church, most other costs remaining consistent with the previous year. In 2024 there was an excess of receipts over payments of £2,400, increasing unrestricted reserves to £6,964 which is just slightly over one month's normal expenditure.

Remarkable progress has again been made in repaying the loans taken out to finance the new church building of which full use is now being made. Capital repayments totalling £30,726 were made during 2024, leaving only £9,840 to be repaid in respect of the loan from the Free Church of Scotland. The loan from Methodist Chapel Aid was fully repaid in the year. It is anticipated that the remaining loan will be fully repaid by April 2025. The original intention was that repayment would not be achieved until 2039.

The Deacons' Court continues to be most grateful for the continuing generous support of the congregation throughout the year, particularly in respect of the loan repayments.

Fortrose Free Church of Scotland

Report of the Trustees

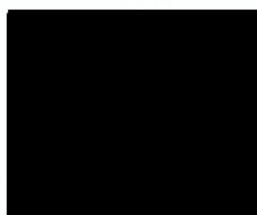
Trustees' Responsibilities

Under legislation relating to charities in Scotland, the trustees must prepare financial statements which give sufficient detail to enable an appreciation of the transactions of the Church during the financial year. The trustees are responsible for keeping proper accounting records which must at any time reflect the financial position of the Church. This must be done to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Church and must take reasonable steps for the prevention and/or detection of fraud and other irregularities.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the church will continue its activities.

On behalf of the Trustees



12 February 2025

Independent Examiner's Report to the Trustees of Fortrose Free Church of Scotland

I report on the financial statements of the charity for the year ended 31 December 2024 set out on pages 6 to 10.

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's 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 the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeking explanations from you as 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 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts 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.



Mahmoud Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

5 May 2025

Fortrose Free Church of Scotland

Receipts and Payments Account

Year ended 31 December 2024

Year ended 31 December 2023

	Unrestricted General Fund £	Restricted Funds £	Total 2024 £	Unrestricted General Fund £	Restricted Funds £	Total 2023 £
Receipts						
Gift Aid giving	30,090	19,740	49,830	25,365	23,239	48,604
Gift Aid - Tax Recovered	8,770	5,386	14,156	8,005	5,806	13,810
Church Door collections	6,196	-	6,196	4,885	-	4,885
Other offerings (Not Gift Aided)	14,665	5,777	20,442	14,333	7,031	21,364
Grant for administration	-	-	-	-	2,000	2,000
Rental income	8,320	-	8,320	1,853	-	1,853
Funeral donations	700	-	700	-	-	-
Investment income	97	-	97	121	-	121
Magazines	189	-	189	278	-	278
Donations and fundraising	-	4,178	4,178	650	4,914	5,564
Total Receipts	69,027	35,082	104,109	55,489	42,989	98,478
Payments						
<i>Payments for Charitable activities</i>						
Remittances to Central funds	43,295	-	43,295	38,650	-	38,650
Pulpit Supply and Communion Expenses	851	-	851	594	-	594
Minister's expenses	3,893	-	3,893	3,649	-	3,649
Church & Manse Insurance	1,449	-	1,449	1,419	-	1,419
Heat & Light	3,169	-	3,169	2,802	-	2,802
Church internet	869	-	869	616	-	616
Audio visual equipment	-	1,429	1,429	-	-	-
Magazines	529	-	529	436	-	436
Repairs & Renewals	1,870	-	1,870	1,098	-	1,098
Manse council tax	3,706	-	3,706	3,632	-	3,632
Presbytery Expenses	1,377	-	1,377	1,372	-	1,372
Donations	538	1,665	2,203	639	3,006	3,645
Website development	178	-	178	612	-	612
Sunday School expenses	222	-	222	229	52	281
Books	132	-	132	110	-	110
Loan repayments	-	30,726	30,726	-	42,176	42,176
Administration	2,879	-	2,879	793	2,000	2,793
Loan interest	-	1,294	1,294	-	2,930	2,930
Sundry Expenses	1,348	-	1,348	1,999	-	1,999
<i>Governance costs</i>						
Independent Examination	324	-	324	648	-	648
Total Payments	66,627	35,114	101,741	59,297	50,163	109,460
Surplus / (Deficit) for year	2,400	(32)	2,368	(3,808)	(7,174)	(10,982)
Transfers	-	-	-	-	-	-
Net movement in funds after transfers	2,400	(32)	2,368	(3,808)	(7,174)	(10,982)
Total funds brought forward	4,564	1,505	6,069	8,372	8,680	17,052
Total funds carried forward	6,964	1,473	8,437	4,564	1,506	6,070
Represented by:						
<i>Unrestricted funds</i>						
General Fund	6,964	-	6,964	4,564	-	4,564
<i>Restricted Funds</i>						
Special collections	-	-	-	-	-	-
Building Fund	-	1,473	1,473	-	1,506	1,506
	6,964	1,473	8,437	4,564	1,506	6,070

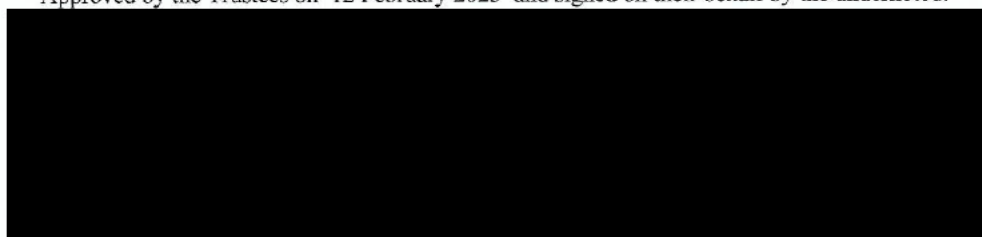
Fortrose Free Church of Scotland

Statement of Balances

As at 31 December 2024

	Note	2024	2023
		£	£
FUNDS HELD LOCALLY			
Bank & Cash in hand			
Opening balance		6,069	17,051
Surplus/(deficit) for the year		2,368	(10,982)
Closing balances		8,437	6,069
Total of monetary assets held		8,437	6,069
Reserves			
Unrestricted funds	6	6,964	4,564
Restricted funds	7	1,473	1,506
		8,437	6,070
Assets held for charitable purposes			
Church & Manse	2	1,167,152	1,167,152
Other assets			
Letting income receivable		652	2,490
Gift aid tax recoverable		3,791	3,160
		4,443	5,650
Liabilities			
Long term loans to finance new Church building	3	9,840	40,556
Creditors and accrued charge	4	324	324
		10,164	40,880
FUNDS HELD AT THE CENTRAL OFFICE			
Investments held, at cost	5	2,391	3,188

Approved by the Trustees on 12 February 2025 and signed on their behalf by the undernoted:



The notes form part of these financial statements.

Fortrose Free Church of Scotland

Notes to the Accounts—Year ended 31 December 2024

1. Accounting Policies

Accounting Convention

The financial statements have been prepared under the historical cost convention, subject to the noting of the manse at trustees' valuation, and in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of Preparation of Financial Statements

The financial statements have been prepared on a receipts and payments basis.

Church Income

All voluntary income and interest received is accounted for when received.

Investments

As the accounts are prepared on a receipts and payments basis the investments are included at cost. Market value of the investments is disclosed within the notes to the accounts.

Fixed Assets

Heritable property is stated at the trustees' estimate of market value at the balance sheet date in respect of the manse and cost in respect of the new church building completed in 2019. No depreciation has been applied as depreciation is a non cash item and therefore should not be included in the receipts and payments account.

Receipts and Payments Account.

For the purpose of the Receipts and Payments Account as shown on page 6, funds are defined as follows:

Unrestricted funds comprise grants and other income received for the objects of the church without further specified purpose and are available as general funds.

Restricted funds comprise income which has been received for the objects of the church and specified for a restricted purpose within these objects by the donor.

Fortrose Free Church of Scotland

Notes to the Receipts and Payments Accounts

For the year ended 31 December 2024

	2024	2023
	£	£
2 Assets held for charitable purposes		
<i>Stated at cost</i>		
New church building	867,152	867,152
<i>Stated at current valuation by trustees</i>		
Manse	300,000	300,000
	<u>1,167,152</u>	<u>1,167,152</u>
3 Long term loans to finance new church building		
Outstanding at 31 December:		
Free Church of Scotland	9,840	32,233
Methodist Chapel Aid	-	8,324
	<u>9,840</u>	<u>40,557</u>
<p>The loan from the Free Church of Scotland, which carries interest at a rate of 5% per annum, is being repaid by equal monthly instalments of £1,750 including interest, which at the current interest rate of 5% per annum should result in the loan being fully repaid in May 2025.</p> <p>The loan from Methodist Chapel Aid, which carried interest at the rate of 5.4% per annum, was fully repaid during the year.</p>		
4 Other creditors and accrued charges		
Accrued charges	324	240
	<u>324</u>	<u>240</u>
5 Investments		
The congregation holds investment (cost)	<u>2,391</u>	<u>3,188</u>
Market value of the investment	<u>4,002</u>	<u>4,705</u>

Following the transfer of the Free Church pension scheme to a specialist pension insurance company the share pool units of the pension element of the endowment investment have been transferred in order to ensure that the income continues to be used in accordance with the original endowment intentions. This results in a reduction in the annual dividend income receivable by the congregation.

Fortrose Free Church of Scotland

Notes to the Receipts and Payments Accounts

For the year ended 31 December 2024

6 Unrestricted funds	Balance at 1.1.24 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.24 £
General Fund	4,564	69,027	66,627	-	6,964
7 Restricted funds	Balance at 1.1.24 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.24 £
Special Collections		1,665	1,665	-	-
Building Fund	1,505	33,417	33,449	-	1,473
Total restricted funds	1,505	35,082	35,114	-	1,473

8 Transactions with Trustees

The minister is a trustee. In addition to payments made for manse heating and power costs of £2,866 (2023-£2,949), manse insurance of £301 (2023-£361) and council tax of £3,706 (2023-£3,632), expenditure in respect of motor expenses of £339 (2023- £144) and manse telephone of £688 (2023-£481) was incurred by the congregation in the year. There were no other transactions with trustees in the year.

During the year payments totalling £2,879 (2023-£2,793) were made to the wife of [REDACTED] trustee, for administration services.