



# **South Harris Free Church**

**Trustees' Report and Financial Statements**  
***For the Year Ended 31 December 2024***

# South Harris Free Church

**Contents of the Financial Statements** *for the year ended 31 December 2024*

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# South Harris Free Church

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## Church Information

### Trustees

A list of active Trustees during 2024 is provided in the Trustees' Report on Page 2.

### Address

Leverburgh  
Isle of Harris  
HS5 3TS

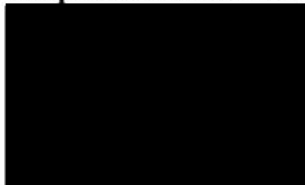
### Bankers

Bank of Scotland  
Stornoway Branch  
PO Box 1000  
BX2 1LB

### Solicitors

Blackadders LLP  
10 Euclid Crescent  
Dundee  
DD1 1AG

### Independent Examiners



# South Harris Free Church

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## 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

South Harris Free Church of Scotland is established by Constitution. It is a registered Scottish Charity (No. SC038157).

### Aims and Affiliation

South Harris 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.

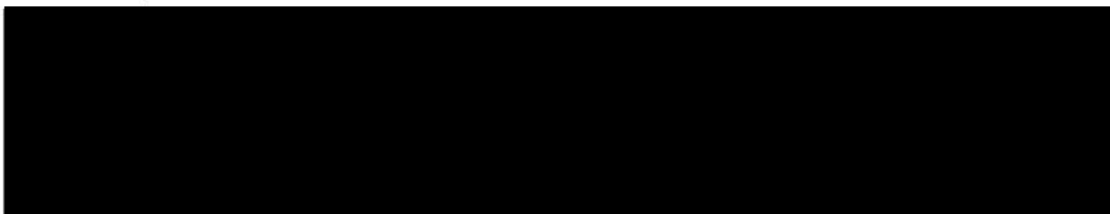
The congregation is authorised by the Church to have a minister paid from central funds of the Church.

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 (or during the vacancy the Interim Moderator). The Kirk Session, being the minister and elected elders, has responsibility for spiritual oversight, while the Finance Committee, composed of Kirk Session members plus elected members of the Committee, oversees financial and property matters. Under Charity Law, the Finance Committee 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 Finance Committee (the Trustees) who served during the year were as follows:-





# South Harris Free Church

## 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). 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.

### Activities and Achievements

During the year, the congregation met regularly for public worship and carried out various activities in pursuit of the above stated aims.

The congregation continued its commitment to support the National Free Church of Scotland both spiritually and financially.

Significant highlights, events and developments of note in the year include the following: -

#### In relation to congregational activities:

- Church Refurbishment – this year we undertook a fairly substantial refurbishment of the main Church building with the slate roof being replaced as well as a full internal renovation.
- Church café - 'Café 34' ran throughout the year. This has helped the congregation to connect to the local community and provided a warm space for people in the community to meet up, especially in winter time. The Café has been greatly supported over the course of the year by the community, and thanks to a very generous volunteer pool we have been able to keep the café open all year. As well as the Café helping with congregational finances, the Café income has also been used to make donations to other charities this year such as Crossroads, Leverburgh Care Home and Harris Wheels. Café income also pays for snacks etc for the Parent and Toddler group.
- Parent and Toddler group - 'Little Lambs', ran throughout the year and it has been good to see new babies being born in the community, as well as other families moving into the area.
- Sunday School – The Sunday School continues to meet and the children have been going through the 'Go Teach' material.
- The Minister has regular access to the School to conduct assemblies and end of year services.
- The Minister and Elders were able to visit the local Care Home weekly to conduct worship services for residents and staff.
- The Youth Fellowship for Secondary aged children in the Community has continued to be run and children from all denominations have been coming along to enjoy some food and fellowship and to hear from various speakers from our own locality and also from further afield.
- Various discussion type bible studies were run to help believers to grow in their faith.

#### In relation to congregational funding:

- This year has seen an increase in the total amount of donations for the year
- Although the General Fund shows a deficit of £7,415; if we take into consideration the 40% of Café 34 proceeds that were transferred to restricted funds for refurbishment costs and the loss of 2 months Café takings due to the closure during refurbishments; it is encouraging to see that we would otherwise have had made a small surplus

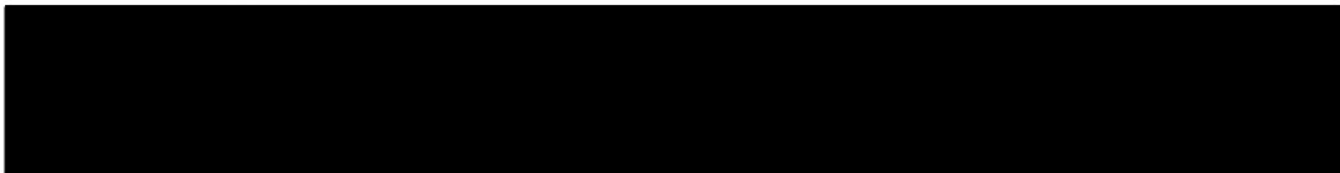
### Reserves

#### Results for the year

Due to the church refurbishment and deposit for solar panels at the end of 2024 we have a deficit of £27,067. The total amount of funds held at 31 December '24 is £47,110. Unrestricted funds amounting to £32,588 in the General Fund, £14,522 in the Property/Fabric Fund.

The trustees are satisfied with the level of reserves retained by the charity.

### On behalf of the Trustees



# South Harris Free Church

## Report of the Independent Examiners to the Trustees for the year ended 31 December 2023

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I report on the accounts of the church for the year ended 31 December 2023 which are set out on pages 5 to 7.

### 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. The charity trustees consider that the audit requirement of Regulation 10(1) (d) 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. 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 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 Examiners' Statement

In the course of 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 comply with Regulation 9 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.



# South Harris Free Church

## Receipts and Payments Accounts

For the year ended 31 December 2024

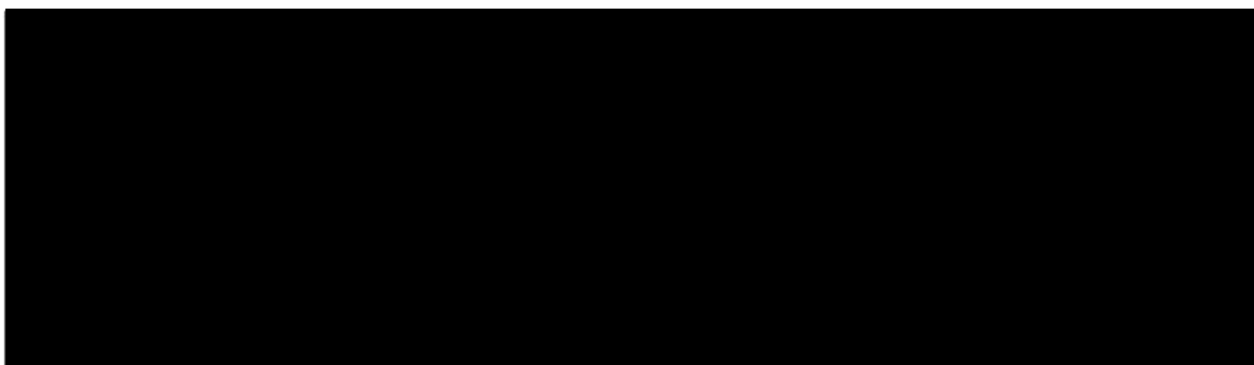
	Notes	Unrestricted Funds		Restricted Funds	Total 2024	Total 2023
		General Fund	Fabric Fund			
		£	£	£	£	£
<b>Receipts</b>						
Freewill Envelopes		3,547	505		4,052	2,777
Gift Aid Giving Envelopes		7,698	1,615		9,313	9,409
Door Collection		2,201			2,201	2,475
Magazines		190			190	109
Direct Banking Giving		21,135	2,060		23,195	20,670
Refunds					-	858
Communion Expenses Collection		433			433	349
Donations		1,420	15		1,435	2,658
Investment income		57	2,355		2,412	2,025
Café 34 income		7,818		5,512	13,330	15,946
Tax Recovered on Gift Aid Giving		8,747			8,747	7,435
Grants & Donations				50,205	50,205	150
<b>Total Receipts</b>		<b>53,246</b>	<b>6,550</b>	<b>55,717</b>	<b>115,513</b>	<b>64,861</b>
<b>Payments</b>						
<i>Payments for Charitable activities</i>						
Utility - breakdown (note 10)		13,066			13,066	11,776
Stationery/Postage/Office		654			654	354
Pulpit Supply and Communion Expenses		930			930	1,047
Magazines/Bibles etc		154			154	353
Ministers expenses - mileage		654			654	446
Fire Safety		-			-	74
Remittances to Central funds		40,848			40,848	36,250
Presentations/Gifts		250			250	-
Café 34 - outgoings		2,005			2,005	2,819
Investment outgoing to Central Funds		57			57	53
Gift Aid Admin Fee		142			142	109
Church & Manse Insurance			2,115		2,115	1,907
Missions/Donations		250			250	400
Repairs & Renewals		350			350	500
Sundry Expenses		593	383		976	501
Western Isles Levy		708			708	702
Church Roof Refurb			18,376	50,240	68,616	-
Church Solar Panels				8,805	8,805	-
Grant - HVS & WFM				2,000	2,000	-
					-	2
<b>Total Payments</b>		<b>60,661</b>	<b>20,874</b>	<b>61,045</b>	<b>142,580</b>	<b>57,293</b>
<b>Surplus for the year</b>		<b>(7,415)</b>	<b>(14,324)</b>	<b>(5,328)</b>	<b>(27,067)</b>	<b>7,568</b>
Transfers		-	-	-	-	-
<b>Net movement in funds after transfers</b>		<b>(7,415)</b>	<b>(14,324)</b>	<b>(5,328)</b>	<b>(27,067)</b>	<b>7,568</b>
Total funds brought forward		40,003	28,846	5,328	74,177	66,609
<b>Total funds carried forward</b>		<b>32,588</b>	<b>14,522</b>	<b>0</b>	<b>47,110</b>	<b>74,177</b>
<b>Represented by:</b>						
<i>Unrestricted funds</i>						
General Fund		32,588	-	-	32,588	40,003
<i>Designated Funds</i>						
Property Fund		-	14,522	-	14,522	28,846
<i>Restricted Funds</i>						
Church Roof Repair Fund		-	-	0	0	5,328
		<b>32,588</b>	<b>14,522</b>	<b>0</b>	<b>47,110</b>	<b>74,177</b>

# South Harris Free Church

## Statement of Balances As at 31 December 2024

	2024 £	2023 £
<b>Investments held at Cost (note 3)</b>	601	601
<b>Bank &amp; Cash in hand</b>		
Opening balance	74,177	66,609
Surplus/(Deficit) for the year	<u>(27,067)</u>	<u>7,568</u>
<b>Closing balances</b>	<b>47,110</b>	<b>74,177</b>
<b><i>Funds held at the Central Offices (note 7)</i></b>		
<b><i>Sustentation endowments - 407 units:</i></b>		
Market value	2,342	2,063
<b>Total of monetry assets held</b>	<b><u>50,053</u></b>	<b><u>76,841</u></b>
<b>Reserves</b>		
Unrestricted funds	32,588	40,003
Designated funds	14,522	28,846
Restricted funds	0	5,328
	<b><u>47,110</u></b>	<b><u>74,177</u></b>
<b>Statement of Assets held for Charitable purposes</b>		
<b><i>Values given for Church, Hall, Manse, Fixture &amp; Fittings are based on the insurance cover totals</i></b>		
Church, Manse & Hall	2,131,993	2,055,924
Fixtures & Fittings	<u>57,084</u>	<u>55,443</u>
<b>Sub-total</b>	<b>2,189,077</b>	<b>2,111,367</b>
Less:		
Outstanding loans		-
<b>Total</b>	<b><u>2,189,077</u></b>	<b><u>2,111,367</u></b>
<b>Statement of liabilities at 31 December 2024</b>		
Invoices due for payment	<u>Nil</u>	<u>Nil</u>

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





# South Harris Free Church

## Notes to the Financial Statements for the year ended 31 December 2024

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### 1. Accounting Policies

#### *Accounting Convention*

The financial statements have been prepared under the historical cost convention, and in accordance with the Charities Accounts (Scotland) Regulations 2006.

#### *Basis of financial statements*

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

#### **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**

A statement of the assets held is shown in the notes to the accounts. 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 5, 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.

**Designated** funds represent unrestricted funds which have been earmarked by the Trustees for particular purposes.

**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.

# South Harris Free Church

## Notes to the Receipts and Payments Accounts

For the year ended 31 December 2024

3. Investments	2024 £	2023 £
The congregation holds investments (cost)	<u>601</u>	<u>601</u>
Market Value of the investments as at 31 December '24	<u>57,524</u>	<u>56,292</u>

## 4. Transactions with Trustees

 treasurer's duties	400	400
	-	-

# South Harris Free Church

## Notes to the Receipts and Payments Accounts

For the year ended 31 December 2024

5 Unrestricted funds	Balance at 01.01.24 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.24 £
General Fund	40,003	53,246	(60,661)	-	32,588
<b>Designated funds:</b>					
Fabric Fund	28,846	6,550	(20,874)	-	14,522
Total designated funds	28,846	6,550	(20,874)	-	14,522
Total unrestricted funds	68,849	59,796	(81,535)	-	47,110

### Explanation of funds

The General Fund encompasses all income and expenditure relating to the primary focus activities of the charity, other than those for which funding is restricted.

The Designated Fabric Fund represents the money set aside by the deacons' court and donations received for the fabric of the building.

6 Restricted funds	Balance at 01.01.24 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.01.24 £
Church Roof - Grant & Donations	5,328	48,436	(68,616)	-	(14,852)
Solar Panel Installation	-	5,281	(8,805)	-	(3,524)
Café 34 - Grant & Donations	-	2,000	(2,000)	-	-
Money from Fabric Fund Reserves	-	18,376	-	-	18,376
Total restricted funds	5,328	74,093	(79,421)	-	-

7 407 units are held centrally for sustentation endowments. The income of £56.98 is added to central funds

8 £2,000.00 ~ money in and out - Grant received - £1500 from HVS; £500 from WFM - for Café 34 use (not included as income)

9 £5,281.03 The Energy Saving - Grant received - purely for use of Solar Panel Installation (not included as income)

10 Utility Bills Breakdown:	2024	2023	2022
BT	746	624	723
Electric	9,049 #	7,448	7,078
Oil	1,355	1,577	1,614
Council Tax	1,464	1,785	1,702
Church tech	283	182 *	291
TV Licence	170	159	159
	<u>13,067</u>	<u>11,776</u>	<u>11,567</u>

# 2024 - Electric - £1,164 refund due - not refunded until 2025

\* 2023 - Church tech - £61.51 covered by grant - not included in above figure

11 Charitable Donations From Café 34 Funds:	Crossroads (Harris)	150
	Leverburgh Care Home	150
	Harris Wheels	150