

Scottish Charity Number: SC052057

Cornerstone Free Church of Scotland

Trustees' Report and Financial Statements

For the year ended 31 December 2025

Cornerstone Free Church of Scotland

Contents of the Financial Statements for the year ended 31 December 2025

	Page
Trustees’ Annual Report	1 - 4
Independent Examiner’s Report to the Trustees	5
Statement of Financial Activities	6
Statement of Financial Position	7
Notes to the Financial Statements	8 - 17

Cornerstone Free Church of Scotland

Trustees' Annual Report *for the year ended 31 December 2025*

The trustees present their annual report and financial statements of the charity for the period ended 31 December 2025. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply 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.

Structure, Governance and management

Cornerstone Free Church of Scotland is established by Constitution. It is a registered Scottish Charity (No. SC052057), registered on 11 October 2022.

Registered address

The Old Schoolhouse
140 Morningside Road
Edinburgh
EH10 4PX

Bankers

Charities Aid Foundation
CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Solicitors

Innes & Johnson
5-7 Commercial Rd
Leven
KY8 4LE

Trustees and Office Bearers

The congregation is governed and administered by elected office bearers (all volunteers) and its minister, assistant minister and church planter. The Kirk Session, being the minister, assistant minister, church planter 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 period and since the period of year end, were as follows:

Deacons' Court

Elders

J Eglinton,
D Meredith
R Oosterhoff
Enrique De La Paz (appointed June 2025)

Cornerstone Free Church of Scotland

Trustees' Annual Report *for the year ended 31 December 2025*

Deacons

A Armstrong
A Johnston
I McCormick
E Osorio
P Turnbull (appointed August 2026)

Ministerial Team

Rev N MacMillan (resigned April 2025)
Rev C Ross
Rev I Guerrero

Congregational Trustees

For holding Property

M Sangster
W MacLelland
A Armstrong

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.

Aims and Affiliation

Cornerstone 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 several 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 and an assistant Minister paid from central funds of the Church.

The church building and the minister's manse are held by St Columba's Free Church, Edinburgh, under the Church's model trust deed but are in the process of being transferred into the name of Cornerstone Free Church. In March 2026, the charity completed the transfer of the minister's manse (see Note 16).

Cornerstone Free Church of Scotland

Trustees' Annual Report for the year ended 31 December 2025

Achievements and Performance

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

- Continued to serve local families through Morningside Minis, a parent and toddler group
- Provided opportunities for people to gather to discuss faith and belief
- Partnered with the Wayfarer Trust to support Christians in the arts and creative endeavours
- Sunday Services continued at George Watson's College throughout 2024 to accommodate growing numbers.

In relation to congregational funding:

- A growth in donations from church members via weekly offerings and Gift Aid donations.
- Increased participation by church members in the Gift Aid scheme.

Financial Review

The Financial Statements for the year are set out on pages 6 to 17. The Statement of Financial Activities on page 6 reflects a decrease in fund of £50,446 (2024: surplus of £42,392) for the period. Unrestricted funds at the year-end were £26,312 (2024: £78,629). Restricted funds, held for the purposes detailed in note 13, were £36,043 (2024: £34,172) at the end of the year. Total funds amounted to £62,355 (2024: £112,801).

Reserves policy and going concern

The trustees are working to develop a satisfactory level of reserves to be retained by the charity. There is no formal reserves policy approved by Trustees but aim to hold Unrestricted General Fund Reserves at a level which equates to around three months costs of Unrestricted expenditure sufficient to maintain the ongoing work. The unrestricted free reserves at year-end were £26,312, which is lower than three months of unrestricted expenditure. The trustees understand the year ahead will be a challenging one and will look at how to increase the level of reserves while achieving the principal activities of the church.

The Trustees have reviewed the circumstances of the charity and consider that adequate resources continue to be available to fund the charity's activities for the foreseeable future. The Trustees are of the view that the charity is a going concern.

Risk Management

The Trustees are responsible for assessing the risks to which the congregation is exposed on an ongoing basis and for periodically updating and reviewing it. The Trustees assess the risk in relation to health and safety in line with the requirements of the FCoS central church. The Trustees seek to identify and address the material risks facing the congregation and agree measures aimed at mitigating these risks.

Plans for future periods

We continue to pursue opportunities to expand our ministry, specifically by establishing a church plant in the Gilmerton area. This initiative will be driven by existing members residing in Gilmerton and will aim to build a strong community presence. Furthermore, we are dedicated to fostering the growth of our Spanish-speaking congregation. To facilitate these endeavours and further our mission of sharing Jesus, we intend to utilize the old schoolhouse. This space will serve as a hub for both Christian and local community groups, providing support and resources to the wider community.

Cornerstone Free Church of Scotland

Trustees' Annual Report *for the year ended 31 December 2025*

We are looking to assist in establishing two church plants in the Edinburgh area, using the experience we have gained over recent years. We aim to continue the congregation's current activities and develop further outreach with students and young workers and to play a leading role in the promotion of Biblical Counselling within the church and the wider denomination. We will continue developing our partnership with Wayfarer Trust to sustain artists and promote the creative arts.

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).

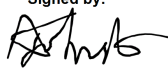
The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and the incoming resources and application of resources of the charity for that period. In preparing the financial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

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustees 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 on 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,

Signed by:

 32F4764F920543B...

Andrew Robert Johnston
Trustee/Secretary

24-09-2026 | 15:29 BST

Date:

Cornerstone Free Church of Scotland

Independent Examiner's Report to the Trustees for the year ended 31 December 2025

I report on the accounts of the charity for the year ended 31 December 2025 which are set out on pages 6 to 17.

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.

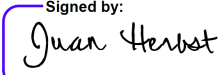
Basis of independent examiner's statement

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 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 in 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 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 (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.

Signed by:

 8EC683B950E64BE...
Juan Herbst CA
Partner

EQ Accountants Limited

Innes House
 18 Shairps Business Park
 Houstoun Road
 Livingston
 EH54 5FD

24-09-2026 | 20:55 BST
 Date:

Cornerstone Free Church of Scotland

Statement of Financial Activities for the year ended 31 December 2025

				2025			2024
	Note	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	3	179,087	132,862	311,949	307,780	73,964	381,744
Charitable activities	4	18,953	50	19,003	17,123	-	17,123
Other income	5	1,500	-	1,500	-	-	-
Investments	6	157	-	157	132	-	132
Total income and endowments		199,697	132,912	332,609	325,035	73,964	398,999
Expenditure on:							
Charitable activities	7	260,114	122,941	383,055	262,705	93,902	356,607
Total expenditure		260,114	122,941	383,055	262,705	93,902	356,607
Net income / (expenditure)		(60,417)	9,971	(50,446)	62,330	(19,938)	42,392
Transfers between funds	13	8,100	(8,100)	-	(1,041)	1,041	-
Net movement in funds		(52,317)	1,871	(50,446)	61,289	(18,897)	42,392
Reconciliation of funds							
Total funds brought forward		78,629	34,172	112,801	17,340	53,069	70,409
Total funds carried forward	13	26,312	36,043	62,355	78,629	34,172	112,801
Represented by:							
Restricted Funds		-	36,043	36,043	-	34,172	34,172
Unrestricted Funds		26,312	-	26,312	78,629	-	78,629
Total Charity Funds	13	26,312	36,043	62,355	78,629	34,172	112,801

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 8 to 17 form part of these accounts

Cornerstone Free Church of Scotland

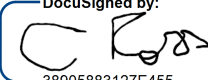
Statement of Financial Position as at 31 December 2025

	Note	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Fixed assets					
Tangible assets	9	6,908	-	6,908	8,670
Total fixed assets		6,908	-	6,908	8,670
Current assets					
Debtors	10	11,267	-	11,267	923
Cash at bank and in hand		25,527	36,043	61,570	104,122
Total current assets		36,794	36,043	72,837	105,045
Liabilities					
Creditors falling due within one year	11	17,390	-	17,390	914
Net current assets/(Liabilities)		19,404	36,043	55,447	104,131
Total assets less current liabilities		26,312	36,043	62,355	112,801
Net assets		26,312	36,043	62,355	112,801
The funds of the Charity					
Unrestricted funds		26,312	-	26,312	78,629
Restricted income funds		-	36,043	36,043	34,172
Total Charity funds	13	26,312	36,043	62,355	112,801

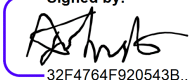
The notes on pages 8 to 17 form part of these financial statements.

24-09-2026 | 15:29 BST

The accounts were approved by the trustees on and signed on their behalf by:

DocuSigned by:

 38905883127E455...

Rev. Colin Ross - Trustee /Minister

Signed by:

 32F4764F920543B...

Andrew Robert Johnston - Trustee

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

1. Accounting Policies

The principal accounting policies, which have been applied consistently in the current and previous year in dealing with items which are considered material to the accounts, are set out below:

Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK Generally Accepted Accounting Practice.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The accounts are prepared on a going concern basis as the Trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The Charity has taken advantage of the provision in the SORP for charities applying FRS 102 (Update Bulletin 1) as published on 2 February 2016 and does not prepare a Statement of Cash Flows.

Funds Structure

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

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

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

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

Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

Interest receivable

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

Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Charitable Activities

The expenditure on charitable activities includes grants made, governance costs and support costs as shown in the notes.

Donated services and facilities

Donated professional services and donated facilities are recognized as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the 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.

Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Tangible fixed assets and depreciation

Tangible fixed assets are included in the balance sheet at cost with items costing in excess of £50 being capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Furniture & fixtures	10%, 14%, 20%, 25% & 50% on straight line
Machinery & equipment	10%, 20%, 25% & 33% on straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Pensions

The charity makes contributions into a defined contribution automatic enrolment pension scheme for employees. The assets of the scheme are held separately from those of the charity in independently administered funds.

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

Judgements and key sources of estimation uncertainty

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.

2. Related Party Transactions, Trustees' Expenses and Remuneration

In 2025 payments totalling £83,061 (2024: £86,789) were made to the central denomination, covering remittances to central funds including the Missions Board, presbytery dues, conveyancing, payments for services and goods (payroll handling fees, gift aid administration, the Free Church's Record magazine and photocopying). As ministers of the denomination, three of the Trustees were paid stipends by the central denomination in 2024 and 2025.

Reimbursed Expenses paid to Trustees and related persons were as follows:

Neil MacMillan £1,722 (2024: £5,200), Louise MacMillan £nil (2024: £1,000), Israel Guerrero £5,706 (2024: £24,308), Colin Ross £6,510 (2024 £3,107).

In 2025 donations to the charity from Trustees and related parties totalled £34,683 (2024: £27,856), of which £26,833 (2024: £18,633) was unrestricted and £7,850 (2024: £9,223) was made for restricted purposes.

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

3. Income from donations and legacies

	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Gift Aid	27,254	2,442	29,696	20,790	3,684	24,474
Church Door collections	2,611	-	2,611	4,266	240	4,506
Standing orders	127,666	20,188	147,854	93,364	26,623	119,987
Miscellaneous donations	16,933	38,919	55,852	499	779	1,278
Special collections	-	-	-	-	5,144	5,144
One-off donations	4,623	7,938	12,561	53,222	10,099	63,321
Grants	-	63,375	63,375	135,639	27,395	163,034
	179,087	132,862	311,949	307,780	73,964	381,744

4. Income from charitable activities

	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Church weekend-away	1,060	50	1,110	35	-	35
Rental income	17,278	-	17,278	15,298	-	15,298
Event income	-	-	-	705	-	705
Toddler group income	615	-	615	1,085	-	1,085
	18,953	50	19,003	17,123	-	17,123

5. Other income

	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Other income	1,500	-	1,500	-	-	-
	1,500	-	1,500	-	-	-

6. Income from investments

	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Interest	157	-	157	132	-	132
	157	-	157	132	-	132

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

7. Analysis of expenditure on charitable activities

			2025			2024
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	funds	funds	funds	funds	funds	funds
	£	£	£	£	£	£
Charitable activities						
Administration Costs	239	-	239	(31)	20	(11)
Advertising/Promotional	376	64	440	663	310	973
Bank charges	1,275	18	1,293	1,982	31	2,013
Bookkeeping Costs	5,564	-	5,564	5,314	-	5,314
Books	1,010	511	1,521	1,127	404	1,531
Church Internet	510	-	510	734	-	734
Church Utilities	8,248	-	8,248	3,938	-	3,938
City Group Catering	224	192	416	443	199	642
Cleaning Materials	704	-	704	1,182	-	1,182
Digital Subscriptions	2,853	48	2,901	3,360	67	3,427
Discipleship	269	-	269	181	6	187
Equipment Expensed	125	-	125	530	453	983
Evangelism	-	20	20	-	-	-
Events	3,687	61	3,748	1,476	3	1,479
External Training	-	-	-	495	-	495
Gifts/Grants to Individuals	2,016	213	2,229	1,699	997	2,696
Gifts/Grants to Organisations (Note 15)	7,720	-	7,720	12,823	22	12,845
Health and Safety	-	21	21	24	-	24
Holiday Group Costs	500	289	789	542	92	634
Honorarium	972	-	972	1,780	-	1,780
Housing allowance	1,950	21,396	23,346	18,242	10,983	29,225
Insurance	3,516	-	3,516	2,456	-	2,456
Kids Church	85	-	85	239	97	336
Legal Fees & Ind. Examination	1,610	-	1,610	2,000	-	2,000
Licenses	638	-	638	386	-	386
Manse Costs	3,983	-	3,983	3,911	-	3,911
Mens Retreat Costs	127	(25)	102	63	-	63
Mini's Cost (Toddler Group)	301	29	330	293	28	321
Ministers Expenses	8,020	6,760	14,780	9,752	3,261	13,013
General Administrative Expenditures	1,360	-	1,360	-	64	64
Other congregational hospitality	1,178	401	1,579	1,997	643	2,640
Outreach	-	-	-	511	-	511
Pastoral Care Costs	340	794	1,134	255	806	1,061
Payroll Charges	327	153	480	40	20	60
Postage	3	-	3	48	-	48
Presbytery Dues	171	-	171	171	-	171
Printing	1,236	-	1,236	2,732	337	3,069
Pulpit Supply & Communion Costs	253	49	302	302	41	343
Remittances to central funds	83,061	-	83,061	74,088	-	74,088
Rent or Lease of Buildings	31,122	2,655	33,777	34,539	1,102	35,641
Repairs and Maintenance (Building)	246	18	264	2,234	-	2,234
Subtotal	175,819	33,667	209,486	192,521	19,986	212,509

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

7. Analysis of expenditure on charitable activities (cont'd)

	Unrestricted funds £	Restricted funds £	2025 Total funds £	Unrestricted funds £	Restricted funds £	2024 Total funds £
Charitable activities (cont'd)						
Subtotal c/f	175,819	33,667	209,486	192,521	19,986	212,507
Repairs and Maintenance (Equipment)	971	-	971	100	-	100
Repairs and Maintenance (Manse)	-	102	102	863	-	863
Staff Expenses	185	61	246	896	1,051	1,947
Staff Meetings	807	283	1,090	427	65	492
Staff Salaries (Note 8)	50,909	87,107	138,016	57,985	70,650	128,635
Staff Training	657	60	717	267	704	971
Staff Travel	281	606	887	3,520	453	3,973
Stationary	641	4	645	329	52	381
Stripe fees	14	61	75	1	15	16
Sunday Catering	143	216	359	1,427	61	1,488
Sundry	120	-	120	(5)	26	21
Teens Church	189	-	189	80	190	270
Telephone	181	-	181	1	-	1
Water Rates	457	-	457	133	-	133
Weekend Conference	-	-	-	387	-	387
Women's Retreat Costs	393	-	393	2,539	-	2,539
Young Adults Cost	169	34	203	82	23	105
Depreciation	1,308	740	2,048	1,152	626	1,778
Church plant	26,870	-	26,870	-	-	-
Total	260,114	122,941	383,055	262,705	93,902	356,607

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

8. Analysis of staff costs

	2025 Total £	2024 Total £
Wages and salaries	54,575	46,755
Employers National Insurance	7,797	5,795
Pension costs	4,870	4,325
Church Planter Levy	70,774	71,760
	138,016	128,635

The average number of employees during the year, calculated on the basis of a head count, was as follows:

	2025	2024
Ministry	4	4
Administration and support	1	1
Caretaker	1	1
	6	6

This represents full time equivalent of 6 staff (2024: 6). No employee had employee benefits in excess of £60,000 (2024: nil). The total remuneration of Key Management Personnel was £21,396 (2024: 7,586).

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

9. Tangible fixed assets

	Furniture & Fixtures £	Machinery & Equipment £	Total £
Cost / Valuation			
As at 1 January 2025	7,286	3,451	10,737
Additions	287	-	287
As at 31 December 2025	7,573	3,451	11,024
Depreciation			
As at 1 January 2025	1,245	822	2,067
Charge for the year	1,073	976	2,049
As at 31 December 2025	2,318	1,798	4,116
Net Book Value			
As at 31 December 2025	5,255	1,653	6,908
As at 31 December 2024	6,041	2,629	8,670
	Furniture & Fixtures £	Machinery & Equipment £	Total £
Cost / Valuation			
As at 1 January 2024	7,286	1,653	8,939
Additions	-	1,798	1,798
As at 31 December 2024	7,286	3,451	10,737
Depreciation			
As at 1 January 2024	158	131	289
Charge for the year	1,087	691	1,778
As at 31 December 2024	1,245	822	2,067
Net Book Value			
As at 31 December 2024	6,041	2,629	8,670
As at 31 December 2023	7,128	1,522	8,650

St Columba's Free Church of Scotland hold title to the former Old School House for the Cornerstone congregation, with a net book value of £175,000 (2024: £175,000). A manse was also purchased by St Columba's to be used by the Cornerstone congregation, net book value of £629,000 (2024: £629,000). In March 2026, the charity completed the transfer of the manse (Note 16). The legal transfer of ownership of the Church building had not been completed by the balance sheet date. As a result, these assets are retained on the St Columba's balance sheet until the legal transfer of ownership takes place, and they are therefore not shown on Cornerstone's balance sheet.

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

10. Debtors

	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Prepayments & accrued income	1,440	-	1,440	875	48	923
Gift Aid debtor	9,527	-	9,527	-	-	-
Other debtors	300	-	300	-	-	-
	11,267	-	11,267	875	48	923

11. Creditors falling due within one year

	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Accruals and deferred income	1,380	-	1,380	2,038	-	2,038
Other Creditors	16,010	-	16,010	(1,124)	-	(1,124)
	17,390	-	17,390	914	-	914

12. Analysis of Net Assets Among Funds

	2025			2024		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Fixed Assets	6,908	-	6,908	6,621	2,049	8,670
Current Assets	36,794	36,043	72,837	72,922	32,123	105,045
Current Liabilities	(17,390)	-	(17,390)	(914)	-	(914)
Net Assets as at 31 December 2025	26,312	36,043	62,355	78,629	34,172	112,801
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Fixed Assets	6,621	2,049	8,670	6,621	2,049	8,670
Current Assets	72,922	32,123	105,045	72,922	32,123	105,045
Current Liabilities	(914)	-	(914)	(914)	-	(914)
Net Assets as at 31 December 2024	78,629	34,172	112,801	78,629	34,172	112,801

13. Movement in funds

	Balance as at 01.01.25	Income	Expenditure	Transfers	Balance as at 31.12.25
	£	£	£	£	£
Restricted funds					
Church Plant - Gilmerton	15,493	42,476	(15,104)	(26,323)	16,542
Church Plant - Levenmouth	10,673	10,160	(9,792)	-	11,041
Dispersal	6,392	-	-	-	6,392
Growth	1,614	73,776	(93,503)	18,113	-
Manse	-	-	(110)	110	-
Training	-	6,500	(4,432)	-	2,068
	34,172	132,912	(122,941)	(8,100)	36,043
Unrestricted funds					
General	61,263	167,096	(174,708)	(38,125)	15,526
<i>Designated funds</i>					
Assets fund	-	-	-	6,908	6,908
Church Plant - Levenmouth	45,734	10,433	(53,284)	-	2,883
Generosity	-	-	(150)	150	-
Hardship	1,395	-	(400)	-	995
Old School House	(12,680)	22,168	(31,572)	22,084	-
Costs prior to independence	(17,083)	-	-	17,083	-
	78,629	199,697	(260,114)	8,100	26,312
Total funds	112,801	332,609	(383,055)	-	62,355

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

13. Movement in funds (cont'd)

	Balance as at 01.01.24 £	Income £	Expenditure £	Transfers £	Balance as at 31.12.24 £
Restricted funds					
Church Plant - Gilmerton	4,989	12,691	(2,187)	-	15,493
Church Plant - Levenmouth	10,680	-	(7)	-	10,673
Dispersal	-	6,394	(2)	-	6,392
Growth	37,890	54,879	(91,155)	-	1,614
Manse	(395)	-	(11)	406	-
Training	(95)	-	(540)	635	-
	<u>53,069</u>	<u>73,964</u>	<u>(93,902)</u>	<u>1,041</u>	<u>34,172</u>
Unrestricted funds					
General	20,312	217,990	(175,687)	(1,352)	61,263
<i>Designated funds</i>					
Church Plant - Levenmouth	15,281	82,883	(52,430)	-	45,734
Generosity	239	-	(550)	311	-
Hardship	1,395	-	-	-	1,395
Old School House	(2,804)	24,162	(34,038)	-	(12,680)
Costs prior to independence	(17,083)	-	-	-	(17,083)
	<u>17,340</u>	<u>325,035</u>	<u>(262,705)</u>	<u>(1,041)</u>	<u>78,629</u>
Total funds	<u>70,409</u>	<u>398,999</u>	<u>(356,607)</u>	<u>-</u>	<u>112,801</u>

Fund purposes:

Restricted funds:

Church Plant - Gilmerton Fund: represents funds received and expended to support church plant for Gilmerton area.

Church Plant - Levenmouth: represents funds received and expended to support church plant for Levenmouth area.

Dispersal: represents funds collected for specified charitable cause and usually generated from periodic collections.

Growth: represents funds received and expended in the growth of Cornerstone FCoS.

Manse: represents funds received and expended in the maintenance of the Manse.

Training: represents funds received and expended in the training of staff and vital volunteers of Cornerstone.

Unrestricted funds:

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

Designated funds:

Designated Assets fund encompasses the net book value of the fixed assets held by the church .

Church Plant Levenmouth: represents funds received and expended to support church plant for Levenmouth area.

Generosity: represents funds collected to support church planters and missionaries.

Hardship: represents funds received and expended to individuals within our community who are facing hardship.

Old School House: represents funds received and expended in the running of the Old School House Building.

Costs prior to independence: represents unforeseen costs when becoming independent of St Columba's that were then received after the fact.

Cornerstone Free Church of Scotland

Notes to the Financial Statements for the year ended 31 December 2025

14. Fund Transfers

	Unrestricted Funds £	Restricted Funds £	Total Funds £
1 - From restricted Church Plant - Gilmerton fund to General fund	-	(26,323)	(26,323)
1 - From restricted Church Plant - Gilmerton fund to General fund	26,323	-	26,323
2 - From General fund to restricted Growth fund	(18,113)		(18,113)
2 - From General fund to restricted Growth fund	-	18,113	18,113
3 - From General fund to restricted Manse fund	-	110	110
3 - From General fund to restricted Manse fund	(110)	-	(110)
4 - From General fund to designated Assets funds	(6,908)	-	(6,908)
4 - From General fund to designated Assets funds	6,908	-	6,908
5 - From General fund to designated Generosity funds	(150)	-	(150)
5 - From General fund to designated Generosity funds	150	-	150
6 - From General fund to designated Old School House funds	22,084	-	22,084
6 - From General fund to designated Old School House funds	(22,084)	-	(22,084)
7 - From General fund to designated Costs prior to independence funds	17,083	-	17,083
7 - From General fund to designated Costs prior to independence funds	(17,083)	-	(17,083)
	8,100	(8,100)	-

Transfer Reference 1 - this relates to the reallocation of staff salaries which have been spent out of the general fund.

Transfer Reference 2 & 3- this relates to reallocation the General fund to cover the overspend in the restricted fund.

Transfer Reference 4 - this relates to reallocation the fixed assets from the General fund.

Transfer Reference 5, 6 & 7- this relates to reallocation funds from the General fund to cover the overspend in the designated fund.

15. Donations and gifts

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
St Columba's	1,308	-	1,308	1,308
Asamblea de Dios	-	-	-	11,155
Leven Baptist Church	720	-	720	360
George Watson's College	-	-	-	20
20Schemes	450	-	450	-
Kabwabwa Zambezi Evangelical Church	4,000	-	4,000	-
Navigators UK Limited	300	-	300	-
Free Church Presbytery - Youth weekend away	942	-	942	-
	7,720	-	7,720	12,843

16. Post Balance Sheet Events

In March 2026, the charity agreed to and completed the transfer of the freehold property known as Cornerstone Church, 8 Greenbank Terrace from St Columba's Free Church of Scotland (Registered Charity Number: SC016551). The property was transferred for nil consideration as part of a strategic restructuring to align the asset with its long-term charitable objectives. This completes the original intention of the asset being bought initially. As this constitutes a non-adjusting post balance sheet event, no adjustments have been made to the financial statements for the year ended 31 December 2025. The financial effect of this transaction will be recognised in the subsequent accounting period, resulting in an increase in fixed assets of £629,000 in the Statement of Financial Activities (SOFA).