

Dornoch Free Church of Scotland

Trustees' Report
Year Ended 31 December 2025

Dornoch Free Church of Scotland

Church Information

Trustees

A list of active Trustees during 2025 is provided in the Trustees' Report on Page 3.

Address

Church Street
Dornoch
Sutherland
IV25 3LP

Bankers

Bank of Scotland

Independent Examiner

Christine Ross
Voluntary Groups Sutherland
Lairg Community Centre
Main Street
Lairg
Sutherland
IV27 4DB

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 2025.

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:-

Deacons' Court

<i>Minister</i>	Rev A MacInnes
<i>Elders</i>	M Macdonald, J Mackay, M Robinson, P Argyle (from Dec 25), S MacDonald (from Dec 25)
<i>Deacons</i>	P Argyle (to Dec 25), J Anderson (from Dec 25), G Still (from Dec 25)

Congregational Trustees

For holding Property - J Mackay & M Robinson

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

2025 was the first full year that we were able to enjoy in the fully renovated Church Building. This enabled us to provide broader range of activities and was used by the local community as well.

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**:

- A 10.7% increase in donations from church members and adherents via standing orders, weekly offerings and Gift Aid donations. (2025 - £62,010; 2024 - £56,027).
- £11,818 was received as Gift Aid income from HMRC for general and specific donations (2024 - £10,441). The majority of tax payers within the church that donate regularly are members of the Gift Aid scheme.
- Restricted Income of £35,634 was received that allowed us to undertake repairs to 2 stained glass windows and install protective measures against adverse weather and also allowed us to make loan repayments of £14,000.
- The congregation was able to remit £43,921 to central church funds. An increase of 7% from 2024. (2024 - £41,053). We met our commitment of the full costs of Ministry and 75% of the Administration/Training 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 increase of £13,745 before the revaluation of fixed assets and investments, compared with a net decrease of £16,818 in 2024.

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 2025 amounted to £7,592 (2024 - £1,751).

Total reserves (excluding cash assets), including the net book value of fixed assets and balances on restricted funds less loans outstanding amounted to £359,287 (2024 - £344,750).

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 2025 donations were made to the Adam Support Group, India Village Ministries and Mission International.

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



Mark Robinson

Trustee/Congregational Treasurer

Dated: 28 January 2026

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 2025, 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:

Christine Ross

Date:

23-02-2026

CHRISTINE ROSS
Voluntary Groups Sutherland
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Main Street
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DORNOCH FREE CHURCH OF SCOTLAND

Statement of Receipts and Payments – For the Year Ended 31 December 2025

		Congregational & Fabric	Fabric & Build		
Receipts	Note	Unrestric/Design	Restricted	Total	Total
		Funds	Funds	2025	2024
Voluntary Receipts					
Donations & Gift Aid	4	77,219	28,641	105,860	91,139
Grants/Legacy	5	250	0	250	40,250
Fund Raising	6	0	5,212	5,212	4,643
Bank Interest/Dividends	7	205	41	246	334
Receipts from Charitable Activities	8	3,052	1,740	4,792	10,882
		80,726	35,634	116,360	147,248
Payments					
Cost of Fund Raising		0	0	0	0
Cost of Charitable Activities	9	73,718	28,297	102,015	163,795
Grants & Donations	10	600	0	600	271
Governance Costs		0	0	0	0
Total Payments		74,318	28,297	102,615	164,066
Surplus/(Deficit) for the year		6,408	7,337	13,745	(16,818)
Transfers between funds		7,337	(7,337)	0	0
Surplus/(Deficit) for the year		13,745	0	13,745	(16,818)

DORNOCH FREE CHURCH OF SCOTLAND

Statement of Balances – As at 31 December 2025

	Unrestr/Desig	Restricted	Total	Total
	Funds	Funds	2025	2024
Funds Reconciliation				
Cash at Bank & In Hand - 01/01/2025	7,041	7,267	14,308	31,126
Surplus/(Deficit) for year	6,408	7,337	13,744	(16,818)
Cash at Bank & In Hand – 31/12/2025 11	13,449	14,604	28,053	14,308

Other Assets (Unrestricted Fund)

Manse Building	425,000	425,000
Investments held by Free Church of Scotland	8,975	8,438
	433,975	433,438

Liabilities

Loans (Church Building & Manse Renovations [^])	74,688	88,688
Total Net Assets	359,287	344,750

[^] Loans

	1 Jan 25	Drawdown	Repayment	31 Dec 25
Loan 1 Church	56,000	0	14,000	42,000
Loan 2 Church	26,169	0	0	26,169
Loan 3 Manse	6,519	0	0	6,519
Total	88,688	0	14,000	74,688

All loans are interest free with flexible repayment structures

The Notes on pages 9 -11
form an integral part of these accounts.

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



Mark Robinson
Congregational Treasurer/Trustee

28 January 2026

DORNOCH FREE CHURCH OF SCOTLAND

Notes to the Accounts For the year ended 31st December 2025

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 2025, 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 £4,442,527 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	2025	2024
Offerings – Standing Order	38,147	0	38,147	30,608
Offerings – Plate & Other	16,213	0	16,213	18,352
Offerings – Envelope	7,650	0	7,650	7,067
Tax Refunds – Gift Aid	11,818	3,484	15,302	18,018
Donations – Building Renovats	0	25,157	25,157	12,413
Donations – Holiday Bible Club	2,205	0	2,205	3,297
Donations – Youth Work	602	0	602	0
Donations – Little Lambs	300	0	300	170
Donations – Study Books	165	0	165	432
Miscellaneous	65	0	65	501
Donations – Ex Denom	54	0	54	281
Totals	77,219	28,641	105,860	91,139

5. Grants/Legacy

	Congregational & Fabric Fund	Build Fund	2025	2024
RDGC (Little Lambs)	250	0	250	0
Legacy – Mackintosh	0	0	0	30,000
Baird Trust	0	0	0	5,000
Ferguson Bequest Fund	0	0	0	5,000
Co-op (Holiday Bible Club)	0	0	0	250
Totals	250	0	250	40,250

6. Fundraising Activities

	Congregational & Fabric Fund	Build Fund	2025	2024
Church Building Renovations	0	5,212	5,212	0
Holiday Bible Club	0	0	0	4,643
Totals	0	5,212	5,212	4,643

7. Bank Interest/Dividends

	Congregational & Fabric Fund	Build Fund	2025	2024
Dividends	205	0	205	205
Bank Interest	0	41	41	129
Totals	205	41	246	334

8. Receipts from Charitable Activities

	Congregational & Fabric Fund	Build Fund	2025	2024
Letting Income	2,472	0	2,472	2,401
Tax refunds – VAT	0	1,740	1,740	6,546
Flower Fund	580	0	580	535
Benevolent Loan repaid	0	0	0	1,400
Totals	3,052	1,740	4,792	10,882

9. Cost of Charitable Activity

	Congregational & Fabric Fund	Build Fund	2025	2024
Denominational Commitment	43,921	0	43,921	41,053
Building Loan Repayments	0	14,000	14,000	12,000
Church Heat & Light	6,084	0	6,084	4,836
Manse Council Tax	4,003	0	4,003	3,599
Holiday Bible Club	3,210	0	3,210	4,025
Manse Heat & Light	2,976	0	2,976	3,719
Insurance – Church & Manse	2,811	0	2,811	2,669
Cleaning	1,890	0	1,890	2,219
A MacInnes expenses	1,370	0	1,370	1,993
Dehumidifier	0	1,062	1,062	0
Church Broadband	921	0	921	1,191
Pulpit Supply	846	0	846	740
Sundry Payments	571	0	571	1,268
Study Books/Training	536	0	536	376
Manse Phone & Internet	529	0	529	496
Manse Tumble Dryer	494	0	494	0
Northern Presbytery Dues	492	0	492	983
Lift Servicing	353	0	353	336
Flower Fund	311	0	311	398
CCLI/Easy Worship Licences	311	0	311	264
Sunday School	252	0	252	310
Outreach	236	0	236	45
Stationery/Printing	133	0	133	6
Kitchen Supplies	127	0	127	325
Church Website	117	0	117	117
Accounts Audit Fees	75	0	75	420
Gifts	70	0	70	340
Church Magazines	59	0	59	129
Praise Band	0	0	0	250
Repairs: Church	769	13,235	14,004	79,324
Manse	251	0	251	364
Totals	73,718	28,297	102,015	163,795

10. Grants & Donations

	Congregational & Fabric Fund	Build Fund	2025	2024
Ex. Denomination donations:-				
Adam Support Group	250	0	250	0
India Village Ministries	250	0	250	271
Mission International	100	0	100	0
Totals	600	0	600	271

11. Bank Account Closing Balances at 31/12/25

Unrestricted Funds

Dornoch Free Church General Account	7,591
Fabric Fund Account	1
Total	<u>7,592</u>

Designated Funds

Dornoch Free Church General Account	5,857
<i>Holiday Bible Club</i>	4,285
<i>Youth Work</i>	508
<i>Mission</i>	500
<i>Flower Fund</i>	406
<i>Little Lambs</i>	158
Total	<u>5,857</u>
Total Unrestricted/Designated Funds	<u>13,449</u>

Restricted Funds

Reserve Account	<u>14,604</u>
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Total Funds	<u>28,053</u>
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End of Report