

Charity Registration No. SC034605 (Scotland)

Company Registration No. SC253642 (Scotland)

FRIENDS OF THE HOY KIRK
ANNUAL REPORT AND UNAUDITED STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

FRIENDS OF THE HOY KIRK

LEGAL AND ADMINISTRATIVE INFORMATION

Directors

M Besant
A Clark
D Clark
F Clark
M Talbot
I Talbot
J Stockan
O Thomson
A Trafford
L Trafford

Secretary

I Talbot

Charity Number

SC034605

Company Number

SC253642

Principal Address

Creel Cottage
Orphir
Orkney
KW17 2RD

Independent Examiner

Anne Stacey
Voluntary Action Orkney
6 Bridge Street
Kirkwall
Orkney
KW15 1HR

FRIENDS OF THE HOY KIRK

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FRIENDS OF THE HOY KIRK

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2026

The directors present their report and financial statements for the year ended 31 March 2026.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with charity's memorandum and articles of association, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a public Benefit Entity as defined by FRS 102.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Objectives and activities

The Hoy Kirk houses the Hoy Heritage project "Creels and Crofts" which was started in 2011 and completed in 2013. Hoy Heritage is a collection of photographs, documents, books and films, interviews and newspaper clippings which is continually updated. Exhibitions are developed to share what has been found and collected, e.g. photographs, oral histories, artefacts and maps. Such information is collected together in folders so that visitors and locals can enjoy flicking through the photographs and documents. There is an ongoing project to digitise these artefacts this will eventually be accessible via the Orkney Archive. The Kirk is also used as a community venue hosting festival performances, educational events and artistic displays. The Kirk is open to the public all year round.

Achievements and performance

During the year we facilitated

- 3 well supported sessions of 'Reels and Jigs'.
- Orkney Nature Festival guided walk
- Orkney Folk Festival event
- St Magnus Festival event
- Orkney International Science Festival event
- Updating the community map
- Preparation for installation for Stain Glass Windows drawings / visit of window designer
- In October the hall was used for the successful Harvest Home dance.

FRIENDS OF THE HOY KIRK

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

Financial Review

Net Incoming resources for the year totalled £ 6,454. Unrestricted funds at the yearend were £70,454. Restricted funds totalled £9,910

It is the policy of the charity that unrestricted funds which have not been designed for a specific use should be maintained at a level equivalent to between three- and six-month's expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

The directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee and having no share capital, and a recognised Scottish charity.

The directors who served during the year were:

M Besant	A Clark	A Trafford
F Clark	I Talbot	D Clark
M Talbot	O Thomson	L Trafford
J Stockan		

None of the directors has any beneficial interest in the charity. All of the directors are members of the charity and guarantee to contribute £1 in the event of winding up.

In accordance with the company's Articles of Association, the company is managed by the board of directors who meet at least four times a year, any strategic decisions are taken at board meetings.

The directors' report was approved by the Board of Directors.



Iain Talbot
Trustee

Dated:.....04/08/26.....

FRIENDS OF THE HOY KIRK

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF FRIENDS OF HOY KIRK

I report on the financial statements of the charity for the year ended 31 March 2026, which are set out on pages 4 to 12.

Respective responsibilities of directors and examiner

The charities directors, who also act as trustees for the charitable activities of Friends of Hoy Kirk, are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The directors consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 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 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 by the accounts. I have carried out such investigations as were necessary to enable me to form an opinion as to whether proper accounting records adequate for the purposes of the charity have been kept and whether the accounts of the charity were in accordance with the accounting records.

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Account Regulations have not been met, or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Anne Stacey MAAT
Independent Examiner

6 Bridge Street
Kirkwall
Orkney
KW15 1 HR

Dated:.....17/08/26.....

FRIENDS OF THE HOY KIRK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
<u>Income from:</u>					
Donations and legacies	3	1,896	-	1,896	1,200
Charitable activities		248	-	248	50
Grants		-	21,333	21,333	31,450
Fundraising		2,625	-	2,625	3,057
Investment income		-	-	-	187
		4,769	21,333	26,102	35,944
<u>Expenditure on:</u>					
Cost of generating funds	4	302	19,016	19,318	36,540
Governance costs		330	-	330	336
		632	19,016	19,648	36,876
Net (expenditure)/income for the year/Net movement in funds		4,137	2,317	6,454	(932)
Fund balances at 1 April 2025		66,587	7,593	74,180	75,112
Fund balances at 31 March 2026		70,454	9,910	80,364	74,180

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

All incoming and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FRIENDS OF THE HOY KIRK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT PRIOR YEAR COMPARISON

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
<u>Income from:</u>					
Donations and legacies	3	1,200	-	1,200	1,030
Charitable activities		50	-	50	-
Grants		7,083	24,367	31,450	34,972
Electricity Generation		3,057	-	3,057	971
Investment income		187	-	187	240
		11,577	24,367	35,944	37,213
<u>Expenditure on:</u>					
Cost of generating funds	4	10,948	25,592	36,540	37,329
Governance costs		336	-	336	280
		11,284	25,592	36,876	37,609
Net (expenditure)/income for the year/Net movement in funds		293	(1,225)	(932)	(396)
Fund balances at 1 April 2024		66,294	8,818	75,112	75,508
Fund balances at 31 March 2025		66,587	7,593	74,180	75,112

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

All incoming and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FRIENDS OF THE HOY KIRK

BALANCE SHEET AS AT 31 MARCH 2026

		2026		2025	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	7		55,513		55,513
Current Assets					
Cash at bank and in hand		25,457		19,003	
Creditors: amounts falling due within one year	8	(336)		(336)	
Net current assets			25,121		18,667
Total assets less current liabilities			80,364		74,180
Income funds					
Restricted funds	10		9,910		7,593
Unrestricted funds			70,454		66,587
			80,364		74,180

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2026. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small company's regime.

The accounts were approved by the Directors on.....04/08/26.....



Iain Talbot
Trustee

1 Accounting Policies

Charity Information

Friends of the Hoy Kirk is a private company limited by guarantee incorporated in Scotland. The registered office is 7 French Road, Lyness, Stromness, Orkney, KW16 3NW.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provision in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the same time of the donation.

Donations, legacies and other forms of voluntary income are recognised as incoming resources in the Statement of Financial Activities (SOFA) when receivable, except insofar as they are incapable of financial measurement. The value of services provided by volunteers has not been included in these accounts.

Grants, including grants for the purchase of fixed assets, are recognised in full in the SOFA in the year in which they are receivable. Grants relating to future accounting periods are deferred.

Incoming resources from services are included when receivable.

Membership subscriptions are recognised in the period they are receivable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is included in resources expended on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure comprises those costs incurred in the delivery of the charity's activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, those costs of an indirect nature necessary to support them, and governance costs which include those costs associated with meeting the constitutional and statutory requirements of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings

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.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdraft. Bank overdrafts are shown within borrowing in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026**3 Donations and Legacies**

	Unrestricted Funds 2026 £	Restricted Fund 2026 £	Total 2026 £	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total 2025 £
Donations and legacies	1,896	-	1,896	1,200	-	1,200
For the year ended 31 March	1,896	-	1,896	1,200	-	1,200

4 Cost of generating funds

	2026 £	2025 £
Other overhead	19,318	36,540
	19,318	36,540

Charitable expenditure includes £336 (2025:£336) charged by the independent examiner for accounts preparation and independent examinations services.

5 Directors

None of the directors (or any persons connected with them) received any remuneration during the year. No directors were reimbursed for personal travel and subsistence expenses incurred during the year (2025 £0).

6 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

FRIENDS OF THE HOY KIRK

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

7 Tangible fixed assets

	Land and Buildings £		Land and Buildings £
Cost	55,513	Cost	55,513
At 1 April 2025		At 1 April 2024	
Additions	-	Additions	-
	55,513		55,513
At 31 March 2026		At 31 March 2025	
Depreciation and impairment		Depreciation and impairment	
At 1 April 2025		At 1 April 2024	
Depreciation charged in the year	-	Depreciation charged in the year	-
	-		-
At 31 March 2026	-	At 31 March 2025	-
Carrying amount		Carrying amount	
At 31 March 2026	55,513	At 31 March 2025	55,513
At 31 March 2025	55,513	At 31 March 2024	55,513

8 Creditors: amounts falling due within one year

	2026 £	2025 £
Accruals and deferred income	336	280

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026**9 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

Movement in funds

	Balance at 1 April 2025 £	Incoming resources £	Resources expended £	Balance at 31 March 2026 £
Restricted Fund	7,593	21,333	19,016	9,910
	7,593	21,333	19,016	9,910

Restricted funds – prior year comparison

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Restricted Fund	8,818	24,367	25,592	7,593
	8,818	24,367	25,592	7,593

10 Analysis of net assets between funds

Fund balances at 31 March are represented by:

	Unrestricted Funds 2026 £	Restricted Funds 2026 £	Total 2026 £	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total 2025 £
Tangible assets	55,513		55,513	55,513	-	55,513
Current assets/(liabilities)	14,941	9,910	24,851	11,074	7,593	18,667
	70,454	9,910	80,364	66,587	7,593	74,180