

Knockbain Free Church of Scotland

Scottish Charity No. SC 004591

Knockbain Free Church of Scotland

Trustees' Report and Financial Statements

For the Year Ended 31 December 2025

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

	Page
Church Information	2
Report of the Trustees	3 - 5
Report of the Independent Examiner	6
Receipts and Payments Account	7
Statement of Balances	8
Notes to the Financial Statements	9 - 10

Church Information

Trustees

A list of active trustees during 2025 is provided in the Trustees' Report on Page 3 to 5.

Address

Ferry Brae
North Kessock
Inverness
IV1 3YH

www.knockbainfreechurch.org

Bankers

Royal Bank of Scotland
Falcon Square
Inverness
IV2 3PP

Solicitors

Wright Johnston and Mackenzie
The Green House
Beechwood Park North
Inverness
IV2 3BL

Independent Examiner

Murdo Morrison
Braikley
Tulloch Ave
Dingwall
IV15 9TU

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

Knockbain Free Church of Scotland is established by Constitution. It is a registered Scottish Charity (No. SC 004591).

Aims and Affiliation

The Free Church of Scotland currently has around 100 congregations in Scotland, as well as one in London and three in North America, and sister Churches founded by mission work in India, Peru and South Africa. The Church also has a full-time degree awarding college in the heart of Edinburgh for the training of Ministers and other Christian workers.

Dating from 1843 but with its roots in the Reformation, it 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. One of the emphases of our worship is the preaching of the gospel - the good news of a free and sovereign salvation through Jesus Christ alone.

Knockbain Free Church of Scotland is a congregation of the national Free Church of Scotland (Scottish Charity No. SC 012925) working towards the common aims set out above. The congregation is within the Presbytery of Inverness, Lochaber and Ross and is authorised by the Church to have a Minister paid from the central funds of the Church.

The Church building and the Minister's manse are the property of the congregation and are held in trust by locally elected congregational Trustees under the Church's Model Trust Deed.

Trustees and Office Bearers

The congregation is governed and administered by elected office bearers (all volunteers) and its Minister. The Kirk Session, being the Minister and elected Elders, has responsibility for spiritual oversight, while the Property and Finance Committee, composed of Kirk Session members plus nominated committee members, oversees financial and property matters. Under Charity Law, the Property and Finance Committee is 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 congregational Trustees who are responsible only for holding property in trust. At the end of 2025, elections and inductions were held for additional elders and for new deacons. It was decided there would be a transitional period from December 2025 to early 2026 where the Property and Finance Committee will continue until the reconstitution of the Deacons' Court at the AGM in 2026. At that point, under Charity Law, the Deacons' Court will then be deemed to be the trustees of the congregation as those with responsibility for day to day management and control.

The members of the Property & Finance Committee who served since the AGM and will remain in place until the 2026 AGM were as follows:-

Property & Finance Committee

<i>Elders</i>	D Macrae, A MacLennan, I Gray, J Macdonald (assessor) and Rev N Maclean (assessor)
<i>Members</i>	Rev D Mackeddie, R Geddes, J Ross, W Ross, A Somerville, M Somerville,
<i>Minister</i>	Rev Murdo Campbell

Deacons' Court (*ordained to office in December 2025, to be reconstituted in 2026)

<i>Elders</i>	D Macrae, A MacLennan, I Gray, (I Renwick, J Ross, J Simms.) *
<i>Members</i>	(S Macdonald, P Sinclair, A Somerville, E Taylor.) *
<i>Minister</i>	Rev Murdo Campbell

Report of the Trustees (continued)

Congregational Trustees

For holding Property - Mr D Macrae, Rev D Mackeddrie, Mr R Geddes, Mr J Ross

Appointment of Charity Trustees

The Kirk Session exercises its discretion in determining the most appropriate method of electing new Trustees (Elders and Deacons) and the congregation elect property and finance committee trustees. Any election process must involve the communicant membership of the congregation. The fixed term for committee Trusteeship is one year with re-election possible at the Annual General Meeting. 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 or members of the property and finance committee. At the end of 2025, the Kirk Session resolved to elect new Trustees (Elders and Deacons). The election process involved the communicant membership of the congregation. There is no fixed term for Trusteeship as elders and deacons. The Deacons' Court will be reconstituted in 2026 following a transition from the existing trustees on the Property and Finance Committee.

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 property.

- The congregation were blessed and thankful for the induction of Rev Murdo Campbell as their new minister in February 2025. The congregation warmly welcomed the minister and his family into the fellowship of the congregation.
- There were the following one-off costs incurred in relation to the induction of our new minister:
 - Removal van hire and transport costs from the minister's previous charge in the Barvas congregation on the Isle of Lewis.
 - Maintenance, repairs and improvement works to the manse including: replacements of fixtures and fittings that had been removed; painting of the interior; electrical improvements; replacement flooring and repairs to fixtures.
 - Gifts for the minister, manse family, interim moderator, session clerk and other individuals who assisted the congregation through the period of vacancy.
- There was significant works undertaken with the church building to freshen and improve the facilities resulting in a cost of £10,497 for repairs and renewals. This included £3,422 in June and £1,590 in November for electrical work. Painting in the church cost £2,950 in September. Other costs included replacing the shed and providing a base for it.
- With the above expenditure on the fabric of the church initially and the manse latterly, it was possible to request a transfer of £9,392 from the capital held by the Free Church for the sale of the former church, and use this to assist with these repairs and renewals.

In relation to **congregational activities**:

- The North Kessock Youth Club for school children in p1-p5 continued for the year with a weekly after school youth club in North Kessock on Thursdays during school term times.
- The Parent and Toddlers' "Little Dolphins" Group met every Thursday morning from 10.30am to 12 noon during school term times.
- The Ladies' Bible Study group continued to meet fortnightly during term time.

Knockbain Free Church of Scotland

- Congregational fellowships continued occasionally throughout the year.
- Christianity Explored course ran from September to November with a good attendance of those from within and outwith the congregation.
- Additional fellowship meals for the men and women in the congregation were held
- Additional house fellowships and congregational fellowships were held during communion seasons
- The congregation generously supported the Blythswood Shoebox Appeal and Christmas Food Bank appeal
- The congregation held fundraising events and collections for the Free Church Youth Camps “Adopt a Camp” with the support going to Kincaig Kids 3 which the minister and members in the congregation were leading and cooking at.
- The induction and ordination of elders and deacons took place in December 2025.

Report of the Trustees (In relation to congregational funding)

- **Overall.** (2024 figures in brackets). Income has risen significantly from £74,088 to £105,166 which is close to the 2023 income of £103,809. Expenditure has risen significantly from £89,007 to £121,824 with the largest part of that expenditure being the continued Remittance to the Free Church for Central Funds. In addition to the monthly Remittances costs, the Trustees have taken the opportunity to undertake substantial alterations and repairs to the manse.
- **Income.** Gift Aided donations totalled £52,752 (£34,664 in 2024) which is similar to the 2023 figure (£56,237). Tax recovered on Gift Aid Donations rose to £14,671 (£11,845 in 2024).
- The Plate Offerings were £12,126 (£11,542).
- **Expenditure.** As already explained the largest part of the church’s costs relate to the monthly Remittance to the Free Church headquarters to pay ministers’ salaries and related costs. Knockbain was placed in Band E for 2025 and so remitted £4,490 each month, totalling £53,032 (£41,150) for the year, being 43% (47%) of the church’s total expenditure.
- During the year the congregation donated £200 towards the European Mission Fellowship. There was support for Open Doors amounting to £640 and £1,000 was sent to Ekisa Ministries for their work in Uganda.

Reserves

Reserves. Despite the financial challenges in 2025 the church has maintained a healthy balance in its reserves with the overall amount falling from £114,564 to £97,906.

The **Unrestricted Fund**, sometimes referred to as the ‘General’ Fund had a balance of £72,071 (£91,808) while the ‘Designated’ Funds (which are also Unrestricted) amounted to £1,674 (£9,953).

Restricted Funds. There are two Funds in this category. The Fabric Fund had £8,921 (£3,179) and the Local Purposes Account had a balance of £15,240 (£9,623) on 31 December 2025.

Funds, included in the above figures, held for the congregation by the Free Church in Edinburgh amounted to £71,867.

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

On behalf of the Trustees



Rev Murdo Campbell
Minister and Trustee
30 March 2026

Report of the Independent Examiner to the Trustees of Knockbain Free Church of Scotland

I report on the accounts of the church for the year ended 31 December 2025 which are set out on pages 7 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (d) 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 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 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, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulationshave 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.



Mr Murdo Morrison
Independent Examiner

30th May 2026

Knockbain Free Church of Scotland

Receipts and Payments Accounts

For the year ended 31 December 2025

		Unrestricted Funds		Restricted		
		General	Designated	Funds	Total	Total
	Notes	Fund	Funds		2025	2024
		£	£	£	£	£
Receipts						
Gift Aid giving		31,326		21,427	52,752	34,664
Gift Aid - Tax Recovered		11,847		2,824	14,671	11,845
Church Door collections		12,126		-	12,126	11,542
Other donations (not Gift Aided)		5,866		13,380	19,246	8,746
Bank interest and other interest		2,506	21	-	2,526	3,332
Magazines		304		-	304	224
Other donations		-		2,541	2,541	2,735
Legacy		-		1,000	1,000	1,000
Total Receipts		63,974	21	41,171	105,166	74,088
Payments						
<i>Payments for Charitable activities</i>						
Remittances to Central funds		53,032			53,032	41,150
Pulpit Supply and Communion Expenses		2,343			2,343	5,567
Minister's expenses		8,324			8,324	4,183
Church & Manse Insurance		-		2,751	2,751	3,713
Heat & Light		13,196		-	13,196	9,456
Local Purposes		-	200	1,140	1,340	3,687
Telephone		2,166			2,166	1,678
Repairs & Renewals		432	8,098	21,988	30,519	10,497
Council Tax/Water & Sewage		3,039			3,039	2,246
Presbytery Expenses		868			868	1,949
Donations		-		2,418	2,418	2,650
Sundry Expenses		-		1,515	1,515	1,171
Magazines		313		-	313	1,061
Total Payments		83,713	8,298	29,812	121,824	89,007
Net receipts/ (payments)		(19,739)	(8,278)	11,360	(16,658)	(14,919)
Inter fund transfers		-	-	-	-	-
Surplus/(deficit) for year		(19,739)	(8,278)	11,360	(16,658)	(14,919)
Total funds brought forward		91,810	9,952	12,802	114,564	129,483
Total funds carried forward		72,071	1,675	24,161	97,906	114,564
Represented by:						
General Fund		204			204	14,873
Proceeds of sale of former Church		71,867			71,867	76,935
<i>Designated Funds (per note 4)</i>			1,675		1,675	9,953
Total unrestricted funds		72,071	1,675		73,745	101,761
Restricted Funds (per note 5)				24,161	24,161	12,803
		72,071	1,675	24,161	97,906	114,564

Knockbain Free Church of Scotland

Statement of Balances

As at 31st December 2025

	2025	2024
	£	£
Bank & Cash in hand		
Opening balances	37,628	46,461
Transferred from Central Office account	7,529	9,392
Surplus/(Deficit) for the year excluding interest on funds held at Central Offices	<u>(19,117)</u>	<u>(18,225)</u>
Closing balances	26,040	37,628
Funds held at the Central Offices (Proceeds of sale of former Church)		
Opening balance	76,935	83,022
Transferred to Knockbain Main account	(7,529)	(9,392)
Interest on funds	<u>2,461</u>	<u>3,305</u>
Closing balance	71,867	<u>76,935</u>
Total of monetary assets held	97,906	114,564
Reserves		
Unrestricted funds	72,071	91,808
Designated funds	1,674	9,953
Restricted funds	24,161	12,803
	97,906	114,564
Statement of Assets held for Charitable purposes, at cost		
Church and Manse	1,861,000	1,861,000
Fixtures and Fittings	52,441	52,441
	1,913,441	1,913,441

Approved by the Trustees on 29th May 2026 and signed on their behalf by the undemoted:



Rev Murdo Campbell
Trustee

The notes form part of these financial statements.

Notes to the Financial Statements

For the year ending 31st December 2025

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.

Fixed Assets

A statement of the fixed assets held for the purposes of the charity, namely the church and manse and fixtures and fittings, is shown in the statement of balances. These assets are shown at the original cost price. No depreciation has been applied as depreciation is a non-cash item and therefore should not be included in the receipts and payments account.

Receipts and Payments Account

For the purpose of the receipts and payments account, as shown on page 6, funds are defined as follows:

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

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.

Notes to the Receipts and Payments Accounts

For the year ended 31 December 2025

2 Trustee remuneration

No remuneration was paid to any trustee during the year.

3 Trustee expenses

There were no payments to Trustees.

4 Unrestricted funds	Balance at 01.01.25 £	Incoming resources £	Resources expended	Transfers £	Balance at 31.12.25 £
General Fund	14,873	61,513	(83,713)	7,529	204
Proceeds of sale of former Church	76,935	2,461	0	(7,529)	71,867
	91,808	63,974	(83,713)	-	72,071
Designated funds:					
Fabric	8,098		(8,098)	-	-
Benevolent	1,844	20	(200)		1,664
Missions	10				10
Total unrestricted funds	101,761	63,994	(92,011)	-	73,745

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 Funds represents money set aside by the Deacons' Court from general income for the specific purposes noted above less the related expenditure paid from those funds

5 Restricted funds	Balance at 01.01.25 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.25
Fabric	3,179	18,308	(12,566)		8,921
Local Purposes	9,624	22,863	(17,246)	-	15,240
Total restricted funds	12,803	41,171	(29,812)	-	24,161

Explanation of funds

Restricted Funds - represents gifts received specifically for these funds less the related expenditure paid from these funds.

6 Transfers between funds

There were no transfers between funds.