

Lerwick Baptist Church
Report and Financial Statements
For the year ended 30 September 2024

Lerwick Baptist Church

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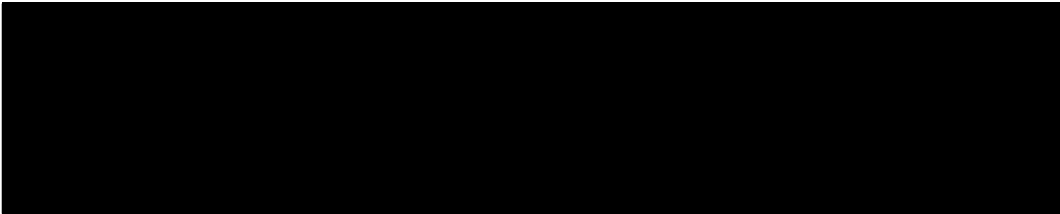
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Lerwick Baptist Church

Report of the Trustees for the year ended 30 September 2024

Report of the Trustees

The Trustees are pleased to present their report together with the financial statements of the Church for the year ended 30 September 2024.



Status of Charity and Governing Document

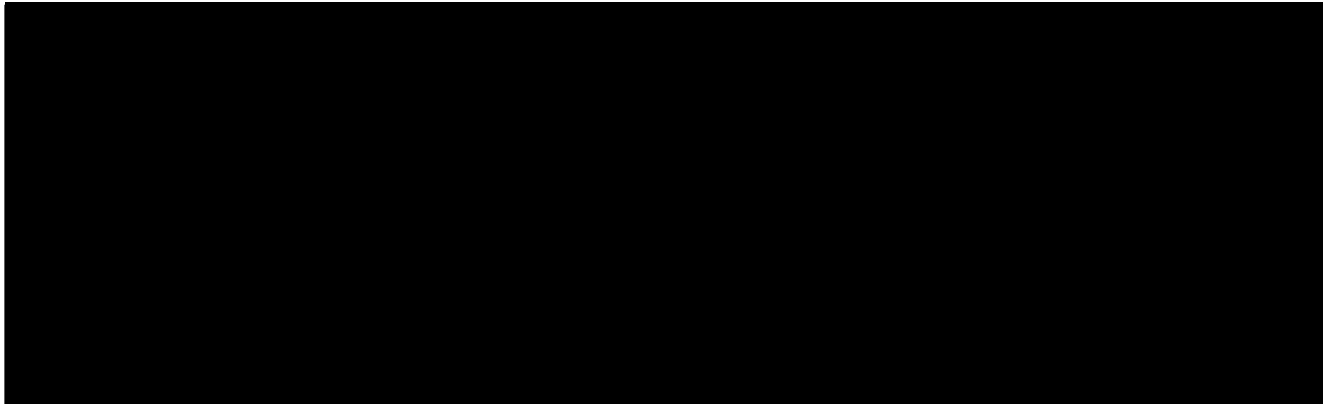
Lerwick Baptist Church is established by Constitution and is registered with OSCR as a Charity. The Scottish Charity Number is SC021237.

Aims and affiliation

The aim of the church, which is affiliated to the Baptist Union of Scotland, is to promote an active witness to the Gospel of our Lord Jesus Christ and meet weekly for worship and for the building up of the members in their Holy Faith. We seek to minister right across the age ranges, and endeavour to keep the message of the Cross at the heart of all that we do. Evangelism; Care of the community, elderly and sick remains a high priority of our fellowship. This is in line with our Mission Statement to ***“Radiate God’s Glory; Teach His Truth; Reach the World”***.

Trustees and Office Bearers

The church is congregational in policy and its day to day running is undertaken by the Office Bearers and Deacons (all Trustees) and the Pastor. The Office Bearers who served during the year and to the date of this report were as follows:



Appointment of Trustees

New Trustees/Deacons are nominated for appointment by the Church Members. The term of appointment is six years after which they stand down but are eligible for re-election. Prior to their appointment, new Trustees/Deacons 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/Deacons are required to understand their statutory responsibilities.

Achievements and performance

The Church continues to employ a full time Children and Families Worker and Youth Worker. They seek to develop the work of our children and families and started a parent toddler group called Mainly Music in October 2023. Additionally, the church continues with a number of activities including weekly Worship Services; Salt Club; Shining Lights; Youth Church, Youth @LBC; Evergreens Group for over 70’s and Home Groups. The Church continues to livestream most of its Sunday Services which reaches a wide number of people including those who are not able to attend the building.

Church Membership as at 30/09/2024 is 101 (2023: 98)

Lerwick Baptist Church

Report of the Trustees for the year ended 30 September 2024

Achievements and performance (continued)

Ongoing Activities:

- Salt Club - meeting weekly for age P2 – P7
- Crèche - meeting weekly for age 0 – 3
- Shining Lights – age 3 – P1
- Mainly Music – Parent and Toddler Group
- Youth Church – meeting weekly for age 12 – 18
- Youth @ LBC – weekly meeting for secondary school age young people.
- Evergreens group for the over 70's.
- A number of Home groups held within the Church and online.
- Growth of Home Groups held throughout the week.
- Weekly Prayer Meeting

Significant highlights, events and developments

- Cuppas @ Quoys' – weekly drop in venue for the community
- Growth of children's ministries, growth of the Young Adults house group; networking with other Youth Groups in Shetland.
- Mainly Music – Parent and Toddler group; started in October 2023.

In terms of Finance:

- Supported over 15 independent local, national and international organisations

Future plans

To continue and further build on the current work and activities detailed above.

Exploring plans for developing upstairs in the Building.

Financial review

Principal sources of funding

The church receives its funding from church members and attendees by way of weekly/monthly offerings and gift aid donations.

Results for the year

The financial statements for the year are set out on pages 5 to 11. The Statement of Financial Activities on page 5 reflects net expenditure of £31,310 (2023: £42,104).

Reserves

It is the policy of the church to maintain unrestricted funds at a level which equates to approximately three months unrestricted expenditure. This allows sufficient funds to enable the ongoing work of the church to be maintained. The General Fund on page 5 at 30 September 2024 amounted to £231,202 (2023: £239,090) and met the required level.

Total reserves, including the net book value of fixed assets and balances on restricted funds amounted to £1,780,839 (2023: £1,812,149).

Grant making policy

The policy of giving at least 10% of the regular income as donations to individuals and organisations that are generally known to the Trustees/Deacons and the Church has been continued. The beneficiaries are involved in activities or ministries compatible with the church's objectives.

Statement on Risk

The Trustees assess the major risks to which the charity is exposed on an ongoing basis and have established procedures to mitigate those that are identified as a result of these reviews.

Lerwick Baptist Church

Report of the Trustees for the year ended 30 September 2024

Administrative information

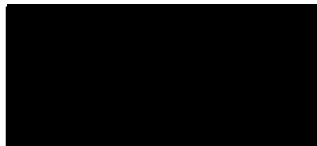
Bankers

Bank of Scotland
Commercial Street
Lerwick
Shetland

Solicitors

Tait & Peterson
Bank of Scotland Buildings
Commercial Street
Lerwick
Shetland ZE1 0EB

Signed on behalf of the Trustees on 17th February 2025 by:



(Trustee/Secretary)

Lerwick Baptist Church

Report of the Independent Examiner to the Trustees for the year ended 30 September 2024

I report on the accounts of the church for the year ended 30 September 2024 which are set out on pages 5 to 11.

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) (a) - (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 (as amended). 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

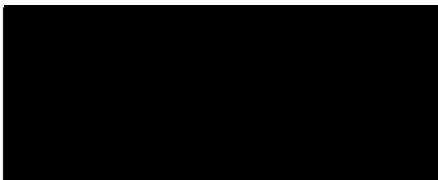
In the course of my examination, no matter has come to my attention

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 (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.



Innes & Partners Limited
Chartered Certified Accountants
9 Ardross Street
Inverness
IV3 5NN

Date:26.1.25... 2025

Lerwick Baptist Church

Statement of Financial Activities
For the year ending 30 September 2024

	Notes	General fund £	Designated funds £	Restricted funds £	Total 2024 £	General fund £	Designated funds £	Restricted funds £	Total 2023 £
Income and endowments from:									
Donations and legacies	2	178,524	-	27,741	206,265	172,275	-	3,861	176,136
Bank interest		4,402	-	-	4,402	-	-	-	-
Total income and endowments		182,926	-	27,741	210,667	172,275	-	3,861	176,136
Expenditure on:									
Charitable activities	3	166,556	14,000	14,536	195,092	152,289	13,500	5,793	171,582
Other resources expended	4,8	1,974	44,911	-	46,885	1,884	44,774	-	46,658
Total expenditure		168,530	58,911	14,536	241,977	154,173	58,274	5,793	218,240
Net income/(expenditure)		14,396	(58,911)	13,205	(31,310)	18,102	(58,274)	(1,932)	(42,104)
Transfers between funds	13,14	(22,284)	13,000	9,284	-	(20,419)	15,878	4,541	-
Net movement in funds		(7,888)	(45,911)	22,489	(31,310)	(2,317)	(42,396)	2,609	(42,104)
Total funds brought forward		239,090	1,569,700	3,359	1,812,149	241,407	1,612,096	750	1,854,253
Total funds carried forward		231,202	1,523,789	25,848	1,780,839	239,090	1,569,700	3,359	1,812,149
		(Note 13)	(Note 13)	(Note 14)					
Represented by:									
Unrestricted funds									
General fund		231,202	-	-	231,202	239,090	-	-	239,090
Designated assets fund		-	1,473,789	-	1,473,789	-	1,518,700	-	1,518,700
Development fund		-	50,000	-	50,000	-	50,000	-	50,000
Tithe fund		-	-	-	-	-	1,000	-	1,000
Restricted funds									
Holding fund		-	-	341	341	-	-	-	-
Development fund		-	-	20,704	20,704	-	-	2,250	2,250
Youth Group fund		-	-	4,803	4,803	-	-	1,109	1,109
Total funds		231,202	1,523,789	25,848	1,780,839	239,090	1,569,700	3,359	1,812,149

The notes on pages 7 to 11 form part of these financial statements.

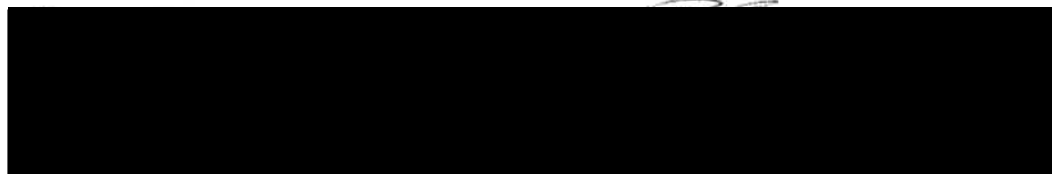
Lerwick Baptist Church

Balance sheet

As at 30 September 2024

	Notes	General fund £	Designated funds £	Restricted funds £	Total 2024 £	Total 2023 £
Fixed assets						
Tangible assets	8	-	1,473,789	-	1,473,789	1,518,700
Current assets						
Debtors	9	48,826	-	4,019	52,845	17,082
Cash at bank and in hand		184,364	50,000	21,829	256,193	278,265
		233,190	50,000	25,848	309,038	295,347
Creditors: falling due within one year	10	1,988	-	-	1,988	1,898
Net current assets/(liabilities)		231,202	50,000	25,848	307,050	293,449
Total assets less current liabilities		231,202	1,523,789	25,848	1,780,839	1,812,149
Net assets		231,202	1,523,789	25,848	1,780,839	1,812,149
Represented by:						
Unrestricted funds	13					
General fund					231,202	239,090
Designated assets fund					1,473,789	1,518,700
Development fund					50,000	50,000
Tithe fund					-	1,000
Restricted funds	14					
Holding fund					341	-
Development fund					20,704	2,250
Youth Group					4,803	1,109
					1,780,839	1,812,149

The financial statements on pages 5 to 11 were approved by the Trustees on 17 February 2025 and signed on their behalf by the undernoted:



The notes on pages 7 to 11 form part of these financial statements.

Lerwick Baptist Church

Notes to the financial statements for the year ended 30 September 2024

1. Accounting policies

Basis of preparation

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 (FRS 102) issued on 16 July 2014 (updated October 2019) the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The accounts have been prepared under the historical cost convention with items recognised at cost or valuation 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 charity constitutes a public benefit entity as defined by FRS 102.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Income and debtors

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and it is probable that the income will be received, and the amount of income receivable can be measured reliably. Debtors are valued at cost at the period end and adjusted for any amounts considered to be unrecoverable.

Expenditure and creditors

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. All expenses, including support costs and governance costs, are allocated between the expense categories of the SoFA on a basis designed to reflect the use of the resource. Creditors are valued at cost at the period end and split between amounts due in less than one period and amounts due in more than one period.

Fixed assets

Heritable property is stated at cost. No depreciation has been provided on the church manse since the Trustees consider that the market value well exceeds the carrying value of the manse.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Church building	2% straight line
Furnishings and equipment	20% straight line

Accounting for separate funds

Funds are divided between Unrestricted and Restricted funds. Unrestricted funds can be used for any purpose which meets the objectives of the Church. Within this category the Trustees may designate funds for specific purposes and these are highlighted in the financial statements as Designated Funds. Restricted funds are those which can be disbursed only for purposes set by the donor or the terms of the appeal under which they were raised.

Pension

Payments to the Baptist Pension Scheme, a Defined Contribution scheme, are charged to the SoFA in the year they are incurred.

Lerwick Baptist Church

Notes to the financial statements
For the year ending 30 September 2024

2. Donations and legacies	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £
Sunday offerings	8,620	-	-	8,620	10,192	-	-	10,192
Gift Aid offerings	120,147	-	-	120,147	116,420	-	-	116,420
Donations	40,785	-	27,741	68,526	36,691	-	3,861	40,552
Grants Received	8,972	-	-	8,972	8,972	-	-	8,972
	178,524	-	27,741	206,265	172,275	-	3,861	176,136

3. Charitable activities	Staff costs £	Other direct costs £	Support costs £	Total 2024 £	Staff costs £	Other direct costs £	Support costs £	Total 2023 £
Local ministries	120,225	23,237	31,446	174,908	91,495	11,686	49,748	152,929
National and overseas ministries	-	20,184	-	20,184	-	18,653	-	18,653
	120,225	43,421	31,446	195,092	91,495	30,339	49,748	171,582
	(Note 6)	(Note 7)	(Note 5)					
Of which:								
Relating to general funds	120,225	14,885	31,446	166,556	91,495	11,046	49,748	152,289
Relating to designated funds	-	14,000	-	14,000	-	13,500	-	13,500
Relating to restricted funds	-	14,536	-	14,536	-	5,793	-	5,793

4. Governance costs	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £
Independent Examiner's remuneration	1,974	-	-	1,974	1,884	-	-	1,884
	1,974	-	-	1,974	1,884	-	-	1,884

5. Support costs	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £
Property maintenance	12,434	-	-	12,434	34,067	-	-	34,067
District heating	4,029	-	-	4,029	3,589	-	-	3,589
Church and Manse insurance	3,805	-	-	3,805	2,598	-	-	2,598
Electricity and telephone	7,708	-	-	7,708	5,980	-	-	5,980
Council tax	2,808	-	-	2,808	2,714	-	-	2,714
Piano tuning	150	-	-	150	-	-	-	-
Youth Worker Expenses	512	-	-	512	800	-	-	800
	31,446	-	-	31,446	49,748	-	-	49,748

6. Staff costs and numbers	2024 £	2023 £
Gross salaries	106,448	83,670
Employer National Insurance	3,890	596
Pension costs	9,887	7,229
	120,225	91,495

The average number of employees during the year was 5 (2023: 3).
No employee was paid in excess of £60,000 in the financial year.

Lerwick Baptist Church

Notes to the financial statements
For the year ending 30 September 2024

7. Other direct costs

	Unrestricted funds	Designated funds	Restricted funds	Total 2024	Unrestricted funds	Designated funds	Restricted funds	Total 2023
	£	£	£	£	£	£	£	£
Local ministries								
Advertising	1,378	-	-	1,378	1,044	-	-	1,044
Copier charges/stationery	1,364	-	-	1,364	1,472	-	-	1,472
Salt club funds/materials	-	-	-	-	384	-	-	384
SBA subscriptions	-	-	-	-	192	-	-	192
Subscriptions / Fees	1244	-	-	1,244	1,137	-	-	1,137
Copyright Licences	787	-	-	787	738	-	-	738
Audio/video expenses	257	-	-	257	221	-	-	221
Youth Group expenses	-	-	8,352	8,352	-	-	640	640
Sundry costs	9,855	-	-	9,855	5,858	-	-	5,858
	<u>14,885</u>	<u>-</u>	<u>8,352</u>	<u>23,237</u>	<u>11,046</u>	<u>-</u>	<u>640</u>	<u>11,686</u>

National and overseas ministries

Donations to institutions

BMS	-	-	1,136	1,136	-	-	696	696
SBF	-	-	4,190	4,190	-	-	3,998	3,998
Ellon Baptist Church	-	-	-	-	-	1,500	-	1,500
Food for the Way	-	550	-	550	-	1,000	-	1,000
Tearfund	-	1,150	-	1,150	-	1,000	-	1,000
India Village Ministries	-	4,000	-	4,000	-	3,600	-	3,600
Christian Bookshop	-	1,000	-	1,000	-	1,000	-	1,000
Scottish Baptist College	-	1,000	-	1,000	-	-	-	-
Shetland Foodbank	-	550	858	1,408	-	1,250	-	1,250
UFM	-	1,000	-	1,000	-	-	-	-
Other grants <£1,000	-	4,750	-	4,750	-	4,150	459	4,609
	<u>-</u>	<u>14,000</u>	<u>6,184</u>	<u>20,184</u>	<u>-</u>	<u>13,500</u>	<u>5,153</u>	<u>18,653</u>
	<u>14,885</u>	<u>14,000</u>	<u>14,536</u>	<u>43,421</u>	<u>11,046</u>	<u>13,500</u>	<u>5,793</u>	<u>30,339</u>

8. Tangible fixed assets

	Heritable property		Fixtures & equipment	Total
	Church	Manse		
	£	£	£	£
Cost				
At 1 October 2023	1,649,445	242,658	128,430	2,020,533
At 30 September 2024	<u>1,649,445</u>	<u>242,658</u>	<u>128,430</u>	<u>2,020,533</u>
Depreciation				
At 1 October 2023	397,816	-	104,017	501,833
Charge for year	32,989	-	11,922	44,911
At 30 September 2024	<u>430,805</u>	<u>-</u>	<u>115,939</u>	<u>546,744</u>
Net Book Value				
At 30 September 2024	<u>1,218,640</u>	<u>242,658</u>	<u>12,491</u>	<u>1,473,789</u>
At 30 September 2023	<u>1,251,629</u>	<u>242,658</u>	<u>24,413</u>	<u>1,518,700</u>

9. Debtors: falling due within one year

	2024	2023
	£	£
Gift aid recoverable	51,285	15,728
Prepayments	1,560	1,354
	<u>52,845</u>	<u>17,082</u>

10. Creditors: falling due in less than one year

	2024	2023
	£	£
Accrued expenses	1,974	1,884
Other Creditors	14	14
	<u>1,988</u>	<u>1,898</u>

Lerwick Baptist Church

Notes to the financial statements
For the year ending 30 September 2024

11. Transactions with Trustees and related parties

There were no transactions with the Trustees during the year ending 30 September 2024 (2023: nil) in their capacity as a trustee. [REDACTED] a trustee received £6,006 (2023: £5,733) for his work in carrying out admin and secretarial duties.

During the year [REDACTED] Trustee (appointed 18/9/2024) and son of [REDACTED] Trustee, received a gross salary of £30,500 (2023: £29,000) and pension contributions of £2,860 (2023: £2,610) for his work as Youth Worker.

During the year [REDACTED] Trustee (appointed 18/9/2024), received a gross salary of £2,583.34 (2023: £nil) and pension contributions of £258 (2023: £nil).

12. Analysis of Net Assets Among Funds

	General fund	Designated funds	Restricted funds	Total 2024
	£	£	£	£
Fixed Assets	-	1,473,789	-	1,473,789
Current Assets	233,190	50,000	25,848	309,038
Current Liabilities	(1,988)	-	-	(1,988)
As at 30 September 2024	231,202	1,523,789	25,848	1,780,839

	General fund	Designated funds	Restricted funds	Total 2023
	£	£	£	£
Fixed Assets	-	1,518,700	-	1,518,700
Current Assets	240,988	51,000	3,359	295,347
Current Liabilities	(1,898)	-	-	(1,898)
As at 30 September 2023	239,090	1,569,700	3,359	1,812,149

13. Unrestricted funds

	Balance at 01.10.23	Income	Expenditure	Transfers	Balance at 30.09.24
	£	£	£	£	£
General fund	239,090	182,926	(168,530)	(22,284)	231,202
Designated funds					
Designated assets fund	1,518,700	-	(44,911)	-	1,473,789
Development fund	50,000	-	-	-	50,000
Tithe fund	1,000	-	(14,000)	13,000	-
Total unrestricted funds	1,808,790	182,926	(227,441)	(9,284)	1,754,991

	Balance at 01.10.22	Income	Expenditure	Transfers	Balance at 30.09.23
	£	£	£	£	£
General fund	241,407	172,275	(154,173)	(20,419)	239,090
Designated funds					
Designated assets fund	1,562,096	-	(44,774)	1,378	1,518,700
Development fund	50,000	-	-	-	50,000
Tithe fund	-	-	(13,500)	14,500	1,000
Total unrestricted funds	1,853,503	172,275	(212,447)	(4,541)	1,808,790

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 assets fund encompasses the net book value of the fixed assets held by the church less the value of loans held for building purposes. The transfer into this fund in the year represents the movement in fixed assets and loans in the year.

The Development fund represents a provision for future projected ministries which may require increased financial support.

The Tithe fund represents 10% of the previous year's general fund regular income set aside to donate to appeals, charities and to other deserving causes. This is transferred into the fund from the General fund.

Lerwick Baptist Church

Notes to the financial statements
For the year ending 30 September 2024

14. Restricted funds	Balance at 01.10.23 £	Income £	Expenditure £	Transfers £	Balance at 30.09.24 £
Holding fund	-	2,741	(6,184)	3,784	341
Development fund	2,250	18,454	-	-	20,704
Youth Group fund	1,109	6,546	(8,352)	5,500	4,803
Total restricted funds	3,359	27,741	(14,536)	9,284	25,848

	Balance at 01.10.22 £	Income £	Expenditure £	Transfers £	Balance at 30.09.23 £
Holding fund	-	1,612	(5,153)	3,541	-
Building fund	-	-	-	-	-
Development fund	750	1,500	-	-	2,250
Youth Group fund	-	749	(640)	1,000	1,109
Total restricted funds	750	3,861	(5,793)	4,541	3,359

Explanation of funds

The Holding fund represents money given to the church to pass on directly to specific activities connected to the church and to other outside bodies.

The Development fund represents a provision for future projected ministries which may require increased financial support.

The Youth Group fund represents funds used towards running the childrens and youth groups.

15. Trustee Donations

During the year gift aid donations of £38,180 were received from the Trustees (2023: £43,322).