Christian Outreach Centre (Aberdeen) Working name - The Junction Church
For the year ended 31 March 2024
Scottish Charity Number : SC025645
Independent Examiner: Eastbury Accounting Solutions Limited

Christian Outreach Centre (Aberdeen)

Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the Financial Statements in accordance with The Charities and Trustee Investment (Scotland) Act 2005 (The Act).

The Act requires that the Trustees:

- (a) keep proper accounting records,
- (b) prepare for each financial year of the charity a statement of account, including a report on its activities in the financial year,
- (c) have the statement of account independently examined or audited, and
- (d) after such examination or audit, send a copy of the statement of account to OSCR.

The Trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention of fraud and other irregularities.

Independent Examiner's Report

I report on the financial statements of Christian Outreach Centre (Aberdeen) (charity number SC025645) for the year ended 31 March 2023.

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 (the 2006 Regulations). The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) 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 report

My examination was carried out in accordance with Regulation 11 of the 2006 Regulations. An independent examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as 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, which

- 1. 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 Regulations; and
 - ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 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 financial statements to be reached.

 . Dated	16-Dec-2024

Eastbury Accounting Solutions Limited Beechwood Marchfield Balnain Drumnadrochit IV63 6TJ

Christian Outreach Centre (Aberdeen) Statement of Financial Activities (Incorporating the Income and Expenditure account) for the year ended 31 March 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Incoming resources		~	~	_	_
Income resources from generated funds Voluntary Income Grant income	2 3	189,830	2,856 3,500	192,686 3,500	168,487 -
Interest received		566	-	566	133
Incoming resources from charitable activities	4	1,590	3,927	5,517	4,418
Total receipts		191,986	10,283	202,269	173,038
Resources expended					
Charitable activities	5	158,011	5,666	163,677	132,064
Investment management costs	6	12,522	-	12,522	11,813
Governance costs	7	8,364	-	8,364	6,263
Total payments		178,897	5,666	184,563	150,140
Net income for the year		13,089	4,617	17,706	22,898
Reconciliation of funds					
Total funds at 1 April 2023		595,377	220	595,597	572,699
Total funds at 31 March 2024		608,466	4,837	613,303	595,597

Christian Outreach Centre (Aberdeen) Balance Sheet as at 31 March 2024

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets: Other	9	685,756	681,788
Current assets			
Debtors	10	4,439	9,631
Cash at bank and in hand	=	50,970	49,545
		55,409	59,176
Creditors: amounts falling due within one year	11	(6,994)	(22,593)
Net current assets	- -	48,415	36,583
Total assets less current liabilities		734,171	718,371
Creditors: amounts falling due after more than one year	12	(120,868)	(122,774)
Net assets	- -	613,303	595,597
Represented by:			
Funds Unrestricted	15		
General reserve		608,466	595,377
Restricted		4,837	220
restricted		4,007	220
	-	613,303	595,597

The Trustees' Annual Report and Financial Statements were approved by the trustees on 09-Dec-2024 [date] and signed on their behalf by:



Chairman

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities".

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Depreciation

Tangible fixed assets are stated at cost less depreciation. Assets are capitalised if they have a useful life of more than one year. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Furniture and equipment 20% straight line Motor vehicles 20% straight line

Depreciation is not charged on buildings. In the opinion of the trustees, the value of the property is expected to increase over time and therefore depreciation is not considered appropriate.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the directors.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

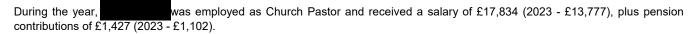
2 Incoming resources from generated funds: Voluntary Income

		Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
	Tithes, Offerings and Donations				
	Tithes and offerings	160,625	-	160,625	148,593
	Donations	-	-	-	-
	Gift aid (Tithes & offerings and donations)	29,205	-	29,205	17,138
	Other designated giving				
	Special offerings and sponsorship	-	2,856	2,856	2,756
		189,830	2,856	192,686	168,487
		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		2024	2024	2024	2023
		£	£	£	£
3	Grant funding				
	Grant - Baird Trust	-	3,000	3,000	-
	Grant - Verden Sykes Trust		500	500	
			3,500	3,500	-
		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		2024	2024	2024	2023
		£	£	£	£
4	Incoming resources from charitable activities	_,			
	Conference fees	74	3,807	3,881	3,879
	Sale of books, etc.	916	120	916 720	- E20
	Outreach programs	600	120	720	539
		1,590	3,927	5,517	4,418

		Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
5	Resources Expended - Charitable activities	~	~	~	~
-	Church improvements	38	1,400	1,438	106
	Payroll	59,566	-	59,566	42,930
	Manse Improvements	4,557	_	4,557	3,054
	Church resources	1,146	_	1,146	-
	Sunday services	6,656	_	6,656	7,115
	Cleaning	4,455	_	4,455	4,633
	Special offerings - gifts	8,719	(1,022)	7,697	2,506
	Outreach and similar programs	· -	-	, <u>-</u>	290
	Leaders' expenses	12,184	_	12,184	14,557
	Rent, rates and insurance	7,027	_	7,027	8,586
	Heat, light and power	20,651	_	20,651	18,457
	Equipment repair, maintenance and hire	4,139	_	4,139	2,425
	Telephone	1,274	_	1,274	1,100
	External conferences	1,579	_	1,579	2,047
	Stationery, printing, postage & computer	1,826	-	1,826	22
	Visiting minister accommodation	4,608	-	4,608	584
	Travel and motor insurance	3,857	-	3,857	1,464
	Youth and young adults	653	-	653	723
	Hospitality and catering	3,498	-	3,498	4,415
	Subscriptions	4,725	-	4,725	4,204
	Global Compassion - Hope House	-	-	-	150
	Donations	-	-	-	4,876
	Other (e.g. Conference fees, leadership training)	449	3,378	3,827	4,833
	Events	2,146	1,469	3,615	-
	Financial charges	1,060	-	1,060	710
	Depreciation	3,198	441	3,639	2,277
		158,011	5,666	163,677	132,064
		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		2024	2024	2024	2023
		£	£	£	£
6	Investment management costs				
	Mortgage loan interest	12,522	-	12,522	11,813
		12,522	-	12,522	11,813
		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		2024	2024	2024	2023
		£	£	£	£
7	Resources expended - Governance costs				
	Professional fees	8,364	-	8,364	6,263
		8,364	_	8,364	6,263
				0,007	5,200

8	Employment costs			2024 £	2023 £
	Gross wages Employer's NIC			56,304	39,136 1,512
	Employer's pension contributions		_	3,262	2,282
			_	59,566	42,930
	Average number of employees during the year Total number of employees during the year			4 4	4 5
9 .	Tangible fixed assets: General	Freehold property	Motor vehicles	Furniture & equipment	Total
		£	£	£	£
,	Cost At 1 April 2023 Additions	675,020	20,471	105,452 7,607	800,943 7,607
,	At 31 March 2024	675,020	20,471	113,059	808,550
,	Depreciation At 1 April 2023 Charge for the year At 31 March 2024	- - -	20,471	98,684 3,639 102,323	119,155 3,639 122,794
	Net book value At 31 March 2024	675,020	-	10,736	685,756
,	At 31 March 2023	675,020		6,768	681,788
10	Debtors			2024 £	2023 £
(Other debtors		_	4,439	9,631
11 (Creditors: amounts falling due within one year			2024 £	2023 £
(Loans (secured) Other taxes and social security costs Other creditors			- 776 6,218	10,000 - 12,593
			-	6,994	22,593
12 (Creditors: amounts falling due after one year		_	2024 £	2023 £
I	Bank loans and mortgages		_	120,868	122,774

13 Trustees' remuneration



In addition, received accommodation free of charge, at a cost to the Centre of £9,165 (2023 - 9,015).

Also, the Centre reimbursed for travel and similar expenditure of £5,908 (2023 - 7,271) incurred in the performance of his duties as Senior Pastor, plus telephone and internet costs of £311 (2023 - 273).

14 Related Parties

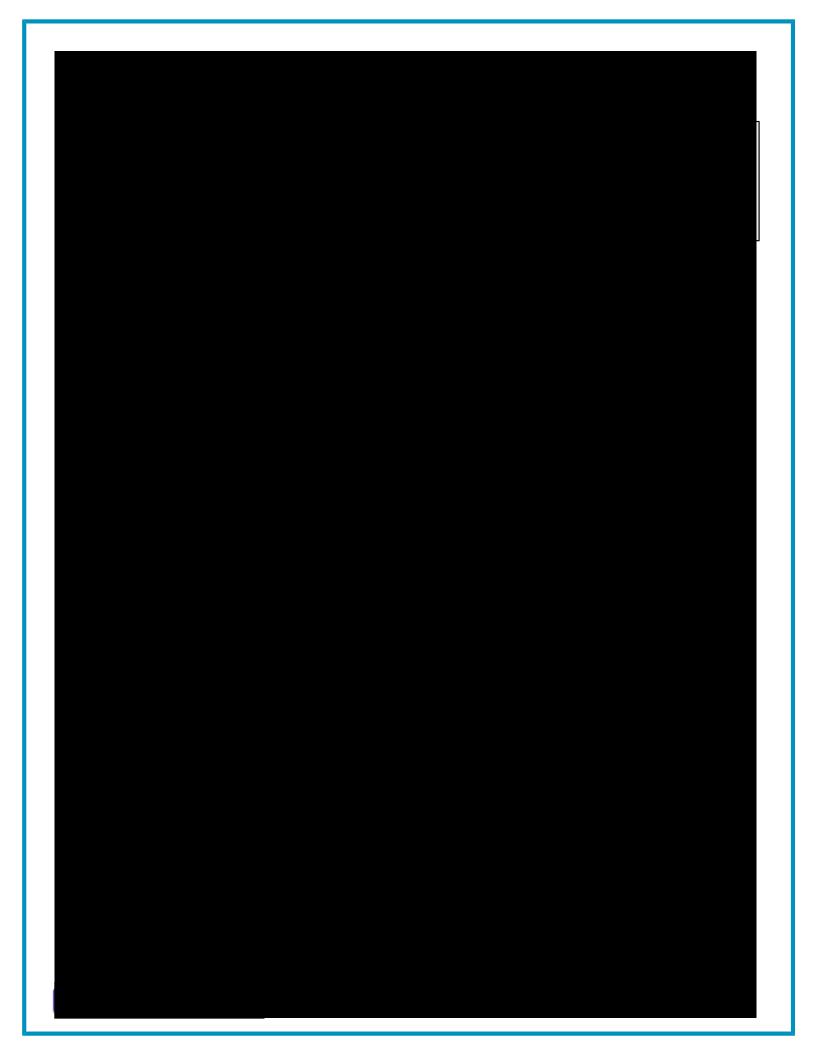
During the year, was employed as Senior Pastor and received a salary of £16,255 (2023 - £14,820), plus pension contributions of £1,300 (2022 - £1,179).

In addition, the Centre reimbursed for travel and similar expenditure of £4,897 (2023 - £7,285) incurred in the performance of her duties as Assistan telephone and internet costs of £311 (2023 - £273).

During the year Assistant Pastors, received contributions towards their rent of £1,560 (2022 - £1,560) as reimbursement for use of their home for Centre activities.

15 Movement in funds					Net	_
	At 1 April 2023	Incoming Resources	Resources Expended	Revaluation/ Other	Movement in Funds	At 31 March 2024
	£	£	£	£	£	£
Restricted funds						
Hope House	100	-	-	-	-	100
Route 66	-	-	-	-	-	_
Red Frogs	120	120	-	-	120	240
Grants received	-	3,500	1,841	-	1,659	1,659
Drums and Roof	-	1,977	-		1,977	1,977
Special offerings and events	-	4,686	3,825	-	861	861
	220	10,283	5,666	-	4,617	4,837
Unrestricted funds						
Fixed asset fund	-	-	-		-	-
Revaluation reserve	-	-	-	-	-	-
General fund	595,377	191,986	178,897	-	13,089	608,466
	595,377	191,986	178,897	-	13,089	608,466
Total funds	595,597	202,269	184,563	-	17,706	613,303

Fixed assets	Current assets	Short term liabilities	Long term liabilities	Total £
				~
-	100	-	-	100
-	120	-	-	240
-	3,500	-	-	1,659
-	4,581	-	-	2,860
685,756	50,828	(6,994)	(120,868)	608,466
685,756	50,828	(6,994)	(120,868)	608,466
685,756	55,409	(6,994)	(120,868)	611,326
	- - - - 685,756 685,756	Fixed assets - 100 - 120 - 3,500 - 4,581 - 685,756 50,828 - 685,756 50,828	Fixed assets assets liabilities - 100 - 120 - 120 - 13,500 - 14,581 - 14,5	Fixed assets assets liabilities liabilities - 100



1.0 Legal and Administrative

Charity Name Registered Charity Number

Christian Outreach Centre (Aberdeen) SC025645



Accounting Period

This report applies to the accounting period 1st April 2023 to 31st March 2024

Election of Trustees

The trustees are all appointed at the AGM by nomination of the chairman and seconding of members. Training/advice is periodically requested through several in-house members of the church and connected professionals with leadership training skills. The trust has access to business professionals who can advise the best operating practices in different arenas.

The trustees are committed to the improvement of internal processes. This includes timeous submission of OSCR year end reports & accounts.

The trustees have compiled a comprehensive risk assessment.

Establishing the Charity

Christian Outreach Centre (Aberdeen), (the Church) was founded as a church by Kevin and Cheryl Upton, Senior Pastors.

The Church, an unincorporated association, is governed by its constitution compliant with Scottish law. The constitution is dated August 2000. The Church is a charity registered in Edinburgh.

Independent Examiner Details

The Independent Examiner for the church is:

Eastbury Accounting Solutions Ltd. Beechwood, Marchfield Balnain Drumnadrochit IV63 6TJ

Statements of Compliance

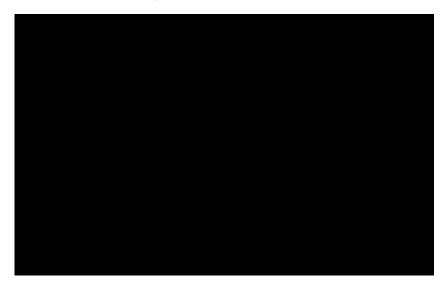
The accounts for the period are compliant with the statutory requirements, governing document and SORP requirements.

2.0 Objectives and Organisation

The prime objectives of Christian Outreach Centre (Aberdeen) are covered in the constitution, namely:

- The advancement of the Christian faith in accordance with the doctrines set out in the constitution.
- The relief of persons who are in conditions of need, hardship, distress or who are aged or sick.
- The advancement of education on the basis of Christian principles.

The day-to-day running of the church is undertaken on a full time basis by:





All major decisions for the church are referred to the trustees, who meet on a regular basis to discuss the situation of the trust.

Volunteers

Church members regularly volunteer to assist with the church functions as described in Section 3.3. Sunday church meetings include voluntary services from musicians, ushers, childcare workers (in compliance with child protection legislation) and café staff. For small groups during the week and for special occasions, volunteers contribute to leading these groups and administering their needs on an ongoing basis.

The Church provides training to facilitate this voluntary work and supports volunteers in their own developmental needs. A structure is in place to monitor the quality of the voluntary services provided and to ensure that support is available.

3.0 Activities and Achievements

3.1 Procurement

The Stage

GAK Dual Handheld Wireless Microphone System £499
Roland Drum kit £4,411.79
Two liyama ProLite Screens £2,696.37

3.2 Church & Manse Refurbishment

General upkeep of the buildings was undertaken through the year as required at a cost of £5,995.

3.3 Church Life

3.3.1 Reaching Aberdeen/Scotland

Sunday Church Meetings

The church currently holds one regular service on Sunday, starting at 10:30am with occasional Sunday evening meetings and special events as planned by the church leadership.

The church services offer worship, preaching/teaching of biblical and life principles giving instruction for daily living for the church members. Non-members are always welcome.

The aim of the church services is to connect man to God and to one another.

The church service also allows opportunity for up-and-coming leaders in the church to develop their personal gifting and calling.

Mid-Week Groups

Mid-Week Groups are run within the Church; they have been instrumental in the daily life of the church over a long period. Held on an evening during the week, they provide encouragement, support and fellowship to all church members and associates. It is an aim of the church that everyone should attend and be supported by a Mid-Week Group so that pastoral cover can be given to all as the church grows.

Children's Church

The Junction Kids, geared towards the ages of 5-11 and Junction Tots, geared towards the ages of 1-5 are services provided in parallel to the Sunday morning service in the church. This ministry emphasises the teachings and stories from the Bible, illustrated by arts and crafts, multimedia, songs and games.

Young Adults/Student Outreach

Young Adults are geared towards the ages of 18-30 and meet every week.

Student Outreach includes young adults creating connections and networking with the students of this city to help them feel welcome and at home in Aberdeen.

<u>Youth</u>

Youth is a group geared towards the ages of 12-17 and aims to strengthen relationships among those of this age group, providing a more relevant environment geared towards their emotional and spiritual needs. The young people meet their friends and get relevant biblical teaching, games etc. and gain experience expressing themselves and developing their giftings and calling.

Route 66

Leadership training academy to facilitate personal development within the church and enable people to gain breakthrough in their lives through coaching and training whilst equipping future leaders which will ultimately help to facilitate church growth.

3.3.2 Reaching Nations

<u>Denmark, Malta & Other Countries</u>

Relationships have been forged with a church network in Denmark and a Maltese church whereby Pastors and teams under them have gone by invitation to these countries to minister to local congregations and give encouragement through teaching and testimonies etc.

International ministry visits by are undertaken when invited. The visits are to encourage and support the local churches in those locations and to train up people to better advance in their Christian life and in leadership.

Trips to other countries are considered essential in bringing life, hope and sound biblical principles to congregations in the areas.

Training & Oversight also oversee the Junction Church Inverness in support of Pastors who lead this congregation. attend International conferences for training and development of their role.

4.0 Plans for the future

Expansion

The long term strategy will be to move to a larger principal address in or around Aberdeen which has the amenities and parking available to facilitate current and future church requirements.

The Church Building

General maintenance work is planned to be carried out as and when required (as above).

Church Building Upgrades

The church has been rebranded "The Junction Church" from May 2011.

5.0 Financial Review

Over the year the church received £202,269 in income. Notably £163,481 was in the form of tithes, offerings and donations from church members and associates, whilst £29,205 was received from the government by gift aid return, £3,500 from grants and £6,083 from conference fees, outreach programs and bank interest.

The total outgoings during this period were £184,563 which covers the running of the church and includes good causes in the city and around the world, with cash in the bank at the end of the period of £50,970.

Wages were paid to in respect of full or part time church roles as explained earlier. Of these, only trustee. Payments to these employees are made through Sage Payroll which is administered in house.

It is noted the church accounts are not in deficit for the year ending 31st March 2024.

All insurance for the trust and its property is held by the Church of Scotland Insurance Company (Junction Church building) and Kingdom Bank Insurance Brokers (Manse).

Reserves Policy

The Trust has a target of keeping at least one month of running cost in reserve. Although the majority of funding incoming comes direct from donations, the church has a long track record of maintaining a steady level of funding through the congregational giving.

The reserves will be used in situations where changes in circumstance impact regular income streams, to ensure continuation of service and to provide an appropriate level of security to employees of the church. The reserves may also be used for maintenance of the building or to improve services where an investment would exceed regular income but improvement is necessary.

The trustees will continue to review this requirement annually.

6.0 Major Risks to the Trust

Financially, the Church Mortgage (Business Term Loan) and Pastors' and staff wages are the largest expense/ commitment the trust processes each month, totalling circa £8,400. Approximate monthly expenses total £17,000.

Issues which could cause a loss of revenue and potentially affect the payment of these bills include, but not limited to:

- 1. A church split
- 2. A lawsuit (type not specified here) taken out against Christian Outreach Centre (Aberdeen)
- 3. Loss of church building for a period due to unforeseen circumstances
- 4. Loss of church manse for a period due to unforeseen circumstances
- 5. Death/sustained absence of Senior Pastors

Mitigating Actions against Risks

In order to mitigate the risks above the church does have insurance through Church of Scotland Insurance Company (Junction Church building), Kingdom Bank Insurance Brokers (Manse) and Keegan & Pennykid (legal expenses insurance) for most situations which could occur. This policy is to be reviewed periodically to ensure it captures the requirements of the trust. The review of the insurance policy will be undertaken as part of the risk assessment process.

In particular, the church's leadership and succession development has proved effective in providing structure for church growth and minimising many risks such as those described above.

Refer to risk and opportunity matrix and mitigations which can be made available upon request.

7.0 Executive Summary

This document was prepared on behalf of the Trustees and approved for issue on the date noted below. The detail contained herein is a true and accurate statement as of 31st March 2024.

