Scottish Charity No.SC038157



South Harris Free Church

Trustees' Report and Financial Statements
For the Year Ended 31 December 2025

South Harris Free Church

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South Harris Free Church

Church Information

Trustees
A list of active Trustees during 2025 is provided in the Trustees' Report on Page 2.

Address
Leverburgh
Isle of Harris
HS5 3TS

Bankers
Bank of Scotland
Stornoway Branch
PO Box 1000
BX2 1LB

Solicitors
Blackadders LLP
10 Euclid Crescent
Dundee
DD1 1AG

Independent Examiners
Mr Ronnie Morrison
Old Bank House
Tarbert
Isle of Harris
HS3 3DJ

South Harris Free Church

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
South Harris Free Church of Scotland is established by Constitution. It is a registered Scottish Charity (No. SC038157).

Aims and Affiliation
South Harris 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 building and the minister's manse are the property of the congregation and are held 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 (or during the vacancy the Interim Moderator). The Kirk Session, being the minister and elected elders, has responsibility for spiritual oversight, while the Finance Committee, composed of Kirk Session members plus elected members of the Committee, oversees financial and property matters. Under Charity Law, the Finance Committee 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 Finance Committee (the Trustees) who served during the year were as follows:-

Finance Committee	
Elders	***Mr DN MacLean, Mr A MacVicar, Mr J Morrison, Mr H Taylor***
Elected Members	***DJ MacDonald, DJ MacSween***
Treasurer	***J MacRae***
Ministerial Team	***Rev M MacLeod – Minister***

South Harris Free Church

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). 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.

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 **congregational activities**:

- Church café - 'Café 34' ran throughout the year. This has helped the congregation to connect to the local community and provided a warm space for people in the community to meet up, especially in winter time. The Cafe has been greatly supported over the course of the year by the community, and thanks to a very generous volunteer pool we have been able to keep the café open all year. As well as the Café helping with congregational finances, the Café income has also been used to make donations to other charities this year such as Crossroads, Leverhulme Memorial School, Harris House, Christian School, Faith Mission and Broughty Ferry Free Church. Café income also pays for snacks etc for the Parent and Toddler group.
- Parent and Toddler group - 'Little Lambs', ran throughout the year and it has been good to see new babies being born in the community, as well as other families moving into the area.
- Sunday School – The Sunday School continues to meet and the children have been going through the 'Go Teach' material.
- The Minister has regular access to the School to conduct assemblies and end of year services.
- The Minister and Elders were able to visit the local Care Home weekly to conduct worship services for residents and staff.
- The Youth Fellowship for Secondary aged children in the Community has continued to be run and children from all denominations have been coming along to enjoy some food and fellowship and to hear from various speakers from our own locality and also from further afield.
- Various discussion type bible studies were run to help believers to grow in their faith.
- Solar panel installation was completed – final instalment of the Energy Grant awarded towards costs
- Church refurbishment finished off with the installation of the church roof insulation – awarded a CNES Grant towards costs
- A dedicated Charity Café was held in December to raise funds for Crossroads, Harris

In relation to **congregational funding**:

- This year has seen an increase in the total amount of donations for the year
- We have surplus in both our accounts this year. This has only been possible with the additional proceeds that we receive from running Café 34
- Our remittance to Central Funds to Edinburgh rose significantly due to a payment of over £4,000 to the mission levy

Reserves - *Results for the year*

As a result of a surplus for the year of £3,364 the church held unrestricted funds amounting to £34,454 in the General Fund and £16,020 in the Property/Fabric Fund at 31 December '25.

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

On behalf of the Trustees

21/4/26

Trustee A Maclean 21-4-26 *Secretary*

South Harris Free Church

Report of the Independent Examiners to the Trustees *for the year ended 31 December 2025*

I report on the accounts of the church for the year ended 31 December 2025 which are set out on pages 5 to 7.

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. The charity trustees consider that the audit requirement of Regulation 10(1) (d) 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. 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 Examiners' 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 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.

Name Mr Ronald C Morrison

Qualification Retired Bank Manager

Address Old Bank House, Tarbert, Isle of Harris, HS3 3DJ

Date 3rd March 2026

South Harris Free Church

Receipts and Payments Accounts

For the year ended 31 December 2025

	Notes	Unrestricted Funds: General Fund £	Unrestricted Funds: Fabric Fund £	Restricted Funds £	Total 2025 £	Total 2024 £
Receipts						
Freewill Envelopes		3,875	690		**4,565**	4,052
Gift Aid Giving Envelopes		9,119	2,200		**11,319**	9,313
Door Collection		3,463			**3,463**	2,201
Magazines		80			**80**	190
Direct Banking Giving		25,630	2,040		**27,670**	23,195
Refunds		1,168			**1,168**	-
Communion Expenses Collection		520			**520**	433
Donations		2,150	560		**2,710**	1,435
Investment income		57	2,164		**2,221**	2,412
Café 34 income		13,380		1,149	**14,529**	13,330
Tax Recovered on Gift Aid Giving		9,163			**9,163**	8,747
Grants & Donations (note9)				9,386	**9,386**	50,205
Total Receipts		**68,605**	**7,654**	**10,535**	**86,794**	115,513
Payments						
Payments for Charitable activities						
Utility - breakdown (note 10)		9,753			**9,753**	**13,066**
Stationery/Postage/Office		588			**588**	**654**
Pulpit Supply and Communion Expenses		1,714			**1,714**	**930**
Magazines/Bibles etc		160			**160**	**154**
Ministers expenses - mileage		778			**778**	**654**
Fire Safety		109			**109**	-
Remittances to Central funds		47,909			**47,909**	**40,848**
Presentations/Gifts		422			**422**	**250**
Café 34 - outgoings		3,792			**3,792**	**2,005**
Investment outgoing to Central Funds		57			**57**	**57**
Gift Aid Admin Fee		46			**46**	**142**
Bank Charges		66	51		**117**	-
Missions/Donations		526			**526**	**250**
Repairs & Renewals			2,133		**2,133**	**350**
Sundry Expenses		436	2,379		**2,815**	**976**
Western Isles Levy		523			**523**	**708**
Church & Manse Insurance			2,193		**2,193**	**2,115**
Church Roof Refurb				5,240	**5,240**	**68,616**
Church Solar Panels				5,295	**5,295**	**8,805**
Grant - HVS & WFM					-	**2,000**
Total Payments		**66,879**	**6,756**	**10,535**	**84,170**	**142,580**
Surplus for the year		**1,726**	**898**	**0**	**2,624**	(27,067)
Transfers - uncashed cheques 2024		140	600	-	**740**	-
Net movement in funds after transfers		**1,866**	**1,498**	**0**	**3,364**	**(27,067)**
Total funds brought forward		32,588	14,522	-	**47,110**	74,177
Total funds carried forward		**34,454**	**16,020**	**0**	**50,474**	**47,110**
Represented by:						
Unrestricted funds						
General Fund		**34,454**	-	-	**34,454**	32,588
Designated Funds						
Property Fund		-	**16,020**	-	**16,020**	14,522
Restricted Funds						
Church Refurbishment Fund		-	-	**0**	**0**	-
		34,454	**16,020**	**0**	**50,474**	47,110

South Harris Free Church

Statement of Balances
As at 31 December 2025

	2025		2024
	£	£	£
Investments held at Cost (note 3)		**601**	601
Bank & Cash in hand			
Opening balance	**47,110**		74,177
Surplus/(Deficit) for the year	**2,624**		(27,067)
Transfer - uncashed cheques	**740**		
Closing balances		**50,474**	47,110
Funds held at the Central Offices (note 7)			
Sustentation endownments - 407 units:			
Market value		**2,491**	2,342
Total of monetry assets held		**53,565**	50,053
Reserves			
Unrestricted funds		**34,454**	32,588
Designated funds		**16,020**	14,522
Restricted funds		**0**	-
		50,474	47,110

Statement of Assets held for Charitable purposes
Values given for Church,Hall,Manse,Fixture & Fittings are based on the insurance cover totals (note8)

Church, Manse & Hall	**2,227,933**	2,131,993
Fixtures & Fittings	**59,618**	57,084
Sub-total	**2,287,551**	2,189,077
Less:		
Outstanding loans		-
Total	**2,287,551**	2,189,077

Statement of liabilities at 31 December 2025

Invoices due for payment	**Nil**	Nil

Approved by the Trustees April 2026 and signed on their behalf by the undernoted:

J MacRae
Trustee/Treasurer 21/4/26

Trustee A MacKinnon 21-4-26

The notes form part of these financial statements.

South Harris Free Church

Notes to the Financial Statements *for the year ended 31 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.

Investments
As the accounts are prepared on a receipts and payments basis the investments are included at cost. Market Value of the investments is disclosed within the notes to the accounts.

Fixed Assets
A statement of the assets held is shown in the notes to the accounts. 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 5, 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.

South Harris Free Church

Notes to the Receipts and Payments Accounts

For the year ended 31 December 2025

3. Investments

	2025 £	2024 £
The congregation holds investments (cost)	601	601
Market Value of the investments as at 31 December '25	74,184	57,524

4. Transactions with Trustees

Julia MacRae - treasurer's duties	400	400
Mark MacLeod - contribution towards communion expenses and towards hospital travel expenses	400	-

5 Unrestricted funds

	Balance at 01.01.25 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.25 £
General Fund	32,588	68,605	(66,879)	140	34,454
Designated funds:					
Fabric Fund	14,522	7,654	(6,756)	600	16,020
Total designated funds	14,522	7,654	(6,756)	600	16,020
Total unrestricted funds	47,110	76,259	(73,635)	740	50,474

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 Fabric Fund represents the money set aside by the deacons' court and donations received for the fabric of the building.

6 Restricted funds

	Balance at 01.01.25 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.25 £
Grants - church refurbishment & solar panel installation (note 9)	-	9,386	(9,386)	-	-
Café 34 - allocated contribution	-	1,149	(1,149)		-
Total restricted funds	-	10,535	(10,535)	-	-

South Harris Free Church

Notes to the Receipts and Payments Accounts
For the year ended 31 December 2025

7 407 units are held centrally for sustentation endownments. The income of £56.98 is added to central funds

8 Property & Contents Insurance - based on the sum property & contents insured for

9 £9,386.00 Grants received - for use for church refurbishment and solar panel installation
£5,650 - 'The Energy Saving' Grant; £3,736 - 'CNES' Grant (not included as income)

			2025	2024	2023
10	Utility Bills Breakdown:	EE (was BT)	**671**	746	624
		Electric	**4,406**	9,049 #	7,448
		Oil	**1,736**	1,355	1,577
		Council Tax	**2,341**	1,464	1,785
		Church tech	**425**	283	182
		TV Licence	**175**	170	159
			9,753	13,067	11,776

 # 2024 - Electric - £1,164 refund due - not refunded until 2025

11	Charitable Donations 2025 From Café 34 Funds:	Christian School, Isle of Lewis	150
		Crossroads	150
		Leverhulme Memorial School	300
		Brought Ferry Free Church	200
		Harris House	150
		Faith Mission	150

12 Crossroads Fundraising Café - £275 money in December '25; money out January '26