Scottish Charity Number: SC021237

Lerwick Baptist Church

Report and Financial Statements

For the year ended 30 September 2025

Innes & Partners
Chartered Certified Accountants

Lerwick Baptist Church

Contents

Lerwick Baptist Church

Report of the Trustees *for the year ended 30 September 2025*

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 2025.

Principal office

Troubleton
Wester Quarff
Shetland
ZE2 9EZ
Tel: 01595 696281
www.lerwickbaptist.org.uk

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 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:

Pastor: Pastor P Dale.

Secretary: D A McQueen

Treasurers: B Spence and D A McQueen

Deacons/Trustees: K Adamson, S Adamson, I Currie, A Forbes, AJ Jamieson, DA McQueen, F Noblett, ES Peterson, L Peterson, B Spence, R Taylor, J Sutherland, L Williamson and P Williamson.

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 the various children and youth groups continue to grow including a new Youth Bible Study. Additionally, the church continues with a number of activities including weekly Worship Services; 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 30/09/2025 is 103 (2024: 101)

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
- Youth Bible Study – fortnightly meeting.
- Evergreens group for the over 70's.
- A number of Home groups held within the Church and online.
- 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 Youth Bible Study; networking with other Youth Groups in Shetland and on the Scottish Mainland.
- 4 Baptisms throughout the year.

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 £45,556 (2024: £31,310).

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 2025 amounted to £223,322 (2024: £231,202) and met the required level.

Total reserves, including the net book value of fixed assets and balances on restricted funds amounted to £1,735,283 (2024: £1,780,839).

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.

Administrative information Bankers
Bank of Scotland
Commercial Street
Lerwick
Shetland
ZE1 0DL

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

Signed on behalf of the Trustees on 18th February 2026 by:

Signed by:
D6BE1ACD057647E...
David A McQueen (*Trustee/Secretary*)

Lerwick Baptist Church

Report of the Independent Examiner to the Trustees *for the year ended 30 September 2025*

I report on the accounts of the church for the year ended 30 September 2025 which are set out on pages 5 to 12.

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.

DocuSigned by:
Jonathan Innes
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Jonathan N Innes FCCA
Managing Director

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

Date: 18th February 2026

I+P Innes & Partners
Chartered Certified Accountants

Statement of Financial Activities
For the year ending 30 September 2025

	Notes	General fund £	Designated funds £	Restricted funds £	Total 2025 £	General fund £	Designated funds £	Restricted funds £	Total 2024 £
Income and endowments from:									
Donations and legacies	**2**	189,470	-	15,584	**205,054**	178,524	-	27,741	**206,265**
Bank interest		7,045	-	-	**7,045**	4,402	-	-	**4,402**
Total income and endowments		196,515	-	15,584	**212,099**	182,926	-	27,741	**210,667**
Expenditure on:									
Charitable activities	**3**	173,952	24,500	13,951	**212,403**	166,556	14,000	14,536	**195,092**
Other resources expended	**4,8**	2,073	43,179	-	**45,252**	1,974	44,911	-	**46,885**
Total expenditure		176,025	67,679	13,951	**257,655**	168,530	58,911	14,536	**241,977**
Net income/(expenditure)		20,490	(67,679)	1,633	**(45,556)**	14,396	(58,911)	13,205	**(31,310)**
Transfers between funds	**13,14**	(28,370)	22,550	5,820	**-**	(22,284)	13,000	9,284	**-**
Net movement in funds		**(7,880)**	**(45,129)**	**7,453**	(45,556)	**(7,888)**	**(45,911)**	**22,489**	(31,310)
Total funds brought forward		231,202	1,523,789	25,848	**1,780,839**	239,090	1,569,700	3,359	**1,812,149**
Total funds carried forward		**223,322**	**1,478,660**	**33,301**	**1,735,283**	**231,202**	**1,523,789**	**25,848**	**1,780,839**
		(Note 13)	*(Note 13)*	*(Note 14)*					
Represented by:									
Unrestricted funds									
General fund		223,322	-	-	**223,322**	231,202	-	-	**231,202**
Designated assets fund		-	1,430,610	-	**1,430,610**	-	1,473,789	-	**1,473,789**
Development fund		-	48,050	-	**48,050**	-	50,000	-	**50,000**
Tithe fund		-	-	-	**-**	-	-	-	**-**
Restricted funds									
Holding fund		-	-	404	**404**	-	**-**	341	**341**
Development fund		-	-	29,303	**29,303**	-	-	20,704	**20,704**
Youth Group fund		-	-	3,594	**3,594**	-	-	4,803	**4,803**
Total funds		**223,322**	**1,478,660**	**33,301**	**1,735,283**	**231,202**	**1,523,789**	**25,848**	**1,780,839**

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

Lerwick Baptist Church

Balance sheet
As at 30 September 2025

	Notes	General fund £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Fixed assets						
Tangible assets	**8**	-	1,430,610	-	**1,430,610**	1,473,789
Current assets						
Debtors	**9**	19,618	-	-	**19,618**	52,845
Cash at bank and in hand		22,018	48,050	33,301	**103,369**	76,193
Fixed Term Deposit Accounts		183,773	-	-	**183,773**	180,000
		225,409	48,050	33,301	**306,760**	309,038
Creditors: falling due within one year	**10**	2,087	-	-	**2,087**	1,988
Net current assets/(liabilities)		**223,322**	**48,050**	**33,301**	**304,673**	307,050
Total assets less current liabilities		**223,322**	**1,478,660**	**33,301**	**1,735,283**	1,780,839
Net assets		**223,322**	**1,478,660**	**33,301**	**1,735,283**	**1,780,839**
Represented by:						
Unrestricted funds	**13**					
General fund					**223,322**	231,202
Designated assets fund					**1,430,610**	1,473,789
Development fund					**48,050**	50,000
Restricted funds	**14**					
Holding fund					**404**	341
Development fund					**29,303**	20,704
Youth Group					**3,594**	4,803
					1,735,283	**1,780,839**

The financial statements on pages 5 to 11 were approved by the Trustees on 18th February 2026 and signed on their behalf by the undernoted:

Signed by:
D6BE1ACD057647F...
David McQueen
Trustee/Treasurer

Signed by:
999CE929976F496...
B Spence
Trustee/Treasurer

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

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 equals the residual 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.

2. Donations and legacies

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2025 £	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £
Sunday offerings	10,189	-	-	**10,189**	8,620	-	-	8,620
Gift Aid offerings	124,306	-	-	**124,306**	120,147	-	-	120,147
Donations	48,246	-	15,584	**63,830**	40,785	-	27,741	68,526
Grants Received	6,729	-	-	**6,729**	8,972	-	-	8,972
	189,470	**-**	**15,584**	**205,054**	**178,524**	**-**	**27,741**	206,265

3. Charitable activities

	Staff costs £	Other direct costs £	Support costs £	Total 2025 £	Staff costs £	Other direct costs £	Support costs £	Total 2024 £
Local ministries	125,000	27,941	32,033	**184,974**	120,225	23,237	31,446	174,908
National and overseas ministries	-	27,429	-	**27,429**	-	20,184	-	20,184
	125,000	**55,370**	**32,033**	**212,403**	**120,225**	**43,421**	**31,446**	195,092
	(Note 6)	*(Note 7)*	*(Note 5)*					
Of which:								
Relating to general funds	125,000	16,919	32,033	**173,952**	120,225	14,885	31,446	166,556
Relating to designated funds	-	24,500	-	**24,500**	-	14,000	-	14,000
Relating to restricted funds	-	13,951	-	**13,951**	-	14,536	-	14,536

4. Governance costs

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2025 £	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £
Independent Examiner's remuneration	2,073	-	-	**2,073**	1,974	-	-	1,974
	2,073	**-**	**-**	**2,073**	**1,974**	**-**	**-**	1,974

5. Support costs

	Unrestricted funds	Designated funds	Restricted funds	Total 2025	Unrestricted funds	Designated funds	Restricted funds	Total 2024
Property maintenance	11,098	-	-	11,098	12,434	-	-	12,434
District heating	4,361	-	-	4,361	4,029	-	-	4,029
Church and Manse insurance	4,316	-	-	4,316	3,805	-	-	3,805
Electricity and telephone	8,663	-	-	8,663	7,708	-	-	7,708
Council tax	2,977	-	-	2,977	2,808	-	-	2,808
Piano tuning	85	-	-	85	150	-	-	150
Youth Worker Expenses	533	-	-	533	512	-	-	512
	32,033	**-**	**-**	**32,033**	**31,446**	**-**	**-**	**31,446**

6. Staff costs and numbers

	2025 £	2024 £
Gross salaries	109,546	106,448
Employer National Insurance	4,758	3,890
Pension costs	10,696	9,887
	125,000	**120,225**

The average number of employees during the year was 5 (2024: 5).
No employee was paid in excess of £60,000 in the financial year.

7. Other direct costs

	Unrestricted funds	Designated funds	Restricted funds	Total 2025	Unrestricted funds	Designated funds	Restricted funds	Total 2024
Local ministries	£	£	£	£	£	£	£	£
Advertising	1,231	-	-	1,231	1,378	-	-	1,378
Copier charges/stationery	1,385	-	-	1,385	1,364	-	-	1,364
Subscriptions / Fees	1,575	-	-	1,575	1,244	-	-	1,244
Copyright Licences	874	-	-	874	787	-	-	787
Audio/video expenses	1,883	-	-	1,883	257	-	-	257
Youth Group expenses	28	-	11,022	11,050	-	-	8,352	8,352
Sundry costs	9,943	-	-	9,943	9,855	-	-	9,855
	16,919	-	11,022	**27,941**	14,885	-	8,352	**23,237**
National and overseas ministries								
Donations to institutions								
BMS	-	-	2,790	2,790	-	-	1,136	1,136
SBF	-	-	648	648	-	-	4,190	4,190
Food for the Way	-	-	-	-	-	550	-	550
Tearfund	-	1,150	-	1,150	-	1,150	-	1,150
India Village Ministries	-	3,000	-	3,000	-	4,000	-	4,000
Christian Bookshop	-	1,000	-	1,000	-	1,000	-	1,000
Scottish Baptist College	-	-	-	-	-	1,000	-	1,000
Shetland Foodbank	-	550	-	550	-	550	858	1,408
UFM	-	-	-	-	-	1,000	-	1,000
New Life Shetland Church		10,000		10,000	-	-	0	-
Tumania Fund		1,000	-	1,000	-	-	-	-
Other grants <£1,000 each	-	7,291	-	7,291	-	4,750	0	4,750
	-	23,991	3,438	**27,429**	-	14,000	6,184	**20,184**
	16,919	**23,991**	**14,460**	**55,370**	**14,885**	**14,000**	**14,536**	**43,421**

8. Tangible fixed assets

	Heritable property		Fixtures &	
	Church	**Manse**	**equipment**	**Total**
	£	£	£	£
Cost				
At 1st October 2024	1,649,445	242,658	128,430	2,020,533
At 30 September 2025	1,649,445	242,658	128,430	**2,020,533**
Depreciation				
At 1 October 2024	430,805	-	115,939	546,744
Charge for year	32,989	-	10,190	43,179
At 30 September 2025	463,794	-	126,129	**589,923**
Net Book Value				
At 30 September 2025	**1,185,651**	**242,658**	**2,301**	**1,430,610**
At 30 September 2024	1,218,640	242,658	12,491	1,473,789

9. Debtors: falling due within one year

	2025	2024
	£	£
Gift aid recoverable	**17,961**	51,285
Prepayments	**1,657**	1,560
	19,618	52,845

10. Creditors: falling due in less than one year

	2025	2024
	£	£
Accrued expenses	**2,073**	1,974
Other Creditors	**14**	14
	2,087	1,988

11. Transactions with Trustees and related parties

There were no transactions with the Trustees during the year ending 30 September 2025 (2024: nil) in their capacity as a trustee. David McQueen, a trustee received £6,006 (2024: £6,006) for his work in carrying out admin and secretarial duties.

During the year Lee Williamson, Trustee (appointed 18/9/2024) and son of Paul Williamson, Trustee, received a gross salary of £31,500.06 (2024: £30,500) and pension contributions of £3,150 (2024: £2,860) for his work as Youth Worker.

During the year Iain Currie, Trustee (appointed 18/9/2024), received a gross salary of £31,500.06 (2024: 2,583.34) and pension contributions of £3,150 (2024: £258).

12. Analysis of Net Assets Among Funds

	General fund £	Designated funds £	Restricted funds £	Total 2025 £
Fixed Assets	-	1,430,610	-	1,430,610
Current Assets	225,409	48,050	33,301	306,760
Current Liabilities	(2,087)	-	-	(2,087)
As at 30 September 2025	**223,322**	**1,478,660**	**33,301**	**1,735,283**

	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**

13. Unrestricted funds

	Balance at 01.10.24 £	Income £	Expenditure £	Transfers £	Balance at 30.09.25 £
General fund	231,202	196,515	(176,025)	(28,370)	**223,322**
Designated funds					
Designated assets fund	1,473,789	-	(43,179)	-	**1,430,610**
Development fund	50,000	-	-	(1,950)	**48,050**
Tithe fund	-	-	(24,500)	24,500	**-**
Total unrestricted funds	**1,754,991**	**196,515**	**(243,704)**	**(5,820)**	**1,701,982**

	Balance at 01.10.2023 £	Income £	Expenditure £	Transfers £	Balance at 30.09.2024 £
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**

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.

14. Restricted funds

	Balance at 01.10.24 £	Income £	Expenditure £	Transfers £	Balance at 30.09.25 £
Holding fund	341	3,092	(2,929)	(100)	**404**
Development fund	20,704	6,549	-	2,050	**29,303**
Youth Group fund	4,803	5,943	(11,022)	3,870	**3,594**
Total restricted funds	**25,848**	**15,584**	**(13,951)**	**5,820**	**33,301**

	Balance at 01.10.23 £	Income £	Expenditure £	Transfers £	Balance at 30.09.24 £
Holding fund	-	2,741	(6,184)	3,784	**341**
Building fund	-	-	-	-	**-**
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**

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 £34,680 were received from the 12 Trustees (2024: £38,180).

16 Transfer between Funds

During the year, transfers were made between unrestricted, designated and restricted funds to support the activities of the church.

All transfers were made in accordance with the church’s governing document. Restricted funds were applied only in line with the purposes for which the funds were given.

17 Volunteers

The church benefits from the contribution of volunteers in carrying out its charitable activities. In accordance with the Charities SORP (FRS 102), the value of volunteer time is not recognised in the financial statements as it cannot be measured reliably.

No costs were incurred or reimbursed in respect of volunteers during the year (2024: £nil).