Company registration number SC256703 (Scotland)

Charity registration number SC009335 (Scotland)

LIFE CHURCH ORKNEY LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

LIFE CHURCH ORKNEY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	B Cockerham A Fraser G Fraser S Harrington T Harrington J Liptrot D Rendall H Rendall A Upton
Secretary	A Upton
Charity number (Scotland)	SC009335
Company number	SC256703
Registered office	The Life Centre East Road Kirkwall Orkney KW15 1LX
Independent examiner	A J B Scholes Ltd 8 Albert Street Kirkwall Orkney KW15 1HP
Bankers	Royal Bank of Scotland 1 Victoria Street Kirkwall Orkney KW15 1DP

LIFE CHURCH ORKNEY LIMITED

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LIFE CHURCH ORKNEY LIMITED

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The directors present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (effective 1 January 2019).

Objectives and activities

The charity's objects are to advance the Christian faith in Orkney and in such other parts of the United Kingdom or the world as the trustees may from time to time think fit and other such purposes which are exclusively charitable according to the law of Scotland and are connected with the charitable work of the charity.

Achievements and performance

This has been a busy year, with encouraging events and a continued focus on multi-generational church. Links were maintained with Skylark churches, with the key leaders attending the Skylark leadership conference and a small group of men from Orkney joining the network's men's weekend away in the Lake District. More locally, the church weekend on Hoy in the summer was full and thoroughly enjoyed by those who joined in, particularly the children.

The most significant event of the year was the hosting of a prophecy conference by Isabel Skulason – an internationally renowned prophet with a remarkable back-story, a teaching style packed with excellent observations about living a life with God, and personal prophetic words for nearly all who attended. Attendance was opened up to all, with many coming from other Orkney churches as well as from further afield. This weekend was closely followed by a ministry visit from the Kingdom Come team from Glasgow during which there was prayer for the county on Orkney's high places (simultaneously on Wideford Hill, Costa Head and Ward Hill, Orphir). The connection with the team has been maintained.

Room rental income has been steady and the church continues to offer discounts to groups that benefit the community. We were able to provide the Life Centre facilities to the Salvation Army, who used the building twice a week while their premises were rebuilt.

Financial review

The charity generates funds for normal outgoings by way of collections and offerings. In addition the charity charges other organisations for room hire. The incoming resources for the year were £77,319, whilst resources expended totalled £90,760, resulting in a net deficit of £13,441.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee and not having a share capital, which was incorporated on 27th September 2003. It was recognised as a Scottish charity with effect from 27th September 2003.

The directors who served during the year and up to the date of signature of the financial statements were:

B Cockerham
A Fraser
G Fraser
S Harrington
T Harrington
J Liptrot
D Rendall
H Rendall
A Upton

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £10 in the event of a winding up.

All new directors receive a formal induction, including being provided with relevant documents such as the company's Memorandum and Articles and the most recent financial statements. An explanation is also provided of the obligations of the directors, and the charity's administrative procedures and future plans and objectives.

The board of directors meets regularly and is responsible for the strategic direction and policy of the charity.

The charity is part of a network of Skylark organisations (formerly known as Christian Growth organisations) in the UK and worldwide.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The directors' report was approved by the Board of Directors.

Andrew Fraser
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A Fraser
Director
Dated: 25 May 2026

LIFE CHURCH ORKNEY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF LIFE CHURCH ORKNEY LIMITED

I report on the financial statements of the charity for the year ended 31 August 2025, which are set out on pages 4 to 13.

Respective responsibilities of directors and examiner

The charity trustees (who are also the directors of Life Church Orkney Limited for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.The charity directors consider that the audit requirement of Regulation 10(1)(a)-(c) of the Charities Accounts (Scotland) Regulations 2006 does not apply.

It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the 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 financial statements.

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 Charities and Trustee Investment (Scotland) Act 2005 and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006, and
   - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006

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.

Ivan Houston CA
Chartered Accountant
Independent Examiner

8 Albert Street
Kirkwall
Orkney
KW15 1HP
Date: 27/1/26

LIFE CHURCH ORKNEY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
Donations and legacies	3	51,270	5,392	56,662	44,951	3,653	48,604
Charitable activities	4	15,855	-	15,855	17,873	-	17,873
Investments	5	355	-	355	459	-	459
Other income	6	4,447	-	4,447	4,991	-	4,991
Total income		71,927	5,392	77,319	68,274	3,653	71,927
Expenditure on:							
Charitable activities	7	86,062	4,698	90,760	82,313	4,538	86,851
Total expenditure		86,062	4,698	90,760	82,313	4,538	86,851
Net income/(expenditure)		(14,135)	694	(13,441)	(14,039)	(885)	(14,924)
Transfers between funds		(247)	247	-	-	-	-
Net movement in funds	8	(14,382)	941	(13,441)	(14,039)	(885)	(14,924)
Reconciliation of funds:							
Fund balances at 1 September 2024		293,283	7,401	300,684	307,322	8,286	315,608
Fund balances at 31 August 2025		278,901	8,342	287,243	293,283	7,401	300,684

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

LIFE CHURCH ORKNEY LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**12**		269,350		277,290
Current assets					
Debtors	**13**	8,381		7,786	
Cash at bank and in hand		11,649		23,116	
		20,030		30,902	
Creditors: amounts falling due within one year	**14**	(2,137)		(7,508)	
Net current assets			17,893		23,394
Total assets less current liabilities			287,243		300,684
The funds of the charity					
Restricted income funds	**16**		8,342		7,401
Unrestricted funds	**17**		278,901		293,283
			287,243		300,684

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2025. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the directors on 25 May 2026

A Upton
Director

1 Accounting policies

Charity information

Life Church Orkney Limited is a private company limited by guarantee incorporated in Scotland. The registered office is The Life Centre, East Road, Kirkwall, Orkney, KW15 1LX.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Expenditure is included in resources expended on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure comprises those costs incurred in the delivery of the charity's activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line basis
Plant and machinery	20% reducing balance basis
Fixtures, fittings & equipment	15% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£	£	£	£
Donations and gifts	51,270	5,392	56,662	44,951	3,653	48,604

4 Income from charitable activities

	Unrestricted funds 2025	Unrestricted funds 2024
	£	£
Charitable activities		
Charitable rental income	15,855	17,873

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	355	459

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	4,447	4,991

7 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Staff costs	40,505	37,124
Depreciation and impairment	7,938	8,030
Charitable work	34,867	34,497
CG International tithe	7,450	7,200
	90,760	86,851
Analysis by fund		
Unrestricted funds	86,062	82,313
Restricted funds	4,698	4,538
	90,760	86,851

8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's independent examiner:		
- for the independent examination of the charity's financial statements	1,656	1,642
- for other financial services	653	529
Depreciation of owned tangible fixed assets	7,938	8,030

9 Directors

A number of trustees were remunerated for their work for the church. Including pension contributions, Mr D Rendall's remuneration totalled £12,736 (2024: £11,821); Mrs H Rendall's remuneration totalled £12,736 (2024: £11,821). Authority for the remuneration is given in the charity's articles of association.

No trustees were reimbursed for personal expenses incurred in the course of their duties.

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	4	4

Employment costs	2025 £	2024 £
Wages and salaries	37,115	33,981
Other pension costs	3,390	3,143
	40,505	37,124

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2024	375,757	15,497	14,324	405,578
At 31 August 2025	375,757	15,497	14,324	405,578
Depreciation and impairment				
At 1 September 2024	100,967	14,275	13,048	128,290
Depreciation charged in the year	7,515	244	179	7,938
At 31 August 2025	108,482	14,519	13,227	136,228
Carrying amount				
At 31 August 2025	267,275	978	1,097	269,350
At 31 August 2024	274,790	1,223	1,277	277,290

13 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Other debtors	8,381	7,786

14 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	99	1,268
Accruals and deferred income	2,038	6,240
	2,137	7,508

15 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	3,390	3,143

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

16 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

		Movement in funds			Movement in funds			
	Balance at 1 September 2023	Incoming resources	Resources expended	Balance at 1 September 2024	Incoming resources	Resources expended	Transfers	Balance at 31 August 2025
	£	£	£	£	£	£	£	£
Sundry collections	544	-	(544)	-	-	-	-	-
Christmas presents	331	753	(742)	342	857	(913)	-	286
Creche and creche garden	1,788	2,600	(2,737)	1,651	1,187	(224)	-	2,614
Gifts for the Clancys	100	300	(400)	-	300	(150)	-	150
Community and Renewable Energy Scheme	5,523	-	(115)	5,408	-	(115)	-	5,292
Prophecy conference - Isabel Skulason	-	-	-	-	3,048	(3,295)	247	-
	8,286	3,653	(4,538)	7,401	5,392	(4,698)	247	8,342

John and Rachel Clancy moved on to head up the founding of a new church in Dunfermline during 2021. John left our employment on 1st November 2020, although it had originally been planned that this would be earlier. In order to support them in this new venture, the church pledged to give £300 per month for six months and also invited individuals to contribute to a fund for the Clancys' support. The fund balance stood at £150 at the end of the period.

Local Energy Scotland provided grants totalling £5,753 for an auditorium heating upgrade. Restrictions apply to the use of the assets for a period of five years.

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
General funds	293,283	71,927	(86,062)	(247)	278,901

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
General funds	307,322	68,274	(82,313)	-	293,283

18 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 31 August 2025:			
Tangible assets	264,058	5,292	269,350
Current assets/(liabilities)	14,843	3,050	17,893
	278,901	8,342	287,243

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 August 2024:			
Tangible assets	271,883	5,407	277,290
Current assets/(liabilities)	21,400	1,994	23,394
	293,283	7,401	300,684