

## **Scottish Episcopal Church – Diocese of Brechin**

### **St Drostans Episcopal Church: Tarfside Known as; St Drostans Church and Lodge Tarfside Scottish Charity Number: SC007239**

#### **Report of the Trustees for the year ending 31<sup>st</sup> August 2017**

The trustees present their annual report together with their financial statements for the year 2016 to 2017.

#### **Address of Principal office**

C/o; Secretary/Treasurer.

4, St Michaels Road, Newtonhill, Stonehaven, AB39 3RW

#### **Current Trustees**

A Management Committee of Trustees consisting of the following administers the charity;

During 2016 - 2017 these were;

Priest in Charge/booking secretary - Rev Jane Nelson

Member - Rev Michael Turner

Member - Miss Sandra Guthrie (retired at AGM Nov 2016 and re-elected)

Member - Mrs C Phelan

Member - Mrs A Lowden

Secretary/Treasurer - Mr Peter Nelson

Members of the Congregation appoint the trustees at an annual general meeting established by constitution and under the Canon Law of the Scottish Episcopal Church. There is no formal induction programme, but ongoing guidance is given to ensure that trustees are familiar with the Church's values, aims and responsibilities as designated trustees of a charity.

#### **Structure and Governance**

The Church of St Drostans is a church of the Scottish Episcopal Church, in full communion with the Anglican Church, and is a registered Scottish Charity (SC007239). The superior authority is the Bishop of Brechin.

The Trustees govern all of its affairs, and its constitutional form is that of an Unincorporated Association

The present constitution applies from 1<sup>st</sup> September 2009 and is available for inspection if required.

#### **Charitable Purpose**

The purpose is the advancement of religion. The principle activities include public worship in sacrament and prayer and the operation of a low cost self-catering lodge in the Church Grounds at Tarfside. This church hall, known as St Drostans Lodge is used to provide accommodation for groups and families wishing to visit Glen Esk, for the purpose of religious retreats, recreation and family visits.

It was a condition of funding support received from the Community Fund in 2002, that the Lodge is open to all, and this has been maintained, with visitors from many denominations, and of no particular faith, being welcomed. We have also welcomed children from socially deprived groups and special schools and since the modifications made in 2002, less able persons have been able to use the Lodge.

The fees received from the use of the Lodge are the largest source of income, although donations and sales of books and postcards make a significant, contribution to funds.

### **Activities and Achievements, and Future Plans**

The major expenditure during the year was the repairs to the damp areas inside and outside of the Parsonage and the refurbishment of the upstairs bathroom. These were commenced in June 2016 and continued until March 2017. The original set aside sum agreed at the last AGM of £10,000 was exceeded by £1,983. Whilst the plumber was working at Tarfside, the very small washbasins in the disabled toilets were replaced with larger, more usable basins as requested by user groups as also agreed at the last AGM. The Brechin based plumber carrying out this work was found to be qualified for boiler servicing and offered a very competitive price for the annual service compared to our fuel supplier, and carried out our annual service and associated repairs.

The 5 Year EICB inspections of the electrical systems in Lodge Parsonage and Church was completed in February, and the systems were classed as "unsatisfactory", as the distribution boards did not comply with latest building regulations in having RCD protection fitted on all of their circuits. Some earth connections require re making in the Parsonage. The cost for this work will be around £800/£1000 and it is proposed that it be carried out at the end of the season this year. More of the church halogen floodlights failed during the year and the electrician recommended that we replace them with LED flood lights, which consume considerably less power for the same light output. It is proposed that this work is carried out at the same time as the other work.

Problems have been experienced with the Fire Panel and alarm, the reset not working, necessitating two call outs to repair; it is possible that the panel is reaching the end of its useful life and will need replacing. The heater boiler control valve also failed and is having to be replaced.

The coin box telephone was replaced with a similar model, to take the new £1 coins, however it would not function at Tarfside due to low power from the exchange, and after discussions with the manufacturer, they agreed to adjust our existing coin box for a charge of £30, so this will be carried out at the end of the year. (We received a full refund for the new box (£150)).

Repairs were made to the Vestry roof and skews, and following the work to the chimney last year, the damp areas associated with the vestry appear to be slowly drying. The handy man finished laying the gravel path at the north side of the church as a donation of his time for which we thanked him. A boot changing bench was made from re cycled timber for the main doorway.

The main event of the year was the St Drostan's Open Day and Diocesan BBQ, which this year took the form of a "traditional Garden Fete". We asked every Church in our Diocese to run a "traditional garden fete" stall or sideshow, with any small profits going back to that Church and also an opportunity to tell others about what is happening in their Church. St Drostan's provided Burgers/Hot Dogs, Tea, Coffee and soft drinks. Over 80 people attended, including Tarfside residents, and we have to thank Beverly and Lyn for cooking the burgers. The event finished with a "Songs of Praise" developed around the Evening Prayer Liturgy by Rev Jane. It was good to see over 50 people in the church and we have received many comments of appreciation for the service and open day.

The overall numbers using the lodge were up this year, 897 from 849, the number of separate visits by groups was also up from 42 to 46 and these figures are almost at our budget figure of 900 bed nights.

Of the groups using the Lodge over the past year, two were directly related to the Diocese of Brechin, (St Ninian's twice and St Ninians Girls Brigade). Two family groups who were members of Diocese of Brechin churches also attended. Three other SEC churches also used the Lodge.

On the "ecumenical" aspect, seven groups ranging through Church of Scotland, Baptist, Roman Catholic and Gate Church used the facilities for retreats and youth group meetings.

The largest user group category continues to be families many of whom have been using the Lodge for generations although this is matched by the "special user groups" who have a wide range of interests, from the Scottish Christian Hill Walkers, Bagpipers, Greek/Hebrew Bible studier's, Veteran Cyclists, Wildlife Studies, U3A and Yoga.

The use by social works and educational groups continues to grow, and is an important contribution to assisting young people making their way in the world.

The Priest in Charge continued to maintain links with Tarfside primary school and it is expected that this will continue.

The Insurance values of the three buildings are inflation linked and are currently:

Lodge – ANSVAR	£679,167.00	24 <sup>th</sup> November 2016
Parsonage –ANSVAR	£972,691.00	31 <sup>st</sup> May 2017
Church – Ecclesiastical	£2,500,000.00*	31 <sup>st</sup> May 2017

(\* the insurance company now states a "maximum" repair amount for the church)

### **Trustee Remuneration and expenses**

Expenses have been paid to the following trustees. All mileage is paid at the SEC/IR not for profit rate of 45p/mile.

P Nelson

£315.90 Mileage associated with repairs/renewals & admin

Rev J Nelson

£ 315.90 Mileage associated with services and visits

### **Reserves**

Reserves are held in The Co-operative Community Direct Plus Account, which is not now interest paying on deposits less than £25,000, and the SEC Unit Trust Pool.

These unrestricted reserves are held for items of major expenditure, improvements and repairs to the properties at Tarfside; Church, Lodge, Parsonage and associated grounds.

A strategic reserve is held the SEC Unit Trust Pool, which pays dividends twice per annum.

Levels of strategic reserves are reviewed at the AGM when future budget expenditure is being considered, and at the AGM held in November 2015 it was agreed to purchase £5,000 worth of units in the SEC using cash from our current account. (Note that £10,000 of units was sold in July 2016 to fund damp repairs in the parsonage agreed by the Trustees, however, on reviewing the actual building costs developing, and the cash remaining in the Co-op account, £7,500 was re-invested in the SEC fund in November 2016. This ensured that we would maximise interest on our reserves.

The balance sheet shows current reserves to be carried forward of £6974.32 (slightly greater than the agreed budget figure of £6030), and units within the SEC pool which had a value of £12,749.86 in June 2017.

### **Surplus/Deficit**

St Drostan's account shows a deficit of £11,974.29 (Budgeted £12,891.00) this year, mainly because of the purchase of additional £7,500 SEC units in November, and the budgeted repairs to the Parsonage

Fee income was greater than last year due to a larger number of users and prompt August 2017 payments before the end of the financial year.

The fees for 2018 will be £22 per person per night.

The levels of regular donations were at the same order as previous years, assisted by the HMRC GASDS process of claiming gift aid from small cash donations. The votive candle stand in the Church continues to be a welcome source of donations and a new source of regular donations were locum fees from the services which the Priest in Charge takes in Stonehaven, Muchalls and Aberdeen  
We were particularly grateful for the donation of funds for a new new garden seat by the congregation St Mary Magdalene's, Dundee, in memory of Doris Luscombe; this replaced the previous seat in her memory which had rotted away.

#### **Donated Facilities and Services**

The Trustees are grateful for the time freely given by a small number of volunteers without whom it would be difficult for the charity to operate successfully. No other donated facilities or services were received.

#### **Statement of Trustees Responsibilities**

The Trustees must prepare financial statements, which give sufficient detail to enable an appreciation of the transactions of the Church during the financial year. The Trustees are responsible for keeping proper accounting records, which, on request, must reflect the current financial position of the Church at that time. This must be done to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the Church and must take reasonable steps for the prevention and/or detection of fraud or other irregularities.

Signed on behalf of the Trustees



P Nelson  
Secretary/Treasurer  
Date 8/9/2017  
Statement of account and balances signed



P Nelson  
Secretary/Treasurer  
Date 8/9/2017