

**ALL SAINTS EPISCOPAL CHURCH, LOCKERBIE**

**Annual Report and Accounts for the year ended 30 September 2018**

**1. Administrative Information:**

**Principal Address** All Saints Episcopal Church, 3 Ashgrove Terrace, Lockerbie DG11 2BQ.

**Website** [www.lockerbieanglican.org](http://www.lockerbieanglican.org)

**Charity Trustees** Rev'd Martin Callaghan, Rector  
**(Vestry Members)** Rev'd John Macleod Associate Priest (resigned 20 January 2018)  
David Rose, People's Warden and Lay Representative  
Ronald Ritchie, Hon Secretary (Deceased 3 December 2017)  
Ian Stewart, Rector's Warden and Hon Treasurer  
Margaret Buchanan  
Elizabeth McDonnell Hon Secretary  
Marjorie McGregor  
Kath Leadbeater  
Lynne Prhal  
Zoe Roberts (Elected 26 November 2017)

**Officer for the Protection of Children  
And Vulnerable Adults** Pauline Rose

**Bankers** Royal Bank of Scotland, 151 High Street, Dumfries DG1 2CA

**Solicitors** McJarrow & Stevenson, 55 High Street, Lockerbie DG11 2JH

**Independent Examiner** Karen Rae, FCCA, Armstrong Watson Audit Limited, 51 Rae Street, Dumfries DG1 1JD.

**2. Annual report of the Members of the Vestry**

**Introduction**

The Vestry is pleased to present the annual accounts of All Saints for the year to 30 September 2018.

We are a small, friendly congregation whose objective is to advance the mission of the Christian Church in Lockerbie and the surrounding district through worship, service and fellowship. We aim to do this through supporting existing church members, welcoming new members and visitors and cooperating with the other Churches in the Annandale Group, in the Galloway Region, in the Diocese, and where the opportunity arises, with the members of other denominations in our area.

We particularly value our links with the Episcopal Churches at Moffat, Annan, Eastriggs and Gretna, who along with All Saints, make up the Annandale Group. All ministry costs are shared between the five Churches on the basis of an agreed formula which reflects ability to pay.

The Church is fully accessible and has disabled toilet facilities and a hearing loop system.



This annual report and accounts presents a summary of our financial activities during the year and gives an overview of the general activities which have taken place in the life of the Church in the past year.

### **Activities and Achievements**

During the year we have continued with our Eucharist service at 11.15am each Sunday led by the Associate Priest, the Rector or member of the ministry team. We also have a said Eucharist on Thursday at 4.00pm.

Taize services have continued to be held at regular intervals and these are growing in popularity and attracting people from other denominations. These services are now being ably led at All Saints by a lay member of the Vestry and Taize services are also being held at other Churches within the Annandale Group.

We have continued to make good use of the flexible Church seating for meetings and events including a concert, a coffee morning and a performance based on the Gospel of St Mark. Our links with the schools have continued and have become a regular part of the primary school curriculum. We have also continued to support the food bank organised by the Salvation Army and the annual Christmas shoebox scheme.

The past year proved to be eventful and challenging for the congregation. Firstly the untimely death of our Vestry Secretary, Church cleaner and Jack of all trades, the late Ronald Ritchie, left a huge hole to be filled but thankfully several members of the congregation rose to the challenge. Ronald is sadly missed at All Saints' and in the wider community.

Then the Associate Priest, Rev'd John Macleod, intimated that he would retire in January 2018 after five and a half years of sterling service. As Maggie has been actively involved in the life of the Church this was a double blow for the congregation. We wish John and Maggie every happiness in their retirement and are very grateful for all that they have done for us.

After several meetings of the Group had taken place to consider the options for the future the Bishop and the Dean proposed that we should form a new Linked Charge with St John's, Moffat and appoint a full time Rector making such use of our reserves as necessary to avoid the need for any Diocesan financial assistance. The remaining three Churches at Annan, Eastriggs and Gretna would continue as the Annandale Group and the Diocese would underwrite Martin's stipend and other ministry costs until his retirement. This proposal was agreed by all five Vestries and by Martin so steps will shortly be taken to recruit a new Rector. The Group meeting scheduled for 4 October 2018 will see the winding up of the Group as it is currently constituted. Although we will no longer be part of the Annandale Group we will strive to maintain contact and cooperation with all the other Churches.

### **Financial Performance**

We had budgeted for a deficit of a little over £3,000 for the year but due to the receipt of a generous legacy from the estate of the late Margaret Wilson together with increased giving from many of our members we actually achieved a surplus of £4,754.

### **Reserves**

Our reserves are all unrestricted. Due to the above surplus together with a small appreciation in the market value of our investments our reserves increased during the year by £7,080 to £137,312. Although these reserves are significant in relation to our annual turnover the Vestry has agreed to meet our apportioned share of the costs of the new Rector which could require a draw of about £6,000 per annum from reserves.



### **Structure, Governance and Management**

All Saints' is an unincorporated association, governed by a constitution which was last amended in 2004. As a member congregation of the United Diocese of Glasgow & Galloway in the Scottish Episcopal Church, it is also governed by Canon Law of the Scottish Episcopal Church. The management team of the Church is known as the Vestry. For the purposes of charities law, the members of the Vestry are the Charity Trustees of the Church. Details of the Vestry members are given on the front page.

Apart from the Rector, the Associate Priest and the Rector's Warden the other Vestry members are elected by the congregation in annual meeting. The Lay Representative and the People's Warden are elected annually whilst at least two of the ordinary Vestry members must retire annually but are eligible for re-election. The Vestry is chaired by the Rector or the Associate Priest.

New Vestry members are given an induction pack outlining their role and responsibilities. The treasurer regularly updates other members of the Vestry on relevant changes in legislation and best practice relating to charities.

### **Vestry Responsibilities**

The Vestry are responsible for managing and safeguarding the assets of the Church and assisting the Rector and Associate Priest in matters affecting the spiritual welfare of the congregation. They are also responsible for keeping proper accounting records and ensuring that the accounts are prepared in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 as amended. The Vestry regularly considers the risks faced by All Saints' and ensures that appropriate risk management procedures are in place to mitigate those risks.

### **Relationship with Diocese and Province**

All Saints' is supported by the Diocese and the Province through the pastoral oversight of the Bishop, central support functions provided at Diocesan level, and grants from central funds. The Church is represented at Diocesan level by the Rector, Associate Priest and the Lay representative. As a member of the Scottish Episcopal Church All Saints' has an obligation to contribute to the costs of the Diocese and the Province through payment of an annual quota. This amount is based on the relative level of our income in comparison with other Churches in the Diocese and the Province.

### **Conclusion**

The members of the Vestry would like to thank all those who contribute their time, energy and money so generously to ensure the continuation and development of All Saints' as a centre of worship and an important part of the Christian life of the Lockerbie District. The Vestry look forward to appointing and welcoming a new Rector and to working with him or her to grow the congregation and make All Saints' a happy place to which people will want to come.

**On behalf of the Trustees**



Trustee on behalf of the Vestry. 29 October 2018.



### 3. Independent Examiner's Report to the Trustees of All Saints Episcopal Church, Lockerbie

I report on the accounts of the charity for the year ended 30<sup>th</sup> September 2018 as 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 as amended. 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 report.

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 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.

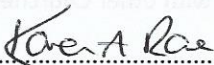
#### Independent examiner's statement.

In 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.



Karen Rae FCCA.

31 October 2018.

Address of Independent Examiner: Armstrong Watson, Chartered Accountants,  
51 Rae Street, Dumfries DG1 1JD.

#### 4. Receipts and Payments Account for the year ended 30 September 2018

	Notes	2018 £	2017 £
<b>Receipts</b>			
Donations	2	15,802	13,434
Legacy		5,000	0
Fundraising	3	1,461	2,825
Investments	4	5,232	5,041
Grants		-	0
<b>Total Receipts</b>		<b>27,495</b>	<b>21,300</b>
<b>Payments</b>			
Payments relating to Charitable Activities	5	22,441	23,458
Expenses of fundraising activities		-	0
Grants and donations	6	-	260
Governance costs		300	96
<b>Total Payments</b>		<b>22,741</b>	<b>23,814</b>
<b>Surplus/ deficit(-) for the year</b>		<b>4,754</b>	<b>-2,514</b>

#### 5. Statement of balances as at 30 September 2018

	2018 £	2017 £
<b>Cash at Bank</b>		
Balance at beginning of year	15,774	18,288
Surplus/(deficit) for year	4,754	-2,514
<b>Total cash funds at end of year</b>	<b>20,528</b>	<b>15,774</b>
Comprising		
Royal Bank of Scotland	2,851	2,249
Cambridge & Counties Bank	9,046	13,025
Virgin Money	8,500	500
Cash in hand	131	0
	<b>20,528</b>	<b>15,774</b>
<b>Investments</b>		
Market Value at beginning of year	114,458	104,978
Unrealised gain/(loss) in year	2,326	9,480
<b>Market value at end of year</b>	<b>116,784</b>	<b>114,458</b>
2,800 Merchants Trust	14,224	13,608
4,580 M&G Charifund Income Units	72,755	73,828
1,507 SEC Unit Trust Pool (value at 31 August 2016)	29,805	27,022
<b>Market Value at end of Year</b>	<b>116,784</b>	<b>114,458</b>
<b>General Fund Balance</b>		
At beginning of year	130,232	123,266
Cash surplus/deficit for year	4,754	-2,514
Movements in investments	2,326	9,480
	<b>137,312</b>	<b>130,232</b>
<b>Other Assets and Liabilities - for information only</b>		
<b>Assets</b>		
Debtor - estimated tax back on Gift Aid	1,500	1,400
<b>Liabilities</b>	0	0

On behalf of the Trustees



Trustee on behalf of the Vestry. 29 October 2018.



## 5. Notes to the Accounts

### 1. Accounting Policies

#### *Basis of preparation*

The accounts have been prepared on a receipts and payments basis. They consist of a summary of all moneys received and paid via the bank and in cash during the financial year, along with a statement of balances. No adjustments have been made for any income due but not received, nor for any expenses incurred but not yet paid at the year end. Except for investments fixed assets are not capitalised.

#### *Restricted Funds*

All funds are unrestricted.

#### *Joint Costs*

As part of the Annandale group, All Saints' pays an agreed share of ministry costs. This includes stipends, employer's national insurance, pension, travel, telephone, Council tax, rectory costs, locum fees and some sundry expenses. A support grant is received from the Diocese towards stipend and travel costs and for the current year the net balance is shared 14% by Annan, 10% by Eastriggs, 10% by Gretna, 28% by Lockerbie and 38% by Moffat. The Shared Ministry Account is appended to these accounts.

#### *Buildings*

Neither the Church nor the rectory is included in the statement of balances. The Vestry believe that it is not possible to place an accurate market value on the Church. Insurance values are Church and contents £2.6 million and rectory £339,182.

#### *Special collections*

During the year the following special collections were made:

	2018	2017
	£	£
St Nicolas Ankara refugee fund	0	215
Bishop's Lent Appeal	316	223
Rev'd John Macleod's retirement	400	0

### 2. Donations

	2018	2017
	£	£
FWO envelopes	6,681	6,002
Open Plate	1,261	701
Banker's orders	2,705	2,498
White Gift Aid envelopes	45	45
Tax recovered on Gift Aid	2,910	3,074
Donations	2,201	444
Weddings, baptisms and funerals	-	670
	15,802	13,434

### 3. Fundraising

	2018	2017
	£	£
Gift Day	820	1530
Coffee Morning	280	385
Fashion Show	0	477
Shakespeare Night	0	236
Christmas Lights Stall	0	197
Christmas cards	69	0
Gospel of St Mark	182	0
Concert	110	0
	<b>1,461</b>	<b>2825</b>

### 4. Investments

	2018	2017
	£	£
Bank interest	234	237
Dividends	4998	4,804
	<b>5232</b>	<b>5,041</b>

### 5. Payments relating to Charitable Activities

	2018	2017
	£	£
Share of Annandale Group Ministry costs	14,371	14,076
Provincial & Diocesan Quota	2,427	2,595
Insurance	995	1010
Electricity	1,624	1042
Church property maintenance	769	3289
Quinquennial Survey	822	0
Cleaner	127	756
Church supplies	478	437
Printing, stationery and advertising	238	193
Growth strategy	-	15
Presentations	52	20
Replacement of pews with chairs	466	0
Sundry	71	25
	<b>22,441</b>	<b>23,458</b>

### 6. Grants and Donations

	2018	2017
	£	£
DEC East Africa Appeal	0	260

### 7. Remuneration and Expenses paid to Vestry Members


None of the Vestry members received any remuneration or expenses relating to their position as Vestry members. However the Rector and Associate Priest received stipend from the Annandale Group in accordance with the SEC approved rate. The amount of stipends for the year together with the amount of travel expenses can be found in the appendix. As is customary both priests also occupy Rectories on a rent free basis. The Council tax on the Rectories is also met by the Group. The Late Ronald Ritchie was paid the sum of £126.70 in his capacity as Church cleaner.



# ANNANDALE GROUP OF EPISCOPAL CHURCHES


## Shared Ministry Account - Year to 30 September 2018

	Rev'd M Callaghan £	Rev'd John Macleod £	Total 2018 £	2017 £
<b>Payments</b>				
Stipend	25,823	3,891	29,713	38,018
Nat Insurance	2,419	162	2,581	3,001
Pension	8,315	1,253	9,568	12,242
Travel	4,062	925	4,986	5,919
Telephone	413	413	827	830
Council Tax	2,410	911	3,322	4,899
<b>Sub totals</b>	<b>43,442</b>	<b>7,555</b>	<b>50,997</b>	<b>64,909</b>
Locums, NSMs, etc			4,395	1,753
Sundry			85	290
Lockerbie Rectory -	Maintenance		1,352	199
	Insurance		280	428
	Quinquennial inspection		411	0
<b>Total Payments</b>			<b>57,519</b>	<b>67,579</b>
<b>Receipts</b>				
Augmentation			2,544	12,682
Travel grant			260	520
Annan			7,185	7,038
Eastriggs			5,133	4,032
Gretna			5,133	5,052
Lockerbie			14,371	14,076
Moffat			19,500	15,084
Bank interest			232	277
Diocesan grant			0	0
Employment Allowance			2,581	3,001
BBQ surplus			0	99
<b>Total Receipts</b>			<b>56,939</b>	<b>61,861</b>
<b>Surplus/deficit (-) for Year</b>			<b>-580</b>	<b>-5,718</b>
Surplus brought forward			15,627	21,345
<b>Accumulated Surplus</b>			<b>15,046</b>	<b>15,627</b>

  
John C Stewart OBE CPFA, Group Treasurer 1 October 2018

### INDEPENDENT EXAMINER'S REPORT

Dumfries, 26 October 2018. I have examined the books and accounts of All Saints Episcopal Church, Lockerbie and certify that the above statement in relation to the Shared Ministry Account for the year to 30 September 2018 is in accordance with the records and explanations given to me.

  
Karen Rae FCCA, Armstrong Watson Audit Limited, Chartered Accountants.  
31 October 2018