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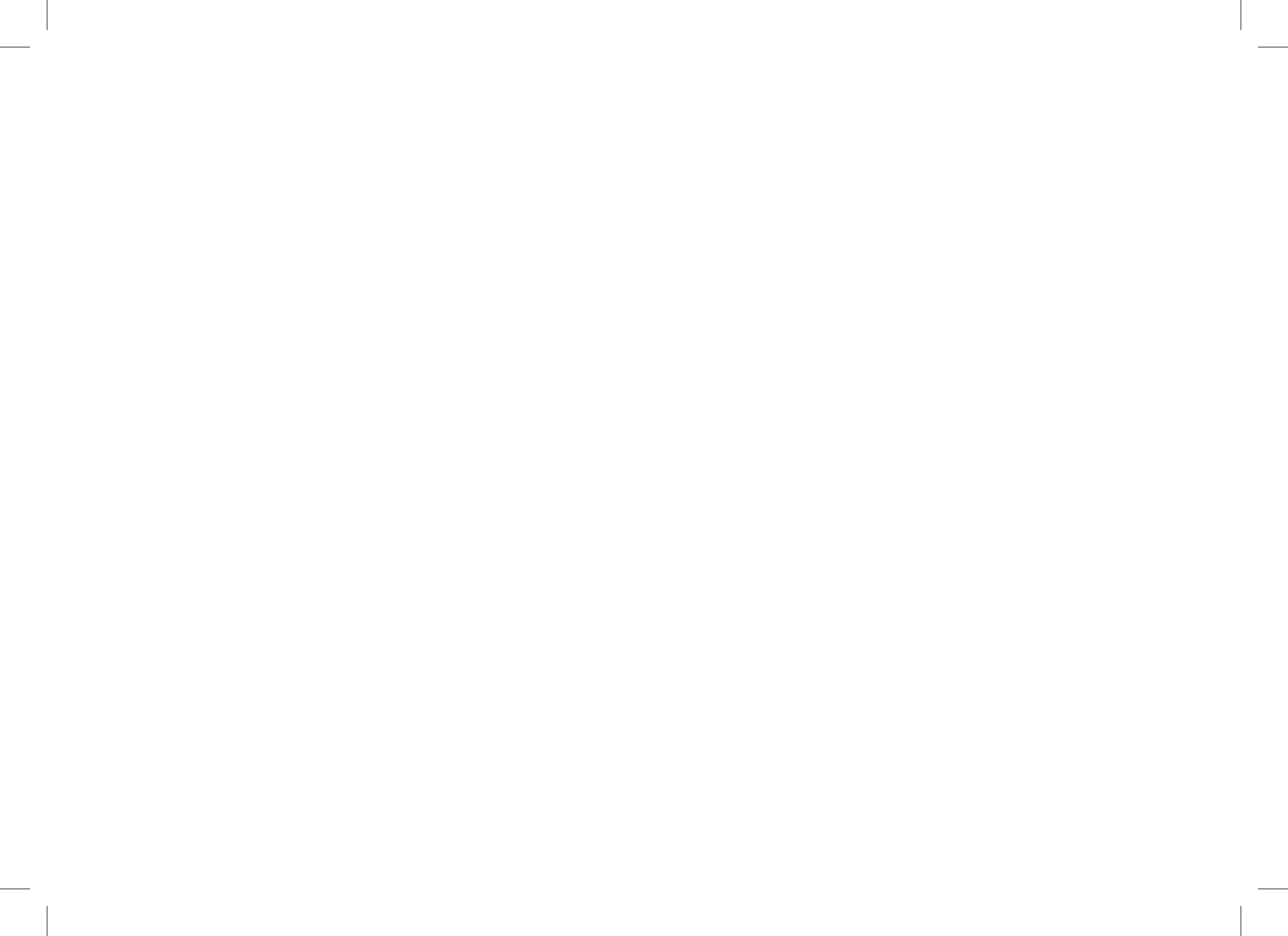
# The Society of Mary and Martha

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Caring for people in ministry

**Annual Report 2005**





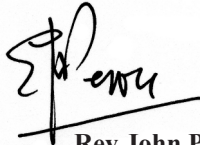
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# Trustees' Report

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## Introduction

The Trustees submit their Annual Report and Summarised Financial Statements for the year ended 31 December 2005. The Trustees confirm that the Annual Report and the Financial Statements of the charity have been prepared so as to comply with the statutory requirements, governing document, and the Charities Statement of Recommended Practice 2000.



**Rev John Perry**, Chair of Trustees

## The Charity

The Society of Mary and Martha is an independent ecumenical charity caring for people in Christian ministry at times of stress, crisis, burnout or breakdown. These specialist resources are set in the context of serving the church and community by providing broadly-based retreat and education resources.

## Objectives

The charity's core objective is to achieve long term stability, delivering resources to people in ministry at a consistently high standard. Achieving this involves recruiting, training and retaining committed members of the Sheldon Community, staff and volunteers. It requires a long term commitment to the development and maintenance of the Sheldon buildings and grounds. As the charity matures, the Trustees are mindful of the need to keep pace with external changes, including changes in the nature of ministry within the church; rising expectations regarding the quality of retreat accommodation; advances in spiritual and psychological care; and legislative changes relating to governance, accountability and risk assessment.

## Objectives for 2005

- ~ to extend provision for private retreats
- ~ to improve access for disabled guests
- ~ to maintain the quality of Long Barn facilities

- ~ to increase occupancy of the Pound House
- ~ to extend walks around the grounds
- ~ to stage popular summer theatre events
- ~ to develop staff and volunteer roles
- ~ to consolidate core funding

## Strategies, activities and achievements

### Guests

Our income from guest contributions increased by 34% over 2004. This is the result of a steady increase in the quality of our provision and the range and capacity of our own events. In 2005 we ran 18 weeks of our own programme events, including the specialist 12,000-mile Service weeks for people in ministry, plus retreats, time out, and personal development resources open to everyone. Linhay Lodges are exclusively for people in ministry and with 950 bed nights were run at around 75% occupancy. The focus of our provision to meet the needs of people in ministry means that we plan bookings to leave space to respond to urgent needs. This means running at a lower occupancy rate than a hotel-type operation which simply aims to maximise the bed nights. We also catered for retreats for the Melanesian Mission UK, a Deanery retreat and a large parish retreat. Many other school, church, and special needs groups ran residential self-catering events at Sheldon, and local groups used day facilities for meetings,

training and other activities.

All feedback from guests is published on our website giving supporters and prospective guests broadly based information about the nature of the resources on offer. The capacity to respond with highly individual attention to the needs of those who contact the charity, makes meaningful quantitative measurement of performance very difficult. Among other things, our guests during the year have been recovering from trauma and/or bereavement; gathering courage for major life changes; reflecting on their ministry and vocation; grappling with issues of spirituality, sexuality, leadership and conflict; managing major changes in their jobs; going through marriage breakdown; or recovering from illness or exhaustion. The charity has a good reputation as a reliable place of safety, support and understanding, with a focus on the capacity of each individual for growth and change.

### The Pig Pens Development

Planning consent was received for this project early in 2005, and the appeal was launched in March by the Lord Lieutenant of Devon and Major General Sir Christopher Airy. The scheme involves the demolition of the 2 Chalets which were small paired units of accommodation converted from the farm pigsties in the early 1970s and no longer fit for purpose. Construction of the 3 self-contained Pig Pens on the same footprint began in November, and

is due for completion at Easter 2006. Each Pig Pen is an open-plan bed/sitting room with galley kitchen and en-suite shower. Key design features include wheelchair access to the Pens themselves plus a path linking them to the Long Barn, Pound House and Chapel; much improved privacy; modern standards of comfort; and flexibility for a wide range of users.

All previous construction projects have been undertaken by the local firm R Peters & Sons under negotiated tender. As this firm was not available for the Pig Pens, the contract was awarded by competitive tender to Hindsite Construction. By the end of 2005 the foundations had been laid and nearly three quarters of the funds raised. The original budget of £210,000 was increased to £240,000. It was originally part of the scheme to extend underfloor heating through to the medieval Chapel and re-order the interior. Provision has now been made to carry out this work at a later date. The Chapel is an important and unusual feature and we could not give it the necessary attention as part of a much larger scheme.

### **Publicity**

A range of new promotional leaflets were designed and distributed in 2004. During 2005 we have continued to develop and promote our website as this is becoming the first point of contact and source of information for many enquirers. New direct mailing and regular targeted

advertising that was trialled in 2005 appeared to be successful and will be continued through 2006. We have also designed a new leaflet to encourage people to sign up as Friends of Mary and Martha, distributed primarily to people visiting Sheldon. 43 new Friends joined in 2005 bringing the total to 580.

### **Development of grounds**

23 acres of land known as Spanishlake was purchased in 2004, nearly doubling the Sheldon grounds. The hedges, fences and gateways were seriously dilapidated and there was no water supply. During 2005 we erected stockproof fencing and brought a water supply to each of the 5 fields. Neglected trees and woodland were tended, and ancient Devon hedge banks were repaired. The first phase of hedge laying is scheduled for early 2006. The fencing has been positioned to provide an extensive network of paths where guests can enjoy peaceful walks with beautiful views without having to cross fields with livestock. Our own flock has been increased to 32, with the addition of a group of Greyface Dartmoor ewes and ram. These are a local breed now threatened with extinction and they complement the rare breed Manx Loughtans that have been bred at Sheldon for several years.

### **Open Air Theatre**

The Sheldon Open Air Theatre was created within the

grounds in the 1970s. It had not been used in recent years as the charity focused on other development projects. A single concert in 2004 paved the way for a 4 concert season in 2005, including a memorable performance of “The Passion of our Lord” by the Melanesian Mission UK. The total attendance was over 1,000 people. By offering an enjoyable evening out in a unique and intimate venue, the theatre delivers excellent publicity and goodwill in the local area. We have continued to invest in the technical infrastructure to meet modern safety and performance requirements. With a new Premises Licence secured in 2005, Sheldon is fully licensed for the supply of alcohol and provision of regulated entertainments.

### **Archbishop of Canterbury**

A highlight of the year was a visit from Dr Rowan Williams, Archbishop of Canterbury in December. This included a tour of the site and conversations about the current issues of clergy stress facing the churches. Dr Williams also blessed the foundations of the Pig Pens and prayed with the Community in the Chapel of Mary, Martha and Lazarus.

### **Repairs and Maintenance**

Although new projects are more glamorous, we are equally

committed to the maintenance and repair of existing facilities at Sheldon. The last refurbishment of the Long Barn was carried out during the winter of 1995/6. With disruption already scheduled for the adjacent Pig Pens we took the opportunity to close the Long Barn for 2 months for a comprehensive redecoration of the ground floor, including new floorings and fittings. Half the work was completed at the end of 2005, and the Long Barn due to be re-opened at the end of January. Repainting the roof and high level windows and rainwater goods will be completed in March. The £20,000 worth of work on the Long Barn is to be funded by a generous legacy. A further £7,000 from the Contingency Reserve was spent on re-thatching the ridge of the Farmhouse roof, and repairs to the South Wing roof. Keeping the premises well furnished and in good repair is a core part of our commitment to guests. As a provider of residential resources, the costs of maintaining the buildings and grounds make up a large proportion of our expenditure.

## **Financial notes**

### **Fund balances and net assets**

Readers should note that the charity only holds modest cash (current) assets, mostly in Reserves (see page 9). The vast majority of the charity’s assets are the fixed asset of the Sheldon Centre (£1.6m) plus the fixtures, fittings,

vehicles and equipment connected with running the Centre (£71,000). The charity also holds £173,000 in interest free loans from supporters with most repayment dates ranging from one to five years.

### **Ministry Fund expenditure**

The day to day expenses of running the ministry are accounted for within the Ministry Fund. As the charity is primarily providing residential resources, most of the expenditure relates to the practical details of maintaining the **buildings and grounds**. Expenditure from the Contingency Reserve is set against the buildings and grounds in the year it is spent, so this figure can vary quite widely according to the projects undertaken. The routine expenditure on buildings and grounds includes service contracts for boilers and septic tanks; running repairs and redecoration; grass cutting and gardening. The functional expenditure categories allow for easy identification of **insurance, energy, staffing** and vehicle (**transport**) costs. **Insurance** includes property, public and employers liability, and professional indemnity insurance. The **people resources** category includes all financial remuneration for Community and staff, plus guest leaders, pension contributions, training and council tax. The food and housing of Community members is included in the overall costs of catering and buildings for the whole site as the Community portion is not easily identified separately.

Community members receive a personal allowance of £65 per week. **Office** costs cover all the telephone, stationery, postage and computing costs of running the office. Most of this is directly related to delivering the charitable objects, but an appropriate proportion is reallocated to the categories of management and administration and publicity. Two cars serve all the work of the charity and Community members have a small mileage allowance for personal use. **Depreciation** is the method of accounting for items such as cars, furniture and equipment that cost over £500 and have a lifespan of longer than a year. The current figure still reflects the substantial expenditure in 2002 and 2003 furnishing and equipping the new Courtyard. The initial purchase of such items is made from the Equipment Reserve, and this year £17,000 was spent on a capnograph, mower, marquee, bouncy castle, theatre equipment, carpets and freezers. **Affirmation and Accountability** is the workbook of practical suggestions for preventing clergy stress, sickness and early retirement published in 2002. At the end of 2005, the remaining 100 copies were transferred to the shop stock and will not be accounted for separately. Small items of equipment and furniture, plus new books for the library are included in the final expenditure category. The charity undertakes its own **trading** in the gift shop, the bar, and supplying food to self-catering groups. The gross trading profit in the year was £7,500. With publicity, all printed literature and the website serve both to promote the

resources of the charity to users (charitable objects) and to publicise the charity to potential donors (cost of generating funds). An approximate division has been made, but readers should be aware that in a small charity many functions are combined or overlap and cannot usefully be separated into artificial categories.

### **Ministry fund income**

The charity's income is primarily from contributions made by guests and donations given by supporters. The charity receives no statutory funding and no core funding from central church sources, although church leaders and churches will often find funds to make a contribution on behalf of guests who need to visit Sheldon.

### **Capital Fund**

The Capital Fund is for major additions to property or land used for the charity's objectives. During the year £118,930 has been received for the Pig Pens Appeal and of this £32,972 has been spent. A further £60,000 had been pledged by 3 grant making trusts (Smith's Charity, The Wolfson Foundation and The Sheldon Trust). The Pig Pens Appeal total is £240,000, so a further £60,000 needs to be raised during 2006.

At the start of the year we had £42,000 still to pay off from the purchase of the Spanishlake land, and had budgeted to

do this over the next 4 years. We have used the Ministry Fund surplus in 2005 to pay it off completely.

## **Auditor's Report**

We have examined the Summarised Financial Statements for the year ended 31st December 2005 published by the Society of Mary and Martha, and confirm that they are consistent with the full audited accounts on which we reported on 28th March 2006. The summarised figures are extracts from the full accounts and may not contain sufficient information to allow for a full understanding of the charity's affairs. The full accounts and an unqualified auditor's report have been submitted to the Charity Commission and are available from the Society. The accounts were approved by the Trustees at a meeting on 25th March 2006.

*Bush & Co*

### **Accountants and Auditors**

Bush & Co, 2 Barnfield Crescent, Exeter EX1

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# Policies and Risk assessments

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## **Risk assessments**

The trustees have identified the risks to which the charity is exposed, and have established systems to mitigate those risks. The Trustees affirm their ongoing commitment to implementation of all policies.

## **General policies**

*Fire Safety* – a risk assessment has been carried out of the entire premises, supported by staff training and routine checks.

*Annual Portable Appliance Testing (PAT)* is undertaken for all electrical appliances, plus a rolling programme of electrical installation certification.

*Health and Safety at Work* – a risk assessment has been undertaken for all public areas, staff practices and public events, plus product assessment for COSHH, and staff training.

*Employment Legislation* – all staff have job descriptions, induction procedures, disciplinary and grievance procedures in place.

*Child Protection, Confidentiality and Whistleblowing* policies are in place.

*Professional therapeutic conduct* has been assessed to ensure potential risks to guests, to staff and to the organisation are mitigated through good practice standards, supervision and a complaints procedure.

## **Financial policies**

The charity's Reserves policy was adopted in 1998, reviewed in 2002 and due for next review in 2006. The Ministry Fund had the following particular Reserves at the end of 2005: Contingency Reserve of £30,000 for major or unexpected repairs to the buildings; Equipment Reserve of £40,000 for routine replacement and upgrading of vehicles, computers and equipment; and Staff Benevolent Reserve of £40,000 which is held at the discretion of the Trustees. £53,000 was set aside for specific projects in 2006. We also held sufficient funds to cover running costs for 3 months in the event of unforeseen interruption to income sources. All capital funds and reserves and cash flow surpluses from the ministry fund are held in the Charities Deposit Fund.

## Statement of Financial Activities

	<i>12 months to December 2005</i>			<i>12 months to December 2004</i>		
	Ministry £	Capital £	Total £	Ministry £	Capital £	Total £
<b><u>Resources Expended</u></b>						
<i>Cost of generating funds</i>						
<i>Trading</i>	11,059	-	11,059	11,488	-	11,488
<i>Fund-raising events</i>	9,741	-	9,741	4,379	-	4,379
<i>Publicity</i>	5,492	5,396	10,888	7,041	-	7,041
<b><i>Total cost generating funds</i></b>	<b>26,292</b>	<b>5,396</b>	<b>31,688</b>	<b>22,908</b>	-	<b>22,908</b>
<b><i>Management &amp; administration</i></b>	<b>10,494</b>	-	<b>10,494</b>	<b>8,187</b>	-	<b>8,187</b>
Charitable Objects						
<i>People resources</i>	70,622	-	70,622	74,322	-	74,322
<i>Buildings &amp; grounds</i>	50,513	32,972	83,485	32,788	-	32,788
<i>Food &amp; catering</i>	23,160	-	23,160	15,367	-	15,367
<i>Energy &amp; water</i>	18,771	-	18,771	14,889	-	14,889
<i>Insurance</i>	12,131	-	12,131	7,614	-	7,614
<i>Transport</i>	3,711	-	3,711	3,441	-	3,441
<i>Office</i>	20,263	-	20,263	20,742	-	20,742
<i>Depreciation</i>	33,318	-	33,318	32,028	-	32,028
<i>Affirmation &amp; Accountability</i>	-	-	-	202	-	202
<i>Equipment, library etc</i>	6,185	-	6,185	7,396	-	7,396
	238,674	32,972	271,646	213,168	-	213,168
Reallocation	(3,000)	3,000	-	-	-	-
<b><i>Total Charitable Objects</i></b>	<b>235,674</b>	<b>35,972</b>	<b>271,646</b>	<b>213,168</b>	-	<b>213,168</b>
<b>Total resources expended</b>	<b>272,460</b>	<b>41,368</b>	<b>313,828</b>	<b>239,884</b>	-	<b>239,884</b>

	<i>12 months to December 2005</i>			<i>12 months to December 2004</i>		
	Ministry	Capital	Total	Ministry	Capital	Total
	£	£	£	£	£	£
<b><u>Incoming Resources</u></b>						
<i>Donations</i>	144,829	103,307	248,636	105,399	14,226	119,625
<i>Gift Aid from Sheldon Ltd</i>	6,000	-	6,000	9,000	-	9,000
<i>Tax Refunds</i>	7,000	3,808	10,808	7,345	19,321	26,666
<i>Bank Interest</i>	3,600	11,815	15,415	2,250	10,925	13,175
<i>Trading Income</i>	19,310	-	19,310	16,924	-	16,924
<i>Contributions from guests</i>	120,353	-	120,353	85,982	-	85,982
<i>Affirmation &amp; Accountability</i>	908	-	908	1,843	-	1,843
<i>Fundraising events</i>	7,075	-	7,075	4,748	-	4,748
<i>Other income</i>	2,249	-	2,249	2,131	-	2,131
<b>Total</b>	<b>311,324</b>	<b>119,430</b>	<b>430,754</b>	<b>235,622</b>	<b>44,472</b>	<b>280,094</b>
Net Incoming Resources	38,864	78,062	116,926	(4,262)	44,472	40,210
Fund Transfer	(20,000)	20,000	-	-	-	-
Total Funds brought forward	281,182	1,577,137	1,858,319	285,444	1,532,665	1,818,109
Total Funds carried forward	300,046	1,675,199	1,975,245	281,182	1,577,137	1,858,319
<b><u>Analysis of Fund Balances and Net Assets</u></b>						
Fixed Assets	71,097	1,619,768	1,690,865	87,515	1,619,668	1,707,183
Net Current Assets	228,949	196,731	425,680	193,667	103,019	296,686
Long Term Loans	-	(141,300)	(141,300)	-	(145,550)	(145,550)
Total	300,046	1,675,199	1,975,245	281,182	1,577,137	1,858,319

<b><u>Sheldon Ltd - assets and liabilities of subsidiary</u></b>	<b><u>@31 Dec. 2005</u></b>	<b><u>@31 Dec. 2004</u></b>
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Current Assets	£3,016	4,742
Less: Creditors due within one year	£300	2,824
Total net assets/(liabilities)	£2,716	1,918
Aggregate share capital and reserves	£2,716	1,918

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## Plans for the future

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We plan to undertake the following projects during 2006 and 2007.

- ~ Complete the construction of the Pig Pens. These will improve disabled access, improve privacy and comfort, and extend provision for guests to make private retreats.
- ~ Re-order administrative space in the Great Barn to provide an additional office next to Reception. This will enable us to increase our volunteer and paid staffing in the Reception area to attend to the needs of guests and visitors.
- ~ Demolish a failing retaining wall near the entrance and rebuild with extended tarmaced area. This will remove a potential risk and enable us to provide more carparking space as numbers of guests and staff/volunteers increases.
- ~ Renew 20-year old house lights in the open air theatre. This will improve safety when we stage open air theatre events.
- ~ Lay hedges, erect stock-proof fencing and manage woodland on the Spanishlake land. This will continue development of the area as an amenity for guests while implementing conservation measures under the Dartmoor Environmentally Sensitive Area management agreement.
- ~ Complete the refurbishment of the ground floor of the

Long Barn. This will re-open in February 2006 and will make the Long Barn more comfortable for guests while maintaining the structure of the building which stands in the curtilage of the grade two listed courtyard.

- ~ Upgrade the computer peer-to-peer network to a server-network. This will reduce system overload, improve data security to protect against unauthorised access and improve reliability of backups in case of hard drive failure.
- ~ Install underfloor heating in the medieval Chapel, re-order the interior and re-build the access steps. This will make the Chapel a more attractive and accessible place for quiet prayer and reflection open to all guests.
- ~ Extend the Animal Barn to make room for animals and grounds machinery. Maintenance of the grounds through grazing and mowing keeps them enjoyable and accessible for guests.

Some funding for these projects is already set aside in the Ministry Fund and Equipment Reserve.

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# Income for 2006

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## Guests

We will be enthusiastically promoting the Pig Pens for private retreats open to everyone when they are completed at Easter.

We will continue to plan for steady occupancy of the Linhay Lodges by people in ministry, while also leaving space for people who need to come at short notice.

We will continue to develop and promote the resources for guests on our own programme.

We plan to encourage the groups visiting Sheldon to take an increasing interest in the overall Sheldon ministry.

## Supporters

We wish to recruit 50 new Friends of Mary and Martha to support through regular giving and prayer, and 20 new volunteers to join with workparties, hospitality teams, or reception duties.

## Money

We need to raise the final £60,000 to complete the Pig Pens Appeal during 2006. The Warden will write to Friends and others who have supported the Appeal already, and the Administrator will continue appeal to grant making Trusts.

We will be continuing to encourage supporters to consider giving by standing orders, and making a legacy to the charity in their Wills. We also continue to ensure that tax can be reclaimed under Gift Aid whenever possible.

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## Personnel and organisational structure

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The charity's governing instrument is the Deed of Trust dated 10th February 1987. The charity's Trustees are elected by majority vote of existing Trustees. The Warden is entitled to nominate candidates for consideration by the Trustees. A quorum of Trustees (four) meets three times a year to be briefed by the Society's Officers (the Warden and Treasurer) and to make decisions by majority vote. The Warden is responsible for all day to day management of the charity and leadership of the Sheldon Community. Sheldon Ltd is a subsidiary trading company, wholly owned by the charity, and profits are gift aided to the charity. The Sheldon Community has its own Rule of Life and domestic decision making which is independent of the Trustees. Community members are employees of the charity, provided with housing and food and a personal allowance of £65 per week. Five members served throughout the year, plus one person living alongside the Community full time on the same financial basis. Work is organised into Administration, Housekeeping and Maintenance departments. The charity employs a dozen local part time staff salaried at market rates (total wages bill = £41,000). About 50 people contributed a total of about

4,000 hours of voluntary labour in 2005 as hospitality, reception or workparty volunteers (estimated value £23,000).

### **Trustees of the Society of Mary and Martha**

Dr Ann Buxton Mrs Valerie Hawkins

Rev John Perry (*elected Chair March 2005*)

Mrs Jean Smith

Mrs Averil Swanton

Rev Dr Roy Walford

Rev Jonathan Williams

Reimbursement of trustee expenses in 2005 = £132.

### **Officers**

Mr Carl Lee MBE (Warden)

Dr Sarah Horsman (Treasurer)

### **Company Directors of Sheldon Ltd**

Dr Sarah Horsman

Mr Philip Hutchins

Mrs Averil Swanton

**Solicitors:** Foot Anstey, Senate Court, Exeter EX1 1NT

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## Our thanks to

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### **Patrons of the Society**

Major General Sir Christopher Airy  
Father Peter CGA  
Rabbi Lionel Blue  
Rev Anthony Burnham  
Dr Sheila Cassidy  
Rt Revd & Rt Hon Richard Chartres  
Dr Jack Dominian  
Very Rev Richard Eyre  
Rev Malcolm Goodspeed  
Most Rev & Rt Hon Dr David Hope  
Joyce Huggett  
Rev Michael Jacobs  
Rev Sr Una Kroll CJC  
Dr Sir Alexander Macara  
Very Rev Michael Mayne  
Peter Meadows  
The Earl of Morley  
Ret Rev Dom Kenneth Newing OSB  
Dr Peter Nixon  
Canon Roger Royle

### **We are grateful for the support of the following Trusts:**

*Pig Pens Appeal:* Dulverton Trust (£30,000) Clare Milne Trust (£10,000), Beatrice Laing Trust, Sheldon Trust, Mercers' Company (£5,000 each), Tanner Trust (£4,000), Goldsmiths' Company (£3,000), PF Trust (£2,500), Inlight Trust (£2,000), David and Frederick Barclay Foundation, Foster Trust, Pike Trust, SMB Trust, Edmund King and Martyr Trust, River Trust, Viscount Amory Trust, Tindalls Trust and Devon Northcott Foundation.  
*Ministry Fund:* Frederick Andrews Trust (£10,000), Corporation of the Sons of the Clergy (£5,500), Leathersellers' Company, Mercers' Company and Salamander Trust.  
Exeter Diocesan Board of Finance for 5 year interest free loan of £100,000 from December 2003 to 2008.

### **Members of the Sheldon Community**

Carl Lee  
Susan Lee  
Hillary Hanson  
Sarah Horsman  
Jan Kaye

Please visit our website at

**[www.sheldon.uk.com](http://www.sheldon.uk.com)**

for much more information about the nature and ministry  
of the Society of Mary and Martha, its home and its people  
– and lots of pictures too!

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The Society of Mary and Martha, Sheldon, Dunsford, Exeter EX6 7LE  
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