

CHURCHES ACTION FOR THE HOMELESS
Registered at Edinburgh No 145621

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1996

8



CHURCHES ACTION FOR THE HOMELESS

DIRECTORS' REPORT
for the year ended 31 July 1996

The Directors submit their Report and Accounts for the year ended 31 July 1996.

PRINCIPAL ACTIVITIES

The company's principal activity during the year was the provision of food to the homeless in Perth and Kinross district. The company is limited by guarantee and has been granted charitable status.

DIRECTORS

The Directors during the year were:-

Jean Young (Resigned 30/9/95)
Mary Carroll
Vivian Mason
Mary J Gillies

AUDITORS

Bell & Co, Chartered Accountants have indicated their willingness to be reappointed as auditors.

SMALL COMPANY EXEMPTIONS

This report has been prepared taking advantage of the exemption conferred by Part II of Schedule 8 of the Companies Act 1985, on the grounds that in the opinion of the directors the company is entitled to these exemptions as a small company.

BY ORDER OF THE BOARD



Mary Carroll
Chairman

14 October 1996

CHURCHES ACTION FOR THE HOMELESSSTATEMENT OF MANAGEMENT COMMITTEE RESPONSIBILITIES
for the year ended 31 July 1996

Company law and the Charities Accounts (Scotland) Regulations 1992 requires the management committee to prepare accounts for each financial year which give a true and fair view of the company's state of affairs at the end of the period and of its surplus or deficit for that period. In preparing those accounts the management committee are required to:-

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The management committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with Company law, the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the Charities Accounts (Scotland) Regulations 1992. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

REPORT OF AUDITORS
TO THE MANAGEMENT COMMITTEE OF
CHURCHES ACTION FOR THE HOMELESS

We have audited the financial statements of Churches Action for the Homeless on pages 4 to 10 which have been prepared following the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT COMMITTEE AND AUDITORS

The charity's management committee are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the management committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements of Churches Action for the Homeless give a true and fair view of the state of affairs as at 31 July 1996 and of the surplus for the year then ended and have been properly prepared in accordance with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990, the Charities Accounts (Scotland) Regulations 1992 and of the Companies Act 1985 applicable to small companies.

Bell & Co
Registered Auditors
Chartered Accountants
Perth



21 October 1996

CHURCHES ACTION FOR THE HOMELESSINCOME & EXPENDITURE ACCOUNT
for the year ended 31 July 1996

	<u>Note</u>	£	£	<u>1995</u> £
INCOME				
Kitchen Sales			1,892	<u>116</u>
Donations:				
Gift Aid Plus Tax Reclaimed		1,000		2,733
CATH 500 Donations plus				
Tax Reclaimed		6,341		4,887
Other Donations		19,919		4,417
Collecting Cans		<u>-</u>		<u>77</u>
			27,260	<u>12,114</u>
Fund Raising		5,924		7,973
Fund Raising Expenses		<u>(1,159)</u>		<u>(1,540)</u>
			4,765	<u>6,433</u>
Investment Income:				
Bank Interest			3,143	2,574
Miscellaneous Income:				
Ex Gratia Payment from				
Insurance Company			353	-
Sale of Mirrors			-	100
Monies from Trusts			10,600	14,500
Grants from Statutory Bodies	7		<u>23,825</u>	<u>32,247</u>
			71,838	<u>68,084</u>
EXPENDITURE				
Kitchen & Sunday Run Expenses		2,437		435
Insurance		709		532
Fee for New Building		-		6,034
Remuneration of Centre Staff		15,519		2,495
Advertising		287		1,113
Rent & Rates		1,417		900
Course & Travel Fees		477		195
Printing, Photocopying & Stationery		1,016		450
Telephone & Postages		835		184
Audit & Accountancy Fees		360		167
Miscellaneous Expenses		501		141
Depreciation & Loss on Disposal		2,066		395
Heat & Light		1,995		-
Legal Expenses (re Lease &				
Redemption of Mortgage)		804		-
Volunteers Expenses		453		-
Repairs & Renewals		1,761		-
Cleaners Wages		<u>270</u>		<u>-</u>
			30,907	<u>13,041</u>
SURPLUS FOR YEAR			<u>40,931</u>	<u>55,043</u>

CHURCHES ACTION FOR THE HOMELESSBALANCE SHEET
as at 31 July 1996

	<u>Note</u>	£	£	<u>1995</u> £
FIXED ASSETS	2		188,295	<u>125,119</u>
CURRENT ASSETS				
Stock		100		-
Debtor - Gift Aid Tax Claim		-		333
Cash - At Bank -				
On Treasurer's Account		16,044		45,725
On Premier Investment Account		71,512		71,591
On Hand		346		50
		<u>88,002</u>		<u>117,699</u>
CREDITORS: Amount falling due within one year				
Sundry Creditors		489		30,477
Accruals		600		1,475
		<u>1,089</u>		<u>31,952</u>
NET CURRENT ASSETS			<u>86,913</u>	<u>85,747</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			275,208	210,866
CREDITORS: Amounts falling due after one year			-	<u>52,425</u>
NET ASSETS			<u>275,208</u>	<u>158,441</u>
REPRESENTED BY:				
Restricted Funds	3		160,836	85,000
General Funds	4		<u>114,372</u>	<u>73,441</u>
			<u>275,208</u>	<u>158,441</u>

The directors have taken advantage of the exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and have done so on the grounds that in their opinion the company is entitled to these special exemptions as a small company.

The accounts were approved by the Board on 14 October 1996 and signed on its behalf by:

Mary J. Carroll
Mary Carroll
Director

Mary J Gillies
Mary J Gillies
Director

CHURCHES ACTION FOR THE HOMELESSNOTES TO THE ACCOUNTS
for the year ended 31 July 19965

1. ACCOUNTING POLICIES

Basis of Preparation

The accounts have been prepared:-

- in accordance with Statement of Recommended Practise No. 2.
- these accounts have been prepared on an accruals basis and includes income and expenditure as they are earned or incurred.

Voluntary Income

All voluntary income is included in income on receipt except where the donor requires the sum to be allocated elsewhere.

Donations under deeds of covenant are recognised as income when the donations are received. The associated income tax recoverable is recognised as income when the claims are processed. Gift aid payments are recognised as income when the donations are received. The income tax recoverable thereon is recognised as income when the claim is processed.

Depreciation

Depreciation has been computed to write off the cost of all tangible fixed assets over their expected useful lives using the following rates:

Leasehold Land & Buildings	2% straight line
Computer	25% straight line
Furnishings & Equipment	15% straight line

Stock

Stock is comprised of food for the kitchen at approximate cost price.

CHURCHES ACTION FOR THE HOMELESSNOTES TO THE ACCOUNTS
for the year ended 31 July 1996

2. FIXED ASSETS

	<u>Leasehold Land & Buildings</u>	<u>Computer</u>	<u>Furnishings & Equipment</u>	<u>Total</u>
	£	£	£	£
COST				
As at 31 July 1995	123,757	1,307	450	125,514
Additions	58,962	525	9,409	68,896
Disposals	-	-	(152)	(152)
As at 31 July 1996	<u>182,719</u>	<u>1,832</u>	<u>9,707</u>	<u>194,258</u>
DEPRECIATION				
As at 31 July 1995	-	327	68	395
Charge for Year	3,654	458	1,479	5,591
Eliminated on Disposal	-	-	(23)	(23)
As at 31 July 1996	<u>3,654</u>	<u>785</u>	<u>1,524</u>	<u>5,963</u>
NET BOOK VALUE				
As at 31 July 1996	<u>179,065</u>	<u>1,047</u>	<u>8,183</u>	<u>188,295</u>
As at 31 July 1995	<u>123,757</u>	<u>980</u>	<u>382</u>	<u>125,119</u>

It is the policy of the management committee not to capitalise second hand donated items although a fixed asset register is maintained and checked to ensure security of the assets.

3. RESTRICTED FUNDS

	<u>Balance 1/8/95</u>	<u>Movements in Resources</u>		<u>Balance 31/7/96</u>
	£	<u>Incoming</u>	<u>Outgoing</u>	£
		£	£	
Day Care Centre	85,000	60,990	3,654	142,336
Funding of Project Worker	-	<u>18,500</u>	-	<u>18,500</u>
	<u>85,000</u>	<u>79,490</u>	<u>3,654</u>	<u>160,836</u>

The day care centre building was started on in 1995 and work was completed at the start of 1996. The funding came from Gannochy Trust, Carson Charitable Trust and National Lottery Board and was specifically for expenditure on the building.

Gannochy Trust funded £18,500 specifically for the appointment of a project worker and associated costs of material and equipment. Carole Simpson was appointed as project worker in August 1996.

CHURCHES ACTION FOR THE HOMELESSNOTES TO THE ACCOUNTS
for the year ended 31 July 1996

4. GENERAL FUND

£

As at 31 July 1995

73,441

Surplus for Year

40,931114,372

5. EMPLOYEES

19961995

The average number of employees was

1

1

6. DIRECTORS REMUNERATION

The directors received no remuneration during the year.

7. GRANTS FROM PUBLIC BODIES

1996
£1995
£

Tayside Regional Council:

Grant for Initial Costs

6,000

Grant for Computer System

800

Grant for Publicity Materials

9907,790

Perth & Kinross District Council:

For Capital Expenditure

10,000

Perth & Kinross District Council

Common Good Fund:

Rent

1,350

Grant for Planning Fees

9322,282

Unemployed Voluntary Action Fund*

23,82512,17523,82532,247

* the monies from the Unemployed Voluntary Action Fund have to be used to meet specified costs relating to the Day Centre Manager and other expenses. At the balance sheet date approximately £22,000 of relevant expenditure had been incurred.

8. SHARE CAPITAL

The company is limited by guarantee and has no share capital.

CHURCHES ACTION FOR THE HOMELESS**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 July 1996**

	<u>Note</u>	<u>Unrest- tricted Funds</u>	<u>Rest- ricted Funds</u>	<u>Total Funds 1996</u>	<u>Total Funds 1995</u>
		£	£	£	£
Income and expenditure					
Incoming resources					
Donations and gifts		37,860	18,500	56,360	111,614
Grants		23,825	60,990	84,815	32,247
Investment income		3,143	-	3,143	2,574
Other income		2,245	-	2,245	216
Fundraising		<u>5,924</u>	<u>-</u>	<u>5,924</u>	<u>7,973</u>
Total incoming resources		<u>72,997</u>	<u>79,490</u>	<u>152,487</u>	<u>154,624</u>
Resources expended					
Direct charitable expenditure (kitchen + Sunday Run)		2,437	-	2,437	435
Fundraising and publicity	1	1,446	-	1,446	2,653
Management and Administration of the charity	2	16,683	-	16,683	2,662
Support costs	3	<u>11,500</u>	<u>3,654</u>	<u>15,154</u>	<u>8,831</u>
Total resources expended		<u>32,066</u>	<u>3,654</u>	<u>35,720</u>	<u>14,581</u>
Net incoming/(outgoing) resources before transfers		40,931	75,836	116,767	140,043
Transfer between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources for the year		<u>40,931</u>	<u>75,836</u>	<u>116,767</u>	<u>140,043</u>
Fund balances at 1 August 1995		<u>73,441</u>	<u>85,000</u>	<u>158,441</u>	<u>18,398</u>
Fund balances at 31 July 1996		<u>114,372</u>	<u>160,836</u>	<u>275,208</u>	<u>158,441</u>

CHURCHES ACTION FOR THE HOMELESSNOTES TO THE STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 July 1996

	<u>1996</u>		<u>1995</u>
	<u>Unrest- ricted</u>	<u>Rest- ricted</u>	
	£	£	£
1. <u>Fundraising and Publicity</u>			
Fundraising expenses	1,159		1,540
Advertising	<u>287</u>		<u>1,113</u>
	<u>1,446</u>		<u>2,653</u>
2. <u>Management & Administration of the Charity</u>			
Remuneration of centre staff	15,519		2,495
Legal fees	804		-
Audit & accountancy fees	<u>360</u>		<u>167</u>
	<u>16,683</u>		<u>2,662</u>
3. <u>Support Costs</u>			
Insurance	709		532
Rent & rates	1,417		900
Course & travel fees	477		195
Printing, photocopying & stationery	1,016		450
Telephone & postages	835		184
Miscellaneous expenses	501		141
Depreciation & loss on disposal	2,066	3,654	395
Heat & light	1,995		-
Volunteers expenses	453		-
Repairs & renewals	1,761		-
Cleaner's wages	270		-
Fees for new building	<u> </u>	<u> </u>	<u>6,034</u>
	<u>11,500</u>	<u>3,654</u>	<u>8,831</u>