

CHURCHES ACTION FOR THE HOMELESS
Registered at Edinburgh No 145621

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1997



Moray House, 39 St. John Street, PERTH PH1 5HQ. Tel: (01738) 632081 Fax: (01738) 630989

e-mail : bell&company@perth.org.uk

Internet : www.perth.org.uk/perth/bell.htm

MEMBER OF  *The UK 200 Group*  PRACTISING CHARTERED ACCOUNTANTS

Partners: I.J.A. MOIR C.A.; J.H. DEWAR C.A.; N.W. FRASER B.A.C.A.; R.M. HOWES M.A., F.C.A.; C. CARNEGIE F.C.C.A.; L.A. KENNEDY B.A., C.A.

Registered to carry out audit work and authorised to carry on investment business by the Institute of Chartered Accountants of Scotland

CHURCHES ACTION FOR THE HOMELESS

DIRECTORS' REPORT for the year ended 31 July 1997

The Directors submit their Report and Accounts for the year ended 31 July 1997.

PRINCIPAL ACTIVITIES

The company's principal activity during the year was the provision of a wide range of services to assist and support homeless people in Perth and District. The company is incorporated as a company limited by guarantee, having no share capital and has been recognised as a Scottish Charity, number SCO21740.

DIRECTORS

The directors during the year were:-

Mary Carroll
Vivian Mason
Mary J Gillies
Steven Mackay

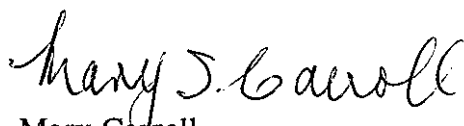
AUDITORS

The auditors, Bell & Company, Chartered Accountants have indicated their willingness to accept reappointment under Section 384 (1) of the Companies Act 1985.

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



Mary Carroll
Chairman

23 October 1997

CHURCHES ACTION FOR THE HOMELESS

STATEMENT OF MANAGEMENT COMMITTEE RESPONSIBILITIES for the year ended 31 July 1997

Company law 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 the Companies Act 1985, and the Law Reform (Miscellaneous Provisions)(Scotland) Act 1990. 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.

CHURCHES ACTION FOR THE HOMELESS

INCOME AND EXPENDITURE ACCOUNT **for the year ended 31 July 1997**

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 1997</u> £	<u>Total Funds 1996</u> £
Kitchen sales		4,347	-	4,347	1,892
Gift Aid donations		9,400	-	9,400	1,000
CATH 500 donations		7,230	-	7,230	6,341
Legacy		3,000	-	3,000	-
Other donations		29,799	-	29,799	30,872
Fund raising		3,803	-	3,803	5,924
Grants received	7	—	52,730	52,730	23,825
Net operating income		57,579	52,730	110,309	69,854
Less expenditure					
Centre running costs	9	13,111	50,537	63,648	25,873
Fund raising	10	73	-	73	1,159
Administration	11	2,064	5,995	8,059	5,034
Expenditure		15,248	56,532	71,780	32,066
Operating surplus/(deficit)		42,331	(3,802)	38,529	37,788
Bank interest received		4,176	—	4,176	3,143
		46,507	(3,802)	42,705	40,931
Transfers between funds		(3,802)	3,802	—	—
Surplus for year	4	42,705	—	42,705	40,931

Statement of total recognised gains and losses **for the year ended 31 July 1997**

The surplus of £42,705 (1996 - £40,931) comprised all of the company's recognised gains or losses for the year.

CHURCHES ACTION FOR THE HOMELESS

BALANCE SHEET

as at 31 July 1997

	Note	£	£	1996 £
FIXED ASSETS	2		197,753	<u>188,295</u>
CURRENT ASSETS				
Stock		100		100
Tax recoverable		3,000		-
Cash - At Bank				
On Treasurer's Account		45,777		16,044
On Premier Investment Account		84,855		71,512
On Hand and in Kitchen Account		<u>809</u>		<u>346</u>
		<u>134,541</u>		<u>88,002</u>
CREDITORS: Amount falling due within one year				
Deferred Grant - Project Funding		15,500		18,500
Accruals		<u>2,557</u>		<u>1,089</u>
		<u>18,057</u>		<u>19,589</u>
NET CURRENT ASSETS			<u>116,484</u>	<u>68,413</u>
NET ASSETS			<u>314,237</u>	<u>256,708</u>
REPRESENTED BY:				
Restricted Funds	3		152,044	142,336
General Funds	4		162,193	<u>114,372</u>
			<u>314,237</u>	<u>256,708</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts were approved by the Board on 23 October 1997 and signed on its behalf by:


Mary Carroll
Director


Mary J Gillies
Director

CHURCHES ACTION FOR THE HOMELESS

NOTES TO THE ACCOUNTS for the year ended 31 July 1997

1. ACCOUNTING POLICIES

Basis of Preparation

The accounts have been prepared:-

- in accordance with Statement of Recommended Practice - "Accounting by Charities" issued by the Charity Commissioners for England and Wales.
- on an accruals basis and include expenditure as it is incurred.

Income

All income is recognised 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.

Grants receivable

Grants are recognised as income when they are received. Grants received in advance are carried forward as deferred income.

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
Motor Vehicle	20% straight line

Stock

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

CHURCHES ACTION FOR THE HOMELESS

NOTES TO THE ACCOUNTS **for the year ended 31 July 1997**

2. FIXED ASSETS

	<u>Land & Buildings</u> £	<u>Furnishings & Equipment</u> £	<u>Minibus</u> £	<u>Total</u> £
COST				
As at 31 July 1996	182,719	11,539	-	194,258
Additions	<u>2,691</u>	<u>1,082</u>	<u>14,335</u>	<u>18,108</u>
As at 31 July 1997	<u>185,410</u>	<u>12,621</u>	<u>14,335</u>	<u>212,366</u>
DEPRECIATION				
As at 31 July 1996	3,654	2,309	-	5,963
Charge for Year	<u>3,708</u>	<u>2,075</u>	<u>2,867</u>	<u>8,650</u>
As at 31 July 1997	<u>7,362</u>	<u>4,384</u>	<u>2,867</u>	<u>14,613</u>
NET BOOK VALUE				
As at 31 July 1997	<u>178,048</u>	<u>8,237</u>	<u>11,468</u>	<u>197,753</u>
As at 31 July 1996	<u>179,965</u>	<u>9,230</u>	<u>-</u>	<u>188,295</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. Included in leasehold land and buildings is fitted kitchen units at cost of £40 in 1995 but are valued at £8,000 - £10,000 for insurance purposes.

3. RESTRICTED FUNDS

	<u>Balance</u> <u>1/8/96</u> £	<u>Movements</u> <u>in Resources</u>		<u>Balance</u> <u>31/7/97</u> £
		<u>Incoming</u> £	<u>Outgoing</u> £	
Day Centre Building	142,336	-	2,186	140,150
Minibus Fund	-	14,200	2,867	11,333
Equipment	-	<u>624</u>	<u>63</u>	<u>561</u>
	<u>142,336</u>	<u>14,824</u>	<u>5,116</u>	<u>152,044</u>

Outgoing movements represent a transfer to general funds corresponding to the depreciation on the relevant fixed assets

The day care centre building was completed at the start of 1997. The fund represents monies from Gannochy Trust, Carson Charitable Trust and the National Lottery Board and was specifically for expenditure on the building.

CHURCHES ACTION FOR THE HOMELESS

NOTES TO THE ACCOUNTS **for the year ended 31 July 1997**

Grants to fund the purchase of a minibus were received from the Homeless Trust and the Forteviot Trust. The minibus is included in fixed assets.

4. GENERAL FUND

	£
As at 1 August 1996	114,372
Surplus for Year	42,705
Transfer from Restricted Fund	<u>5,116</u>
	<u>162,193</u>

5. EMPLOYEES

During the year the company employed on average 2 full-time and 2 part-time staff.

6. DIRECTORS REMUNERATION

The directors received no remuneration during the year.

7. GRANTS RECEIVABLE

Included in grants receivable are the following:-

	<u>1997</u> £	<u>1996</u> £
Grants from Statutory Bodies		
Perth and Kinross Council - Grant for running costs	8,550	
Perth and Kinross Council Common Good Fund - Rent	1,350	
Unemployed Voluntary Action Fund - Day Centre Running Costs	<u>22,890</u>	<u>23,825</u>
	<u>32,790</u>	<u>23,825</u>
Other Grants		
Gannochy Trust - Project Worker	18,500	-
Shelter - Rough Sleepers Initiative	<u>1,440</u>	<u>-</u>
Total per Income & Expenditure Account	52,730	23,825
Capital Grants	<u>14,824</u>	<u>60,990</u>
Total per Statement of Financial Activities	<u>67,554</u>	<u>84,815</u>

CHURCHES ACTION FOR THE HOMELESS

NOTES TO THE ACCOUNTS **for the year ended 31 July 1997**

8. STATEMENT OF FINANCIAL ACTIVITIES

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 1997</u> £	<u>Total Funds 1996</u> £
Income and expenditure					
Incoming resources					
Donations and gifts		49,429	-	49,429	56,360
Grants received		-	64,554	64,554	84,815
Less deferred income		-	(15,500)	(15,500)	(18,500)
Add received in previous year		-	<u>18,500</u>	18,500	-
Grants for year	7		67,554		
Investment income		4,176	-	4,176	3,143
Other income		4,347	-	4,347	2,245
Fund raising		<u>3,803</u>	<u>-</u>	<u>3,803</u>	<u>5,924</u>
Total incoming resources		<u>61,755</u>	<u>67,554</u>	<u>129,309</u>	<u>133,987</u>
Resources expended					
Direct charitable expenditure					
Day Centre running costs	9	13,111	50,537	63,648	29,527
Fund raising and publicity	10	73	-	73	1,159
Management and administration of the charity	11	<u>2,064</u>	<u>5,995</u>	<u>8,059</u>	<u>5,034</u>
Total resources expended		<u>15,248</u>	<u>56,532</u>	<u>71,780</u>	<u>35,720</u>
Net incoming/(outgoing) resources before transfers		46,507	11,022	57,529	98,267
Transfer between funds		<u>1,314</u>	<u>(1,314)</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources for the year		47,821	9,708	57,529	98,267
Balance at 1 August 1996		<u>114,372</u>	<u>142,336</u>	<u>256,708</u>	<u>158,441</u>
Balance at 31 July 1997		<u>162,193</u>	<u>152,044</u>	<u>314,237</u>	<u>256,708</u>

CHURCHES ACTION FOR THE HOMELESS
NOTES TO STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 July 1997

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 1997</u>	<u>Total Funds 1996</u>
	£	£	£	£
9. DAY CENTRE RUNNING COSTS				
Food	5,488		5,488	2,437
Salaries	6,450	32,604	39,054	15,789
Training		319	319	477
Rent		1,350	1,350	1,350
Water rates		631	631	67
Insurance		802	802	709
Heat & light		3,884	3,884	1,995
Cleaning materials		335	335	
Repairs & maintenance		940	940	1,761
Vehicle running costs	1,173		1,173	
Telephone		1,400	1,400	835
Volunteer expenses		823	823	453
Centre sundries		874	874	
Vehicle depreciation		2,867	2,867	
Building depreciation		<u>3,708</u>	<u>3,708</u>	<u>3,654</u>
	<u>13,111</u>	<u>50,537</u>	<u>63,648</u>	<u>29,527</u>
10. FUND RAISING				
Miscellaneous costs	<u>73</u>		<u>73</u>	<u>1,159</u>
11. ADMINISTRATION COSTS				
Salaries	2,064		2,064	
Postage, stationery & advertising		2,613	2,613	1,303
Accountancy fees		506	506	360
Legal expenses re lease		66	66	804
Miscellaneous		735	735	501
Depreciation		<u>2,075</u>	<u>2,075</u>	<u>2,066</u>
	<u>2,064</u>	<u>5,995</u>	<u>8,059</u>	<u>5,034</u>

**ACCOUNTANT'S REPORT
TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS OF
CHURCHES ACTION FOR THE HOMELESS**

We report on the accounts for the year ended 31 July 1997 set out on pages 3 to 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTS

As described on page 2 the company's directors are responsible for the preparation of the accounts and they consider that the company is exempt from an audit.

In accordance with their instructions and in order to assist the directors to fulfil their responsibilities we have prepared the accounts from the accounting records and from information and explanations supplied to us.

We have not performed an audit and any assurance that the accounts show a true and fair view remains the sole responsibility of the directors.

It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 349(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Bell & Co
Chartered Accountants
Perth

