

Churches Action for The Homeless



Working together to end homelessness

Annual report

**Annual report & financial statements
for the year ended 31 March 2013**

Registered Charity No. SC021740
Company registration No. SC145621 (Scotland)

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COMPANIES HOUSE

www.cath-org.co.uk

Charity Information

Management Committee	Martin Barnicoat Alistair Milner Janet Beenham Diarmid Murray Margaret Jane Robertson Michael Westall Moirra Brown	Chair Vice Chair
Operations Manager	Brian Cowie	
Finance Manager	Phil Duncan	
Human Resources & Compliance Manager	Elaine Lamb	
Company number	SC145621	
Registered office	Moray House 39 St John Street Perth PH1 5HQ	
Auditors	Bell & Company Moray House 39 St John Street Perth PH1 5HQ	
Business address	188 – 190 High Street Perth PH1 5PA	
Bankers	The Royal Bank of Scotland 12 Dunkeld Road Perth PH1 5RB Bank of Scotland 10 – 16 King Edward Street Perth PH1 5UT	
Solicitors	J & H Mitchell WS 51 Atholl Road Pitlochry Perthshire PH16 5BU	



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Report of the Management Committee

for the year ended 31 March 2013

The Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, present their report and audited financial statements for the year ended 31 March 2013.

Objectives and activities

The charitable company's objects and principal activities are to relieve homelessness and poor housing, to improve the conditions of life and generally aid the development of persons who are homeless or who live in poor and sub-standard housing in Perth and Kinross Council area and any other area agreed by the Management Committee.

The organisation recognises the associated problems that homelessness presents, and works to alleviate those and help maintain and improve the quality of life of our beneficiaries. The main activities in the period are shown under Achievements and Performance.

Structure, governance and management

Governing document

Churches Action for The Homeless (CATH) is a private company limited by guarantee, incorporated on 27 July 1993 and registered as a charity on 17 August 1993. The company was established under a Memorandum and Articles of Association which established the objects and powers, and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The charity is regulated by the Office of the Scottish Charity Regulator.

Organisational structure

CATH has a Management Committee of up to eleven members who meet bi-monthly and are responsible for the strategic direction and policy of the charity. At present the Management Committee has seven members from a variety of professional backgrounds relevant to the work of the charity. The procedure for election and appointment to the Management Committee is laid down in the Memorandum and Articles of Association.

The induction process for committee members includes providing them with a copy of the latest annual report and financial statements, the Memorandum and Articles of Association, Governance of CATH and the latest SCSWIS inspection report. They are invited to spend time with the key people in the organisation to familiarise themselves with our activities and identify any requirements for further information, training or support.

The Management Committee are responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Senior Management Team. The Project Managers have responsibility for the day to day operational management of the charity's services, individual supervision of the staff teams and also ensuring that the teams continue to develop their skills and working practices in line with good practice.

Report of the Management Committee (continued)

for the year ended 31 March 2013

Members of the Management Committee

Those who served during the period and up to the date of this report were:

Martin Barnicoat

Janet Beenham

Moira Brown

(Appointed 12 March 2013)

Alistair Milner

Diarmid Murray

Margaret Jane Robertson

Michael Westall

(Appointed 12 March 2013)

Responsibilities of the Management Committee

The Management Committee (who are directors for the purpose of company law and trustees for the purpose of charity law) are responsible for preparing the Report of the Management Committee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Management Committee to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Management Committee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Management Committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk management

The organisation's internal control processes ensure that key risks are identified and managed. The risk that is most significant is that CATH is totally dependent on others for funding. Consequently all our work is at risk at any time. Nevertheless CATH has a proven reputation for delivering a good service and therefore an attractive provider of services in this field. Also we continue to invest resources in fundraising to enable some of our projects to continue and develop and have sufficient reserves to continue to fund our operations at the current funding levels.

Some of our work is performed in difficult environments. It is essential to be able to demonstrate effective procedures for the management of health and safety. Good safety procedures are important to protect staff, minimise consequential costs arising from accidents, control insurance expenses and safeguard the reputation of the organisation.



Report of the Management Committee (continued)

for the year ended 31 March 2013

Achievements and performance

The main support areas provided by the charity are in Accommodation Projects (CATH House and Floating Support) and Community Projects (Day Centre, Adult Literacy and Outreach), together with our Volunteer and Befriending programmes. In addition, the charity also operate a shop.

Accommodation

- CATH House provided direct nightly access accommodation and support for 16 people with 62 different individuals accommodated over the past 12 months, some of whom returned more than once.
- Staff at CATH House also received and dealt with 700 contacts for advice and assistance from non-resident service users throughout the period.
- Joint working agreement with PKC Homeless Services continued throughout the period with majority of referrals for CATH House coming from PKC Homeless Advice Centre.
- Floating Support team worked with an average of 26 people per week to maintain their own tenancies and sustain independent living.
- St Catherine's Square project began in April 2012 with the Floating Support team delivering on site support to residents who are in the 38 temporary accommodation flats within the Square. The team also provide support when requested to those who are in secure accommodation within the Square.

Community

- Day Centre provided a drop-in community base for 362 different service users during the year, of which, 46 service users were new to the project.
- Provided breakfasts and lunches on a daily basis with over 6,500 meals provided throughout the year.
- Programmes developed and run for service users included stitch craft, jewellery making, experimental arts, non-contact boxing, computer classes, football, model making and photography with the aim of developing self-esteem and self-confidence.
- Adult Literacy and ESOL programmes have engaged with over 85 individuals during the year.
- Outreach continued to provide an important service to individuals who do not engage with or have been excluded from other services due to behavioural issues. The number of referrals from agencies to support individuals has increased during the year mainly due to more individuals being offered secure tenancies and the difficulties they have coping with this situation. This led to the team supporting over 120 individuals which included tenancy support and assisting those who continue to sleep rough.
- A donation from the Annie Unwin Trust allowed CATH to rent a van. This enabled the Day Centre and Outreach teams to support 26 individuals in moving to new tenancies by providing donations of carpets, furniture and white goods to assist the tenant in resettling into a community.
- Continued to work in partnership with other homeless support providers to develop joint working for the benefit of our service users. This included our involvement in a new Community Garden which has led to service users growing vegetables which are used in the Day Centre kitchen.
- Employed an individual through Community Jobs Scotland for 6 months at Day Centre.



Report of the Management Committee (continued)

for the year ended 31 March 2013

CATH

- CATH Charity Shop continued to provide more opportunities for work placements, service users and volunteers. A total of 4,186 hours were provided by volunteers during the year with an additional 468 work placement hours provided through the shop.
- The increase in sales at the Charity Shop has enabled CATH to employ a part-time cook at the Day Centre to provide nutritious meals for the service users.
- Throughout all CATH projects, 5,325 hours of volunteering were provided to the organisation.
- A new referral and delivery system was started in April 2012 for Starter Packs Perth to enable vulnerable individuals to access basic items when moving into new properties. CATH delivered 235 starter packs throughout the year to people in their new property.
- Worked in partnership with Tayside Council on Alcohol (TCA) and received funding from Change Fund to research the development of a Public Sector Partnership (PSP) for Mentoring/Befriending.
- Together with Scottish Churches Housing Action and their Julius Project, we successfully bid for funding from Gannochy Trust to expand the current women re-offenders only befriending service to include all individuals who are homeless or at risk of homelessness.
- Staff and volunteer development continued throughout the year with training on specific areas including Personal Independence Payments, Housing Benefit e-claims, First Aid, Food Hygiene and Welfare Rights. Staff members continued with SVQ studies at both Level 3 and 4 and members of the management committee attended a charity trustees' seminar.

Financial review

The organisation's main source of income continues to operate with funding being agreed on a yearly basis. Despite this funding environment and a reduction in income from our principal funding source, there has been an actual increase in income compared to the previous year. The increase in incoming resources was as a result of funding for the CATH Befrienders project in addition to the inclusion of charity shop income. The additional income together with related expenditure has resulted in net incoming resources for the year of £22,331 (2012 – outgoing resources of £20,865). This is due to the funding of £17,000 for CATH Befrienders from Gannochy Trust having been received prior to 2013 year-end but the majority of expenditure not being incurred until the following year. The additional incoming resources relate to the surplus generated at the CATH Charity Shop.

Despite a reduction in funding for 2013/14 at CATH House due to changes in Housing Benefit and grant income, we have managed to maintain our funding levels at all other projects. The additional funding for CATH Befrienders, including a successful Change Fund application to provide the PSP for two years, enables us to not only maintain our support provided at current levels, but increase the support in certain areas.

Principal funding sources

The principal funding sources are the Scottish Government via Perth & Kinross Council.

Reserves policy

Our reserves policy is to maintain unrestricted funds of 2 months plus 20% of the operational costs not met through contracts or service level agreements. This is in addition to unrestricted funds relating to fixed assets.

Based on budgeted expenditure for 2013/14, the minimum unrestricted funds required is £245,000. The unrestricted funds relating to tangible fixed assets at 31 March 2013 were £48,538. This results in a total figure of £293,538 of unrestricted funds being maintained for 2013/14.

Report of the Management Committee (continued)

for the year ended 31 March 2013

Reserves policy (continued)

The level of contingency reserves will be reviewed annually to ensure it matches CATH programmed service delivery and expenditure. Additional reviews will be undertaken if there are significant changes to programmed service delivery and expenditure during the year.

The Management Committee agreed that this reserves policy would enable CATH to meet its statutory obligations, ensure sufficient reserves are available to meet possible contingencies, be achievable and sustainable, and not be overly restrictive of possible future growth and investment.

Investment policy

With interest rates still continuing at an historic low, the return on our investments remains poor. We have therefore appointed a professional investment manager to improve our investment performance whilst ensuring any risk in the portfolio is kept to a minimum. To this end, 50% of the current portfolio is invested in UK Government securities.

Plans for future periods

The Board of CATH has seen another increase in trustee numbers over the period and with that, an even more diverse range of expertise available to develop the organisation at a strategic level and give direction to the Senior Management Team for the day to day running of the organisation.

CATH continue to enhance the position and status they hold within the community by the increase in, and quality of, support provided for those with multiple and complex needs which may have a direct effect on the issues of tenancy sustainment and potential homelessness.

The full effect of Welfare Reform is still to be quantified and this, combined with an economic climate which restricts and reduces funding, ensures that all services provided by CATH will become essential in addressing homelessness and the on-going threat of homelessness.

Where possible, CATH will endeavour to add value to the provision of current services and seek funding in the support of identified needs of our service user group. The introduction of specific services addressing social isolation and a service for those moving from temporary to secure accommodation will have a greater emphasis in positively addressing tenancy failure. Confirmed statistical outcomes of Welfare Reform indicate that CATH's hostel capacity may be inadequate and this will only be addressed by increased accommodation options.

Partnership working is a key factor in securing funding and CATH currently work in partnership with Starter Packs, Tayside Council on Alcohol, Gannochy Trust, Scottish Churches Housing Action and other homeless support providers. These projects allow for the sharing of expertise and experience, promoting best practice to maintain quality as an alternative to mandatory legislated standards.

CATH has undergone significant changes and improvements with regard to both internal and external communications. Internally, data is now shared electronically between the projects, thereby eliminating any constraints of information volume whilst maintaining high levels of security. Externally, a database has been developed to support statistical information required by PKC and other funders. This will provide information which will indicate trend changes and highlight areas of concern to be addressed.



Report of the Management Committee (continued)

for the year ended 31 March 2013

Auditors

In accordance with the charitable company's articles, a resolution proposing that Bell & Company be reappointed as auditors of the charitable company will be put at a General Meeting.

Statement of disclosure to auditor

So far as the Management Committee is aware, there is no relevant audit information of which the charitable company's auditor is unaware. Additionally, the Management Committee have taken all the necessary steps that they ought to have taken in order to make themselves aware of all relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice : "Accounting and Reporting by Charities" issued in March 2005, and in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Management Committee and signed on its behalf by:

Martin Barnicoat
Director

24 September 2013

Independent Auditors' Report to the Members of Churches Action for the Homeless

We have audited the financial statements of Churches Action for The Homeless for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standards for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's Management Committee, as a body, in accordance with section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and the charity's Management Committee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charity's Management Committee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Management Committee and auditor

As explained more fully in the Responsibilities of the Management Committee Statement set out on page 2, the Management Committee (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Management Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Management Committee to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).



Independent Auditor's Report to the Members of Churches Action for The Homeless (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Management Committee for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Management Committee members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Management Committee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

John H. Dewar

**J H Dewar (Senior Statutory Auditor)
For and on behalf of Bell & Company**

24 September 2013

**Chartered Accountants
Statutory Auditor**

Moray House
39 St John Street
Perth
PH1 5HQ

Bell & Company is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (Including Income & Expenditure Account)

for the year ended 31 March 2013

	Notes	2013 Unrestricted £	2013 Restricted £	2013 Total £	2012 Total £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	11,503	-	11,503	20,368
Activities for generating funds	3	76,777	-	76,777	973
Investment income		3,222	-	3,222	3,131
Incoming resources from charitable activities	4	12,382	849,525	861,907	843,895
Total incoming resources		<u>103,884</u>	<u>849,525</u>	<u>953,409</u>	<u>868,367</u>
Resources expended					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	5	(60,491)	-	(60,491)	(731)
Charitable activities	6 & 7	(19,160)	(832,331)	(851,491)	(869,283)
Governance costs	7	(19,096)	-	(19,096)	(19,218)
Total resources expended		<u>(98,747)</u>	<u>(832,331)</u>	<u>(931,078)</u>	<u>(889,232)</u>
Net incoming/(outgoing) resources before transfers for the year	8	5,137	17,194	22,331	(20,865)
Transfers between funds	16	-	-	-	-
Fund balances at 1 April 2012		382,258	131,563	513,821	534,686
Fund balances at 31 March 2013	16	<u>387,395</u>	<u>148,757</u>	<u>536,152</u>	<u>513,821</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

**Balance Sheet**

as at 31 March 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	10		162,675		171,833
			<u>162,675</u>		<u>171,833</u>
Current assets					
Stocks		516		1,329	
Debtors	11	13,009		14,788	
Cash at bank and in hand		443,888		418,570	
		<u>457,413</u>		<u>434,687</u>	
Creditors: amounts falling due within one year	12	(82,150)		(89,785)	
Net current assets			<u>375,263</u>		<u>344,902</u>
Total assets less current liabilities			<u>537,938</u>		<u>516,735</u>
Creditors: amounts falling due after more than one year	13		(1,786)		(2,914)
Net assets			<u><u>536,152</u></u>		<u><u>513,821</u></u>
Funds					
Restricted funds	16		148,757		131,563
General funds	16		387,395		382,258
			<u><u>536,152</u></u>		<u><u>513,821</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Management Committee for issue on 24 September 2013

Martin Barnicoat
Director

Margaret Jane Robertson
Director

Company Registration No. SC145621

Notes to the Financial Statements

for the year ended 31 March 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with the Statement of Recommended Practice : "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and applicable accounting standards.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The cost of minor additions or those costing below £500 are not capitalised. Fixed assets purchased as part of projects are not capitalised but are matched against the income to which they relate in the year they are purchased.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold buildings	Over remaining leasehold term
Computers	25% on cost
Fixtures, fittings & equipment	25% on cost
Motor vehicles	25% on cost

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The charity operates a defined benefit scheme for employees. The assets of the scheme are held separately from those of the charity. The contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over the service lives of the employees. Variations from the regular costs are spread over the average remaining working lives of current members in the scheme.



Notes to the Financial Statements (continued)

for the year ended 31 March 2013

1.9 Fund Accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specific purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the Management Committee for a particular purpose.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

1.10 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expected in a future period.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the period in which they are receivable.

Monetary donations are recognised as income as they are received. Income tax recoverable on covenanted donations and gift aid donations is accrued in the financial statements.

Donations in kind such as food and clothing are received at the day centre and noted. No value is placed on these items as they generally have little resale value and are distributed to attenders as soon as possible after receipt or used in the centre kitchen.

Investment income is included when receivable.

1.11 Resources expended

All expenditure is included on an accruals basis and includes attributable VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in note 5 to the financial statements.

Notes to the Financial Statements (continued)

for the year ended 31 March 2013

2 Voluntary income

	2013 Unrestricted £	2013 Restricted £	2013 Total £	2012 Total £
CATH 500/gift aid donations including tax reclaim	5,191	-	5,191	7,804
Other donations	6,182	-	6,182	12,236
Membership	30	-	30	30
Bequests, legacies & trust income	100	-	100	298
	<u>11,503</u>	<u>-</u>	<u>11,503</u>	<u>20,368</u>

3 Activities for generating funds

	2013 Unrestricted £	2013 Restricted £	2013 Total £	2012 Total £
Shop income	74,683	-	74,683	-
Fundraising	2,094	-	2,094	973
	<u>76,777</u>	<u>-</u>	<u>76,777</u>	<u>973</u>

**Notes to the Financial Statements (continued)***for the year ended 31 March 2013***4 Incoming resources from charitable activities**

	2013 Unrestricted £	2013 Restricted £	2013 Total £	2012 Total £
Accommodation Projects				
Perth & Kinross Council - grants	-	208,936	208,936	194,464
Perth & Kinross Council - contract	-	208,384	208,384	219,532
Organisations - grants	-	4,130	4,130	5,627
Housing Benefit	-	129,357	129,357	160,184
Client Rent contributions	-	19,904	19,904	17,051
Miscellaneous income	910	-	910	-
	<u>910</u>	<u>570,711</u>	<u>571,621</u>	<u>596,858</u>
Community Projects				
Perth & Kinross Council - contract	-	231,021	231,021	241,621
Organisations - grants	-	47,793	47,793	-
Rental income	6,250	-	6,250	-
Kitchen & Laundry donations	2,950	-	2,950	2,505
Big Issue commission	1,382	-	1,382	1,627
Miscellaneous income	890	-	890	1,284
	<u>11,472</u>	<u>278,814</u>	<u>290,286</u>	<u>247,037</u>
Total	<u>12,382</u>	<u>849,525</u>	<u>861,907</u>	<u>843,895</u>

5 Analysis of fundraising expenditure

	2013 Charity Shop £	2013 Community £	2013 Total £	2012 Total £
Resources expended				
Salaries	22,292	-	22,292	-
Staff costs	225	-	225	-
Property costs	27,257	-	27,257	-
Property maintenance	3,614	-	3,614	-
General operating costs	4,101	1,067	5,168	731
Support costs	946	-	946	-
Depreciation	989	-	989	-
	<u>59,424</u>	<u>1,067</u>	<u>60,491</u>	<u>731</u>

Notes to the Financial Statements (continued)

for the year ended 31 March 2013

6 Analysis of charitable expenditure

	2013 Accommodation £	2013 Community £	2013 Total £	2012 Total £
Resources expended				
Salaries	385,861	170,086	555,947	554,828
Staff costs (travel, training, recruitment)	13,911	9,331	23,242	28,334
Property costs (rent, insurance, utilities)	46,554	15,144	61,698	58,190
Property maintenance	18,518	8,769	27,287	30,540
Food costs	15,354	7,236	22,590	20,608
Client support	1,590	4,544	6,134	3,522
General operating costs	14,683	10,806	25,489	24,734
Depreciation	1,699	6,470	8,169	14,452
Loss on disposal of fixed assets	-	-	-	2,350
	<u>498,170</u>	<u>232,386</u>	<u>730,556</u>	<u>737,558</u>

7 Analysis of support for charitable activities

Support costs are generally allocated in line with turnover and/or usage (Accommodation 71%, Community 29%). In some instances, support costs are wholly attributed to a specific category.

	2013 Accommodation £	2013 Community £	2013 Governance £	2013 Total £	2012 Total £
Resources expended					
Salaries	62,497	34,007	18,100	114,604	122,218
IT costs	7,543	3,859	-	11,402	9,117
General operating costs	989	393	-	1,382	1,457
Audit fees	3,855	1,665	-	5,520	5,610
Insurance	-	-	996	996	603
Professional fees	3,482	2,645	-	6,127	4,625
Depreciation	-	-	-	-	221
Diminution in value of investments	-	-	-	-	1,000
Loan to subsidiary written off	-	-	-	-	6,092
	<u>78,366</u>	<u>42,569</u>	<u>19,096</u>	<u>140,031</u>	<u>150,943</u>

**Notes to the Financial Statements (continued)***for the year ended 31 March 2013*

8 Net incoming/(outgoing) resources before transfers	2013	2012
	£	£
This is stated after charging:		
Depreciation of tangible assets	9,158	14,673
Auditor's remuneration	6,000	5,400
Auditor's remuneration for other services	-	210
Loss on disposal of tangible assets	-	2,350
Diminution in value of investments	-	1,000
	<u> </u>	<u> </u>

9 Taxation

As a charitable company, CATH is exempt from tax on income and gains falling within section 478 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

10 Tangible fixed assets

	Land and buildings	Plant and machinery	Total
	£	£	£
Cost			
At 1 April 2012	273,176	22,683	295,859
Additions	-	-	-
Disposals	-	(1,642)	(1,642)
At 31 March 2013	<u>273,176</u>	<u>21,041</u>	<u>294,217</u>
Depreciation			
At 1 April 2012	102,332	21,694	124,026
On disposals	-	(1,642)	(1,642)
Charge for the year	8,169	989	9,158
At 31 March 2013	<u>110,501</u>	<u>21,041</u>	<u>131,542</u>
Net book value			
At 31 March 2013	<u>162,675</u>	<u>-</u>	<u>162,675</u>
At 31 March 2012	<u>170,844</u>	<u>989</u>	<u>171,833</u>

Notes to the Financial Statements (continued)

for the year ended 31 March 2013

11 Debtors

	2013 £	2012 £
Trade debtors	1,291	695
Income tax recoverable	929	1,305
Other debtors, prepayments and accrued income	10,789	12,788
	<u>13,009</u>	<u>14,788</u>

12 Creditors: amounts falling due within one year

	2013 £	2012 £
Perth & Kinross Council funds (see below)	34,269	43,012
Other creditors	47,881	46,773
	<u>82,150</u>	<u>89,785</u>

Perth & Kinross Council funds

These funds relate to monies received in advance of expenditure incurred. These monies are funds belonging to Perth & Kinross Council.

13 Creditors: amounts falling due after more than one year

	2013 £	2012 £
Loan (Energy Savings Trust)	<u>1,786</u>	<u>2,914</u>
Analysis of loan		
Wholly repayable within five years by instalments	2,914	4,042
Included in current liabilities	<u>(1,128)</u>	<u>(1,128)</u>
	<u>1,786</u>	<u>2,914</u>

**Notes to the Financial Statements (continued)***for the year ended 31 March 2013***14 Pension costs**

Churches Action For The Homeless participates in the Pension Trust's Growth Plan. The Plan is funded and is not contracted out of the state scheme. The Growth Plan is a multi-employer pension plan.

Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The trustee commissions an actuarial valuation of the Growth Plan every three years. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. Accordingly due to the nature of the plan, the accounting charge for the period under FRS17 represents the employers contributions payable.

The last formal valuation of the scheme was performed as at 30 September 2012 by a professional qualified actuary using the Technical Provisions valuation basis. The market value of the Scheme's assets at the valuation date was £805.2 million and the plan's liabilities (i.e. past service liabilities) were £1,085.8 million. The valuation therefore revealed a shortfall of assets compared to the value of liabilities of £280.6 million, equivalent to a funding level of 74.2%.

Defined benefit

	2013 £	2012 £
Contributions payable by the company for the year	<u>7,028</u>	<u>6,751</u>

15 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Fund balances as at 31 March 2013 are represented by:				
Tangible fixed assets	48,538	-	114,137	162,675
Current assets	138,524	250,000	68,889	457,413
Creditors: amounts falling due in one year	(47,881)	-	(34,269)	(82,150)
Creditors: amounts falling after more than one year	(1,786)	-	-	(1,786)
	<u>137,395</u>	<u>250,000</u>	<u>148,757</u>	<u>536,152</u>

Notes to the Financial Statements (continued)

for the year ended 31 March 2013

16 Movement in funds

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
Unrestricted funds:					
General funds	132,258	103,884	(98,747)	-	137,395
Designated funds:					
Mary Carroll	5,000	-	-	-	5,000
Contingency fund	245,000	-	-	-	245,000
	<u>382,258</u>	<u>103,884</u>	<u>(98,747)</u>	<u>-</u>	<u>387,395</u>

Purposes of designated funds

Mary Carroll:

This fund is to provide our service user group with opportunities to access specific projects to improve the quality of their lives.

Contingency fund:

This fund is explained in the reserves policy disclosure within the Report of the Management Committee.

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
Restricted funds:					
Capital replacement fund	118,398	-	(4,261)	-	114,137
Accommodation projects					
- Perth & Kinross Council grants		208,936	(208,936)	-	-
- Perth & Kinross Council contract		208,384	(208,384)	-	-
- Housing Benefit		129,357	(129,357)	-	-
- Other Accommodation projects	2,474	24,034	(22,541)		3,967
Community projects					
- Perth & Kinross Council contract		231,021	(231,021)	-	-
- Other Community projects	10,691	47,793	(27,831)	-	30,653
	<u>131,563</u>	<u>849,525</u>	<u>(832,331)</u>	<u>-</u>	<u>148,757</u>

**Notes to the Financial Statements (continued)***for the year ended 31 March 2013***16 Movement in funds (continued)**Purposes of restricted funds

Capital replacement fund: This fund represents capital grants and donations received to fund the purchase of buildings for community projects. The balance on this fund reduces as these assets depreciate.

Accommodation projects: This fund represents grants and contract income received to cover future expenditure within accommodation projects and includes:

- Perth & Kinross Council grants which fund support work at CATH House and Floating Support.
- Perth & Kinross Council contract funding for CATH House.
- Housing Benefit received for residents at CATH House.

Community projects: This fund represents grants and contract income received to cover future expenditure within community projects and includes:

- Perth & Kinross Council contract funding for Day Centre and Outreach.

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
Summary of funds:					
General funds	382,258	103,884	(98,747)	-	387,395
Restricted funds	131,563	849,525	(832,331)	-	148,757
	<u>513,821</u>	<u>953,409</u>	<u>(931,078)</u>	<u>-</u>	<u>536,152</u>

17 Contingent liabilities

Churches Action for The Homeless has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Growth Plan based on the financial position of the Plan as at 30 September 2012. As of this date the estimated employer debt for the charity was £100,779. Due to the factors underlying the calculation of liability being extremely volatile, however, the Pensions Trust requested a further update on each employer's liability as at 31 March, at which point the actuary estimated the charity's liability to have increased by approximately 3% making their liability at the year end £103,803.

Notes to the Financial Statements (continued)

for the year ended 31 March 2013

18 Financial commitments

At 31 March 2013 the company had annual commitments under non-cancellable leases as follows:

	Land and buildings	
	2013	2012
	£	£
Expiry date:		
Within one year	28,700	27,600
Between one and five years	25,000	25,000
In over five years	4,200	4,200
	<u>57,900</u>	<u>56,800</u>

19 Trustees remuneration and related party transactions

During the year no members of the Management Committee received any remuneration (2012 - none). Travel costs reimbursed to one (2012 - two) member of the Management Committee amounted to £346 (2012 - £179) in the year.

The cost of trustees' indemnity insurance to the charity amounted to £996 (2012 - £603) for the year.

There were no other transactions or contracts entered into by the charity in which any trustee or other person related to the charity had any personal interest in the year (2012 - nil).

**Notes to the Financial Statements (continued)***for the year ended 31 March 2013***20 Employee costs and numbers****Employment costs**

	2013 £	2012 £
Wages and salaries	637,061	618,274
Social security costs	48,754	52,021
Other pension costs	7,028	6,751
	<u>692,843</u>	<u>677,046</u>

No employee received emoluments of more than £60,000

Number of employees

The average number of employees during the period was as follows:

	2013 Number	2012 Number
Directors	-	-
Accommodation Projects - full time	14	15
Accommodation Projects - part time	15	13
Community Projects - full time	4	5
Community Projects - part time	10	4
	<u>43</u>	<u>37</u>

21 Control

The charitable company is controlled by the directors.