

Churches Action for The Homeless



Working together to end homelessness

Annual report

**Annual report & financial statements
for the year ended 31 March 2015**

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

www.cath-org.co.uk



Charity Information

Management Committee	Martin Barnicoat Margaret Jane Robertson Gemma Baillie Moirra Brown Aida Grier Euan Hird Michael Westall	Chair Vice Chair
Chief Executive	Brian Cowie	
Finance Manager	Alison Adams	
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 2015

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 2015.

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 2015

Members of the Management Committee

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

Martin Barnicoat
Gemma Baillie
Moirá Brown
Aida Grier
Euan Hird

Alistair Milner
Diarmid Murray
Margaret Jane Robertson
Michael Westall

Gemma Baillie, Aida Grier and Euan Hird were appointed on 17 February 2015, whilst Diarmid Murray resigned on 25 June 2015. Sadly, during the period being reported on, Alistair Milner died on 29 November 2014.

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 2015

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 offers support and accommodation to 16 males or females over the age of 16 years who are referred through PKC Homeless Advice Centre. Throughout the 12 month period, CATH House provided accommodation and support to 72 different individuals, some of whom returned more than once.
- CATH House continues to provide ad hoc “at the door support”, to those who are deemed vulnerable and in need but not accommodated within the hostel.
- The joint working agreement with PKC Homeless Services led to over 140 referrals received by CATH House for accommodation along with the agreement enabling the dialogue between CATH staff and PKC to continue regarding the viability of offering certain individuals accommodated at CATH House a tenancy, when the potential for failure is high due to them being unable to live independently in the community.
- Over the year, 4 volunteer cooks have assisted in preparing evening meals at CATH House.
- Floating Support team worked across the Perth and Kinross area supporting 39 people throughout the year, providing support on a weekly basis to maintain their own tenancies and independent living.
- Further funding was secured to continue the provision of onsite support by the Floating Support team to both temporary and secure tenancy holders within St Catherine’s Square.
- Floating Support have worked together with HAC, NHS and Community Engagement Team to plan courses in healthy eating, creative writing and a dog ambassador’s course for the residents of St Catherine’s Square.

Community

- CATH Day Centre provided a drop-in community base for 398 individuals requiring support in the split of 302 males and 96 females.
- Part-time cook, volunteers and staff provided breakfasts and lunches on a daily basis with over 7,100 meals provided throughout the year.
- Day Centre staff supported 32 service users experiencing fuel poverty through applying for grants of which 26 service users were successful and received support.
- Adult Literacy and ESOL classes engaged with 94 individuals during the year.
- CATH Outreach Team, based at the Day Centre, provided support to over 82 individuals including those in their own tenancies and those who continue to sleep rough.
- The Day Centre and Outreach staff supported 28 individuals in moving to new tenancies by providing donations of carpets, furniture and white goods to assist the tenant in resettling into the community through a further donation from the Annie Unwin Trust.
- CATH continued to work in partnership with the Homeless Voice Association to deliver the Boxing Project which ran two mornings per week. Over 60 individuals participated in fitness training and 4 participants completed a six week ASDAN course and now act as fitness ambassadors delivering presentations to other services on the benefits of the Boxing Project.
- The drop-in services run in conjunction with other agencies continued at the Day Centre for service users who do not usually access these services. These included Citizens Advice Bureau, Central Healthcare Team and a Community Optician which led to 38 individuals receiving new glasses.



Report of the Management Committee (continued)

for the year ended 31 March 2015

Community (continued)

- The Day Centre worked in partnership with Sixth Circle Project to invite politicians to deliver an Independence debate at the Day Centre. As a result of the debate, staff supported 21 individuals to register to vote at the Independence Referendum who had not intended to do so prior to hearing the views of the politicians.

CATH

- CATH Charity Shop continued to provide opportunities for work placements, service users and volunteers. A total of 3,268 hours were provided by volunteers during the year, including 3 individuals working towards their Duke of Edinburgh award. One volunteer also completed their Saltire Award.
- Throughout all CATH projects, 6,139 hours of volunteering were provided to the organisation.
- CATH provided an opportunity for a Project Scotland Volunteer who successfully went into full-time employment after the 3 month placement period
- Two HNC students completed their placements at CATH House and Day Centre and two NC students were provided with an opportunity to complete their 60 hour community placement throughout the CATH projects.
- Received continued funding from Gannochy Trust and Change Fund for CATH Befrienders and joint presentations continued to local guilds in Perth & Kinross with the Julius Project.
- Volunteer recruitment remained positive and 5 Befriender training courses were run.
- Staff and volunteer development continued throughout the year with training on specific areas including Fire Awareness, First Aid, Conflict Resolution, Naloxone, and New Psychoactive substances (legal high) with staff members continuing with SVQ studies at Level 3 & 4.
- Partnership working continued with various organisations, including working with Salvation Army, PKC and DWP to set up a standalone social enterprise to give opportunities to those furthest from employment.

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 continuing reduction in income from our principal funding source, there has been an increase in income compared to the previous year. The increase in incoming resources was as a result of additional funding for the CATH Befrienders project, a significant increase in voluntary income and an increase in income from the charity shop. The additional income has resulted in net incoming resources for the year of £30,041 (2014 – incoming resources of £100,347). This is due to the receipt of monies from Mary Ann Forbes Trust of £21,000 and a continued increase in sales at the CATH Charity Shop generating additional income. The monies received from bequests, trusts and the shop surplus have again been transferred into various designated funds as per note 17 to the financial statements.

We have managed to maintain our funding levels for 2015/16 from our principal funding source and the various funding for CATH Befrienders has been secured for another year, together with another year's funding from Homeless Voice Association for the Boxing Project.

These funds, together with those within designated funds, will enable us to maintain our current level of support provided and give opportunities of enhancing the support in certain areas.

Principal funding sources

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



Report of the Management Committee (continued)

for the year ended 31 March 2015

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 2015/16, the minimum unrestricted funds required is £250,000. The unrestricted funds relating to tangible fixed assets at 31 March 2015 were £44,120. This results in a total figure of £294,120 of unrestricted funds being maintained for 2015/16.

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 continuing at an historic low, we have moved some funds to be managed by a professional investment manager. Whilst this has improved our investment performance, we have ensured any risk in the portfolio is kept to a minimum and thus 50% of the current portfolio is invested in UK Government securities.

Plans for future periods

During the current year, CATH were very fortunate to add to the skill base of our Board of Directors with the addition of three new directors, leading to a total of seven directors at the end of the year. This leaves CATH with invaluable expertise on the board from those with financial, legal, housing, operational, business, information technology and lecturing backgrounds. Combined with their commitment to our ethos, this makes a strong and effective Board of Directors. Their continued hands on approach has led to the organisational database developed by a board member now being operational across the projects and this will continue to provide the statistics to show the outcomes provided by CATH as needed to attract future funding, together with charting what we do well and what we can improve on in the future.

CATH have continued to take an active role in the Third Sector Health & Social Care Forum and engaged in the strategic and local planning for the Health and Social Care Partnership between NHS Tayside, Perth and Kinross Council and the Third Sector. Health and Social Care Integration will undoubtedly lead to a redesign of commissioned services in 2015/16 and beyond. As such, we are looking to pilot a structural change by integrating Floating Support and Outreach to include a tenancy resettlement worker to meet changing service requirements.

The co-location of services to increase efficiencies and communications between organisations has become a significant topic due to potential changes in funding and service redesign and CATH are part of two different groups of organisations who are looking at potential sites for a hub to support this way ahead.

The employability project developed with Salvation Army and PKC is now a social enterprise, RegenForce Limited, and will look to progress throughout the year ahead and provide opportunities for those individuals furthest from employment with the necessary skills.

The partnership working with Starter Packs, Gannochy Trust, Scottish Churches Housing Action and other homeless support providers continues and we have been awarded funding through the Integrated Care Fund to pilot a partnership project with Tayside Council on Alcohol entitled Collaborative Routes to Recovery.



Report of the Management Committee (continued)

for the year ended 31 March 2015

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

14th October 2015



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 2015 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 2015, 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.

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

14th October 2015

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 2015

	Notes	2015 Unrestricted £	2015 Restricted £	2015 Total £	2014 Total £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	46,933	-	46,933	53,145
Activities for generating funds	3	98,743	-	98,743	97,174
Investment income		3,591	-	3,591	3,064
Incoming resources from charitable activities	4	13,201	840,986	854,187	859,387
Total incoming resources		162,468	840,986	1,003,454	1,012,770
Resources expended					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	5	(74,741)	-	(74,741)	(62,351)
Investment management costs		(106)	-	(106)	(136)
Charitable activities	6	(17,497)	(854,817)	(872,314)	(822,812)
Governance costs	6	(26,252)	-	(26,252)	(27,124)
Total resources expended		(118,596)	(854,817)	(973,413)	(912,423)
Net incoming/(outgoing) resources before transfers	8	43,872	(13,831)	30,041	100,347
Transfers between funds	17	-	-	-	-
Gains/losses on investment assets	11	6,659	-	6,659	(5,776)
Net movement in funds		50,531	(13,831)	36,700	94,571
Fund balances at 1 April 2014		462,177	169,598	631,775	537,204
Fund balances at 31 March 2015	17	512,708	155,767	668,475	631,775

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 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	10	149,735		156,205	
Investments	11	112,362		94,008	
		<u>262,097</u>		<u>250,213</u>	
Current assets					
Stocks		628		1,206	
Debtors	12	14,574		23,270	
Cash at bank and in hand		455,443		451,351	
		<u>470,645</u>		<u>475,827</u>	
Creditors: amounts falling due within one year	13	<u>(64,267)</u>		<u>(93,607)</u>	
Net current assets		<u>406,378</u>		<u>382,220</u>	
Total assets less current liabilities		<u>668,475</u>		<u>632,433</u>	
Creditors: amounts falling due after more than one year	14		-		(658)
Net assets		<u><u>668,475</u></u>		<u><u>631,775</u></u>	
Funds					
Restricted funds	17	155,767		169,598	
General funds	17	512,708		462,177	
		<u>668,475</u>		<u>631,775</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 14th October 2015

Martin Barnicoat
 Director

Margaret Jane Robertson
 Director

Company Registration No. SC145621

Notes to the Financial Statements

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 market 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)

1.8 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.

1.9 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.

1.10 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 notes 5 and 6 to the financial statements.



Notes to the Financial Statements (continued)

2 Voluntary income

	2015 Unrestricted £	2015 Restricted £	2015 Total £	2014 Total £
CATH 500/gift aid donations including tax reclaim	11,671	-	11,671	9,287
Other donations	7,819	-	7,819	3,758
Membership	30	-	30	-
Bequests, legacies & trust income	27,413	-	27,413	40,100
	<u>46,933</u>	<u>-</u>	<u>46,933</u>	<u>53,145</u>

3 Activities for generating funds

	2015 Unrestricted £	2015 Restricted £	2015 Total £	2014 Total £
Shop income	96,291	-	96,291	95,048
Fundraising	2,452	-	2,452	2,126
	<u>98,743</u>	<u>-</u>	<u>98,743</u>	<u>97,174</u>

Notes to the Financial Statements (continued)

4 Incoming resources from charitable activities

	2015 Unrestricted £	2015 Restricted £	2015 Total £	2014 Total £
Accommodation Projects				
Perth & Kinross Council - grants	-	-	-	205,083
Perth & Kinross Council - contract	-	385,465	385,465	170,122
Organisations - grants	-	300	300	-
Housing Benefit	-	130,468	130,468	130,988
Client Rent contributions	-	19,876	19,876	19,208
Miscellaneous income	5	-	5	35
	<u>5</u>	<u>536,109</u>	<u>536,114</u>	<u>525,436</u>
Community Projects				
Perth & Kinross Council - contract	-	232,503	232,503	232,969
Organisations - grants	-	72,374	72,374	88,852
Rental income	6,500	-	6,500	6,500
Kitchen & Laundry donations	3,109	-	3,109	3,522
Big Issue commission	768	-	768	899
Miscellaneous income	2,819	-	2,819	1,209
	<u>13,196</u>	<u>304,877</u>	<u>318,073</u>	<u>333,951</u>
Total	<u><u>13,201</u></u>	<u><u>840,986</u></u>	<u><u>854,187</u></u>	<u><u>859,387</u></u>

5 Analysis of fundraising expenditure

	2015 Charity Shop £	2015 Community £	2015 Total £	2014 Total £
Resources expended				
Salaries	29,942	-	29,942	23,139
Staff costs	598	-	598	324
Property costs	27,766	-	27,766	27,254
Property maintenance	7,266	-	7,266	3,717
General operating costs	5,089	1,641	6,730	6,944
Support costs	2,439	-	2,439	973
Depreciation	-	-	-	-
	<u>73,100</u>	<u>1,641</u>	<u>74,741</u>	<u>62,351</u>



Notes to the Financial Statements (continued)

6 Analysis of charitable expenditure

	2015 Accommodation £	2015 Community £	2015 Total £	2014 Total £
Resources expended				
Salaries	352,868	223,408	576,276	544,245
Staff costs (travel, training, recruitment)	12,031	11,181	23,212	28,094
Property costs (rent, insurance, utilities)	44,808	18,374	63,182	62,262
Property maintenance	18,882	17,150	36,032	31,283
Food costs	13,090	8,261	21,351	21,516
Client support	2,093	4,937	7,030	4,723
General operating costs	12,965	21,527	34,492	26,896
Depreciation	-	6,470	6,470	6,470
Support costs (see note 7)	66,656	37,613	104,269	97,323
	523,393	348,921	872,314	822,812
Governance costs				
Salaries	11,792	7,862	19,654	20,586
Insurance	611	407	1,018	1,018
Audit fees	4,185	1,395	5,580	5,520
	16,588	9,664	26,252	27,124

7 Analysis of support for charitable activities

Support costs are generally allocated in line with turnover and/or usage (Accommodation 60%, Community 40%). In some instances, support costs are wholly attributed to a specific category.

	2015 Accommodation £	2015 Community £	2015 Total £	2014 Total £
Resources expended				
Salaries	52,727	26,440	79,167	75,616
IT costs	9,056	7,520	16,576	15,247
General operating costs	1,201	772	1,973	1,630
Professional fees	3,672	2,881	6,553	4,830
	66,656	37,613	104,269	97,323

Notes to the Financial Statements (continued)

8 Net incoming/(outgoing) resources before transfers	2015	2014
	£	£
This is stated after charging:		
Depreciation of tangible assets	6,470	6,470
Auditor's remuneration	6,216	6,000
	<u>6,216</u>	<u>6,000</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 2014	273,176	19,136	292,312
Additions	-	-	-
Disposals	-	(3,464)	(3,464)
At 31 March 2015	<u>273,176</u>	<u>15,672</u>	<u>288,848</u>
Depreciation			
At 1 April 2014	116,971	19,136	136,107
On disposals	-	(3,464)	(3,464)
Charge for the year	6,470	-	6,470
At 31 March 2015	<u>123,441</u>	<u>15,672</u>	<u>139,113</u>
Net book value			
At 31 March 2015	<u>149,735</u>	<u>-</u>	<u>149,735</u>
At 31 March 2014	<u>156,205</u>	<u>-</u>	<u>156,205</u>



Notes to the Financial Statements (continued)

11 Fixed Asset Investments

Listed investments

	2015 £	2014 £
Investments at market value at 1 April	94,008	-
Additions	11,695	99,784
Disposals	-	-
Net gain/(loss) on revaluation	6,659	(5,776)
	<u>112,362</u>	<u>94,008</u>
Market value at 31 March 2015	<u>112,362</u>	<u>94,008</u>

Investment holdings

	2015 £	2014 £
UK (Govt) 2.5% Index Linked 17/07/24	25,416	24,173
UK (Govt) 1.25% Indx Linked 22/11/27	26,829	24,274
UK (Govt) 4.25% Treasury Stock 2032	2,662	-
City of London Inv Trust	17,380	16,566
Murray International Trust	14,294	14,602
Murray Income Trust	2,389	-
Temple Bar Inv Trust	3,666	-
Henderson Far East Income Ltd	16,186	14,393
Foreign & Colonial Inv Trust	3,540	-
	<u>112,362</u>	<u>94,008</u>
	<u>112,362</u>	<u>94,008</u>

12 Debtors

	2015 £	2014 £
Trade debtors	2,392	9,751
Income tax recoverable	1,534	1,648
VAT recoverable	914	147
Other debtors, prepayments and accrued income	9,734	11,724
	<u>14,574</u>	<u>23,270</u>
	<u>14,574</u>	<u>23,270</u>

Notes to the Financial Statements (continued)

13 Creditors: amounts falling due within one year

	2015 £	2014 £
Perth & Kinross Council funds (see below)	20,325	46,245
Other creditors	43,942	47,362
	<u>64,267</u>	<u>93,607</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.

14 Creditors: amounts falling due after more than one year

	2015 £	2014 £
Loan (Energy Savings Trust)	-	658
	<u>-</u>	<u>658</u>
Analysis of loan		
Wholly repayable within five years by instalments	658	1,786
Included in current liabilities	(658)	(1,128)
	<u>-</u>	<u>658</u>

15 Pension costs

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

Contributions paid into the 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 Plan or by the purchase of an annuity.

The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. 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.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

Notes to the Financial Statements (continued)

15 Pension costs (continued)

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

CATH paid contributions at the rate of 4% during the accounting period. Members paid contributions at the rate of 2% during the accounting period.

As at the balance sheet date there were 9 active members of the Plan employed by CATH. The organisation continues to offer membership of the Plan to its employees.

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. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore, revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.

The financial assumptions underlying the valuation as at 30 September 2011 were as follows:

	% p.a.
Rate of return pre retirement	4.9
Rate of return post retirement:	
Active/Deferred	4.2
Pensioners	4.2
Bonuses on accrued benefits	0.0
Inflation: Retail Prices Index (RPI)	2.9
Inflation: Consumer Prices Index (CPI)	2.4

In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

The Scheme Actuary is currently finalising the 2014 valuation and results will be communicated in due course. At 30 September 2013, the market value of the Plan's assets at that date was £772 million and the Plan's Technical Provisions (i.e. past service liabilities) was £927 million. The update, therefore, revealed a shortfall of assets compared with the value of liabilities of £155 million, equivalent to a funding level of 83%.

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

Notes to the Financial Statements (continued)

15 Pension costs (continued)

The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. Therefore, the amounts of debt can be volatile over time.

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis). Due to a change in the definition of money purchase contained in the Pensions Act 2011 the calculation basis that applies to the Growth Plan will be amended to include Series 3 liabilities in the calculation of an employer's debt on withdrawal.

The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore, jointly and severally liable for the deficit in the Growth Plan.

The likelihood that CATH will withdraw from the Scheme at some point in the future when the Scheme is not fully funded on a buy-out basis is remote.

Defined benefit	2015	2014
	£	£
Contributions payable by the company for the year	9,346	9,461

Notes to the Financial Statements (continued)

16 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Fund balances as at 31 March 2015 are represented by:				
Tangible fixed assets	44,120	-	105,615	149,735
Investments	112,362	-	-	112,362
Current assets	65,395	334,773	70,477	470,645
Creditors: amounts falling due in one year	(43,942)	-	(20,325)	(64,267)
Creditors: amounts falling after more than one year	-	-	-	-
	177,935	334,773	155,767	668,475
	177,935	334,773	155,767	668,475

17 Movement in funds

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
Unrestricted funds:					
General funds	147,177	162,468	(105,501)	(26,209)	177,935
Designated funds:					
Buildings	20,000	-	(4,343)	5,000	20,657
Client Welfare	7,500	-	-	1,209	8,709
Contingency fund	245,000	-	-	5,000	250,000
Development	20,000	-	-	10,000	30,000
IT/IS	7,500	-	(2,093)	5,000	10,407
Vehicles	15,000	-	-	-	15,000
	462,177	162,468	(111,937)	-	512,708
	462,177	162,468	(111,937)	-	512,708

Purposes of designated funds

Buildings:	This fund is necessary to provide for any cost that may arise in connection with any significant repairs, maintenance or upgrading of the buildings or their facilities for which the organisation is responsible.
Client Welfare:	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.

Notes to the Financial Statements (continued)

17 Movement in funds (continued)

Purposes of designated funds (continued)

Development: This fund allows the expansion of the organisation's activities where consistent with the aims of the charity.

IT/IS:

This fund is to provide efficient and effective administration processes as required by regulatory authorities and to the ultimate benefit of the client group.

Vehicles:

This fund is for the provision of transport to enable additional services for the benefit of the client group.

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
Restricted funds:					
Capital replacement fund	109,876	-	(4,261)	-	105,615
Accommodation projects					
- PKC grants	-	385,465	(385,465)	-	-
- PKC contract	-	-	-	-	-
- Housing Benefit	-	130,468	(130,468)	-	-
- Other Accommodation projects	2,474	20,176	(21,347)	-	1,303
Community projects					
- PKC contract	-	232,503	(232,503)	-	-
- Other Community projects	57,248	72,374	(80,773)	-	48,849
	<u>169,598</u>	<u>840,986</u>	<u>(854,817)</u>	<u>-</u>	<u>155,767</u>

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.

Notes to the Financial Statements (continued)

17 Movement in funds (continued)

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
Summary of funds:					
General funds	462,177	162,468	(111,937)	-	512,708
Restricted funds	169,598	840,986	(854,817)	-	155,767
	<u>631,775</u>	<u>1,003,454</u>	<u>(966,754)</u>	<u>-</u>	<u>668,475</u>

18 Financial commitments

At 31 March 2015 the company had annual commitments under non-cancellable leases as follows:

	Land and buildings	
	2015 £	2014 £
Expiry date:		
Within one year	55,900	30,700
Between one and five years	-	25,000
In over five years	4,200	4,200
	<u>60,100</u>	<u>59,900</u>

19 Trustees remuneration and related party transactions

During the year no members of the Management Committee received any remuneration (2014 - none). Travel costs reimbursed to three (2014 - three) members of the Management Committee amounted to £210 (2014 - £869) in the year.

The cost of trustees' indemnity insurance to the charity amounted to £1,018 (2014 - £1,018) 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 (2014 - nil).

Notes to the Financial Statements (continued)

20 Employee costs and numbers

Employment costs

	2015 £	2014 £
Wages and salaries	649,372	608,316
Social security costs	46,322	45,809
Other pension costs	9,346	9,461
	705,040	663,586
	705,040	663,586

No employee received emoluments of more than £60,000

Number of employees

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

	2015 Number	2014 Number
Directors	-	-
Accommodation Projects - full time	13	12
Accommodation Projects - part time	11	16
Community Projects - full time	6	5
Community Projects - part time	13	10
	43	43
	43	43

21 Control

The charitable company is controlled by the directors.