



**Annual report & financial statements
for the year ended 31 March 2017**

**Registered Charity No. SC021740
Company Registration No. SC145621**

www.cath-org.co.uk



Charity Information

Management Committee

Martin Barnicoat Chair
Margaret Jane Robertson Vice Chair
Gemma Baillie
Michael Westall
Aida Grier (Resigned 25 August 2016)
Euan Hird (Resigned 22 March 2017)
Pauline Anderson (Resigned 5 March 2017)

Senior Management Team

Chief Executive

Brian Cowie

Finance Manager

Alison Adams

Human Resources & Compliance Manager

Elaine Lamb

Company number

SC145621

Registered office

5 Whitefriars Crescent
Perth
PH2 0PA

Auditors

Campbell Dallas
5 Whitefriars Crescent
Perth
PH2 0PA

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



Charity Information (continued)

Investment Managers

Smith & Williamson
206 St. Vincent Street
Glasgow
G2 5SG



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Report of the Management Committee

for the year ended 31 March 2017

The Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, present their annual report and audited financial statements of the charity for the year ended 31 March 2017.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 four 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 Care Inspectorate 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 2017

Members of the Management Committee

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

Martin Barnicoat
Gemma Baillie
Pauline Anderson
Euan Hird

Margaret Jane Robertson
Michael Westall
Aida Grier

Aida Grier resigned on 25 August 2016, Pauline Anderson resigned on 5 March 2017 and Euan Hird resigned on 22 March 2017.

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 2015 (FRS 102);
- 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 is 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 2017

Pay policy for senior staff

The management committee consider the management committee and the senior management team as comprising the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses are disclosed in note 19 to the accounts.

The pay of the senior management team is reviewed annually and increased only in line with any increases in core funding.

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 operates a shop.

Accommodation

CATH House continues to offer support and accommodation for up 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 43 different individuals, some of whom returned more than once. CATH House also continues to provide ad hoc "at the door support", to those who are deemed vulnerable and in need but are not accommodated within the hostel.

The joint working agreement with PKC Homeless Services led to over 50 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.

During the period, 6 people moved into their own tenancies with full support offered by CATH. They were offered assistance with housing benefit, welfare fund, electricity/gas suppliers, etc. prior to moving into their properties. 1 person still receives support from our Outreach team and benefits from frequent visits, another uses our services when needed and the other 4 didn't feel the need for further help and are believed to be thriving in their new homes.

Throughout this reporting period, the Floating Support team have continued to provide housing support to vulnerable people in the Perth and Kinross area, helping them to maintain their tenancies and to develop their independent living skills. The Floating Support team have also continued to provide tenancy support to people with secure and temporary tenancies at St. Catherine's Square. The team were working with 74 service users at the beginning of the year and received 85 referrals during this reporting period. 74 service users moved on to independent living / secure tenancy with the support of the Floating Support team.

The Community Flat at St. Catherine's Square hosts a coffee morning Monday – Friday and is well attended by tenants. Other support agencies have also used this time to engage with and support individuals. Various activities have been provided at the community flat, such as arts and crafts, cooking programs, health checks, CPR and Naloxone training. This has given the service users the chance to engage with each other as well as learn new skills. New activity programmes have been developed which have taken into account ideas from service users and what they would like to get involved in. The Community Engagement team from Perth & Kinross Council have also supported the service users and CATH in organising and funding events.

Report of the Management Committee (continued)

for the year ended 31 March 2017

Community

CATH Day Centre continued to provide a community base for 311 individuals requiring support (243 males and 68 females). Service users are provided with breakfasts and lunches on a daily basis, with over 4,690 meals provided throughout the year. CATH started to work in partnership with Giraffe during the year and their staff have been preparing lunches for service users and using our kitchen facilities. Staff addressed fuel poverty with individuals by applying for grants, of which 38 were successful.

The Adult Literacy team engaged with 98 individuals during the year. The literacy team, part of the Adult Literacy and Numeracy Partnership, developed new ways of engaging people and worked with other agencies and projects to run workshops including pottery, photography, fitness, 'Cigar Box Guitar' building and arts and crafts. These were hugely beneficial in engaging new people accessing literacy and numeracy support.

CATH continued to work in partnership with the Homeless Voice Association and the Fair City Boxing Club to deliver the Boxing Training project. Over the year 33 individuals participated in fitness training delivered over 87 sessions.

The CATH Resettlement/Outreach team supported 78 individuals with moving to and maintaining new tenancies, assisting the tenant to resettle into the community. Staff supported individuals with furnishing new tenancies by applying for grants from the Annie Unwin Trust and also by distributing donations of good quality goods that CATH received from the general public and Church congregations throughout Perth & Kinross.

The drop in services run in partnership with other agencies continued at the Day Centre. These included Citizens Advice Bureau, Central Healthcare Team, Community Optician and the Community Dentist.

In November 2016, CATH held its first Sleep Out Event in Perth. We asked participants, for one night, to swap their bed for a sleeping bag and experience a 'good night's sleep' on the cold, hard pavement. We were overwhelmed by the response from people willing to take part and had teams from Perth & Kinross Council, Asda, Marks & Spencer, local churches as well as a couple of teams from CATH, which included our own Chief Executive. The event was held at St. John's Kirk and was well supported by volunteers there, it was marshalled by the 7 Scots Regiment from Perth and the Dundee Guardian Angels were on hand for any first aid requirements. The event was covered by STV News, the Dundee Courier, the Perthshire Advertiser and several local radio stations turned up on the night to do live on air interviews. The Perth Provost also attended to show her support. Over 70 people took part and together we raised over £8,000 in one night!

CATH continues to work in partnership with Starter Packs Perth providing basic, but essential, items to those moving into accommodation. CATH provides administrative support for the project, processing all referrals and then delivers the starter packs when they are ready for distribution. Over 180 referrals were received in 2016-17.

CATH

The CATH Charity Shop has had a successful year with another increase in annual sales. For the first time we had months with sales of over £10,000 in the lead up to Christmas. Sunday opening has continued to contribute well to sales, especially in the Sundays preceding Christmas.

The CATH shop continued to work towards completing other areas of the Revolve accreditation scheme process to show that we are meeting the highest standards in re-use. Martine and Sarah attended a visual merchandising workshop and a World Host training day in supervising customer service. They had external assessments in customer service (a mystery shopper visit) and a visual merchandising audit. The shop achieved a customer satisfaction rating of 99% for our mystery shopper visit and 95% for our visual merchandising audit.



Report of the Management Committee (continued)

for the year ended 31 March 2017

CATH (continued)

The final part of the process was to present what had been taken forward in the shop with Health & Safety, Customer Service and Visual Merchandising and demonstrate this to EFQM (European Foundation for Quality Management) assessors. We were delighted to receive our Revolve Quality Standard and Committed to Excellence Award. It was a long hard slog for shop staff, but worth the effort. The process really enforced what the shop is good at and has increased their confidence in building on their strengths.

The shop has had some new volunteers join them and has continued to have the support of a core group of volunteers that have been with the charity for a number of years. We celebrated the contribution of some of the volunteers that have been with the shop from the start with an afternoon tea at Glogaburn. Everyone had a lovely afternoon and it showed our volunteers how much we value them. We had over 4,000 hours of volunteering in the shop and this is a major contribution to its success.

We have had another great year for donations coming in to the shop. We continue to receive lots of local support from customers who enjoy both the range of products and the atmosphere of the shop.

The contribution of many hours and hard work by all of our volunteers enables CATH to provide a high standard of service. Our volunteers are of all ages, backgrounds and volunteer with CATH for a variety of reasons. Throughout the year, 4,978.5 hours of volunteering were provided to the organisation. This equates to a value around £36,814 (based on the minimum wage). CATH endeavours to provide the best volunteering environment possible for all our hard working volunteers. Every year we recognise their brilliant achievements with 5 and 10 year service awards at celebration events during national Volunteers' Week in June and enjoy an annual social get together every Christmas. Our volunteers also have the opportunity to meet at our Volunteer get togethers where we have relevant information and awareness sessions, along with sandwiches and refreshments, which enables our volunteers to get to know each other.

The funding for 1:1 befriending ended in the latter part of 2016. However, we were successful with an application to The Gannochy Trust for Group Befriending, commencing in November 2016.

Since November we have established a women's group which meets on a weekly basis and we have participated in a variety of activities. One is our Knit and Natter group where we are knitting items such as hats and mitts for premature babies. As the women's confidence is growing, they are considering making blankets and these will be donated to hospitals. The group are also learning cross stitch and are hoping to be able to reproduce the new CATH logo in cross stitch in the not too distant future. Our volunteer, Anne, is very encouraging and the women feel that they have learnt a lot from her.

We are also working on a garden project which has proved to be very beneficial. The women have worked hard to re-vamp two raised beds and have planted bulbs to flower next year in one and hope to plant vegetables in the other.

Our shop manager, Sarah, is starting to do retail sessions with the women to provide an opportunity for them to participate in our charity shop, which may lead them to consider doing some volunteering.

A mixed social group has also been established at our Day Centre where individuals, who are socially isolated and possibly lonely, can attend the group and do a variety of activities. This includes playing board games, knitting, sewing, chatting and reminiscing with staff and volunteer group befrienders.

Financial review

The organisation's core work continues to operate with funding being agreed on a yearly basis. The level of core funding received from our principal funder, through service level agreements, was unchanged from the previous year.

Report of the Management Committee (continued)

for the year ended 31 March 2017

Financial review (continued)

Income from housing benefit and client rent contributions has dropped again this year as the occupancy levels at CATH House have continued to fall. Funding through the Integrated Care Fund continued this year for the Collaborative Routes to Recovery project, but at a reduced level with only one staff member from October 2016.

The income from the CATH Charity Shop increased and income from donations also increased due to the funds raised at the CATH Sleep Out and the knock on effect that this had.

The result is a small increase in overall income when compared with the previous year.

Expenditure has been carefully managed and spending has been kept within budgets, resulting in expenditure being maintained at around the same level as previous year.

A net gain on investments of £12,886 contributed towards a surplus for the year of £16,178 (2016 – deficit £11,265). Total funds are £659,505 (2016 - £643,327), made up of general funds of £543,107 (2016 - £499,643) and restricted funds of £116,398 (2016 - £143,684). General funds are reduced by a pension deficit liability of £17,597 (2016 - £18,585).

We have managed to maintain our funding levels for 2017/18 from our principal funding source and funding for CATH Befrienders was secured for 3 years. 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.

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 2017/18, the minimum unrestricted funds required is £270,000. The unrestricted funds relating to tangible fixed assets at 31 March 2017 were £51,464. This results in a total figure of £321,464 of unrestricted funds being maintained for 2017/18.

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.



Report of the Management Committee (continued)

for the year ended 31 March 2017

Plans for future periods

April 2017 to date has seen no discernible reduction in the requirement for the support services provided by CATH. However, there has certainly been a reduction in the numbers using CATH House which is directly linked to Perth and Kinross Council's 'Home First' model. The results of using this model indicate a greater emphasis on floating/tenancy support which should provide intense and immediate support, without limit of time, which could be coordinated with the provision of services from a CATH resettlement team.

A review of all floating support services has been carried out and it may be that service provision needs to be more customer focused and with greater flexibility to cover periods out with the traditional 9-5 Monday through to Friday model.

We see the reduction of actual rough sleeping as an opportunity to redesign Outreach as a service addressing crisis, early intervention and preventative measures.

CATH's combined services will need to reflect the Scottish Government's vision which forms part of their Communications and Engagement plan. That vision is to have the most effective and most efficient local third sector infrastructure for Scotland from 2018 onwards. The thinly veiled euphemism "efficient", in reality refers to reduced funding and the need to continue to meet increasing challenges stemming from benefit changes set by that same government.

CATH recognises the need to consolidate internally for more efficient management whilst addressing reduced funding through the potential co-location of appropriate and complimentary services.

Auditors

The auditor, Campbell Dallas LLP, changed its statutory name to Prophet Titanium LLP. Campbell Dallas has been maintained as a trading name of Prophet Titanium LLP. In accordance with the charitable company's articles, Campbell Dallas will be proposed for re-appointment at the forthcoming annual 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 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 October 2017

CHURCHES ACTION FOR THE HOMELESS

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES AND 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 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their presentation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 charitable company's trustees, 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 its trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Responsibilities of the Management Committee Statement set out on page 2, the trustees (who are also 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 to you 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 Standard 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 directors; 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2017, 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 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).

CHURCHES ACTION FOR THE HOMELESS

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES AND MEMBERS OF CHURCHES ACTION FOR THE HOMELESS

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit:

- 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; and
- the Report of the Management Committee has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report on by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Management Committee.

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees 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 Report of the Management Committee and take advantage of the smaller companies exemption from the requirement to prepare a strategic report.

Keith Alexander BA CA (Senior Statutory Auditor)
for and on behalf of Campbell Dallas

24 October 2017

Accountants
Statutory Auditor

5 Whitefriars Crescent
Perth
PH2 0PA

Campbell Dallas 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 2017

	Notes	2017 Unrestricted £	2017 Restricted £	2017 Total £	2016 Total £
Income from:					
Donations and legacies	2	31,960	-	31,960	21,109
Other trading activities	3	116,789	-	116,789	107,147
<i>Charitable activities</i>					
Accommodation and community projects	4	15,240	835,686	850,926	867,145
Investments		3,452	-	3,452	3,995
Total income		167,441	835,686	1,003,127	999,396
Expenditure on:					
Raising funds	5	(85,871)	-	(85,871)	(78,305)
Investment management		(436)	-	(436)	(101)
<i>Charitable activities</i>					
Accommodation and community projects	6	(50,560)	(862,968)	(913,528)	(923,355)
Total expenditure		(136,867)	(862,968)	(999,835)	(1,001,761)
Net gains/(losses) on investments	11	12,886	-	12,886	(8,900)
Net income/(expenditure)	8	43,460	(27,282)	16,178	(11,265)
Transfers between funds	17	4	(4)	-	-
Other recognised gains/(losses)		-	-	-	-
Net movement in funds		43,464	(27,286)	16,178	(11,265)
Reconciliation of funds:					
Fund balances at 1 April 2016		499,643	143,684	643,327	654,592
Fund balances at 31 March 2017	17	543,107	116,398	659,505	643,327

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



Balance Sheet

as at 31 March 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	10	148,558		144,152	
Investments	11	115,289		103,135	
			<u>263,847</u>		<u>247,287</u>
Current assets					
Stocks		361		640	
Debtors	12	16,514		19,469	
Cash at bank and in hand		478,221		532,315	
			<u>495,096</u>		<u>552,424</u>
Creditors: amounts falling due within one year	13	(81,841)		(137,799)	
Net current assets			<u>413,255</u>		<u>414,625</u>
Total assets less current liabilities			<u>677,102</u>		<u>661,912</u>
Pension deficit liability	14	(17,597)		(18,585)	
Net assets			<u><u>659,505</u></u>		<u><u>643,327</u></u>
Funds					
Restricted funds	17	116,398		143,684	
General funds		560,704		518,228	
Less: Pension deficit liability		(17,597)		(18,585)	
	17		<u>543,107</u>		<u>499,643</u>
			<u><u>659,505</u></u>		<u><u>643,327</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.

The notes at pages 13 to 28 form part of these accounts.

Approved by the Management Committee for issue on 24 October 2017

Martin Barnicoat
Director

Margaret Jane Robertson
Director

Company Registration No. SC145621

Statement of Cash Flows

for year ending 31 March 2017

	Notes	Total Funds 2017 £	Prior Year 2016 £
Net cash used in operating activities	22	(43,381)	73,732
<i>Cash flows from investing activities:</i>			
Interest and dividends		3,452	3,995
Purchase of furniture and equipment		-	(1,183)
Purchase of motor vehicle		(14,896)	-
Proceeds from sale of investments		26,567	11,320
Purchase of investments		(25,836)	(10,992)
Net cash provided by investing activities		(10,713)	3,140
<i>Cash flows from financing activities:</i>			
Net cash used in financing activities		-	-
Change in cash and cash equivalents in the year		(54,094)	76,872
Cash and cash equivalents at the beginning of the reporting period		532,315	455,443
Cash and cash equivalents at the end of the reporting period		478,221	532,315

Notes to the Financial Statements

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - Charities SORP (FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Churches Action for the Homeless meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The accounts are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Company information

Churches Action for the Homeless is a charitable company registered in Scotland and limited by guarantee. The charity is governed by the Directors, who are Trustees for the purpose of Charity Law, under its Memorandum and Articles of Association. The registered office is 5 Whitefriars Crescent, Perth, PH2 0PA.

1.3 Preparation of the accounts on a going concern basis

The majority of the charity's income comes from the Scottish Government through the Local Authority.

This funding has been received on an annual basis. There is a move from the Local Authority to move on to commissioning services from 2018-19.

CATH has been in regular contact and involved in positive discussions with the Local Authority and has been reviewing services and the commissioning processes. In addition, CATH has been looking at other longer term funding sources and is carrying out a restructuring of operations.

The management committee consider that the charity is in a position to continue as a going concern.

1.4 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

1.5 Operating leases

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

Notes to the Financial Statements (continued)

1.6 Fixed asset investments

Fixed asset investments are stated at market value.

1.7 Stock

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

1.8 Pensions

Employees of the charity are entitled to join The Pensions Trust Scheme. The Pensions Trust scheme is a multi-employer defined benefit scheme. The management committee is unable to obtain sufficient information to identify the charity's share of the underlying assets and liabilities of the scheme and therefore the scheme is accounted for as a defined contribution scheme.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

In order to comply with auto-enrolment requirements, since 1 January 2016, new and existing employees who are not in The Pensions Trust scheme were automatically enrolled into a scheme operated by Creative Pensions Trust unless they exercised their right to opt out of scheme membership.

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 Income

All income is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. 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.

It is impractical to measure reliably the fair value of donated items for resale in the charity shop. This is due to the volume of low value items and the cost implications of introducing a detailed stock control system. Donated items for resale are recognised in the financial statements when they are sold and the income is included within 'Income from other trading activities'.

Investment income is included when receivable.

Notes to the Financial Statements (continued)

1.11 Expenditure and irrecoverable VAT

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.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the Financial Statements (continued)

2 Donations and legacies

	2017 Unrestricted £	2017 Restricted £	2017 Total £	2016 Total £
CATH 500/gift aid donations including tax reclaim	11,562	-	11,562	10,767
Other donations	20,398	-	20,398	9,132
Membership	-	-	-	10
Bequests, legacies & trust income	-	-	-	1,200
	31,960	-	31,960	21,109
	31,960	-	31,960	21,109

The organisation benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3 Trading activities

	2017 Unrestricted £	2017 Restricted £	2017 Total £	2016 Total £
Shop income	113,373	-	113,373	104,934
Fundraising	3,416	-	3,416	2,213
	116,789	-	116,789	107,147
	116,789	-	116,789	107,147

Notes to the Financial Statements (continued)

4 Incoming resources from charitable activities

	2017 Unrestricted £	2017 Restricted £	2017 Total £	2016 Total £
Accommodation Projects				
Perth & Kinross Council - contract	-	405,963	405,963	384,528
Organisations - grants	-	129	129	-
Housing Benefit	-	104,133	104,133	119,470
Client rent contributions	-	15,035	15,035	17,314
Management fee	-	-	-	1,761
Miscellaneous income	150	-	150	1
	<u>150</u>	<u>525,260</u>	<u>525,410</u>	<u>523,074</u>
Community Projects				
Perth & Kinross Council - contract	-	237,838	237,838	228,185
Organisations - grants	3,000	72,588	75,588	102,265
Rental income	6,750	-	6,750	6,750
Kitchen and laundry donations	2,260	-	2,260	3,623
Big Issue commission	898	-	898	918
Miscellaneous income	2,182	-	2,182	2,330
	<u>15,090</u>	<u>310,426</u>	<u>325,516</u>	<u>344,071</u>
Total	<u><u>15,240</u></u>	<u><u>835,686</u></u>	<u><u>850,926</u></u>	<u><u>867,145</u></u>

5 Costs of raising funds

	2017 Charity Shop £	2017 Community £	2017 Total £	2016 Total £
Salaries	43,161	-	43,161	36,933
Staff costs	614	-	614	360
Property costs	27,617	-	27,617	30,306
Property maintenance	2,062	-	2,062	2,478
General operating costs	5,388	3,492	8,880	5,752
Support costs	3,537	-	3,537	2,476
	<u>82,379</u>	<u>3,492</u>	<u>85,871</u>	<u>78,305</u>

Notes to the Financial Statements (continued)

6 Analysis of charitable expenditure

	2017 Accommodation £	2017 Community £	2017 Total £	2016 Total £
Resources expended				
Salaries	373,916	221,788	595,704	599,914
Staff costs (travel, training, recruitment)	12,533	10,295	22,828	22,077
Property costs (rent, insurance, utilities)	47,108	16,875	63,983	65,737
Property maintenance	12,624	7,670	20,294	20,640
Food costs	12,164	4,279	16,443	16,451
Client support	1,117	4,118	5,235	5,799
General operating costs	14,450	16,931	31,381	34,630
Depreciation	296	10,194	10,490	6,766
Support costs (see note 7)	69,098	45,868	114,966	106,176
	543,306	338,018	881,324	878,190
Governance costs				
Salaries	15,150	10,100	25,250	38,351
Insurance	622	415	1,037	1,018
Audit fees	4,457	1,460	5,917	5,796
	20,229	11,975	32,204	45,165
Total	563,535	349,993	913,528	923,355

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.

	2017 Accommodation £	2017 Community £	2017 Total £	2016 Total £
Resources expended				
Salaries	57,184	33,709	90,893	82,277
IT costs	6,533	6,621	13,154	17,253
General operating costs	1,240	1,872	3,112	1,798
Professional fees	4,141	3,666	7,807	4,848
	69,098	45,868	114,966	106,176

Notes to the Financial Statements (continued)

8 Net income/(expenditure) for the year	2017	2016
	£	£
This is stated after charging:		
Depreciation of tangible assets	10,490	6,766
Auditor's remuneration	6,630	6,310
	<u>17,120</u>	<u>13,076</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	Motor Vehicles	Plant and machinery	Total
	£	£	£	£
Cost				
At 1 April 2016	273,176	-	16,855	290,031
Additions	-	14,896	-	14,896
Disposals	-	-	-	-
At 31 March 2017	<u>273,176</u>	<u>14,896</u>	<u>16,855</u>	<u>304,927</u>
Depreciation				
At 1 April 2016	129,911	-	15,968	145,879
On disposals	-	-	-	-
Charge for the year	6,470	3,724	296	10,490
At 31 March 2017	<u>136,381</u>	<u>3,724</u>	<u>16,264</u>	<u>156,369</u>
Net book value				
At 31 March 2017	<u>136,795</u>	<u>11,172</u>	<u>591</u>	<u>148,558</u>
At 31 March 2016	<u>143,265</u>	<u>-</u>	<u>887</u>	<u>144,152</u>

Notes to the Financial Statements (continued)

11 Fixed Asset Investments

Listed investments

	2017 £	2016 £
Market value at 1 April 2016	103,135	112,362
Additions	25,836	10,993
Disposals	(26,568)	(11,320)
Net gain/(loss) on revaluation	12,886	(8,900)
	<u>115,289</u>	<u>103,135</u>
Market value at 31 March 2017	<u>115,289</u>	<u>103,135</u>

Investment holdings

	2017 £	2016 £
UK (Govt) 2.5% Index Linked 17/07/24	-	25,193
UK (Govt) 1.25% Indx Linked 22/11/27	39,970	26,734
UK (Govt) 4.25% Treasury Stock 2032	2,776	2,659
City of London Inv Trust	18,308	16,218
Kames Capital	16,088	-
Murray Income Trust	2,485	2,103
Temple Bar Inv Trust	3,875	3,175
Henderson Far East Income Ltd	16,981	13,371
Foreign & Colonial Inv Trust	4,512	3,472
Marlborough Fund Managers Multi Cap	10,294	10,210
	<u>115,289</u>	<u>103,135</u>
	<u>115,289</u>	<u>103,135</u>

12 Debtors

	2017 £	2016 £
Trade debtors	2,422	2,855
Income tax recoverable	2,619	1,760
VAT recoverable	124	274
Other debtors, prepayments and accrued income	11,349	14,580
	<u>16,514</u>	<u>19,469</u>
	<u>16,514</u>	<u>19,469</u>

Notes to the Financial Statements (continued)

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Perth & Kinross Council funds (see below)	38,778	89,085
Other creditors	43,063	48,714
	<u>81,841</u>	<u>137,799</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 Pension deficit liability

	2017 £	2016 £
Pension deficit funding obligation	<u>17,597</u>	<u>18,585</u>

15 Pension

Churches Action for The Homeless (CATH) participates in the Pension Trust's Growth Plan (the Scheme).

CATH participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Notes to the Financial Statements (continued)

15 Pension (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 30 September 2025 applies.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Notes to the Financial Statements (continued)

15 Pension costs (continued)

Present values of provision	31 March 2017 £	31 March 2016 £	31 March 2015 £
Present value of provision	17,597	18,585	13,883

Reconciliation of opening and closing provisions

	Period ending 31 March 2017 £	Period ending 31 March 2016 £
Provision at start of period	18,585	13,883
Unwinding of the discount factor (interest expense)	364	227
Deficit contribution paid	(1,899)	(1,675)
Remeasurement - impact of any change in assumptions	547	(290)
Remeasurements - amendments to the contribution schedule	-	6,440
Provision at end of period	17,597	18,585

Income and expenditure impact

	Period ending 31 March 2017 £	Period ending 31 March 2016 £
Interest expense	364	227
Remeasurements - impact of any change in assumption	547	(290)
Remeasurements - amendments to the contribution schedule	-	6,440
Costs recognised in income and expenditure account	911	6,377

Assumptions	31 March 2017 % per annum	31 March 2016 % per annum	31 March 2015 % per annum
Rate of discount	1.32	2.07	1.74

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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 2017 are represented by:				
Tangible fixed assets	51,464	-	97,094	148,558
Investments	115,289	-	-	115,289
Current assets	83,591	353,423	58,082	495,096
Creditors: amounts falling due in one year	(43,063)	-	(38,778)	(81,841)
Pension deficit liability	(17,597)	-	-	(17,597)
	<u>189,684</u>	<u>353,423</u>	<u>116,398</u>	<u>659,505</u>

17 Movement in funds

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
Unrestricted funds:					
General funds	136,325	180,326	(136,867)	9,900	189,684
Designated funds:					
Buildings	19,478	-	-	10,000	29,478
Client Welfare	8,709	-	-	-	8,709
Contingency fund	280,000	-	-	(10,000)	270,000
Development	30,000	-	-	-	30,000
IT/IS	10,132	-	-	-	10,132
Vehicles	15,000	-	-	(9,896)	5,104
	<u>499,644</u>	<u>180,326</u>	<u>(136,867)</u>	<u>4</u>	<u>543,107</u>

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	101,355	-	(4,261)	-	97,094
Accommodation projects					
- PKC grants	-	405,963	(405,963)	-	-
- Housing Benefit	-	104,133	(104,133)	-	-
- Other Accommodation projects	1,303	15,164	(15,164)	-	1,303
Community projects					
- PKC contract	-	237,838	(237,838)	-	-
- Other Community projects	41,026	72,588	(95,609)	(4)	18,001
	<u>143,684</u>	<u>835,686</u>	<u>(862,968)</u>	<u>(4)</u>	<u>116,398</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	499,644	180,326	(136,867)	4	543,107
Restricted funds	143,684	835,686	(862,968)	(4)	116,398
	<u>643,328</u>	<u>1,016,012</u>	<u>(999,835)</u>	<u>(0)</u>	<u>659,505</u>

18 Lease commitments

At 31 March 2017 the company had annual commitments under non-cancellable leases as follows:

	Land and buildings	
	2017 £	2016 £
Expiry date:		
Not later than one year	62,800	60,900
Later than one year and not later than five years	16,800	16,800
Later than five years	59,400	63,600
	<u>139,000</u>	<u>141,300</u>

19 Trustees remuneration and related party transactions

During the year no members of the Management Committee received any remuneration (2016 - none). Travel costs reimbursed to one (2016 - three) member of the Management Committee amounted to £189 (2016 - £481) in the year.

The cost of trustees' indemnity insurance to the charity amounted to £1,037 (2016 - £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 (2016 - nil).

Notes to the Financial Statements (continued)

20 Employee costs and numbers

Employment costs

	2017 £	2016 £
Wages and salaries	699,486	694,697
Social security costs	47,885	49,665
Other pension costs	7,637	13,112
	755,008	757,474

No employee received emoluments of more than £60,000 (2016 - nil).

Number of employees

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

	2017 Number	2016 Number
Directors	-	-
Accommodation Projects - full time	13	13
Accommodation Projects - part time	8	12
Community Projects - full time	5	7
Community Projects - part time	12	12
	38	44

The key management personnel of Churches Action for the Homeless comprise the management committee and the senior management team - the Chief Executive, Finance Manager and HR & Compliance Manager. The total employee benefits of the key management personnel of the charity were £87,865 (2016 - £90,907).

21 Control

The charitable company is controlled by the directors.

Notes to the Financial Statements (continued)

22 Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net movement in funds	16,178	(11,265)
Add back depreciation charge	10,491	6,765
Add back/(deduct) losses/(gains) on investments	(12,886)	8,900
Deduct interest income shown in investing activities	(3,452)	(3,995)
Decrease/(increase) in stock	279	(12)
Decrease/(increase) in debtors	2,955	(4,895)
Increase/(decrease) in creditors	(56,946)	78,234
	<u>(43,381)</u>	<u>73,732</u>