

# **THE LODGING HOUSE MISSION**

**(A COMPANY LIMITED BY GUARANTEE)**

**Opening Doors to a Brighter Future for Glasgow's Homeless**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR TO 31<sup>ST</sup> DECEMBER 2015**

**Scottish Charity SC017283**

**THE LODGING HOUSE MISSION**

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**LEGAL AND ADMINISTRATIVE INFORMATION**

**PATRONS**

Ricky Ross  
George Morris

**DIRECTORS**

E Mackie	Chairman
L Ashmole	Vice Chairperson
Rev G Blount	
R Findlay	
Very Rev W Hewitt	
J Mackenzie	
B Normand	
JAM Smeaton	
Rev Roger Sturrock	
Rev James Whyte	(resigned 8/4/2015)

**PROJECT MANAGER**

JAM Smeaton

**SECRETARY, REGISTERED OFFICE AND OPERATIONAL ADDRESS**

J A M Smeaton,  
35 East Campbell Street, Glasgow, G1 5DT

**CHARITY REGISTRATION NUMBER** SC017283

**COMPANY REGISTRATION NUMBER** SC225199

**BANKERS**

Clydesdale Bank PLC,  
66 Queen Street, Glasgow G1 3DS

**AUDITORS**

Wylie & Bisset LLP, Chartered Accountants,  
168 Bath Street, Glasgow G2 4TP

**LAW AGENTS**

Law at Work Ltd.,  
205 West George, Street, Glasgow G2 2LW

Maclay, Murray & Spens, LLP,  
1 George Square, Glasgow G2 1AL

**STRUCTURE AND GOVERNANCE**

The Lodging House Mission (“the LHM”) is a Company limited by guarantee which is governed by its Memorandum and Articles of Association dated 12<sup>th</sup> November 2001.

There are 28 members who, in the event of the Company going into liquidation, are obliged to guarantee payment of £1. A list of those members is available from the Secretary at the Registered Office.

Whilst, the LHM has operated as a stand alone entity since 2002 there remains a very close relationship with the Presbytery of Glasgow of the Church of Scotland (“the Presbytery”) which had hitherto conducted its affairs. Through the Presbytery, the LHM continues to enjoy free occupancy of its premises as well as financial support for its Chaplain.

The Board shall have a minimum number of 3 Directors of whom one third shall be members of the Presbytery and either the Chairman or any Vice-Chairman shall be members of the Presbytery.

The present Directors are as listed on page 1. John Mackenzie and the Rev Roger Sturrock joined on 4<sup>th</sup> February 2015 and all others held office throughout 2015, and to the date of this Report.

The composition of the Board will remain subject to annual review and potential candidates will be sought on the basis of their eligibility, personal competence and professional skills. New Directors are provided with briefing sessions by the Chairman and/or Company Secretary as well as the Service Manager to explain the objectives, workings and ethos of the LHM including a familiarisation tour. All Directors are encouraged to attend relevant training courses. The Board meets four times a year in addition to which other committees – in particular those for the Educational Activities and Fundraising - meet as required.

The Project Manager is appointed by the Board to manage the day to day operations of the LHM. Operational Risk Management is reviewed by him and his management team on a regular basis as well as on an activity-by-activity basis. Financial Risk Management is presently covered by the Chairman and the Company Secretary.

**DIRECTORS’ RESPONSIBILITIES**

The trustees (who are also directors of Lodging House Mission for the purposes of company law) are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**STRUCTURE AND GOVERNANCE (continued)**

Company law requires the trustees 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper 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). They are 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.

**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

The LHM's principal objects are to relieve exclusion and to alleviate the living conditions of those vulnerable to homelessness as well as those suffering from social isolation in Glasgow by providing a range of services meeting their varied needs thus enabling them to find ways to reintegrate into mainstream society. All this is encapsulated in the following mission statement:-

***Our mission is to reduce the harm caused by homelessness, social exclusion and poverty in Glasgow by providing a safe, welcoming place where service users can meet in a non judgemental environment and benefit from Food, Activities, Chaplaincy, Education and Support (FACES) services.***

## CHAIRMAN'S REPORT

After a year of change in 2014, this year has been very much a year of consolidation and progress. The year commenced with Gus Smeaton taking on the role of Project Manager in a voluntary capacity, a position in which he remains and which he has carried out with distinction.

Our foremost administrative target this year was to set a budget that would take us to break-even, having had no option but to budget for deficit in 2014. The reality of this required one full time position to be made redundant coupled with a review of all costs and strict control of expenditure. I am pleased to say that our target has been achieved and with the benefit of generous legacies, we can enjoy some financial stability this coming year. It has also allowed us to put in place a more robust fund raising programme to assist with our longer term planning.

I am pleased to report that LHM has been the host site for the Glasgow Night Shelter initiative this winter. We have had up to forty-three people on a nightly basis over the winter being given a bed in our premises. It is very much provision of service "at the sharp end" and while this engages us directly with the homelessness aspect of our Mission it also is a very positive way of raising the profile of LHM within the community and to the wider world. In parallel with this initiative we have also maintained, and indeed augmented, our services provision to our core users.

Against the background of a successful year we were sorry to lose the services of Neil Watton, who after 22 Years with us felt it was time to move on. We wish him well for the future. It is a post that we will be seeking to fill in 2016. As ever our permanent staff form the backbone of our service provision and I am delighted to recognise their sterling contribution and continuing hard work of all our employees.

Leaving us from the Board after long and valued service was Rev. Jim Whyte. We wish him a happy retirement.

In the coming year we hope to build on the success of 2015 in a number of ways. We want to increase our income so that we can provide more services. We want to continue to grow our volunteer base. We want to maintain the level of contact with other like-minded organisations developed over the last eighteen months, and develop new contacts in new areas. We want to increase our contact with churches within Glasgow and beyond. We want to bring forward plans for upgrading our premises such that they are the equal of any in our field. We want to explore what new opportunities we can provide for our users.

Projects in place already include:

- a) A start on our outstanding building repairs, where an independent survey revealed estimated works exceeding £120,000 over 5 years.
- b) A feasibility study on the installation of disabled access.
- c) Possible replacement of our 10 year old mini bus.
- d) Investigation into increasing our opening hours.

Further detail may be obtained in note 16.

It all makes for an exciting year at LHM and with the staff, the volunteers and the Board in good heart we look forward to it with relish.

**FINANCIAL REVIEW**

Churches, Individuals and Trusts continued the wonderful financial and other support which they have given for many years. We are both blessed and proud to have supporters who have provided for us in the recent difficult years.

In 2014 we incurred a deficit of £51,367 and while this was budgeted, we cannot continue to drain our reserves in this way.

We are delighted to note that the measures put in place to redress this situation have been successful and we achieved a surplus of £230,309. This included exceptionally high legacy income of £235,306 and planned refurbishment costs of £20,615. A more practical view is therefore to recognize an operating surplus of £15,618, still a very satisfactory result considering our starting position.

Salaries remain our highest charge, but the cost of maintaining our premises, built in 1864, is daunting. The latest independent survey estimated 5 year maintenance repairs of £120k and we must make a start soon. Our legacy income in 2015 will allow this to happen.

There will always be financial challenges in running an operation of this size. However, because of our Individual and Trust donors, we leave 2015 in optimistic mood and look forward to financial stability in 2016.

**Reserves**

Our policy is to maintain working capital of at least 9 months estimated operating costs, in addition to the funds held in Designated Accounts. After allowing for £190,000 in the Designated Accounts, our free reserves are £281,740 approximately 11 months estimated operating costs.

**Legacy Income**

We are grateful, and blessed, to receive legacy income. Because of the nature of these gifts, we endeavor to use the funds for development, refurbishment and to meet our long term objectives. This has not been possible in recent years and we have been grateful that we have had this funding to allow us to exist.

This year, we have managed to meet our running costs without impinging on our legacy funds and accordingly, all of these gifts will be applied to development and improvement in the facilities available to our Service Users.

**VOLUNTEERS**

Volunteers provide an invaluable service to our organization, and we could not provide the facilities we do, without their help. Volunteers supplement the work of our full time employees in the kitchen, learning centre, main hall and in our educational activities.

Other volunteers represent us in their own church and play a very important role in publicising our activities, and in procuring monetary and other gifts.

We are also aware of, and grateful to, the many ambassadors who do not hold official positions, but who continually bring our cause to others.

**KEY MANAGEMENT PERSONNEL REMUNERATION**

The Trustees consider that the board of directors and the Project Manager comprise the key management personnel of the charity, in charge of directing and controlling the operation on a day to day basis. The Project Manager position is currently held by a board member on a voluntary basis. No Trustee received remuneration or expenses in the year.

This report has been 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 in the UK and Republic of Ireland published on 16 July 2014, and in accordance with the provisions applicable to companies subject to the small companies regime of the Companies Act 2006.

Approved by the Directors and signed on their behalf by:



Ewen Mackie

14<sup>th</sup> March 2016

## **INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF THE LODGING HOUSE MISSION FOR THE YEAR ENDED 31 DECEMBER 2015**

We have audited the financial statements of The Lodging House Mission for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the Directors' 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 Trustees 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 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 trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report 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 December 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; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).<sup>9</sup>



**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF THE  
LODGING HOUSE MISSION FOR THE YEAR ENDED 31 DECEMBER 2015**

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Annual Report 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 trustees' remuneration specified by law are not made;
- 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 trustees report.

**Other Matters**

The prior year financial statements of The Lodging House Mission were unaudited.



Jenny Simpson (Senior Statutory Auditor)

For and on behalf of Wylie & Bisset LLP

Statutory Auditor

168 Bath Street  
Glasgow  
G2 4TP

Wylie & Bisset LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date: 21<sup>st</sup> March 2016

The Lodging House Mission  
Statement of Financial Activities  
(Including an income and expenditure account)  
For the year ended 31 December 2015

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	Notes	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
<b>Income and Endowments from;</b>							
Donations and grants	2	244,413	31,762	276,175	188,844	48,872	237,716
Charitable Activities		0	8,614	8,614	0	10,812	10,812
Other trading activities		16,572	0	16,572	13,404	0	13,404
Investments	3	2,871	0	2,871	2,857	0	2,857
Other incoming resources		245	0	245	515	0	515
<b>Total</b>		<b>264,101</b>	<b>40,376</b>	<b>304,477</b>	<b>205,620</b>	<b>59,684</b>	<b>265,304</b>
Legacies		235,306		235,306	56,667	5,000	61,667
		<b>499,407</b>	<b>40,376</b>	<b>539,783</b>	<b>262,287</b>	<b>64,684</b>	<b>326,971</b>
<b>Expenditure on;</b>							
Raising funds							
Raising donations and legacies	4	22,650	0	22,650	36,198	0	36,198
Charitable activities	5	236,922	49,902	286,824	274,825	67,315	342,140
<b>Total</b>		<b>259,572</b>	<b>49,902</b>	<b>309,474</b>	<b>311,023</b>	<b>67,315</b>	<b>378,338</b>
<b>Net income / (expenditure)</b>		<b>239,835</b>	<b>(9,526)</b>	<b>230,309</b>	<b>(48,736)</b>	<b>(2,631)</b>	<b>(51,367)</b>
<b>Funds reconciliation</b>							
<b>Total funds brought forward</b>	14, 15	<b>231,905</b>	<b>58,976</b>	<b>290,881</b>	<b>280,641</b>	<b>61,607</b>	<b>342,248</b>
<b>Total funds carried forward</b>	14, 15	<b>471,740</b>	<b>49,450</b>	<b>521,190</b>	<b>231,905</b>	<b>58,976</b>	<b>290,881</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**THE LODGING HOUSE MISSION**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET AT 31ST DECEMBER**

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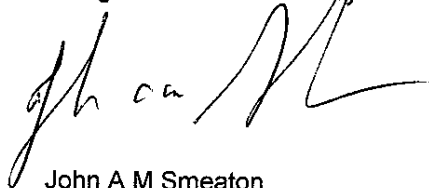
	Notes	£	2015 £	2014 £
<b>Fixed Assets</b>	10		12,742	24,999
<b>Net Current Assets</b>				
Debtors	11	18,293		19,152
Cash in Bank and on Hand		<u>498,827</u>		<u>255,746</u>
		517,120		274,898
Less: Creditors: amounts falling within one year	12	<u>8,672</u>		<u>9,016</u>
			508,448	265,882
<b>NET ASSETS</b>			<u><b>521,190</b></u>	<u><b>290,881</b></u>
Represented by:-				
<b>Unrestricted Funds</b>	14			
Designated Funds		190,000		174,999
General Funds		<u>281,740</u>		<u>56,906</u>
			471,740	231,905
<b>Restricted Funds</b>	13		49,450	58,976
<b>TOTAL FUNDS</b>			<u><b>521,190</b></u>	<u><b>290,881</b></u>

This report has been prepared in accordance with Accounting and Reporting for 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 published on 16 July 2014, and in accordance with the provisions applicable to companies subject to the small companies regime of the Companies Act 2006.

Approved by the Directors on 14<sup>th</sup> March 2016 and signed on their behalf by



Ewen Mackie  
Chairman



John A M Smeaton  
Director

**THE LODGING HOUSE MISSION**

**STATEMENT OF CASH FLOWS**

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FOR THE YEAR ENDED 31 DECEMBER 2015

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Net Income/(expenditure) per Statement of Financial Activities</b>	<b>230,309</b>	<b>(51,367)</b>
<b>Adjust for:</b>		
Depreciation charge	12,257	6,251
Dividends, interest and rents from investments	(2,871)	(2,857)
Decrease in debtors	859	4,425
(Decrease) in creditors	(344)	(6,605)
<b>Net cash provided by (used in) operating activities</b>	<b><u>240,210</u></b>	<b><u>(50,153)</u></b>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	2,871	2,857
Proceeds from sale of property, plant and equipment	0	0
	<b><u>2,871</u></b>	<b><u>2,857</u></b>
<b>Change in cash and cash equivalents</b>	<b>243,081</b>	<b>(47,296)</b>
Cash and cash equivalents brought forward	255,746	303,042
<b>Cash and cash equivalents at end of period</b>	<b><u><u>498,827</u></u></b>	<b><u><u>255,746</u></u></b>

## 1 ACCOUNTING POLICIES

### **Basis of Preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

### **Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102, there are no variations to opening balances and net income/(expenditure) for the year in comparison to under previous GAAP.

### **Fund Accounting**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in notes 14 and 15.

### **Income Recognition**

Income is recognised once 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.

**NOTES TO THE ACCOUNTS – YEAR TO 31<sup>ST</sup> DECEMBER 2015**

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Income from government and other grants, whether ‘capital’ or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service deferred until the criteria for income recognition are met.

**Resources Expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to the note below.

- Costs of raising funds comprise the costs of commercial trading including investment management costs and certain legal fees and their associated support costs;
- Expenditure on charitable activities includes all the costs relating thereto whether allocate directly or in essential support of fulfilling the LHM’s stated objectives, and other activities undertaken to further the purposes of the charity and their associated support costs;

**Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

NOTES TO THE ACCOUNTS – YEAR TO 31<sup>ST</sup> DECEMBER 2015**Tangible fixed assets and depreciation**

All such assets costing in excess of £5,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

	Basis
Minibus	25% straight line
Fixtures & Fittings	20% straight line

Fixtures & Fittings were previously calculated on a 20% reducing balance basis, and the effect of the policy change is an additional charge of £7,257.

**Pension Scheme**

The amount contributed to personal plans in the year was £13,509 (2014 - £18,141).

**Taxation**

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Charitable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

**Legal Status**

The LHM is a Company limited by guarantee which is governed by its Memorandum and Articles of Association dated 12<sup>th</sup> November 2001. In the event of the LHM going into liquidation, the members are each obliged to guarantee payment of £1.

**LODGING HOUSE MISSION**

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( A Company Limited by Guarantee)

**Notes to the Accounts - Year to 31st December 2015**

	Unrestricted Revenue £	Restricted Revenue £	2015 Total £	2014 Total £	
<b>2 Voluntary Income</b>					
Donations					
Individual Churches	45,279	0	45,279	47,045	
Individuals and Meal Vouchers	93,645	15,703	109,348	82,073	
Trusts and Organisations	105,489	16,059	121,548	105,078	
Grants	0	0	0	3,520	
	<u>244,413</u>	<u>31,762</u>	<u>276,175</u>	<u>237,716</u>	
<b>3 Investment Income</b>					
Bank and Other Interest	2,871	0	2,871	2,857	
	<u>2,871</u>	<u>0</u>	<u>2,871</u>	<u>2,857</u>	
<b>4 Raising Donations and Legacies</b>					
	Direct costs £	Support costs £			
Fundraising Costs	848	14,129	14,977	31,559	
Fundraising events	7,673	0	7,673	4,639	
	<u>8,521</u>	<u>14,129</u>	<u>22,650</u>	<u>36,198</u>	
<b>5 Charitable Activity Expenditure</b>					
Staff costs	157,863	14,566	172,429	230,434	
Property costs	0	31,548	31,548	27,290	
Administration	0	4,961	4,961	7,617	
Provisions & Catering	28,099	0	28,099	24,019	
Education & Activities	13,666	0	13,666	21,052	
Governance	8,224	7,282	15,506	11,097	
	<u>207,852</u>	<u>58,357</u>	<u>266,209</u>	<u>321,509</u>	
Church Refurbishment	20,615	0	20,615	20,631	
	<u>228,467</u>	<u>58,357</u>	<u>286,824</u>	<u>342,140</u>	
<b>6 Governance Costs</b>					
Staff costs	0	7,282	7,282	6,387	
Auditors Remuneration	2,209	0	2,209	0	
Ind. Examiners' Remuneration	0	0	0	1,074	
Miscellaneous	6,015	0	6,015	3,636	
	<u>8,224</u>	<u>7,282</u>	<u>15,506</u>	<u>11,097</u>	
<b>7 Support Costs</b>					
	Fundraising	Charitable	Governance	Total	
Staff costs	2,428	14,566	7,282	24,276	Time
Property costs	6,911	31,548	0	38,459	Space
Administration	4,790	4,961	0	9,751	Usage
	<u>14,129</u>	<u>51,075</u>	<u>7,282</u>	<u>72,486</u>	



**LODGING HOUSE MISSION**

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( A Company Limited by Guarantee)

**Notes to the Accounts - Year to 31st December 2015**

<b>8 Net income/(expenditure) for the year</b>	<b>2015</b>	<b>2014</b>
The surplus is stated after charging:	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Depreciation	<u>12,257</u>	<u>6,251</u>

<b>9 Staff Costs and Numbers</b>		
Salaries	153,387	218,089
Social security costs	9,870	17,781
Other pension costs	13,509	18,141
Training and miscellaneous	<u>5,373</u>	<u>3,235</u>
	<u>182,139</u>	<u>257,246</u>

No employee received more than £60,000 per annum (2014: Nil)

The average number of employees during the year was 7 11

**10 Directors**

No Director received any remuneration or travelling expenses (2014: None)

Services were contracted with Prime Build, to the value of £10,434 (2014 = £5,894).

Our Chairman has an interest in this company. All contracts were at arms length.

**11 Tangible Fixed Assets**

<b>Cost</b>	<b>Minibus</b>	<b>Fixtures</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1st January 2015	20,410	62,560	82,970
Additions during year	0	0	0
Disposals during year	0	0	0
At 31st December 2015	<u>20,410</u>	<u>62,560</u>	<u>82,970</u>

<b>Depreciation</b>			
At 1st January 2015	20,410	37,561	57,971
Disposals during year	0	0	0
Charge for year	0	12,257	12,257
At 31st December 2015	<u>20,410</u>	<u>49,818</u>	<u>70,228</u>

<b>Net book value</b>			
At 31st December 2015	<u>0</u>	<u>12,742</u>	<u>12,742</u>

At 31st December 2014 0 24,999 24,999

The net book value at 31st December 2015 represents assets used for:-

Direct charitable purposes	0	12,742	12,742
Administration purposes	0	0	0
	<u>0</u>	<u>12,742</u>	<u>12,742</u>

**LODGING HOUSE MISSION**

17

( A Company Limited by Guarantee)

**NOTES TO THE ACCOUNTS - YEAR TO 31ST DECEMBER**

	<b>2015</b>	<b>2014</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>12 Debtors</b>		
Prepayments	7,601	7,844
Accrued income	10,692	11,308
	<u>18,293</u>	<u>19,152</u>
<b>13 Creditors: Amounts falling due within one year</b>		
Creditors	4,198	4,001
Other taxes and social security costs	0	3,112
Accruals	4,474	1,903
	<u>8,672</u>	<u>9,016</u>

**14 Restricted Funds**

	<b>Movement in Funds</b>				<b>Balance at</b>	
	<b>Balance at</b>	<b>Incoming</b>	<b>Expenditure</b>	<b>Transfers</b>		<b>Balance at</b>
	<b>01-Jan-15</b>	<b>Resources</b>				<b>31-Dec-15</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
External Railings	1,505	0	0	0	1,505	
Contributions to						
Prov of hot meals	0	24,317	24,317	0	0	
Salaries	0	4,157	4,157	0	0	
Maintenance	0	1,059	1,059	0	0	
Educ & Activities	0	10,843	3,000	0	7,843	
Property Expenses	40,102	0	0	0	40,102	
	<u>41,607</u>	<u>40,376</u>	<u>32,533</u>	<u>0</u>	<u>49,450</u>	
Church Refurbishment Fund	17,369	0	17,369	0	0	
	<u>58,976</u>	<u>40,376</u>	<u>49,902</u>	<u>0</u>	<u>49,450</u>	

The External Railings Fund was created by a donation towards the cost of installing external railings part of which was spent in 2013.

The Provision of Hot Meals Fund represents income received from donations and canteen receipts towards providing hot meals for service users.

The Salaries Fund represents donations received towards the salary costs of a part-time Education & Development Worker.

The Maintenance Fund consists of donations received towards the cost of a new pool table.

The Property Expenses Fund was provided by the Church of Scotland to cover property expenses when the liability for these passed to the Lodging House Mission.

Church Refurbishment Fund; A major refurbishment of the Church Sanctuary was started in 2014 and the £17,369 represents funds ingathered, less costs to date.

**Notes to the Accounts - Year to 31st December 2015**

**15 Unrestricted Funds**

	Movement in Funds				Balance at 31-Dec-15
	Balance at 01-Jan-15 £	Incoming Resources £	Expenditure £	Transfers £	
General charitable funds	56,906	309,407	84,573	0	281,740
Designated funds	174,999	190,000	174,999	0	190,000
	<u>231,905</u>	<u>499,407</u>	<u>259,572</u>	<u>0</u>	<u>471,740</u>

The designated funds comprise

	Est. spend
Provision to meet the estimated cost of outstanding 60,000 maintenance, per external survey.	2015 - 2017
50,000 Cost of disabled access to church hall	2016 - 2017
20,000 Replacement of 10 year old mini bus	2017
60,000 Employment of Education and Development Officer	2016 - 2018
<u>190,000</u>	

Following review, the provisions made last year in respect of future deficits (£150,000) and capital tied up in Fixed Assets (£24,999) have been dropped.

**16 Analysis of Net Assets between Funds**

	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted funds	0	49,450	49,450
Unrestricted funds	12,742	458,998	471,740
	<u>12,742</u>	<u>508,448</u>	<u>521,190</u>

17 There were no Capital or Lease Commitments or Post Balance Sheet Events that require to be reported.