

**Glasgow City Mission**  
**Report and Financial Statements**  
**for the year ended 30 June 2016**

**Charity number: SC001499**  
**Company number: SC140322**

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## **Glasgow City Mission**

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## **Glasgow City Mission**

### **Legal and Administrative Information**

<b>Charity name</b>	Glasgow City Mission	
<b>Charity registration number</b>	SC001499	
<b>Company registration number</b>	SC140322	
<b>Directors</b>	S I Anderson D S Frame J M Caldicott M McCall Rev A.S Duncan M P Young J C Honey Rev M MacLean R McNaught	Chairman Treasurer      Resigned 3 September 2016
<b>Company secretary</b>	Carol-Ann Frame	
<b>Senior management</b>	Grant Campbell Carol-Ann Frame	Chief Executive Head of Finance
<b>Principal office and Registered office</b>	20 Crimea Street Glasgow G2 8PW	
<b>Auditors</b>	Alexander Sloan Chartered Accountants 38 Cadogan Street Glasgow G2 7HF	
<b>Bankers</b>	Bank of Scotland Gordon Street Glasgow G1 3RS	
<b>Solicitors</b>	Pincent Masons 141 Bothwell Street Glasgow G2 7EQ	

**Glasgow City Mission**  
**Directors' Annual Report**  
**for the year ended 30 June 2016**

The Directors present their report and the financial statements of the charity for the year ended 30 June 2016.

**Directors**

The Directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors.

The Directors serving during the year and since the year end are detailed on page 1.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Appointment of Directors**

Directors are appointed on the basis of the service they can provide to Glasgow City Mission including particular professional and business skills and they are responsible for the strategic direction of Glasgow City Mission and oversight of its activities. Names of possible directors are brought to the Board and an interview arranged. New directors are introduced to their responsibilities by the Chairman and the other directors. Directors are expected to keep up to date with developments in the charity field in general and aspects relating to Glasgow City Mission specifically. Structured training is provided where appropriate.

**Organisational structure**

All the Directors are non-executive and serve on a voluntary basis. The day-to-day running of Glasgow City Mission and the exercise of executive responsibility is delegated to the Chief Executive. Financial management is the responsibility of the Head of Finance who reports to the Chief Executive on a day to day basis and reports to the Treasurer via the Finance Committee.

There are six Board meetings in the year. The Board is kept informed of management issues from presentations received from the Chief Executive and from committees reporting on finance (chaired by the Treasurer) and fundraising issues.

**Risk management**

The Board continues actively to assess and identify the major risks, both internal and external, to which the charity is exposed and monitors the systems which have been established to mitigate these risks. These risks are constantly reviewed against a background of changing legislation.

## **Glasgow City Mission**

### **Directors' Annual Report for the year ended 30 June 2016**

#### **OBJECTIVES AND ACTIVITIES**

To provide for the welfare, both spiritual and material, of those in need in the City of Glasgow and surrounding area by:-

- (a) the provision of guidance, training, counsel and help;
- (b) the provision of Christian worship, preaching, evangelism, exhibitions, radio programmes, literature and other appropriate forms of communication;
- (c) the provision of refuge and sustenance; and
- (d) the provision of housing support services to provide support, assistance, advice or counselling to individuals with particular needs with a view to enabling those individuals to occupy, or continue to occupy as their sole or main residence, residential accommodation.

Glasgow City Mission works with people that are vulnerable and disadvantaged, people that are often leading chaotic or difficult lives. We want to help them to break free from their oppressive situations and currently focus on two distinctive areas where we see an acute need and opportunity for change:

- (i) Immediate response to the needs of homeless and marginalised adults in the city centre of Glasgow.
- (ii) Preventative work with children and families in disadvantaged communities in Glasgow, strengthening relationships, building resilience and life skills.

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**Directors' Annual Report**  
**for the year ended 30 June 2016**

Glasgow City Mission currently operates three projects to achieve its aims:

- (1) City Centre project
- (2) Child & Family Centre, Govan
- (3) Glasgow Winter Night Shelter

(1) City Centre project:

Our City Centre Project is hosted within a purpose built facility which supports over 250 men and women each day through the working week.

Evenings are an opportunity to provide basic needs where a hot meal is served to all, and relationships are established and nurtured.

During the day the centre is open to provide opportunities to help people move forward by tackling some of the root causes of homelessness and poverty. The service provides a range of opportunities from art classes, cooking classes, shower facilities, gym, music studio and internationals work, to further education and jobs clubs.

Over the past few years we have seen significant growth in those accessing our services, particularly from those seeking asylum in the UK.

We are passionate about the effectiveness and benefits of working one to one with the people that need our help. We have sought where appropriate to increase our people facing project team to meet the growing needs of the city and to see real change in people's lives.

(2) Child & Family Centre, Govan:

Located in Linthouse Govan, an area once infamous for deprivation and unemployment. Our project provides a number of services to the local community, from nursery provision and parenting support classes to counselling and confidence-building activities.

With the addition of a new adult project worker in 2015 we've seen an increase in opportunities to engage with families and provide support in a variety of different ways. Many of these families are only just coping and it often only takes one additional pressure for the family to move into chaos and crisis. This preventative piece of work is scheduled to grow dramatically as part of our five year plan (2016-2020).

We are passionate that prevention is better than cure, and by investing in safe guarding and supporting families, helping children and parents alike grow to become confident and 'life equipped' we are reducing the likelihood of them needing our services in the city centre.

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**(3) Glasgow Winter Night Shelter:**

The Glasgow Winter Night Shelter is an emergency shelter for people who have no alternative but to sleep rough in the city. Each year over the winter months we lead a partnership of more than a dozen charities and service providers in delivering this much needed service in the heart of the city.

We have two simple objectives:

- 1) Provide emergency accommodation.
- 2) Source permanent solutions for our guests.

Whilst we remain motivated towards permanent, appropriate accommodation for everyone, we feel driven to provide the shelter while there is a need. Sadly each year we see an increase in its use and while only a temporary solution it is often quite literally a life saver for many.

All three projects fulfill objectives (a) and (b). Help and guidance take place in many forms from informal one-to-one conversations, to structured training courses. Opportunities to talk about the Christian faith, read the bible, pray and worship also exist for those who wish to participate.

(c) is fulfilled through the Glasgow Winter Night Shelter by providing accommodation to those in need and food. Meanwhile our city centre project advocates for and helps people to access accommodation from the local authority throughout the year. In addition, meals are provided daily along with a twice-weekly foodbank.

(d) is fulfilled through our City Centre and Glasgow Winter Night Shelter projects. Guests are helped to access accommodation, manage their money and benefits, and find work or training opportunities. In addition, a counselling service is provided for those in need of deeper support to address underlying issues.

In June 2016, the charity published its new 5 year plan that outlines the specific aims and objectives that will be undertaken between 2016 and 2020.

Weekly management team meetings along with bi-monthly Board and Finance/Fundraising meetings ensure that actions outlined in the charity's 5 Year Plan are progressed and kept on track.

Each activity undertaken by the charity has its own set of objectives and outcomes and these are evaluated by staff and participants if they have been achieved.

## **Glasgow City Mission**

### **Directors' Annual Report for the year ended 30 June 2016**

1) Working to help break the cycle of the underlying problems of poverty, exclusion & deprivation.

- Providing nursery education in the Child and Family Centre in Govan which is one of Glasgow's most impoverished areas.
- Providing parenting classes to develop family skills, which includes helping renew links between parents and children.
- Delivering confidence building initiatives, inspiring individuals self-esteem, hosting further education.
- Providing discipleship and pastoral care for service users, staff and volunteers.
- Nurturing positive relationships and life skills to build in resilience and coping strategies for life's hurdles.

2) Provide a positive environment where excluded and vulnerable people can grow and move forward.

- Operating all our services as places where people can find unconditional acceptance, and caring support.
- Providing a structure to chaotic lives.
- Developing a staff and volunteer team that builds trust among people who use our services.
- Developing a clear and welcoming approach shaped around the specific needs of distinct people groups.

3) Meeting practical, emotional and spiritual needs.

- Meeting each person's presenting and immediate needs of food, warmth and friendship.
- Encourage a targeted programme for each individual that will cultivate talent, enable them to grow and develop, by providing a daytime programme of activity including music, employment advice, life skills, counselling service and prayer.
- Working with partners who can provide additional support e.g. housing, rehabilitation, addiction support and education.
- Offering spiritual support through prayer, evangelism, bible study, counselling, literature, testimony, storytelling, and church family support.



**Glasgow City Mission**  
**Directors' Annual Report**  
**for the year ended 30 June 2016**

4) Expressing our Christian Faith.

- Delivering a service open to all where individuals are accepted for who they are.
- Providing spiritual support for broken people.
- Providing opportunities for people to explore the Christian faith should they wish to.
- Speaking up for and supporting the voice of people who are in caught up in poverty.
- Taking public opportunities to speak about the attitude of God to those whom society rejects, raising awareness of issues of poverty in Glasgow.

5) Deliver our services in an innovative, professional and accountable manner.

- Maintaining well qualified and supported staff and volunteers and having clear codes of professional practice.
- Maintaining appropriate professional standards to ensure high quality of work and credibility.
- Developing an innovative communications and media engagement plan to: raise awareness of the charity, attract volunteers and increase financial and in-kind support.
- Developing skills amongst our staff and volunteers.

6) Provide a strong sustainable financial platform for services.

- Glasgow City Mission is almost wholly independently funded by: individuals, charitable trusts, churches, schools and local businesses.

**Glasgow City Mission**  
**Directors' Annual Report**  
**for the year ended 30 June 2016**

**Volunteers at Glasgow City Mission**

Glasgow City Mission volunteers are passionate about meeting the needs of the individuals and families that we serve. Over 200 regular volunteers use their skills and gifts to compassionately serve the people of our city. We could not do what we do without them.

At our City Centre project where the majority of our volunteers are based, they support our trained staff team to undertake the activities set out above. Typically, volunteers commit to the same shift each week (usually 2-4 hours in length). This makes rota management simpler but more importantly, regular volunteering facilitates better relationship building amongst the people we serve.

At the Child & Family Centre, a small number of volunteers support the staff team and duties include administration and making the children's snacks.

Upon recruitment, volunteers are provided with induction training, followed by four training sessions per year.

At the Glasgow Winter Night Shelter, volunteers support the trained staff. Different churches in the city provide two volunteers per evening of the four month service. In addition, seven regular volunteers provide one night shift per week.

If these volunteers were paid the living wage, a conservative estimate would suggest this would cost the charity £338,514.

**Glasgow City Mission**  
**Directors' Annual Report**  
**for the year ended 30 June 2016**

**ACHIEVEMENTS AND PERFORMANCE**

City Centre: We work with people at their own pace, and each person will have their own goals, such as coming off methadone, stopping drinking, securing permanent accommodation, getting food, or help with a job search. We aim to make everyone feel welcome and valued - many of our clients can feel ignored by society and have very low self-esteem - and support them to achieve their goals. Over 200 people are supported each day.

- Recruitment of 3 additional Project workers in June 15 enabled City Centre project to open from 10am to 10pm throughout 2015/16. It also created significantly more opportunities to undertake one-to-one work with clients which is vital to see real breakthroughs in people's lives.
- An enlarged staff team also enabled more external visits to clients such as their accommodation setting, prison cell or hospital bed. Many clients report that our staff team are the only visitors they receive.
- Recruitment of new Adult Worker at Child and Family Centre in June '15 enabled more specific work with parents, building stronger, more resilient families.
- Five nights a week, an evening drop-in service providing hot meals and advice was undertaken serving an average of 130 people on each occasion. From here, relationships are built and people connected to daytime services.
- More than 30 different daytime services were provided at our City Centre project to build confidence and skills of our guests. These included lunch clubs, skills workshops in cookery, budgeting and computing, one to one advice, art and music classes, college courses and external trips and outings.
- 25 guests attended an Alpha Course to explore the Christian Faith. Additional bible studies began as clients asked for them to be run.
- Our work with refugees and asylum seekers continued to grow. We now operate one of the largest English as Additional Language classes in Glasgow. As part of our Street Games initiative, one asylum seeker said: "Today I lived, not just survived."
- Partnership developed with Wild Olive Tree social enterprise café which provided training opportunities for clients, and funding for the charity from café proceeds.

## **Glasgow City Mission**

### **Directors' Annual Report for the year ended 30 June 2016**

Child and Family Centre: Due to the care and attention our children receive, and our ability to call in external health and child development services where required, all the children we worked with in this financial year who graduated from our nursery went on to mainstream schools - despite some of them having significant additional support needs when starting at the nursery. Parents and carers have also increased in their confidence and have developed their parenting skills. We ran eight courses for parents in the last school year.

- 30 years of providing our Child & Family Centre was celebrated with a community fun day with over 200 people present.
- Each week, more than 100 vulnerable children and their families were supported by the Child & Family Centre.
- New afterschool club for children aged 5-8 began at our Child & Family Centre, expanding the age range of children we work with and allowing us to help more vulnerable families.

Night Shelter: Glasgow Winter Night Shelter saw its busiest ever year. Thanks to additional funding secured, a fourth month of operation was added to the service to meet demand. 605 people received a warm, safe place to sleep plus support to break free from the cycle of street homelessness, on 4060 occasions. Two thirds of guests were connected to local authority homeless caseworkers to receive settled accommodation and a third to legal casework team to appeal their accommodation decision who in return received accommodation. One third of guests were also connected to NHS healthcare.

#### **Fundraising**

Fundraising and marketing remained a key priority with ongoing improvements in communications to our supporters. Our fundraising strategy has continued to produce good results by having a balanced approach, not reliant on any one funder or channel. Numerous events also took place to increase funds and to increase awareness of our work.

We have also sought to maximise press and television news opportunities and social media opportunities to make our supporters and the wider public aware of our work and why it is necessary.

We are members of the Fundraising Standards Board and have their logo on all our communications. This is a mark of reassurance for all our donors and shows we are members of a UK wide charity body of self-regulation and, as such, must adhere to their code of conduct and practices.

#### **FINANCIAL REVIEW**

The Statement of Financial Activities shows net income for the year of £428,514 (2015 - net income of £243,889). A total of £2,816,735 was retained in accumulated funds at the year end (2015 - £2,388,221).

#### **Principal funding sources**

The charity's funding comes from gifts, legacies and grants in addition to income generated from the charity's charitable activities.

**Glasgow City Mission**  
**Directors' Annual Report**  
**for the year ended 30 June 2016**

**Reserves policy**

The Board have decided to continue with the revised unrestricted general reserve of approximately 6 months income which is £500,000. Any excess or deficit in the general fund will be transferred to a 'Special Fund' to be used for special projects as determined by the Board.

In line with the policy in previous years, the book value of fixed assets is contained within the Designated Fixed Assets Fund, for the reason that this fund represents assets unavailable to be spent.

**Investment policy**

Funds built up in accordance with the reserves policy above will be held in investment vehicles which are secure and readily realisable and provide a balance of income and capital growth. Restricted Funds will be held in a form appropriate to the purpose of the fund and the timing of the related expenditure. At present all funds are held in interest bearing bank accounts.

**PLANS FOR FUTURE PERIODS**

As stated in our five year plan, 'Who we are, where we're going 2016 -2020', over the next five years we will:

- Grow our Child and Family Centre to strengthen more vulnerable families and give more children in our city the best start possible.
- Launch a feasibility study into providing supported accommodation.
- Make the case for issue-based advocacy to speak up for our clients facing difficulties.
- Grow our services and partnerships to extend the reach and effectiveness of our work.
- Ensure we have the right ratio of staff 'one to one' engagement to see real change in our clients' lives.
- Ensure our staff and volunteers are well trained and supported to deliver high standards of care.

**Glasgow City Mission**  
**Directors' Annual Report**  
**for the year ended 30 June 2016**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Trustees (who are also Directors of Glasgow City Mission for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors 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 Directors are required to:

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

The Directors 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. 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.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

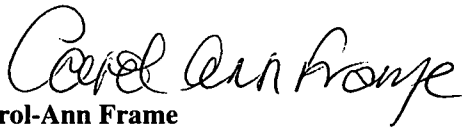
**Auditors**

A resolution proposing that Alexander Sloan, Chartered Accountants, be reappointed as auditors of the charitable company will be put to the Annual General Meeting.

**Glasgow City Mission**  
**Directors' Annual Report**  
**for the year ended 30 June 2016**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Directors on 25 January 2017 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Carol Ann Frame', written in a cursive style.

**Carol-Ann Frame**  
**Secretary**

## **Glasgow City Mission**

### **Independent Auditor's Report to the Directors of Glasgow City Mission**

We have audited the financial statements of Glasgow City Mission for the year ended 30 June 2016 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 preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made exclusively to the charitable company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's Directors, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the members and the charity's Directors 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 charity, its members as a body and its Directors 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 in the Directors' Annual Report), the Directors (who are also the Trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 24 to the financial statements.

#### **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 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 Directors' Annual Report 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 30 June 2016 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 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).



## **Glasgow City Mission**

### **Independent Auditor's Report to the Directors of Glasgow City Mission (continued)**

#### **Matters on which we are required to report by exception**

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 information given in the Directors' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
- 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' Annual Report and take advantage of the small companies exemption in preparing the Strategic Report.

We have nothing to report in respect of these matters.



**Mark Mulholland (Senior Statutory Auditor)**

**for and on behalf of**

**Alexander Sloan**

**Chartered Accountants and**

**Statutory Auditor**

**Date: 25.1.17**

**38 Cadogan Street**

**Glasgow**

**G2 7HF**

Alexander Sloan is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

**Glasgow City Mission**

**Statement of Financial Activities**  
**(incorporating Income and Expenditure Account)**

**for the year ended 30 June 2016**

		Unrestricted		Restricted	2016	2015
		General	Designated			
		funds	funds	funds	Total	Total
Notes		£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and legacies	2	1,228,583	-	232,324	1,460,907	1,047,325
Other trading activities	3	21,484	-	-	21,484	33,058
Investment income	4	4,027	-	-	4,027	3,351
<b>Total income</b>		<u>1,254,094</u>	<u>-</u>	<u>232,324</u>	<u>1,486,418</u>	<u>1,083,734</u>
<b>Expenditure on:</b>						
Raising funds	5	(120,259)	(951)	-	(121,210)	(110,553)
Charitable activities	6	(674,176)	(45,515)	(217,003)	(936,694)	(729,292)
<b>Total expenditure</b>		<u>(794,435)</u>	<u>(46,466)</u>	<u>(217,003)</u>	<u>(1,057,904)</u>	<u>(839,845)</u>
<b>on investments</b>		<u>459,659</u>	<u>(46,466)</u>	<u>15,321</u>	<u>428,514</u>	<u>243,889</u>
<b>Net income/(expenditure)</b>						
<b>before transfers between funds</b>		<u>459,659</u>	<u>(46,466)</u>	<u>15,321</u>	<u>428,514</u>	<u>243,889</u>
Transfers between funds		(259,659)	259,659	-	-	-
<b>Net movement in funds</b>		<u>200,000</u>	<u>213,193</u>	<u>15,321</u>	<u>428,514</u>	<u>243,889</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>300,000</u>	<u>2,087,678</u>	<u>543</u>	<u>2,388,221</u>	<u>2,144,332</u>
<b>Total funds carried forward</b>		<u>500,000</u>	<u>2,300,871</u>	<u>15,864</u>	<u>2,816,735</u>	<u>2,388,221</u>

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

The notes on pages 19 to 32 form an integral part of these financial statements.

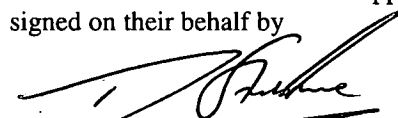
# Glasgow City Mission

## Balance Sheet as at 30 June 2016

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	14	1,661,998	1,708,464
<b>Current assets</b>			
Debtors	15	5,024	4,215
Cash at bank and in hand		1,183,380	703,883
		1,188,404	708,098
<b>Liabilities</b>			
Creditors: amounts falling due within one year	16	(33,667)	(28,341)
<b>Net current assets</b>		1,154,737	679,757
<b>Net assets</b>		2,816,735	2,388,221
<b>The funds of the charity</b>			
Unrestricted funds			
General funds	18	500,000	300,000
Designated funds	19	2,300,871	2,087,678
Restricted funds	20	15,864	543
<b>Total charity funds</b>		2,816,735	2,388,221

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Directors on 25 January 2017 and signed on their behalf by



D S Frame

Director

Registered number: SC140322

The notes on pages 19 to 32 form an integral part of these financial statements.

## Glasgow City Mission

### Cash Flow Statement for the year ended 30 June 2016

Notes	2016 £	2015 £
<b>Reconciliation of net income/(expenditure) to net cashflow from operating activities</b>		
Net income/(expenditure) (per the Statement of Financial Activities)	428,514	243,889
Depreciation	46,466	47,395
Dividends, interest and rents from investments	(4,027)	(3,351)
Loss/(profit) on sale of fixed assets	-	(1,093)
(Increase) in debtors	(809)	1,580
Increase in creditors	5,326	(37,291)
<b>Net cash provided by/(used in) operating activities</b>	<u>475,470</u>	<u>251,129</u>
<b>Cash flow statement</b>		
Net cash inflow from operating activities	475,470	251,129
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	4,027	3,351
Proceeds from the sale of property, plant and equipment	-	4,000
Purchase of property, plant and equipment	-	(18,801)
<b>Net cash provided by/(used in) investing activities</b>	<u>4,027</u>	<u>(11,450)</u>
<b>Change in cash and cash equivalents in the reporting period</b>	479,497	239,679
<b>Cash and cash equivalents at the beginning of the reporting period</b>	703,883	464,204
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>1,183,380</u>	<u>703,883</u>
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## **Glasgow City Mission**

### **Notes to the Financial Statements for the year ended 30 June 2016**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant Notes to these financial statements. 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 Financial Reporting Standard 102 (effective January 2015), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

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

##### **1.2. Fund accounting**

Funds are classified as either restricted funds or unrestricted funds, defined as follows.

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Endowment funds are funds which have been given on the condition that the original capital sum is not reduced, but the income therefrom is used for the purpose defined in accordance with the objects of the charity.

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the Trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Trustees' discretion to apply the fund.

##### **1.3. Income**

All 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.

## **Glasgow City Mission**

### **Notes to the Financial Statements for the year ended 30 June 2016**

#### **1.4. Donations and legacies**

Donations are recognised when the charity has evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Entitlement usually arises immediately upon receipt, however, 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 must be recognised when it is probable that it will be received. This is normally following the granting of probate, when the administrator/executor of the estate has communicated in writing both the amount and settlement date and any conditions attached to the legacy are either within the control of the charity or have been met. 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.

#### **1.5. Grants receivable**

Income from government and other grants, whether 'capital' or 'revenue' in nature, are recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received, the amount can be measured reliably. Unconditional entitlement will be achieved once any performance or other conditions attached to the grants have been met, or fulfilment of those conditions is wholly within the control of the charity.

Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **1.6. Volunteers**

General volunteer time is not recognised - refer to the trustees' annual report for more information about their contribution.

#### **1.7. Gift Aid**

Income tax recoverable on Gift Aid donations is recognised when the respective donation has been recognised and the recoverable amount of income tax can be measured reliably; this is normally when the donor has completed the relevant Gift Aid declaration form. Income tax recoverable on Gift Aid donations is allocated to the same fund as the respective donation unless specified by the donor.

#### **1.8. Charitable Activities**

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Income from charitable activities is recognised as earned (as the related goods or services are provided).

## **Glasgow City Mission**

### **Notes to the Financial Statements for the year ended 30 June 2016**

#### **1.9. Other trading activities**

Income from other trading activities includes income earned from both trading activities to raise funds for the charity and income from fundraising events and is recognised when the charity has entitlement to the funds, it is probable that these will be received and the amounts can be measured reliably.

#### **1.10. Investment income**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **1.11. Expenditure**

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 or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

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.

#### **1.12. Raising Funds**

Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It includes the costs of all fundraising activities and events together with those costs incurred in seeking donations, grants and legacies.

#### **1.13. Charitable Activities**

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of direct service provision.

#### **1.14. Support costs**

Support costs are incurred supporting the charity's activities and include expenditure associated with administrative and finance functions, business support, HR, IT and governance. These support functions are shared across the charity's activities and are apportioned across those activities in order to arrive at the full cost for each reported activity. The method of apportionment adopted by the charity are outlined in the notes to the financial statements.

## **Glasgow City Mission**

### **Notes to the Financial Statements for the year ended 30 June 2016**

#### **1.15. Governance costs**

Governance costs (which are included as a component of support costs in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination), strategic management, and other legal and professional fees.

#### **1.16 Activity based reporting**

To comply fully with the Statement of Recommended Practice would require income and expenditure to be reported by activity. Further details can be found in the notes to the financial statements.

#### **1.17. Pensions**

The company operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they fall due.

#### **1.18. Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

#### **1.19. Tangible fixed assets and depreciation**

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

Land and buildings	-	Straight line over 50 years
Fixtures, fittings and equipment	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Computer hardware	-	50% straight line
Office equipment	-	25% reducing balance

#### **1.20. Leasing**

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



# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 2. Donations and legacies

	2016	2015
	£	£
Gift Income	531,798	457,139
City Centre	18,000	49,070
Child & Family Centre	96,523	104,592
Night Shelter	117,801	51,942
Legacies	500,432	207,915
Grants	196,353	176,667
	<u>1,460,907</u>	<u>1,047,325</u>

### 3. Other trading activities

	2016	2015
	£	£
Fundraising events	21,484	33,058
	<u>21,484</u>	<u>33,058</u>

### 4. Investment income

	2016	2015
	£	£
Interest received	4,027	3,351
	<u>4,027</u>	<u>3,351</u>

# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 5. Raising Funds

	2016	2015
	£	£
Wages and salaries	75,665	69,791
Employer's NI contributions	7,523	6,883
Staff pension costs	4,684	3,970
Library & training	136	142
Death in Service benefit	-	846
Subscriptions	416	806
Printing, postage and stationery	6,809	8,206
Publicity and website	13,730	11,590
Telephone	46	99
Computer costs	525	1,780
Motor expenses	897	944
Travelling expenses	8	-
Legal and professional	2,571	1,763
Consultancy fees	1,176	891
Finance charges	131	227
Bank charges	-	4
General expenses	3,061	856
Fundraising activities	3,488	1,416
Depreciation	344	558
(Gain)/Loss on disposal of assets	-	(219)
	<u>121,210</u>	<u>110,553</u>

### 6. Costs of charitable activities

	2016	2015
	£	£
Staff costs	612,357	471,998
Premises costs	86,332	80,362
Running costs	161,249	97,870
Motor and travel costs	5,477	3,572
Legal and professional fees	8,617	14,483
Interest and finance charges	1,185	904
Depreciation	46,122	46,837
(Gain)/loss on disposal of assets	-	(874)
Governance Costs	15,355	14,140
	<u>936,694</u>	<u>729,292</u>

# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 7. Analysis of charitable expenditure by activity

Activity or Programme	Activities undertaken directly £	Support costs £	2016 Total £	2015 Total £
City Centre	462,130	134,637	596,767	491,110
Child and Family Centre	157,809	85,510	243,319	183,740
Night Refuge	96,608	-	96,608	54,442
	<u>716,547</u>	<u>220,147</u>	<u>936,694</u>	<u>729,292</u>

### 8. Analysis of support costs by charitable activity

Activity or programme	Staff Costs £	Governance Costs £	Legal & Pro Costs £	Finance Costs £	Running Costs £	2016 Total £	2015 Total £
City Centre	85,403	15,355	3,123	667	30,090	134,638	106,295
Child and Family Centre	68,571	-	1,562	334	15,042	85,509	71,027
	<u>153,974</u>	<u>15,355</u>	<u>4,685</u>	<u>1,001</u>	<u>45,132</u>	<u>220,147</u>	<u>177,322</u>

### 9 Auditor's Remuneration

	2016 £	2015 £
Statutory audit	4,310	3,620
Accountancy	1,500	1,300
	<u>5,810</u>	<u>4,920</u>

# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 10. Net income/(expenditure) for the year

	2016 £	2015 £
Net income is stated after charging:		
Depreciation and other amounts written off tangible assets	46,466	47,395
Operating lease rentals		
- Plant and machinery	6,809	8,206
Auditors' remuneration	4,310	3,620
	<u>          </u>	<u>          </u>
and after crediting:		
Profit on disposal of tangible fixed assets	-	1,093
	<u>          </u>	<u>          </u>

### 11. Employees

#### Number of employees

The number of employees during the year were:

2016 Number	2015 Number
30	24
<u>          </u>	<u>          </u>

#### Employment costs

	2016 £	2015 £
Wages and salaries	625,880	487,775
Social security costs	47,975	41,674
Other pension costs	33,765	30,311
	<u>707,620</u>	<u>559,760</u>

There were no employees who received remuneration of over £60,000 in the period.

	2016 £	2015 £
Total Key Management Personnel remuneration benefits	<u>46,798</u>	<u>45,855</u>

No director nor any persons connected to them received emoluments or any reimbursement of any expenses during the year.

# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 13. Pension costs

The pension charge represents contributions due from the company and amounted to £29,893 (2015 - £28,096). At 30 June 2016, outstanding pension payments totalled £2,082 (2015 - £2,082).

14. Tangible fixed assets	Land and buildings freehold £	Short leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Computer hardware £	Total £
<b>Cost</b>						
At 1 July 2015	2,355,242	10,733	62,725	16,960	49,461	2,495,121
At 30 June 2016	2,355,242	10,733	62,725	16,960	49,461	2,495,121
<b>Depreciation</b>						
At 1 July 2015	692,277	9,161	46,758	2,515	35,946	786,657
Charge for the year	36,949	327	1,298	3,348	4,544	46,466
At 30 June 2016	729,226	9,488	48,056	5,863	40,490	833,123
<b>Net book values</b>						
At 30 June 2016	1,626,016	1,245	14,669	11,097	8,971	1,661,998
At 30 June 2015	1,662,965	1,572	15,967	14,445	13,515	1,708,464

In June 2009, property at Crimea Street, Glasgow, was donated to the charity. The property was included within Heritable & Leasehold Property at a Trustees' valuation of £2.3 million. The property was independently valued at £1.7m, as at October 2014, on an open market basis by Christie & Co. All other properties are incorporated at cost.

### 15. Debtors

	2016 £	2015 £
Other debtors	2,793	1,970
Prepayments and accrued income	2,231	2,245
	<u>5,024</u>	<u>4,215</u>

# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 16. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	4,807	3,494
Other taxes and social security costs	13,154	12,177
Accruals and deferred income	15,706	12,670
	<u>33,667</u>	<u>28,341</u>

### 17. Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 30 June 2016 as represented by:				
Tangible fixed assets	-	1,661,998	-	1,661,998
Current assets	529,417	638,873	20,114	1,188,404
Current liabilities	(29,417)	-	(4,250)	(33,667)
	<u>500,000</u>	<u>2,300,871</u>	<u>15,864</u>	<u>2,816,735</u>

### 18. Unrestricted General Funds

	1 Jul '15 £	Income £	Expenditure £	Transfers £	30 Jun '16 £
General Fund	300,000	1,254,094	(794,435)	(259,659)	500,000
	<u>300,000</u>	<u>1,254,094</u>	<u>(794,435)</u>	<u>(259,659)</u>	<u>500,000</u>

### Purposes of General Funds

#### General Fund

This fund is used for the furtherance of the objects of the company.

# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 19. Unrestricted Designated Funds

	1 Jul '15 £	Expenditure £	Transfers £	30 Jun '16 £
Fixed asset fund	1,708,464	(46,466)	-	1,661,998
Special fund	379,214	-	259,659	638,873
	<u>2,087,678</u>	<u>(46,466)</u>	<u>259,659</u>	<u>2,300,871</u>

### Purposes of Designated Funds

#### *Fixed asset fund*

This fund represents the net book value of the fixed assets.

#### *Special fund*

This fund is to be used for special projects as determined by the Board.

## Glasgow City Mission

### Notes to the Financial Statements for the year ended 30 June 2016

#### 20. Restricted funds

	1 Jul '15 £	Income £	Expenditure £	30 Jun '16 £
City Centre Fund	-	18,000	(18,000)	-
Child and Family Centre Fund	-	96,523	(96,523)	-
Child and Family Centre Capital Fund	75	-	-	75
Child and Family Center Boiler Fund	468	-	-	468
Night Refuge	-	117,801	(102,480)	15,321
	<u>543</u>	<u>232,324</u>	<u>(217,003)</u>	<u>15,864</u>

#### Purposes of restricted funds

##### *City Centre Fund*

Income received for activities/projects undertaken in the City Centre are allocated to this fund.

##### *Child and Family Centre Fund*

This represents income received for the day to day running of the Child and Family Centre at 4 St. Kenneth Drive.

##### *Child and Family Centre Capital Fund*

This represents the balance of funds held for capital expenditure in accordance with the original grant provision.

##### *Child and Family Center Boiler Fund*

The income of this fund represents a donation made to purchase a boiler for the Child & Family Centre. The net book value has been transferred at the year end to the Fixed Assets Fund, which represents the net book value of the total Fixed Assets.

##### *Night Refuge*

Funds were received in the year towards the running of a Night Shelter which saw the charity open its premises to homeless men and women during the harsh winter weather.



# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 21. Financial commitments

At 30 June 2016 the charity had total commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
<b>Obligations due:</b>		
Within one year	120	120
Between one and five years	3,821	5,731
	<u>3,941</u>	<u>5,851</u>

### 22. Related party transactions

There were no related party transactions in the reporting year requiring disclosure.

### 23. Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	703,883	479,497	1,183,380
<b>Total cash and cash equivalents</b>	<u>703,883</u>	<u>479,497</u>	<u>1,183,380</u>

### 24. Ethical matters

In common with many other charities of our size and nature, we use our auditors to assist with the preparation of the financial statements.

### 25. Transition to FRS 102 SORP 2015

Due to the application of the Financial Reporting Standard 102 and the related Statement of Recommended Practice: Accounting and Reporting by Charities, the prior year figures have been restated to reflect the required reporting categories. This has resulted in Governance Costs being reclassified within the costs of Charitable Activities. There has been no change to the previously reported surplus or closing reserves.

# Glasgow City Mission

## Notes to the Financial Statements for the year ended 30 June 2016

### 26. Statement of Financial Activities for the year ended 30 June 2015

	Unrestricted General funds £	Designated funds £	Restricted funds £	2015 Total £
<b>Income and endowments from:</b>				
Donations and legacies	841,721	-	205,604	1,047,325
Other trading activities	33,058	-	-	33,058
Investment income	3,351	-	-	3,351
<b>Total income</b>	<u>878,130</u>	<u>-</u>	<u>205,604</u>	<u>1,083,734</u>
<b>Expenditure on:</b>				
Raising funds	(110,200)	(353)	-	(110,553)
Charitable activities	(475,224)	(45,963)	(208,105)	(729,292)
<b>Total expenditure</b>	<u>(585,424)</u>	<u>(46,316)</u>	<u>(208,105)</u>	<u>(839,845)</u>
<b>Net income/(expenditure)</b>	<u>292,706</u>	<u>46,316</u>	<u>2,501</u>	<u>243,889</u>
Transfers between funds	(292,706)	290,205	2,501	-
<b>Reconciliation of funds</b>				
Total funds brought forward	<u>300,000</u>	<u>1,843,789</u>	<u>543</u>	<u>2,144,332</u>
<b>Total funds carried forward</b>	<u>300,000</u>	<u>2,087,678</u>	<u>543</u>	<u>2,388,221</u>