



Bethany  
Christian  
Trust

# **BETHANY CHRISTIAN TRUST**

**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND CONSOLIDATED  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2011**

**Charity Number SCO03783  
Company Number SC228528**



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**Bethany Christian Trust  
Financial Statements  
For the Year Ended 31 March 2011**

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**Bethany Christian Trust  
Directors' Report  
For the Year Ended 31 March 2011**

**Registered Name**

Bethany Christian Trust

**Scottish Charity Number**

Charity no: SC003783

**Address**

65 Bonnington Road, Edinburgh, EH6 5JQ

**Directors' names on date report approved**

Rev J Balfour  
Rev A O Berry - Honorary President  
Mr N S M Berry  
Mr R Gordon - Chairman  
Mr C Smith - Honorary Treasurer  
Mr I Smith – Deputy Chairman  
Mrs A Stormont  
Mrs S E Stanger

**Any other Directors during the year**

None

**Chief Executive and Company Secretary**

Mr I C Gordon

**Bankers**

Bank of Scotland plc, Community Banking, 2<sup>nd</sup> Floor, St Andrew Square, Edinburgh, EH2 2YR

**Solicitors**

Balfour & Manson LLP, 54-66 Frederick Street, Edinburgh, EH2 1LS

**Auditors**

Scott-Moncrieff, Exchange Place 3, Semple Street, Edinburgh, EH3 8BL

**Structure, Governance & Management**

Bethany Christian Trust is a company limited by guarantee with memorandum and articles of association as its governing document.

An analysis of the skills held by the Directors and those required by the organisation has been undertaken. When there is a vacancy on the board the skills gap is taken into consideration when recruiting new members of the Board.

In order to perform its functions, the Board requires that a broad mix of skills, experience, gifts and abilities is represented at any time within its membership which should have regard to geographical and gender balance.

**Bethany Christian Trust  
Directors' Report  
For the Year Ended 31 March 2011**

Prior to election/appointment, each nominee is given adequate briefings on the structure and organisation of the Company; role of the Board; an overview of plans and finances and an opportunity to observe a meeting or meetings of the Board.

Bethany Christian Trust has a Board made up of its Non-Executive Directors of the Company, who are the Trustees of the Charity. The Executive Management Team is in attendance at Board meetings. The role of the Board is to lead the organisation toward the desired performance and ensure that it occurs. The Board's specific contributions are unique to its non-executive directorship role and necessary for proper governance and management.

The business of the Company is managed by the Board which exercises all powers of the Company and undertakes on behalf of the Company all activities of the Company.

Committees are used to help make the Board more effective and efficient. They complement the Board's job and do not interfere with delegation from Board to Chief Executive. The committees currently include a General Purpose Committee, a Remuneration Committee and a Finance Committee.

The Board have appointed a Chief Executive who is responsible for the appointment of other members of the Executive Management Team, in consultation with the Chairman and such other members as may be appointed by the Council. The Board's role is generally confined to establishing the broadest policies of the Company; implementation and subsidiary policy development is delegated to the Chief Executive.

#### **Subsidiaries & Related parties**

Bethany Christian Trust has a wholly owned trading subsidiary, Bethany Enterprises Limited. This made a loss during the year so no Gift Aid is to be paid to the parent company.

Bethany Christian Trust also holds 100% of the equity in Requipit Ltd, a company registered in February 2005. Its main activity is the refurbishment, repair and selling of electrical goods. The Directors have kept the operation of this company under review for the last year and, as a result of continuing losses, made the decision to close the company and put it into liquidation on 28 February 2011.

The care van is operated jointly with Edinburgh City Mission, 9 Pilrig Street, Edinburgh. A surplus for the year of £355 and funds at 31 March 2011 amounting to £5,594 are not reflected in these financial statements.

#### **Risks**

The Directors conduct regular reviews of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a strategic plan which allows for the diversification of funding and activities. Internal risks have been minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

**Bethany Christian Trust  
Directors' Report  
For the Year Ended 31 March 2011**

The external inspection and validation of agencies such as SCSWS, the auditors and Investors in people help to ensure that risks are adequately controlled.

**Objectives & Activities**

The Company exists to relieve the suffering and meet the long-term needs of homeless and vulnerable people. Its vision is that through Christian love in action homelessness will be reduced and vulnerable people will be empowered to live independently in society.

We have seven levels of care:

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Street work</li></ul>              | <ul style="list-style-type: none"><li>• Nightly food, blankets and clothing</li><li>• Drop in centres providing basic support, addiction and housing advice</li></ul>  |
| <ul style="list-style-type: none"><li>• Emergency accommodation</li></ul>  | <ul style="list-style-type: none"><li>• Basic accommodation, hot meals and advice from November-March</li><li>• Resettlement hostel</li></ul>  |
| <ul style="list-style-type: none"><li>• Specialist units</li></ul>         | <ul style="list-style-type: none"><li>• Residential addictions unit for men</li><li>• Resettlement hostel for young men</li><li>• Supported hostel for young women</li></ul>   |
| <ul style="list-style-type: none"><li>• Supported housing</li></ul>        | <ul style="list-style-type: none"><li>• Providing accommodation for individuals and families</li><li>• Supporting vulnerable people to maintain their homes</li></ul>  |
| <ul style="list-style-type: none"><li>• Home furniture provision</li></ul> | <ul style="list-style-type: none"><li>• Furniture project for people on low income</li></ul>   |
| <ul style="list-style-type: none"><li>• Community Education</li></ul>      | <ul style="list-style-type: none"><li>• Bridging the gap between homeless services and formal education</li><li>• Supporting vulnerable people through formal education</li><li>• Facilitating volunteering and employment opportunities</li></ul> |
| <ul style="list-style-type: none"><li>• Community integration</li></ul>    | <ul style="list-style-type: none"><li>• Providing networks and skills to prevent homelessness</li><li>• Employment, apprenticeships and volunteering placements</li></ul>  |

**Bethany Christian Trust  
Directors' Report  
For the Year Ended 31 March 2011**

**Contribution of volunteers**

During the year the following numbers of people volunteered to help the charity:

Non-Executive Directors	8	All of the non-executive directors of the Company provide their time voluntarily
Care Van	750	Serving soup and rolls every night
Night Shelters	833	Catering an evening meal for the night shelters
Occasional Volunteers	665	Helping in all aspects of the charity including shops, residential, community education and Christmas Trees
Full time volunteers	4	Usually Gap year students helping in residential services

**Achievements and Performance**

<b>Objective</b>	<b>Goals</b>	<b>Performance</b>
Establish and develop property and other infrastructure required to support organisational growth	New administration software	Implement a new HR& Payroll database; new finance package; new website; new telephony system to aid management information
Establish and develop property and other infrastructure required to support organisational growth	New West Lothian property	Kharis Court in Bathgate completed on time and on budget with high spec for residential and floating support provision for Service Users
Innovative and expansive development	Retain IIP	Retained Gold Award reflecting understanding and commitment to the organisational aims Actively working towards Investing in Volunteers.
Be a recognised attractive organisation to work and volunteer for by 31/3/11		
-Implement a new project	Dumfries project – secure funding in order to develop drop-in facility	Funding was secured through more than one funder allowing the expansion of our work in Dumfries
-Secure significant income from a new source of funding		
Improve key outcomes from existing locations by 5%	Support and development of service users	Developing an After-service report for the first 4 weeks after residents leave the unit
Increase funding from non-statutory income streams	Increase profit from shops by 10% annually	Following a review of how we operate our pick-up and delivery service the profit from the shops increased dramatically.
Build an organisational culture that encourages responsible innovation	Create a robust volunteer programme	Increased number of volunteers and achieved funding to employ a volunteer co-ordinator

**Bethany Christian Trust  
Directors' Report  
For the Year Ended 31 March 2011**

Build an organisational culture that encourages responsible innovation	Establish a green team	By publicising the ideas and encouraging involvement, commitment has increased across the units to energy saving initiatives.
Identify needs and gaps in service provision	Contribute to process of identifying gaps through service user feedback and experience of staff team.	Collation of suggested service gaps across the sector in Edinburgh, based on the combined views of the service user group and the staff team's experience of available service provision. Met through the completion of the service users' forum 09 and the appreciative inquiry conducted by the staff teams at the Away Days May 10, identifying gaps in services and desirable improvements.

**Fundraising activities**

Voluntary income has increased this year by 36% (from £949,733 to £1,289,222) this includes a large legacy and a grant from Scottish Investment fund to support the development of the organisation.

Shop profitability has also increased greatly this year with a reorganisation of the logistics operation and a refocus on the basics of charity shop retailing.

**Financial Review**

The deficit for the year is £153,833 (2010 deficit - £129,250) as stated in the Consolidated Income and Expenditure Account and Statement of Financial Activities.

The accounts have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

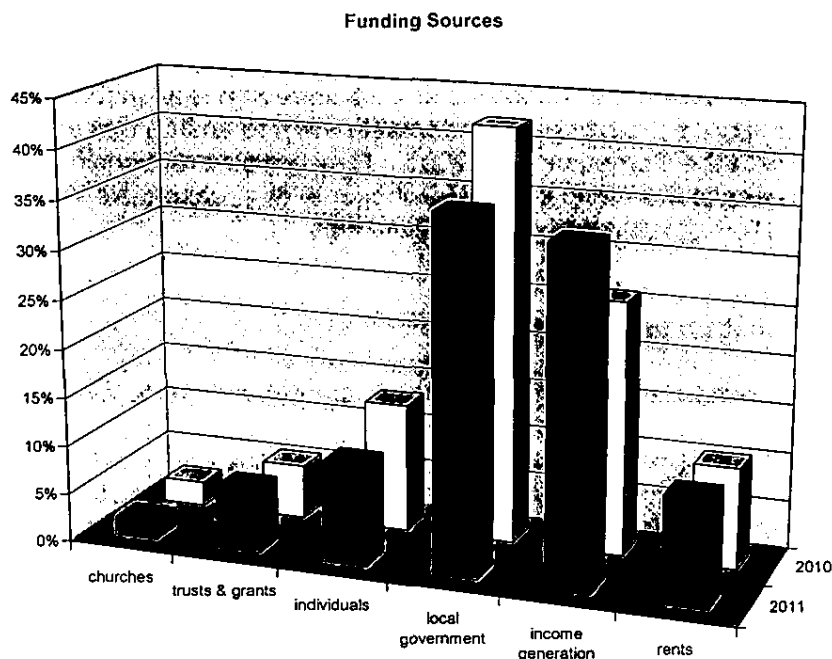
The assets of the charity are available and adequate to fulfil the obligations of the charity.

**Policy on reserves**

The Directors have established a policy whereby the unrestricted funds not committed or invested in fixed assets (the 'free reserves') held by the charity should be between 2 and 3 months of the resources expended, which equates to £1,026,182 to £1,539,273 in general funds. At this level, the Directors consider that the company would be able to continue its current activities in the event of a significant drop in funding. Should this occur the Directors will consider at that time how the funding would be replaced or activities changed. At present there are no free reserves but the Directors have determined ways in which such reserves could be raised.

**Bethany Christian Trust  
Directors' Report  
For the Year Ended 31 March 2011**

**Principal funding sources**



**Plans for future periods**

The Board have agreed the strategic plan for the three year period from 2009 to 2012. The main strategies in that plan, from which targets will be set each year, are as follows:

- Strategy one:** Established in target urban centres.
- Strategy two:** Whole community involvement.
- Strategy three:** Innovative and expansive development.
- Strategy four:** Effective communication to all groups.
- Strategy five:** Resources to continue and grow

**Directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;



**Bethany Christian Trust  
Directors' Report  
For the Year Ended 31 March 2011**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

As far as each of the directors at the time the report is approved are aware:

- a) There is no relevant information of which the company's auditors are unaware and
- b) The directors have taken all 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 the information.


**Auditors**

A resolution to re-appoint Scott-Moncrieff, Chartered Accountants as auditors will be put to the members at the annual general meeting.

Approved by the Directors on

and signed on their behalf by order of  
the Board

7 July 2011

  
..... Secretary  
I C Gordon

**Bethany Christian Trust**  
**Independent Auditors' Report to the Members and Trustees**  
**For the year ended 31 March 2011**

We have audited the consolidated financial statements of Bethany Christian Trust for the year ended 31 March 2011 which comprise the consolidated and parent Statement of Financial Activities, consolidated and parent company Balance Sheets, consolidated Cash Flow Statement and 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 members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006 and to the company'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 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's directors 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 and its members and directors as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Directors' responsibilities set out on page 8 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom 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 group's and the parent 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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

**Bethany Christian Trust**  
**Independent Auditors' Report to the Members and Trustees - continued**  
**For the year ended 31 March 2011**

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2011 and of the group's and the parent charitable company's

incoming resources and application of resources, including the group's and the parent's 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 regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

In our opinion the information given in the Directors' 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 parent 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 parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Scott-Moncrieff*

**Gillian Donald (Senior statutory auditor)**  
**For and on behalf of Scott-Moncrieff, Statutory Auditor**  
**Chartered Accountants**  
**Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006**  
**Exchange Place 3**  
**Seample Street**  
**Edinburgh**  
**EH3 8BL**

7 July 2011

**BETHANY CHRISTIAN TRUST**  
**Consolidated Income and Expenditure Account**  
**and Statement of Financial Activities**  
**For the year ended 31 March 2011**

		Unrestricted funds		Discontinued activities	Restricted funds	2011	2010
Note	Designated £	General £		£	£	Total £	Total £
<b>Incoming resources</b>							
<b>Incoming resources from generated funds</b>							
Voluntary Income	98,000	828,768		0	362,454	1,289,222	949,733
Retail Income	0	1,346,498		384,596	0	1,731,093	1,990,002
Investment Income	0	1,689		0	0	1,689	4,347
<b>Incoming resources from charitable activities</b>							
	0	2,906,843		0	70,000	2,976,843	3,099,965
	98,000	5,083,798		384,596	432,454	5,998,848	6,044,047
<b>Resources expended</b>							
<b>Costs of generating funds</b>							
Costs of generating voluntary income	0	301,521		0	0	301,521	273,753
Retail Expenditure	0	1,130,552		558,164	0	1,688,716	1,803,805
Cost of activities to further the Charity's objects	2	0	3,577,075	0	477,878	4,054,953	4,055,501
Organisational Development	69,933	0		0	0	69,933	0
Governance	0	42,895		0	0	42,895	40,238
<b>Total resources expended</b>	69,933	5,052,043		558,164	477,878	6,158,018	6,173,297
<b>(Deficit)/Surplus for the year</b>	28,067	31,755		(173,568)	(45,424)	(159,170)	(129,250)
Sale of Fixed Asset	0	95,812		0	0	95,812	130,442
	28,067	127,567		(173,568)	(45,424)	(63,358)	1,192
Balances acquired at 1 April 2010							
	2,546,219	(119,989)		0	75,226	2,501,456	2,500,264
Balances carried forward at 31 March 2011							
	2,574,286	7,578		(173,568)	29,802	2,438,098	2,501,456

The notes on pages 16 to 23 form part of these financial statements  
The results for the year relate to continuing activities, other than the discontinued activities as noted.  
There are no recognised gains or losses other than as stated above.

**BETHANY CHRISTIAN TRUST**  
**Income and Expenditure Account**  
**and Statement of Financial Activities**  
**For the year ended 31 March 2011**

	Notes	Unrestricted funds		Restricted funds	2011 Total	2010 Total
		Designated £	General £	£	£	£
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
Voluntary Income		98,000	828,768	362,454	1,289,222	1,050,938
Activities for generating funds		0	1,199,719	0	1,199,719	1,174,014
Investment Income		0	1,689	0	1,689	4,347
<b>Incoming resources from charitable activities</b>						
		0	2,906,843	70,000	2,976,843	3,135,038
		98,000	4,937,019	432,454	5,467,473	5,364,337
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Costs of generating voluntary income		0	301,521	0	301,521	273,753
Retail Expenditure		0	953,632	0	953,632	992,179
Organisation Development		69,933	0	0	69,933	0
Cost of activities to further the Charity's objects		0	3,570,178	477,878	4,048,056	4,093,948
Governance		0	42,895	0	42,895	32,488
<b>Total resources expended</b>		69,933	4,868,226	477,878	5,416,037	5,392,368
<b>(Deficit)/Surplus for the year</b>		28,067	68,793	(45,424)	51,436	(28,031)
Sale of Fixed Asset		0	95,812	0	95,812	130,442
Loss on disposal of investment	3		(302,648)		(302,648)	0
		28,067	(138,043)	(45,424)	(155,400)	102,411
<b>Balances acquired at 1 April 2010</b>						
		2,546,219	133,794	75,226	2,755,239	2,652,828
<b>Balances carried forward at 31 March 2011</b>						
		2,574,286	(4,249)	29,802	2,599,839	2,755,239

The notes on pages 16 to 23 form part of these financial statements  
The results for the year relate to continuing activities.  
There are no recognised gains or losses other than as stated above.

**Bethany Christian Trust**  
**Consolidated Balance Sheet**  
**As at 31 March 2011**

	Notes	2011 £	2010 £
<b>Fixed assets</b>			
Tangible Assets	8	4,433,745	4,122,463
Investment	9	0	0
		<u>4,433,745</u>	<u>4,122,463</u>
<b>Current assets</b>			
Stock		56,923	42,002
Debtors	10	265,971	267,935
Cash at bank and in hand		12,764	324,709
		<u>335,658</u>	<u>634,646</u>
<b>Creditors:</b>			
Amounts falling due within one year	11	(790,708)	(590,754)
<b>Net current (liabilities)/assets</b>		<u>(455,051)</u>	<u>43,892</u>
<b>Total assets less current liabilities</b>		<u>3,978,695</u>	<u>4,166,355</u>
<b>Creditors:</b>			
Amounts falling due after more than one year	12	(1,540,597)	(1,664,899)
<b>Net Assets</b>	15	<u>2,438,098</u>	<u>2,501,456</u>
<b>Funds</b>			
Unrestricted funds			
Designated	15	2,574,286	2,546,219
General		(165,990)	(119,989)
Restricted funds	15	29,802	75,226
		<u>2,438,098</u>	<u>2,501,456</u>

The notes on pages 16 to 23 form part of these financial statements

These Financial Statements were authorised for issue and approved by the board on:

7 July 2011 Date

  
 .....  
 Robert Gordon  
 Chairman

Company Number SC228528

**Bethany Christian Trust**  
**Balance Sheet**  
**As at 31 March 2011**

	Notes	2011 £	2010 £
<b>Fixed assets</b>			
Tangible Assets	8	4,358,216	4,027,697
Investment	9	100	100
		<u>4,358,316</u>	<u>4,027,797</u>
<b>Current assets</b>			
Stock		9,906	7,400
Debtors	10	245,978	230,228
Cash at bank and in hand		12,149	320,568
		<u>268,033</u>	<u>558,196</u>
<b>Creditors:</b>			
Amounts falling due within one year	11	(452,148)	(368,302)
<b>Net current (liabilities)/assets</b>		<u>(184,115)</u>	<u>189,894</u>
<b>Total assets less current liabilities</b>		<u>4,174,201</u>	<u>4,217,691</u>
<b>Creditors:</b>			
Amounts falling due after more than one year	12	(1,574,362)	(1462,452)
<b>Net Assets</b>	15	<u>2,599,839</u>	<u>2,755,239</u>
<b>Funds</b>			
Unrestricted funds			
Designated	15	2,574,286	2,546,219
General		(4,249)	133,794
Restricted funds	15	29,802	75,226
		<u>2,599,839</u>	<u>2,755,239</u>

The notes on pages 16 to 23 form part of these financial statements

These Financial Statements were approved by the board on:

7 July 2011      Date



Robert Gordon  
Chairman

Company Number SC228528

**Bethany Christian Trust**  
**Consolidated Cash Flow Statement**  
**For the Year ended 31 March 2011**

	2011 £	2010 £
<b>Net cash inflow from operating activities</b>	(72,053)	96,835
<b>Servicing of finance</b>		
Bank interest paid	(33,438)	(31,446)
Bank interest received	1,689	4,347
<b>Investing activities</b>		
Payments to acquire tangible fixed assets	(423,699)	(253,920)
Proceeds	126,084	345,527
<b>Financing</b>		
Loan repayments	(81,415)	(91,906)
New term loan	170,904	85,925
(Decrease)/increase in cash	(311,928)	155,362
<b>Net cash flow from financing</b>	(194,264)	4,888
<b>Movement in net debt</b>	(506,192)	160,250
<b>Balance at 1 April 2010</b>	(1,450,977)	(1,611,227)
<b>Balance at 31 March 2011</b>	(1,957,169)	(1,450,977)

**Reconciliation of operating surplus to net cash inflow from operating activities**

	2011 £	2010 £
Surplus on operating activities	(63,358)	1,192
Interest Paid	33,438	31,446
Depreciation	82,161	43,559
(Gain) on sale of assets	(95,812)	(130,442)
Interest received	(1,689)	(4,347)
(Increase) in stock acquired	(14,921)	21,899
Decrease in debtors acquired	1,965	61,171
Increase/(Decrease) in creditors acquired	(13,837)	72,356
	(72,053)	96,835

**Analysis of changes in net debt Group**

	2011 £	2010 £
Balance at 1 April 2010	(1,450,977)	(1,611,227)
Net cash (outflow)/inflow	(506,192)	160,250
Balance at 31 March 2011	(1,957,169)	(1,450,977)

	At 31 March 2010 £	Cash flows £	At 31 March 2011 £
Cash at bank and in hand	324,709	(311,946)	12,763
Bank Overdraft	(42,988)	(104,188)	(147,176)
Bank and other term loans	(1,732,698)	(90,058)	(1,822,756)
	(1,450,977)	(506,192)	(1,957,169)



**Bethany Christian Trust**  
**Notes to the Financial Statements**  
**For the Year ended 31 March 2011**

**1. Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005).

The results for the group include those of Bethany Enterprises Limited and Requip IT Limited.

**Capital income**

Capital income is recognised in the Consolidated Income and Expenditure Account and Statement of Financial Activities in the year in which it arises.

**Donations and bequests**

Donations and bequests are credited when they are receivable.

**Gifts in kind**

Gifts in kind received by the Company are included at valuation and recognised as income when they are receivable.

**Fixed assets and depreciation**

Fixed assets are included in the balance sheet at cost.

No depreciation is provided on the Company's heritable property, contrary to FRS 15, as the Directors are of the opinion that the residual value is in excess of the book value. The Directors review the property annually for indicators of any impairment. Depreciation is provided on all other fixed assets in the year in which the fixed assets are purchased. Only items costing £1,000 and over are capitalised. The rates of depreciation are calculated so as to write off each asset over its expected useful life as follows:

Leasehold improvements	straight line basis over the lesser of the remainder of the lease period and 10 years
IT equipment	straight line basis over 3 years
Equipment and motor vehicles	straight line basis over 4 years

**Bethany Christian Trust**  
**Notes to the Financial Statements - Continued**  
**For the Year ended 31 March 2011**

**Expenditure allocation**

Expenditure is recognised when a liability falls due. Where possible, expenditure has been charged direct to charitable expenditure or governance costs. Where this is not possible the expenditure has been allocated on the basis of time spent by staff on each activity.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

**Stock**

Stock consists of purchased goods for resale and the cost of completion, and is stated at the lower of cost and net realisable value.

**Pension scheme**

The company makes payments to employees' personal pension schemes. These are charged as they fall due.

**Irrecoverable VAT**

Irrecoverable VAT relating to fixed assets is treated as part of the cost of those assets. The balance of irrecoverable VAT is charged to the appropriate activity to which it relates.

**Operating Leases**

Operating leases are charged to the financial statements as they fall due

**Basis of consolidation**

The Consolidated Financial Statements include the results of the company and its subsidiaries drawn up to 31 March each year.

**Bethany Christian Trust**  
**Notes to the Financial Statements - Continued**  
**For the Year ended 31 March 2011**

**2. Costs of Activities to Further the Company's objectives**

		2011 £	2010 £
Street work	Night Shelter – Edinburgh	123,194	121,699
	Night Shelter – Aberdeen	65,126	44,379
	Night Shelter – Inverness	434	38,180
	Night Shelter – Dundee	9,380	0
	Night Shelter – Stirling	10,559	0
	Care Van	727	688
Emergency Accommodation	Bethany House	660,804	660,407
	Martha House	194,586	205,629
	Matthew House	210,676	199,330
Specialist Units	Bethany Christian Centre	522,126	543,212
Supported Accommodation	Gateway Visiting Support	460,066	481,442
	Housing Support - Dumfries	132,073	117,467
	Supported housing - Fife	284,841	275,191
	Housing and property	419,911	382,460
Homemaking and Furniture	Homemaker referral project	350,802	297,992
	Gateway project	251,817	294,179
Community education and life long learning	Edinburgh & Fife	200,804	236,192
	Aberdeen	111,780	113,591
	Passing the Baton	45,247	43,463
		<u>4,054,953</u>	<u>4,055,501</u>

**3. Loss on Disposal of investment**

The loss on disposal of investment relates to the write off of balance sheet assets on the closure of Requipit Ltd. It is possible that a small proportion of the loss may be recoverable through the liquidator in future years.

**4. Support Costs**

	Amount	Basis of allocation
HR	235,456	Payroll cost
Admin	129,002	Payroll cost
Finance	144,851	Payroll cost
IT support	119,288	No of computers
Hub Communications	114,841	No of calls taken

**5. Governance Costs**

Included in governance costs is auditors' remuneration in respect of audit services of £8,000 (2010: £9,550)

**6. Staff numbers and costs**

	2011 £	2010 £
Gross salaries and wages	3,528,717	3,449,008
Employer's national insurance contributions	284,456	283,890
Pension costs	67,341	60,303
	<u>3,880,514</u>	<u>3,793,201</u>

**Bethany Christian Trust**  
**Notes to the Financial Statements - Continued**  
**For the Year ended 31 March 2012**

The average number of employees during the year was:

	2011 number	2010 number
Administration	32	27
Charitable	117	111
Commerce	42	44
Fund-raising and publicity	11	10
	202	192

No employees' remuneration exceeded £60,000 during the year.

**7. Directors' remuneration**

	2011 £	2010 £
Remuneration	0	0
Expenses	0	0
Number of Directors	8	8

During the year neither the non-executive Directors nor any party connected with them received any remuneration.

**8. Tangible fixed assets**

Group	Heritable property £	Leasehold improvements £	Equipment £	Motor Vehicles £	IT Equipment £	Total £
<b>Net Book Value</b>						
At 1 April 2010	3,985,583	99,116	4,486	22,025	11,253	4,122,463
Additions	293,052	2,434	32,302	8,982	86,944	423,714
Disposals	(30,272)	0	0	0	0	(30,272)
	4,248,363	101,550	36,788	31,007	98,197	4,515,905
Depreciation	0	(22,179)	(9,964)	(12,867)	(37,150)	(82,160)
At 31 March 2011	4,248,363	79,371	26,824	18,140	61,047	4,433,745

Company	Heritable property £	Leasehold improvements £	Equipment £	Motor Vehicles £	IT Equipment £	Total £
<b>Net Book Value</b>						
At 1 April 2010	3,985,583	4,350	4,486	22,025	11,253	4,027,697
Additions	293,052	0	32,302	8,982	86,944	421,280
Disposals	(30,272)	0	0	0	0	(30,272)
	4,248,363	4,350	36,788	31,007	98,197	4,418,705
Depreciation	0	(509)	(9,964)	(12,866)	(37,150)	(60,489)
At 31 March 2011	4,248,363	3,841	26,824	18,141	61,047	4,358,216

Heritable property includes the part ownership of a house at 39 Woodfield Park, Edinburgh, EH13 0RA at a cost of £40,000. As this house is occupied, the asset could not readily be disposed of. All of the other fixed assets are used for charitable purposes.

**Bethany Christian Trust**  
**Notes to the Financial Statements – Continued**  
**For the Year ended 31 March 2011**

**9. Investment**

Company	2011 £	2010 £
Requip IT Share price, 100 shares of £1 each	0	0
Bethany Enterprises Limited, 100 shares	100	100
	<u>100</u>	<u>100</u>

The company held a 100% holding in Requip IT Ltd, a company registered in February 2005. Its main activity was the recycling and selling of white goods. Trading ceased on 28 February 2011 after the business failed to make a profit.

**10. Debtors**

	2011		2010	
	Group £	Company £	Group £	Company £
VAT recoverable	29,530	17,365	0	0
Due by subsidiaries	0	34,384	0	1,654
Other debtors	218,474	176,262	245,588	206,227
Prepayments	17,967	17,967	22,347	22,347
	<u>265,971</u>	<u>245,978</u>	<u>267,935</u>	<u>230,228</u>

**11. Creditors: Amounts falling due within one year**

	2011		2010	
	Group £	Company £	Group £	Company £
Bank loans	290,703	80,081	76,913	65,931
Bank Overdraft	147,176	86,158	42,988	0
Due to subsidiary	0	998	0	3,513
VAT payable	0	0	40,670	44,662
Other creditors	301,263	247,851	390,515	217,253
Accruals	51,566	37,060	39,668	36,943
	<u>790,708</u>	<u>452,148</u>	<u>590,754</u>	<u>368,302</u>

Due to the liquidation of Requipit Ltd on 28 February 2011, all loans due by that company are treated as due within one year.

**Bethany Christian Trust**  
**Notes to the Financial Statements - Continued**  
**For the Year ended 31 March 2011**

**12. Creditors: Amounts falling after more than one year**  
**Group and Company**

	<b>Group 2011 £</b>	<b>Company 2011 £</b>	<b>Group 2010 £</b>	<b>Company 2010 £</b>
<i>Amounts due between two and five years:</i>				
Bank term loans	312,393	346,158	327,183	272,387
Other loans	22,987	22,987	4,551	4,551
<i>Amounts due after more than five years:</i>				
Bank term loan	1,202,362	1,202,362	1,329,741	1,182,090
Other loans	2,855	2,855	3,424	3,424
	<u>1,540,597</u>	<u>1,574,362</u>	<u>1,664,899</u>	<u>1,462,452</u>

Loans from the Bank of Scotland are secured by a floating charge over certain of the Company's properties. The terms of the loan are repayment over 20 years with interest at 1% above the bank's base rate.

There are two loans one from the Scottish Investment Fund and one from Social Investment Scotland which are secured by a fixed charge over one of the company's properties. The terms of these two loans are, repayment over 10 years with interest fixed at 7%. There is a second loan from Scottish Investment Fund which has interest at 8% with deferred repayment for 5 years, after which it is repayable over 10 years. These loans are treated as bank loans for the purpose of this note.

Other loans include a five year interest free loan for the purchase of telephone equipment and VAT on the purchase of a building that is deferred under the Lennartz principle.

**13. Designated Funds - Group and Company**

	<b>Balance at 31 March 2010 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2011 £</b>
<b>Fixed asset net book value</b>	2,511,314	0	0	0	2,511,314
<b>Capital Income</b>	34,905	98,000	69,933	0	62,972
	<u>2,546,219</u>	<u>98,000</u>	<u>69,933</u>	<u>0</u>	<u>2,574,286</u>

The amounts shown in fixed assets relate to the assets held by the charity which are held for the purposes of the organisation and will not be expended. Transfers under the fixed assets heading relate to properties purchased during the year and depreciation on assets. A transfer has also been made this year to correctly reflect the mortgages held over these properties.

Capital Income relates to income received by the charity for a specific purpose, in the current year from the Scottish Investment Fund, for a specific purpose which have not yet been spent.

**Bethany Christian Trust**  
**Notes to the Financial Statements - Continued**  
**For the Year ended 31 March 2011**

**14. Restricted Funds - Group and Company**

	Balance at 31 March 2010 £	Incoming Resources £	Resources Expended £	Balance at 31 March 2011 £
Aberdeen	0	80,243	80,243	0
Bethany Christian Centre	0	892	892	0
Bethany House	0	283	283	0
Community Education	0	117,150	117,150	0
Gateway Furniture project	17,194	10,569	0	27,763
Homemaker referral project	0	14,736	14,736	0
Housing support - Dumfries	0	25,145	25,145	0
- Fife	0	5,283	5,283	0
- Edinburgh	0	3,482	3,482	0
IT	1,137	0	0	1,137
Martha House	0	35,425	35,425	0
Matthew House	0	39,832	39,832	0
Night shelters - Aberdeen	16,983	1,094	17,218	859
- Edinburgh	0	57,010	57,010	0
- Dundee	0	12,684	12,684	0
- Inverness	654	0	611	43
Passing The Baton	39,258	28,626	67,884	0
	<u>75,226</u>	<u>432,454</u>	<u>477,878</u>	<u>29,802</u>

These restricted funds relate to amounts given specifically for the activity of the project stated and have been utilised in the year.

**15. Analysis of net assets among funds**

Group	Unrestricted Funds Designated £	General £	Restricted Funds £	2011 Total £	2010 Total £
Fixed assets	4,248,358	185,387	0	4,433,745	4,122,463
Net current assets/(liabilities)	(133,475)	(351,377)	29,802	(455,050)	43,892
Long term (liabilities)	(1,540,597)	0	0	(1,540,597)	(1,664,899)
	<u>2,574,286</u>	<u>(165,990)</u>	<u>29,802</u>	<u>2,438,098</u>	<u>2,501,456</u>
<b>Company</b>					
Fixed assets	4,248,358	109,958	0	4,358,316	4,027,797
Net current assets/(liabilities)	(99,710)	(114,207)	29,802	(184,115)	189,894
Long term (liabilities)	(1,574,362)	0	0	(1,574,362)	(1,462,452)
	<u>2,574,286</u>	<u>(4,249)</u>	<u>29,802</u>	<u>2,599,839</u>	<u>2,755,239</u>

**Bethany Christian Trust**  
**Notes to the Financial Statements - Continued**  
**For the Year ended 31 March 2011**

**16. Bethany Enterprises Limited**

	2011 £	2010 £
Turnover	283,974	276,391
Net Loss	(7,947)	(974)
Closing shareholders funds	4,262	12,209

The company normally donates all of its net taxable profits to the Charity under the gift aid scheme on an annual basis.

**17. Requipit Limited**

	2011 £	2010 £
Turnover	431,405	628,560
Net Loss	(197,912)	(83,970)
Closing shareholders funds	(493,441)	(295,529)

**18. Commitments**

The Company has entered into a number of operating leases which commit the Company to pay the following rentals during the year in respect of:

	2011 £		2010 £
	Buildings	Equipment	Buildings      Equipment
Expiring within one year	23,700	14,316	37,560      0
Within two to five years	199,490	5,906	134,600      35,658
After five years	0	0	31,500      0
	223,190	20,222	203,660      35,658