

# themungofoundation

Company Limited by Guarantee  
Company No SC256488

Financial Statements for the Year ended 31 March 2005



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### Company Details

Company Registration Number: SC 256488

Charity Number: SC 035078

Registered Office: 196 Clyde Street  
Glasgow  
G1 4JY

Trustees: Most Rev Mario Joseph Conti  
Right Rev Monsignor John Canon Gilmartin  
Right Rev Monsignor James T Canon Clancy  
Right Rev Monsignor Owen Gallagher  
Very Rev Peter Canon Gallacher  
Right Rev Monsignor Peter Canon Smith  
Mr Ian Baillie – appointed 20 June 2005  
Councillor Elizabeth Cameron – appointed 20 June 2005  
Mr Edward Friel – appointed 20 June 2005  
Miss Agnes Malone – appointed 20 June 2005

Company Secretary: McSparran McCormick  
Waterloo Chambers  
19 Waterloo Street  
Glasgow  
G2 6AH

Senior Officers: Chief Executive – Ms Dana O’Dwyer – appointed 1 January 2005  
Director of Finance – Miss Louise Devine  
Director of Human Resources – Mr James Kelly – appointed 21 February 2005  
Director of Services and Development – Mr Graeme Henderson – appointed 19 September 2005

Bankers: The Royal Bank of Scotland  
1<sup>st</sup> Floor  
100 West George Street  
Glasgow  
G2 1 PP

Solicitors: McSparran McCormick  
Waterloo Chambers  
19 Waterloo Street  
Glasgow  
G2 6AH

Auditors: Grant Thornton UK LLP  
95 Bothwell Street  
Glasgow  
G2 7JZ

Website: [www.themungofoundation.org.uk](http://www.themungofoundation.org.uk)

### **REPORT OF THE TRUSTEES**

The Trustees present their annual report and the audited financial statements of The Mungo Foundation for the year ended 31 March 2005.

#### **Incorporation**

The company was incorporated on 23 September 2003 as a company limited by guarantee (SC 256488) and recognised by the Inland Revenue as a charity for the purposes of Section 505 Income & Corporation Taxes Act 1988 (SC 035078) with effect from that date. The company's Memorandum and Articles of Association are its governing document.

The company began trading on 1 April 2004 and these financial statements cover the year from the first day of trading.

#### **Objectives and Structure**

The objectives of the company are governed by its Memorandum and Articles of Association and are to promote welfare, relieve poverty and advance education for the public benefit by the provision of wide-ranging social services comprising social services to the young, the elderly and those in care.

These objectives were met through the provision of residential, respite and day care services to adults and children with a learning disability, providing support and accommodation for young, homeless people, providing services to frail, elderly people, people with dementia and other mental health issues, single mothers, people with a sensory impairment and people who misuse drugs.

The company is headed by a Board of Trustees, of whom the Trustees and Chancellor of the Archdiocese of Glasgow are *ex officio* members. The management of the company is headed by a Chief Executive who reports to the Board on a regular basis and to whom Directors of Services and Development, Finance and Human Resources, and their staff, are accountable.

#### **Business Review and Future Developments**

In its first year full of operation, the company successfully continued and developed the work of the Archdiocese of Glasgow Community Social Services. There was considerable administrative focus during the first few weeks of the new company's financial year to ensure that operational contracts, leases, banking arrangements, etc were in place and working smoothly.

The appointment of a new Chief Executive was seen as crucial in order to focus the company's development and harness its energies to address the challenges of legislative and funding requirements pertaining to the voluntary sector. In September 2004, the Board were delighted to announce the appointment of Ms Dana O'Dwyer with effect from 1<sup>st</sup> January 2005. Ms O'Dwyer has considerable experience and knowledge of the health, local authority and voluntary sectors, with a track record of strategic planning and development.

During the year under review and since the end of that year, other senior management appointments have been made.

### **REPORT OF THE TRUSTEES (continued)**

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#### **Business Review and Future Developments (continued)**

The funding environment for the voluntary sector remains difficult with local authorities facing financial pressures and seeking efficiency savings on an annual basis. Zero inflationary increases, particularly in projects funded by Supporting People money, plus below inflation increases in other areas, increase the financial pressure on projects. Expenditure is closely monitored and controlled, without compromising service delivery.

The pressure of the funding environment, combined with the current lack of unrestricted reserves, limits the company's ability to give pay awards for staff outwith the level of inflation paid by funders. This could have consequences for the organisation's ability to attract and retain suitably qualified staff.

During the year, services for young, homeless people were re-structured in partnership with Glasgow City Council to meet the changing needs of the client group.

In September 2004, The Mungo Foundation was awarded a contract by Glasgow City Council to provide thirty residential places for people with dementia. In partnership with the Archdiocese of Glasgow, a site in Drumchapel in Glasgow was identified for development and construction of the building to house this service, funding arrangements have been secured with The Royal Bank of Scotland and the service is due to be operational in September 2006.

Since the end of the financial year, two projects have re-located to purpose-built accommodation in collaboration with local housing associations and a further two will move to purpose-built or refurbished accommodation.

Discussions are taking place with local authorities regarding the provision of buildings-centred respite services and how services may be developed to best meet the needs of service users and their carers.

In September 2005, The Mungo Foundation was successful in winning a tender to provide respite services in East Dunbartonshire Council and this service should be ready early in the new year.

The focus of the Board and senior management in future years will be to ensure the continuing, steady growth of the company through the pursuit of tendering opportunities to develop new services whilst ensuring the provision of person-centred services to existing service users. The development of a fund-raising strategy to attract additional resources is of prime importance, as is the implementation of an information technology strategy to provide effective communication and provision of information, both internally and externally.

#### **Trustees**

The Trustees who served the company during the year and those appointed since the end of the financial year are stated on page 3.

### **REPORT OF THE TRUSTEES (continued)**

#### **Statement of Trustees' Responsibilities**

Company law requires the Trustees to prepare financial statements for each financial period which 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare financial statements on the going concern basis unless there are indications to the contrary.

The Trustees are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Review of the Financial Position**

The Trustees report a surplus of £950,401 for the year and net current assets of £445,205 at 31 March 2005.

Two properties, independently valued at £635,000, were donated by the Archdiocese of Glasgow upon the transfer of the business of the Archdiocese of Glasgow Community Social Services to The Mungo Foundation on 1 April 2004. Donations totalling £58,851, made to projects under the auspices of the Archdiocese of Glasgow, were also transferred. One of the buildings transferred at market value by the Archdiocese of Glasgow was subsequently sold at a loss, due to deterioration in ground conditions at the site.

The operating surplus after finance costs and before property transactions and the transfers from the Archdiocese of Glasgow was £279,632.

Cash flow during the year was good, partly due to the transfer of money received in advance by the Archdiocese of Glasgow at 31 March 2004 for projects and also due to additional resources being dedicated to credit control.

#### **Reserves Policy**

The Mungo Foundation is a relatively young company and operates in a market in which it is difficult to accumulate reserves. However, the Trustees would like to build up reserves over time, sufficient to meet future contingencies.

#### **Risk Management**

The Trustees are currently conducting their own review of the major risks to which the company is exposed and establishing systems to mitigate those risks. Internal risks are 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 charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity. An internal audit programme is carried out by head office staff.

### **REPORT OF THE TRUSTEES (continued)**

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#### **Employment of Disabled Persons**

The Mungo Foundation gives full and fair consideration to applications for employment of people with a disability, having regard to their particular skills and abilities. Appropriate training is arranged for disabled persons, including retraining for employees who become disabled in order for them to continue their career development within the organisation. The Mungo Foundation has been welcomed by the Job Centre Plus as a user of the “Positive about Disabled People” symbol.

#### **Employee Information**

A newsletter is sent to staff twice yearly providing information on operations and developments within the organisation. A section of the website is solely for staff use, which gives easy access to policies and procedures, job vacancies within the organisation and other information.

Further information and consultation on matters of concern are available through the Human Resources Department.

#### **Auditors**

The Trustees appointed Grant Thornton UK LLP as auditors to The Mungo Foundation for the year ended 31 March 2005. The accounts have been prepared by the Archdiocese and audited by Grant Thornton UK LLP. The responsibility for the contents of the accounts rests with the Trustees.

Trustee                      Mario J Conti

Trustee                      Elizabeth Cameron

Glasgow

Date: 29<sup>th</sup> November 2005

### **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE MUNGO FOUNDATION**

We have audited the financial statements of The Mungo Foundation for the year ended 31 March 2005 which comprise the principal accounting policies, the income and expenditure account, the balance sheet, the cash flow statement, other primary statements and notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees in accordance with the Charities Accounts Regulations (Scotland) 1992. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any other than the trustees, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

The trustees' responsibilities for the preparation of the trustees' report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the Charities Accounts (Scotland) Regulations 1992. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We are not required to consider whether the statement in the trustees' report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the trustees' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of The Mungo Foundation, consistently applied and adequately disclosed.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE MUNGO FOUNDATION (continued)**

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of The Mungo Foundation at 31 March 2005 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990, the Charities Accounts (Scotland) Regulations 1992 and the constitution of the charity.

GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
GLASGOW

Date: 29<sup>th</sup> November 2005

### **ACCOUNTING POLICIES**

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The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice 2000 on Accounting by Charities. The accounts have been prepared under the historical cost convention.

The principal accounting policies of the company are set out below.

#### **Basis of Preparation**

These accounts have been prepared to conform to the Charities Accounts (Scotland) Regulations 1992.

#### **Income**

Income from funding bodies is recognised in accordance with the period in which the relevant services are delivered.

Other income, which includes personal contributions and donations, is accounted for as it is received.

#### **Tangible Fixed Assets**

Properties, investments and other fixed assets donated to the charity are included as income at market value at the time of receipt and are shown as assets on the balance sheet at that value until disposed of.

All other fixed assets are initially recorded at cost.

Heritable properties are revalued every five years, with an interim review being carried out after three years. The surpluses or deficits on revaluation of such properties are transferred to the relevant fund to which the assets relate, namely, designated, restricted or unrestricted.

Significant purchases of fixed assets are capitalised and depreciated.

#### **Depreciation**

Depreciation is calculated to write down the cost or valuation of tangible fixed assets, with the exception of land, by equal annual instalments over their expected useful lives. The rates generally applicable are:

Heritable Property	2%
Furniture, Fittings & Equipment	15% - 33.1/3%

### **ACCOUNTING POLICIES (continued)**

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#### **Grants**

Grants receivable for significant capital expenditure are treated as deferred income and released to the income and expenditure account over the expected useful lives of the relevant assets. Where project funding includes immaterial capital expenditure, it is expensed.

Grants receivable for revenue expenditure are credited to the income and expenditure account in the period to which related expenditure is recognised.

#### **Restricted and designated funds**

In accordance with the Statement of Recommended Practice, amounts received by the company which the donor has instructed be used for a specific purpose are held in restricted funds. From time to time the trustees decide that certain other funds be used for specific purposes. These are known as designated funds, and are transferred from general funds.

Expenditure which meets the criteria laid down for restricted or designated funds is transferred to that particular fund from the income and expenditure account.

#### **Contributions to staff pension funds**

The pension costs in the income and expenditure account represent the amount of contributions payable to the pension schemes in respect of the accounting period.

#### **Leased Assets**

Payments made for assets held under operating leases are charged to the profit and loss account as incurred.

### INCOME AND EXPENDITURE STATEMENT

	Note	Year to 31/03/05 £	Period to 31/03/04 £
<b>Income</b>			
Income from Funding Bodies	1	12,144,843	-
Other Income		390,762	-
		12,535,605	-
<b>Expenditure</b>			
Employment Costs	2	9,858,813	-
Property Costs	3	1,022,902	-
Service Costs	4	666,092	-
Vehicle Costs		149,150	-
Administration Costs	5	538,919	-
		12,235,876	-
<b>Surplus before Finance Costs</b>		299,729	-
Bank Overdraft and Loan Interest		20,097	-
<b>Surplus for Period before Gains/(Losses) on Investment Assets</b>		279,632	-
Loss on sale of property		(23,082)	-
<b>Surplus for Period before Transfer of Property and Donations</b>		256,550	-
Property and donations transferred from the Archdiocese of Glasgow	11	693,851	-
<b>Surplus for Period after Transfer of Property and Donations</b>		950,401	-

All operations of the company are classed as continuing.

### **BALANCE SHEET AS AT 31 MARCH 2005**

		31/03/05 £	31/03/04 £
<b>FIXED ASSETS</b>			
Tangible	7	<u>505,196</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
Debtors	8	1,819,241	-
Cash at bank and in hand	9	509,464	-
		<u>2,328,705</u>	<u>-</u>
<b>CURRENT LIABILITIES</b>			
Creditors	10	<u>1,883,500</u>	<u>-</u>
<b>NET CURRENT ASSETS</b>			
		<u>445,205</u>	<u>-</u>
<b>TOTAL NET ASSETS</b>			
		<u><u>950,401</u></u>	<u><u>-</u></u>
<b>RESERVES</b>			
General Reserve	11	784,357	-
Donations Reserve	11	166,044	-
		<u>950,401</u>	<u>-</u>

Approved by the Trustees on 29<sup>th</sup> November 2005.

Trustee                      Mario J Conti

Trustee                      Elizabeth Cameron

### CASH FLOW STATEMENT

	Note	Year to 31/03/05 £	Period to 31/03/04 £
<b>Reconciliation of operating surplus to net cash inflow from operating activities</b>			
Operating surplus		299,729	-
Depreciation charges		17,598	-
(Increase) in debtors		(1,819,241)	-
Increase in creditors		1,883,500	-
		<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>		<b>381,586</b>	<b>-</b>
		<hr/> <hr/>	<hr/> <hr/>

### CASH FLOW STATEMENT

Net cash flow from operating activities		381,586	-
Returns on investments and servicing of finance	12	(20,097)	-
Capital expenditure less realisations	12	89,124	-
Receipt of cash donations from the Archdiocese of Glasgow		58,851	-
		<hr/>	<hr/>
<b>Increase in cash</b>		<b>509,464</b>	<b>-</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Reconciliation of net cash flow to movement in net debt</b>			
Increase in cash in the period		509,464	-
Net debt at 1 April 2004		-	-
		<hr/>	<hr/>
<b>Net funds at 31 March 2005</b>	13	<b>509,464</b>	<b>-</b>
		<hr/> <hr/>	<hr/> <hr/>

The above statement has been prepared in accordance with Financial Reporting Standard 1 - Cash Flow Statements.

The accompanying accounting policies and notes form an integral part of these accounts.

### NOTES TO THE ACCOUNTS

#### 1. Income from Funding Bodies

	Year to 31/03/05	Period to 31/03/04
	£	£
Department of Work and Pensions	535,162	-
Health Boards	238,276	-
Local Authorities	11,371,405	-
	<u>12,144,843</u>	<u>-</u>

#### 2. Employment Costs

	£	£
Salaries and Wages	8,763,964	-
Social Security Costs	746,786	-
Pension Costs	348,063	-
	<u>9,858,813</u>	<u>-</u>

The average number of people employed by The Mungo Foundation was:

	No	No
Operational staff in projects	593	-
Management and administration	25	-
	<u>618</u>	<u>-</u>

#### Remuneration of Trustees

The Trustees of The Mungo Foundation receive no remuneration for their services. During the year, the Archdiocese purchased insurance at a cost of £317 (2003/04: N/A) which indemnifies the Trustees against certain liabilities they may incur in respect of their role as Trustees of the Archdiocese.

### NOTES TO THE ACCOUNTS (continued)

#### 3. Property Costs

	Year to 31/03/05 £	Period 31/03/04 £
Rent and rates	485,888	-
Heat and light	158,457	-
Insurance	38,164	-
Repairs, maintenance and renewals	147,126	-
Start-up costs	90,860	-
Other property costs	102,407	-
	1,022,902	-
	1,022,902	-

#### 4. Services Costs

	£	£
Food and residents' requisites	354,220	-
Outings and entertainment	96,868	-
Health and safety	68,707	-
Cleaning	56,562	-
Other services costs	89,735	-
	666,092	-
	666,092	-

#### 5. Administration Costs

	£	£
Stationery, postage, telephone & photocopying	139,999	-
Recruitment advertising	81,153	-
Staff training	96,005	-
Registration fees	42,960	-
Computer expenses	34,270	-
Legal and professional fees	19,490	-
Audit and consultancy fees	33,959	-
Other administration costs	91,083	-
	538,919	-
	538,919	-

### NOTES TO THE ACCOUNTS (continued)

#### 6. Surplus before Finance Costs

The surplus before finance costs is stated after (crediting)/debiting:

	Year to 31/03/05 £	Period to 31/03/04 £
Auditors' remuneration – for audit services	<u>16,450</u>	<u>-</u>

#### 7. Fixed Assets

	Buildings £	Computer Equipment £	Total £
<b>VALUATION OR COST</b>			
At 01/04/04	-	-	-
Donated by the Archdiocese of Glasgow	635,000	-	635,000
Additions	-	22,794	22,794
Disposals	(135,000)	-	(135,000)
At 31/03/05	<u>500,000</u>	<u>22,794</u>	<u>522,794</u>
<b>AGGREGATE DEPRECIATION</b>			
At 01/04/04	-	-	-
Charge for period	10,000	7,598	17,598
Disposals	-	-	-
At 31/03/05	<u>10,000</u>	<u>7,598</u>	<u>17,598</u>
<b>WDV at 31/03/05</b>	<u>490,000</u>	<u>15,196</u>	<u>505,196</u>

The properties were donated by the Archdiocese of Glasgow on 1 April 2004 at open market value. The valuation was carried out by Freeman Macleod Limited, chartered surveyors and property consultants on 6 February 2004.

**NOTES TO THE ACCOUNTS (continued)**


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**8. Debtors**

	<b>31/03/05</b>	<b>31/03/04</b>
	£	£
Trade Debtors	1,336,666	-
Prepayments and Accrued Income	287,943	-
Archdiocese of Glasgow	193,090	-
Other Debtors	1,542	-
	<u>1,819,241</u>	<u>-</u>

**9. Bank and Cash**

	<b>31/03/05</b>	<b>31/03/04</b>
	£	£
Bank	343,765	-
Project Bank Accounts	165,499	-
Petty Cash	200	-
	<u>509,464</u>	<u>-</u>

**10. Creditors**

	<b>31/03/05</b>	<b>31/03/04</b>
	£	£
Trade Creditors	158,751	-
Accrued Expenditure	259,049	-
Deferred Income	1,174,562	-
PAYE/NIC	207,508	-
Pensions	34,063	-
Other Creditors	49,567	-
	<u>1,883,500</u>	<u>-</u>

### NOTES TO THE ACCOUNTS (continued)

#### 11. Statement of Financial Activities

	General Funds	Donations Reserve	Total Funds 31/03/05	Total Funds 31/03/04
	£	£	£	£
<b>INCOME AND EXPENDITURE</b>				
<b>Incoming Resources</b>				
Income from funding bodies	12,144,842	-	12,144,842	-
Donations and contributions	635,000	165,851	800,851	-
Other income	270,425	13,337	283,762	-
<b>Total Incoming Resources</b>	<b>13,050,267</b>	<b>179,188</b>	<b>13,229,455</b>	<b>-</b>
<b>Resources Expended</b>				
Direct charitable expenditure	11,237,625	13,144	11,250,769	-
Management and administration	1,005,203	-	1,005,203	-
<b>Total Resources Expended</b>	<b>12,242,828</b>	<b>13,144</b>	<b>12,255,972</b>	<b>-</b>
<b>Net Incoming/(Outgoing) Resources for the Year</b>	<b>807,439</b>	<b>166,044</b>	<b>973,483</b>	<b>-</b>
<b>Other Recognised Gains and Losses</b>				
Loss on sale of property	(23,082)	-	(23,082)	-
<b>Net Movement in Funds</b>	<b>784,357</b>	<b>166,044</b>	<b>950,401</b>	<b>-</b>
Balances brought forward at 1 April 2004	-	-	-	-
<b>Balances carried forward at 31 March 2005</b>	<b>784,357</b>	<b>166,044</b>	<b>950,401</b>	<b>-</b>

The above statement has been prepared in accordance with the Statement of Recommended Practice issued in March 2000.

General Funds are the accumulation of surpluses and deficits arising from the general operation of the business. On 1 April 2004, buildings valued at £635,000 were transferred at no cost by the Archdiocese of Glasgow to The Mungo Foundation and these are included in Donations and Contributions in General Funds.

### NOTES TO THE ACCOUNTS (continued)

The Donations Reserve includes donations and contributions from individuals and organisations which are not part of the normal operational funding required of each project. There is a separate fund included in this heading for each project and the expenditure of the donations are restricted to the project or the purpose for which the donation was made. Included in Donations and Contributions is £58,851 of donations which were previously received by the Archdiocese of Glasgow for the purposes now carried on the The Mungo Foundation. Cash representing these funds was accordingly passed to The Mungo foundation at 1 April 2004. The balance of £107,000 represents donations from the Cardinal Winning Charity Ball.

#### 12. Gross Cash Flows

	Year to 31/03/05 £	Period to 31/03/04 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	20,097	-
	20,097	-
	20,097	-
<b>Capital Expenditure</b>		
Payments to acquire tangible fixed assets	(22,794)	-
Receipts from sales of tangible fixed assets	111,918	-
	89,124	-
	89,124	-

#### 13. Analysis of Changes in Net Debt

	At 1 April 2004 £	Cash Flows £	At 31 March 2005 £
Cash at bank	-	509,464	509,464
Bank overdrafts	-	-	-
	-	509,464	509,464
	-	509,464	509,464

### NOTES TO THE ACCOUNTS (continued)

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#### 14. Pensions

The Mungo Foundation operates a number of defined contribution pension schemes for the benefit of certain employees. The assets of the schemes are administered by trustees in funds independent from those of The Mungo Foundation. Contributions in the year amounted to £348,063.

#### 15. Capital Commitments

There were no unprovided capital commitments at 31 March 2005.

#### 16. Contingent Liabilities

There were no contingent liabilities at 31 March 2005.

#### 17. Leasing Commitments

Operating lease payments amounting to £31,125 are due within one year in respect of motor vehicles and various items of general equipment. The leases to which these amounts relate expire as follows:

	31/03/05 £	31/03/04 £
In one year or less	31,125	-
Between one and five years	60,803	-
In five years or more	-	-
	<hr/>	<hr/>
	91,928	-
	<hr/> <hr/>	<hr/> <hr/>

#### 18. Related Parties

The company has taken advantage of the exemptions with FRS 8 "Related Parties" in not disclosing transactions with the Archdiocese of Glasgow, given that 90% or more of the company is controlled by the Archdiocese of Glasgow.

#### 19. Controlling Party

The company is controlled by the Archdiocese of Glasgow.