



THE PASSAGE

HELPING HOMELESS PEOPLE

Passage 2000

Annual Report and Accounts

31 March 2012

A company limited by guarantee (No 3885593)
Operating as The Passage
Charity registration number: 1079764

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Administrative details of the charity, its trustees and advisers

Founding Patron	Cardinal Basil Hume
Patron	Archbishop Vincent Nichols
Board of trustees	Sr Ellen Flynn DC (Chairman) Peter Macklin (Vice-Chairman) Christopher Williams (Treasurer) Mgr Vladimir Felzmann Sr Eileen Glancy DC Michael Kelly Mark McGreevy Sr Marie Raw DC Dr Iram Sattar John Studzinski CBE Canon Christopher Tuckwell
Chief Executive	Michael Clarke
Deputy Chief Executive	Roger Clark
Company Secretary	Andrew Hollingsworth
Principal bankers	HSBC Belgravia Branch The Peak 333 Vauxhall Bridge Road London SW1V 1EJ
Solicitors	Pothecary Witham Weld 70 St George's Square London SW1V 3RD
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Registered office	The Passage St Vincent's Centre Carlisle Place London SW1P 1NL
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Board of Trustees' report

The Board of Trustees ("the Board") presents its report and the accounts for the year to 31 March 2012. This report has been prepared in accordance with Part VIII of the Charities Act 2011 and Part 15 of the Companies Act 2006. The accounts have been prepared in accordance with the accounting policies set out on pages 28 and 29 and comply with the company's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice ("SORP") "Accounting and Reporting by Charities" issued by the Charity Commission in March 2005.

Passage 2000 ("The Passage") is incorporated in England as a company limited by guarantee, company number 3885593. The company is registered with the Charity Commission, registered charity number 1079764.

The members of the Board of Trustees are the directors of the company for Companies Act purposes.

Principal aims and activities

The mission of The Passage is to provide resources which encourage, inspire and challenge homeless people to transform their lives.

The principal activities of the company are the operation of a Resource Centre, a direct-access hostel, Passage House, and the management of 16 self-contained flats, Montfort House, for homeless people in the Victoria area of London. The Resource Centre's activities and costs also include follow-on resettlement support and street outreach work in the local area.

Management structure and staff

The Board, see page 9, has ultimate responsibility for the activities of The Passage; the Chief Executive, Mick Clarke is responsible for its strategic direction. He is assisted by the Deputy Chief Executive, Roger Clark, who is responsible to him for the day-to-day running of activities. Both are supported by a team of experienced managers, each of whom is responsible for a particular area of operations.

The Passage employs 75 full-time and 16 part-time staff, who have a wide background of qualifications and experience to enable them to provide all the different services The Passage offers to homeless people. Staff are consulted on, and play a major role in, the development of the annual plan and budget. They are all offered regular training to enhance their skills. The contribution made by volunteers in all areas of work is essential to The Passage. We apply a diversity and equality policy throughout the organisation.

REVIEW OF OPERATIONS

During the year, The Passage continued its mission to help homeless people. All the services were fully used: 2,566 different individuals used the Resource Centre, and Passage House and Montfort House had high occupancy levels.

A full description of the services provided and help given to homeless people during the year, which is on pages 11 to 23, forms part of the Trustees' report. This includes key facts and figures that relate to the different services provided during the year.

Overall strategy and objectives

Ensuring our work delivers our aims

The Board reviews The Passage's overall strategy, objectives and activities each year during the annual planning process. This review looks at what has been achieved, together with the outcome of our work in the previous 12 months. It assesses the success of each key activity and the benefits each has brought to the people The Passage was set up to help. The review also helps to ensure that the strategy, objectives and activities continue to be focused on The Passage's principal aims.

The Board refers to the Charity Commission's guidance on public benefit when reviewing its strategy and objectives, and in planning The Passage's future activities. In particular, it considers the way planned activities will contribute to the strategy and objectives it has set.

Long-term strategy

The key elements in the medium- to long-term strategy continue to be:

- to review and develop the services offered to meet the needs of people becoming, or arriving, homeless in the South Westminster area of London;
- to address issues around the future sustainability of the charity's work;
- to ensure that the charity develops in accordance with its founding ethos; and
- to redevelop St Vincent's Centre, the building which houses the Resource Centre, and Montfort House, to provide adequate modern facilities to serve homeless people in the area.

The strategy is incorporated each year into an annual plan. The Board of Trustees reviews success against each target in the plan.

The main objectives for the year were:

Objective	Achievement
To continue to embed our Vincentian values and ethos across the organisation.	A working party continued to develop the practical application of the Vincentian values and ethos in the practical work of The Passage.
To diversify funding streams and develop the quality of our fundraising and finance systems, in order to increase efficiency and weather the economic downturn.	Revenue funding from statutory sources fell by £216,976 compared with 2010/11, as was anticipated last year. By investing additional effort in fund raising, voluntary funding increased by £197,280. Some of the new funding attracted during the year is committed for two or more years. A good start was made on diversifying funding, but more work is required in the next two years to maintain and increase diversified funding.
To maintain and expand volunteering opportunities in all projects to support current levels of service delivery, primary services and administration activities.	Volunteering continued to develop in all areas with a new volunteer-led literacy project at Passage House being publicly commended.
To develop client volunteering, traineeships and employment opportunities for clients at The Passage, and ensure genuine client involvement is in place across all Passage services.	A formerly homeless person was employed in the Streetlink Team. Client volunteering increased, but further growth is needed in this area in 2012/13.
To ensure staff are supported, trained and developed in the goal of providing quality services for our clients.	Staff are trained and developed in line with their personal development plans, following annual appraisals.
To expand financial inclusion activities to support those clients affected by the Government's deficit-reduction measures.	New funding was secured from the Cabinet Office for Passage Welfare Rights Officers to ensure The Passage can continue to offer specialist advice in these areas. Pilots of social enterprise models, such as PAT Testing, are underway.
To influence and engage with central Government in key areas such as welfare reform and the Big Society.	The Passage is a member of the Homelessness Foundation (established by the Prime Minister) and has contributed to the Ministerial Task Force on Homelessness, chaired by the Housing Minister, on issues that affect its clients. We also took the lead on stopping the proposed bye-law on rough sleeping and on achieving a solution from dialogue (as opposed to a bye-law) on the number of soup runs in the local area.
To complete the redevelopment of Passage House, ensuring that Passage House and Montfort House are both Places of Change for all residents.	The redevelopment of Passage House was completed and Montfort House was also renovated, with support from a local company. Both hostels are Places of Change for all residents.
To finalise and implement plans for the redevelopment of St Vincent's Centre.	This project continues to be a priority and we aim to develop it further in 2012/13.

Board of Trustees' report *continued*

The main objectives for next year are:

1. to embed our Vincentian values and ethos across the organisation;
2. to continue to develop areas of work around prevention and community activities that support those at risk of, and affected by, homelessness;
3. to continue to diversify funding streams and implement results of the finance and fundraising department review;
4. to embed the seven-day service model across services to ensure a consistent and rapid response service to all clients;
5. to develop volunteering opportunities, and client volunteering, traineeships and employment opportunities for clients at The Passage, to ensure genuine client involvement and inclusion across all Passage services;
6. to work with central and local Government to implement "No Second Night Out" strategies successfully, and to ensure they are in line with our ethos and values;
7. to ensure staff are supported, trained and developed in the goal of providing quality services for our clients;
8. to continue to develop The Passage's financial inclusion and social enterprise activities;
9. to ensure all our projects are innovative and a real place of change for all clients; and
10. to finalise and implement plans for the redevelopment of St Vincent's Centre.

FINANCIAL REVIEW

Financial results for the year

The year to 31 March 2012 was challenging because the grants from public bodies to cover revenue costs were £216,976 lower than those for the year to 31 March 2011. The Board of Trustees is very grateful that as a result of the generosity of our donors, particularly grant-making trusts, a surplus of £38,728 on operations was achieved.

Incoming resources were inflated by a capital grant of £1,014,440 (2010: £485,560) to improve Passage House, the related expenditure was added to fixed assets. Incoming resources, excluding the capital grant, amounted to £4,026,949 (2011: £4,054,044) while the resources expended were £3,988,221 (2011: £4,049,043), resulting in a net

surplus in funds in the year before the capital grant of £38,728 (2011: £5,001).

The net movement in funds including the capital grant was an increase of £1,053,168 (2011: £490,561) principally reflected in the increase in the value of Passage House in the accounts. The overall increase in funds in the previous year was £4,095,776, which included the transfer of the net assets of £3,605,215 of The Passage Trust to Passage 2000 on 1 April 2010; the funds transferred were restricted and are available only for building repairs and improvements. Details of all restricted and unrestricted funds are given in notes 7 and 8 on pages 33 and 34.

Resources expended

Expenditure incurred during the year was:

	%	2012 £	%	2011 £
Direct charitable work				
Resource Centre, including outreach	53	2,113,715	53	2,152,132
Residential services	41	1,645,086	40	1,633,690
Governance costs	2	54,561	2	62,098
Fundraising	4	174,859	5	201,123
Total revenue expenditure	100	3,988,221	100	4,049,043

Employment costs were 73% (2011: 74%) of total expenditure. Details of expenditure are given in note 3 on pages 30 to 32 and in the unaudited analysis of operating expenditure on pages 38 and 39.

Incoming resources

Statutory grants finance only part of the income needed to maintain and develop the services provided by The Passage. In addition, The Passage has to raise substantial voluntary income to be able to maintain and develop its operations.

The principal sources of income were:

	%	2012 £	%	2011 £
Grants from statutory bodies – revenue	42	1,684,549	47	1,901,525
Donations, legacies and voluntary grants	43	1,755,123	38	1,557,843
Rents and charges to residents	13	526,286	14	552,077
Bank interest	2	60,991	1	42,599
Total revenue income	100	4,026,949	100	4,054,044
Grants from statutory bodies – capital		1,014,440		485,560
Total income		5,041,389		4,539,604

The Passage receives significant funding from Westminster City Council. A full analysis of this funding and its uses is set out in note 15 to the accounts on page 37. The increase in statutory funding represents an increase in grants for capital development of £528,880 (2011: £335,560) and a decline in revenue grants of £216,976 (2011: £12,117). The capital grants are the end of a programme of grants for hostels' improvements and no further capital grants are anticipated. Statutory revenue grants were reduced as part of the national programme of public expenditure cuts. The proposal for 2012/13 and 2013/14 is to reduce the funding by a further £50,000 so that it will be £262,000 below 2010/11 levels in both years. The costs of posts which are only partly funded are being met from voluntary income.

Faced with the known reductions to statutory grants much more effort has been required to attract donations and voluntary grants. The level of voluntary income reflects the continuing very generous support for the work of The Passage from very many individuals and organisations. Voluntary income for the year was 13% above the previous year, primarily as a result of grants from trusts, which increased by £327,342, and reduced income from legacies, which fell by £182,292.

Voluntary income came from:

	%	2012 £	%	2011 £
Individuals	35	609,109	34	534,541
Legacies	10	171,157	22	353,449
Churches and voluntary groups	13	238,955	13	211,221
Companies and businesses	13	222,189	19	272,261
Charitable trusts	29	513,713	12	186,371
Total voluntary income	100	1,755,123	100	1,557,843

The costs of generating voluntary income were £174,859 (2011: £201,123). This relatively low level of expenditure, compared with total voluntary income, reflects the fact that a team of volunteers undertakes much of the work necessary to generate, acknowledge and administer donations.

Board of Trustees' report *continued*

Designated funds and reserves

The Board is aware of the need to maintain adequate reserves to ensure that the work of the charity can continue. Designated funds are set aside to enable the Trustees to develop specific areas of charitable work and to meet potential future obligations. In addition, the Board has to ensure that adequate resources are available to avoid disruption to the service for homeless people, which may occur as a result of the volatile and uncertain nature of the charity's income. The Passage receives substantial grants from government through Westminster City Council but, as described above, this is being reduced as part of the national programme of public expenditure cuts.

To ensure that our services can be maintained in the short term, the Board has set aside a designated contingency fund, which has been increased to £1,350,000 (2011: £1,100,000), and now represents approximately 17 weeks' running costs. It is the Board's intention to maintain this fund at between three and six months' running costs.

In addition, the Board has set aside a designated fund of £37,631 (2011: £29,216), which represents the net book value of capitalised equipment at the year end. The Board has also decided that it is prudent to set aside a designated fund, which represents accrued obligations to staff for statutory redundancy. The balance on this fund has been increased to £276,000 (2011: £152,000) and now represents the full accrued obligation.

Cash flow

Cash resources increased during the year by £830,507 (2011: £1,754,491). The movement in cash is analysed in full in the cash flow statement on page 27. Cash held at the end of the year, of £3,508,825 (2011: £2,678,318), includes £2,208,117, transferred on 1 April 2010 from The Passage Trust, that is held for building developments as part of restricted funds.

Under the terms of the Memorandum and Articles of Association, The Passage may invest monies not immediately required in its charitable objectives, in any investments, securities or property, as may be thought fit. The Board has determined that because funds are held to cover fluctuations in income and to cover any costs relating to the development of St Vincent's Centre and other building costs, monies should be held in liquid form. Consequently, surplus cash is held in interest-bearing deposits with UK banks and building societies. The Board of Trustees receives advice on the investment of cash from Barclays Wealth.

St Vincent's Centre

The Passage purchased the freehold of the St Vincent's Centre in 2004 from the Sisters of Charity of St Vincent de Paul ("the Sisters") for £5 million. A £5 million statutory grant from the Housing Corporation, administered by Westminster City Council, was subsequently received to fund the purchase of the building. In return, The Passage gave Westminster City Council a five-year legal charge over the building. The charge expired on 3 February 2010.

Ownership of St Vincent's Centre, which is a substantial property, gives The Passage the opportunity to improve the services it provides for homeless people. The Sisters' lease on the parts of the building they presently use for their charitable work expired in September 2009, and they have a 20-year lease on the part of the building that is used as the Sisters' House. The Passage is seeking to redevelop this building to improve facilities for homeless people and other occupants and to address many of the concerns of the local neighbourhood. Before any planning application is made, there will be a full consultation process with the local community and other interested parties.

Passage House

The building which houses Passage House, the company's direct-access hostel, is let to Peabody Trust, a registered housing association, on a 25-five year lease that runs to 11 March 2024. Peabody Trust appointed The Passage as agent to operate Passage House under a management agreement. The full results of operating Passage House are included in these accounts. On 1 April 2010 the trustees of The Passage Trust, a separate charity, transferred the Passage House freehold and other assets to The Passage for the purposes of developing Passage House and other buildings, and for major repair work.

A major programme of improvements, funded by the Places of Change programme, began at Passage House in September 2010 and was completed in November 2011. A grant of £1.5 million was made through Westminster City Council. In return, The Passage granted the Council a charge over Passage House for five years. The charge secures the repayment of the grant during this period should The Passage become insolvent, dispose of the property or use the property other than for the provision of accommodation for homeless persons.

The improvements include the replacement of shared rooms with single bedrooms. Passage House now contains 40 single bedrooms. A dedicated committee chaired by the Deputy Chairman of the Board, Peter Macklin, oversaw the arrangements on behalf of the Board.

Transfer of the assets of The Passage Trust to Passage 2000

The work of The Passage began more than 30 years ago and was originally constituted as a charitable trust. On 1 April 2000, The Passage Trust transferred its day-to-day activities

to Passage 2000 because the Trustees considered that, given the scale of its operations, it was more appropriate to operate through a company limited by guarantee. The redevelopment of Passage House had just been completed. The Trustees had recovered VAT on the development costs, which was subject to claw-back should the Trustees dispose of the freehold of Passage House within ten years. The Trustees retained the freehold of Passage House and cash funds to cover their potential liabilities as freeholders. On 1 April 2010, The Passage Trust Trustees transferred the freehold of Passage House and their cash reserves to Passage 2000 specifically for further development of their buildings and major repair work. Details of the assets transferred are set out in note 13 to the accounts on page 36.

VOLUNTARY HELP

Donations in kind

The Passage receives many generous donations in kind, such as food, furniture and clothing. Regular donations of food and many other items are received from local businesses. Individuals, and church and community groups provide clothes for our clothing store and furniture to help clients who are being resettled.

During the year, we continued to receive extensive help from the business community in many different ways. For example, our illustrated annual report, our publicity leaflets and newsletters, and our website were generously provided on a *pro bono* basis by firms of designers. The Board also received considerable *pro bono* professional advice.

The Board recognises the great benefit received from the substantial support given to it by many businesses. It has, however, a policy of not placing a monetary value on this generosity since it is not practical to calculate an appropriate value for much of the help given and, in most instances, similar expenditure would not have been incurred.

The Board of Trustees thanks all those businesses, church and community groups and individuals who assisted The Passage during the year.

Involvement of volunteers

Volunteers continue to make a vital contribution to our work. Without their dedication, skills and energy, we would not be able to provide the same range and quality of services to our clients.

While a large number of our approximately 300 regular volunteers help in the kitchen, serving breakfast and lunch each day, we also have a wide array of other volunteer opportunities. Other roles include driving our van, helping clients to move into their own accommodation, literacy coaching, reception and administration tasks, finance and fundraising functions, mentoring, and outreach work with

our Streetlink Team. We now have as many as 40 individuals volunteering their help and skills each day by working alongside staff in every team across the organisation.

In response to new initiatives and the changing needs of the organisation, we are constantly developing new roles. New volunteering opportunities created over the course of the past year include volunteers who paint accommodation for newly resettled clients – people moving off the streets into their own flats – volunteers who write case studies and stories for our website and other publications, and those who take minutes at team meetings.

In addition, The Passage benefits from a growing number of companies that encourage their employees to support our work through corporate volunteering opportunities, particularly helping with serving breakfast and lunch, but also with painting, Victoria station collections and taking clients on day trips. We have recently established several new partnerships, including with Experian, Axis Europe and the Radisson hotel group.

We always seek to develop and improve the volunteering scheme, making The Passage a positive, welcoming and inclusive environment for volunteers. Through consultation with volunteers, we are developing a new Volunteer Policy. We now hold a quarterly Volunteer Forum to enable volunteers to share their views and to keep up-to-date with organisational changes and developments, and the homelessness situation in general. We issued an updated Volunteer Handbook to all volunteers in 2012, and offered training to staff to increase their skills in supervising and supporting volunteers.

Estimated total time donated by volunteers:

	Hours 2012	Hours 2011
Resource Centre primary services	22,000	20,200
Resource Centre supporting other services	6,000	5,500
Passage House	1,000	1,300
Office-based fundraising and administration	7,400	7,200
	36,400	34,200

These figures do not include the time given by members of the Board of Trustees and by other members of advisory committees and sub-committees. In addition, there are many individuals, involved in fundraising on our behalf, who are not based at The Passage. We do not have figures for the number of hours they give.

The Board of Trustees is grateful to all those who so generously give their time to assist the work of The Passage. The value of this voluntary help is not included in income.

Board of Trustees' report *continued*

VOLUNTARY HELP *continued*

Next year we aim:

- 1 in conjunction with financial inclusion and other services teams, to continue to support and develop client volunteering opportunities across The Passage;
2. to develop external links and contacts with other organisations in the sector to share information, good practice and innovation;
3. to explore strategies for the diversification of our recruitment base and the volunteer profile, for example younger volunteers or people of various ethnic and religious backgrounds; and
4. to improve and develop the systems to create a more robust and thought-provoking induction for new volunteers who join the organisation.

Fundraising activities

Included in income from churches and voluntary groups are the surpluses on running events. The committee for "a night under the stars" held its most successful event so far; the event generated gross income of £156,319, which – net of expenses of £54,523 – contributed a surplus of £101,796.

The popular garden party in the College Garden, Westminster Abbey, generated receipts of £27,287, which – net of expenses of £7,495 – contributed £19,792 to support the work of The Passage. The Board of Trustees is very grateful to the volunteers who work so hard to organise and run these and other events, and to the sponsors whose financial support is crucial to their success.

GOVERNANCE

Constitution

The company's governing document is its Memorandum and Articles of Association. Its objects, which are set out in its Memorandum of Association, are to promote the relief of poverty by:

- the provision of temporary and permanent accommodation for people in need, and advice and assistance to those at risk of becoming homeless to enable them to remain in their homes;
- the provision of food, clothing and counselling (including legal advice and welfare benefits advice) to people in need;

- the provision of medical advice and treatment for people in need, including those suffering from alcohol or drug abuse; and
- the provision of education, training and assistance to people in need to enable them to gain employment and sheltered employment.

The company operates as The Passage, with the agreement of the Charity Commission.

Board of Trustees and Committees of the Board

Under the rules laid out in the Articles of Association the election of the Board is in the power of the members of the company in general meeting. The Sister Provincial of the Sisters of Charity of St Vincent de Paul ("the Provincial") and the Administrator of Westminster Cathedral ("the Administrator") are *ex officio* company members. The Board appoints other members of the company.

At a general meeting, if a vote is taken on a poll, the Provincial and the Administrator each have a number of votes equal to half the total number of members of the company (rounded down if there is an odd number); the other members have one vote each. If the Provincial and the Administrator act together they can effectively determine the composition of the Board.

The right to appoint the Chairman and Vice-chairman of the Board lies solely with the Provincial and the Administrator.

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the two years ended 31 March 2012. The company has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its Board of Trustees, employees and agents and to indemnify the Board or other officers against the consequences of any neglect or default on their part. The insurance premium amounted to £1,590 (2011: £1,701) and provides cover up to a maximum of £1 million.

The Board is supported by four committees who advise it on client services, on finance, on fundraising matters and risk and audit. The committees also assist the Board in monitoring the work of the company in these areas.

At the annual general meeting on 28 June 2011, Sr Ellen Flynn, Sr Eileen Glancy, Peter Macklin and Canon Christopher Tuckwell retired by rotation and were re-elected

The composition of the Board and the committees at 31 March 2012 was as follows:

Members of the board not serving on committees

Sr Ellen Flynn (Chair), Canon Christopher Tuckwell, Sr. Marie Raw, Mark McGreevy

	Client services	Finance	Fundraising	Risk and audit
Members of the Board on the committees	Mike Kelly (Chair) Sr Eileen Glancy Dr Iram Sattar	Christopher Williams (Chair) Peter Macklin John Studzinski	Mgr Vladimir Felzmann (Chair)	Peter Macklin (Chair) Christopher Williams
Other company members serving on the committee	Sr Margaret Barrett Cynthia Haddock John King Julie Morgan Gary Woods	Martin Allen Alice Stein	Martin Allen Daniel Brennan Richard Hamilton Baroness Maggie Jones Adrienne LeMan Alexander Nicoll Sheila Smith	Anthony Carey Edward Cooke John King Chris Morris Alice Stein

Selection and training of new Board members

In line with The Passage's diversity, and equality policy and procedure, new Board members with appropriate skills and backgrounds are recruited following a regular assessment of the experience of current Board members and the areas where additional expertise is required. New members of the Board and its committees see all aspects of the work of The Passage at first hand and have one-to-one meetings with senior employees. All trustees are encouraged to undertake training where necessary in order to discharge their responsibilities more effectively.

Public benefit statement

The Trustees confirm that they have complied with their duty under section 4 of The Charities Act 2006 to have regard to public benefit guidance published by The Charity Commission. This annual report includes a detailed description of the activities undertaken by the charity during the year to further its charitable purposes for the public benefit.

The assistance given to homeless people is proportionate to their needs. All members of the Board, committees and sub-groups, and all employees, complete an annual conflict-of-interest declaration. The Board has referred to the guidance contained in the Charity Commission's guidance on public benefit and has planned The Passage's activities to avoid the granting of any private benefit, other than a private benefit which is purely incidental to carrying out The Passage's objectives. The Board believes it has followed the Charity Commission's guidance in this area.

Related parties

By virtue of the voting rights exercisable in the general meeting by the Provincial and the Administrator, the Sisters of Charity of St Vincent de Paul and Westminster Cathedral are both related parties of the company. As the Provincial and Administrator appoint the trustees of The Passage Trust, The Passage Trust is also a related party. Full details of the transactions and balances with these related parties are shown in notes 11 and 12 to the accounts on pages 35 and 36.

Risk management

The Board of Trustees regularly assesses the major risks to which the company is exposed. The systems established to mitigate those risks are periodically reviewed to ensure that they still meet the needs of the company.

The risk and audit committee meets regularly and reviews in greater detail the risks to which The Passage is exposed and management's approach to mitigating these risks. A risk register highlighting high, medium and low risks is maintained and regularly reviewed; this is a vital tool in risk management. A risk-based internal audit approach has been introduced.

The main financial risk, as in previous years, is uncertainty over current and future funding. To mitigate this risk the Board continues to be committed to increasing the level of unrestricted reserves to provide sufficient resources in the event of adverse conditions.

Board of Trustees' report *continued*

GOVERNANCE *continued*

Safeguarding of vulnerable adults

The Passage has a policy on the safeguarding of vulnerable adults. The organisation takes responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. If clients believe they are subject to abuse of any kind, they are encouraged to speak to a member of staff or volunteer at the project, or an external advocate. Risk assessments, needs assessments and support plans are implemented and agreed with clients and reviewed on a regular basis. All risks and needs with which a client presents, and their support needs around those, are recorded and kept on file at the project. In addition, risk assessments, which detail the risks to staff that may occur, are in place and are reviewed on a regular basis. This policy is applicable to all clients using the service and to all staff and volunteers working in the service, and relates to all forms of abuse that may occur.

The Passage's recruitment and selection process aims to ensure that those short-listed and selected for job vacancies at The Passage have the skills and experience that are relevant to the posts in question. Suitability is tested by means of an application form sent to all applicants and a formal interview with a panel of at least two senior members of staff. The Passage obtains Criminal Records Bureau (CRB) checks on all staff members or volunteers who may be working with clients in unsupervised contexts.

Concern for the environment

We recycle waste and reduce energy consumption by being careful to switch off equipment and lights. In developing our buildings we take their future environmental impact into consideration.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Passage 2000 for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the charity will continue in operation.

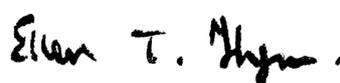
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006. The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board



Sister Ellen Flynn, Chairman

Approved by the Board on 29 May 2012

Detailed description of operations

This section describes in detail the different services The Passage provided for homeless people during the year.

MISSION, ETHOS AND VALUES

Our mission, ethos and values have always underpinned our work with clients and major partners across our services and this past year saw an exciting period of reflection by staff, clients, partners, and Board and committee members on how we could put our values into practice more robustly. One outcome of this was the adoption of a new ethos statement and a set of value statements. Each value statement has a more detailed description of how, in practice, we can ensure our values are delivered through all our work every day. These values replace the previous service promises and are more closely aligned with our Vincentian mission.

Our mission

The Passage provides resources that encourage, inspire and challenge homeless people to transform their lives.

Our ethos

The Passage takes its values and ethos from the teachings and example of St Vincent de Paul, a Christian and social reformer, who co-founded the Daughters of Charity in 1633. Vincent believed in action rather than words and in hands-on service to vulnerable people.

As a Vincentian organisation, The Passage strives to be inclusive: it encompasses a diverse and rich culture among its members, clients, volunteers and staff. Actively working with others across all aspects of society, seeking to have influence and be an advocate for homeless people, The Passage seeks to be a place of hope, aspiration, change and innovation, underpinned by values that reach back over 400 years. This approach is reflected in our values set out below.

Our values

We assist homeless people to realise their own potential to transform their lives.

We act with compassion and kindness.

We are a voice for change and justice.

We build relationships based on trust.

We respect each other.

We are straightforward in all our dealings.

We believe in practical hands-on hard work.

We collaborate across all sections of society.

These values replace the previous service promises and are more closely aligned with our Vincentian mission. The challenge in the coming year is to embed these values throughout the organisation – from the recruitment of new staff, and ensuring that all staff promote these values in their day-to-day work with clients, to ensuring that they form the foundation of all Passage policies and new developments.

Given the economic downturn and cuts to statutory grants, the past 12 months were immensely challenging, but we achieved so much to be proud of by making all our services Places of Change for the clients we support. The key themes across the services were:

Providing more responsive and accessible services by ensuring the street outreach team went out every night of the week, with the objective of accommodating the most vulnerable and difficult-to-house clients – including couples, people with pets, and those with increasingly complex needs – in our residential services.

Offering a higher standard of care and support for our clients by developing a client-led support and planning framework that ensures more focus on a client's progress through our services; by developing more effective ways of reducing abandonments and evictions from our residential services; by achieving the best reduction in both of these compared with any other provider in the sector; and by developing greater client participation in decision making on service developments.

Completing the Places of Change building development of Passage House. Over the 12-month programme, we achieved a physical environment that we believe is able truly to inspire clients to change their lives. Our emphasis is on a welcoming reception, improved client spaces for engagement and meaningful activities, and training areas to enable clients to learn new skills and gain more confidence.

THE RESOURCE CENTRE AND STREETLINK TEAM

The services delivered from the Resource Centre include Day Services (incorporating the Hospitality, Assessment and Advice, and Health specialisms), the Streetlink Team and the Financial Inclusion Team (incorporating the Education, Training and Employment Team, and the Welfare Benefits Advice service).

The Resource Centre provides services for up to 200 people a day: 2,566 different clients, who made 33,184 visits, used the centre in the year to 31 March 2012. When clients can be supported most effectively by encouraging them to return to their home area, and away from sleeping on the streets of central London, we help them to reconnect to their home borough or, in some cases, country of origin. During the year, 542 people were reconnected to housing and support away from central London. When a client needs support from our services, we are able to help them by finding emergency accommodation, linking them to much-needed health or employment services, or advocating with their landlords or support services to prevent them becoming homeless. In line with our mission, the team's response is always to prevent homelessness or to intervene quickly and effectively when someone has become homeless.

Detailed description of operations *continued*

The Hospitality, and Assessment and Advice specialism assesses the needs of those arriving at the Resource Centre. Through the Hospitality, and Assessment and Advice team:

- 95% of those visiting the centre for the first time received a needs assessment on their first visit;
- 542 were given support to reconnect to their home area*;
- 200 were found accommodation*;
- 1,437 were linked into Passage Support services.

*figures do not include outcomes from our Streetlink Team

STREETLINK

As a result of a reallocation of funding, we expanded the Streetlink Team during the year. It now includes a manager, a deputy, and six project workers, together with a part-time information worker. This enables it to do outreach seven nights a week, throughout the year, and to find and work with individuals more quickly and more effectively to get them off the streets.

During the year

Streetlink's prime focus was to deal quickly with those arriving on the streets of Westminster for the first time and to get them off the streets as quickly as possible:

- 452 people were verified as being new to rough sleeping in South Westminster;
- 92% of these were, within two street contacts, either:
 - given support to reconnect to their home areas,
 - linked to other support services off the streets, or
 - found accommodation.

For those with a history of entrenched rough sleeping, the team also made progress:

- 39 were enabled to return to their home area; and
- 78 found accommodation.

The Severe Weather Emergency Protocol (SWEP) was called once during the year, for a total of 14 nights in January and February. The Streetlink team worked on all SWEP nights to find the most vulnerable rough sleepers and to get them into emergency provision, and Passage House provided additional emergency accommodation.

The team continued to work closely with Westminster City Council (WCC), the Department of Communities and Local Government (CLG), and the Mayor's London Delivery Board (LDB) on various initiatives designed to reduce the number of rough sleepers. These included "No Second Night Out" (NSNO), which targets individuals who are new to the street, and the recently introduced "Personalisation Pilot and Housing First" scheme, which is aimed at those who – as

long-term and difficult-to-house rough sleepers – need a more innovative approach. The Personalisation Pilot provides personalised budgets that can, for example, cover the cost of bed and breakfast for a short period, while the Housing First scheme is providing more flats and more flexible support packages.

Some individuals whom the Streetlink team meet on the streets find it difficult to use the Resource Centre during the busiest times (8am-2pm); the team gives them the opportunity to use the centre when it's quieter by holding late afternoon sessions for them.

In addition, as the main link with the street, the team provides a valuable bridge with other providers and street teams in the borough, hosts multi-agency meetings to flag up areas of concern, and formulates strategies that will help to reduce rough sleeping and street activity by helping people into services. Joint working has seen a steady reduction of long-term clients on the street, despite an increase in the number of people on the streets over the past year.

Next year we aim to:

1. continue to develop new ways of, and different approaches to, working with the most entrenched rough sleepers to ensure more positive outcomes for them;
2. continue to develop opportunities and structured support and training for volunteers within Streetlink and to look at ways to incorporate client volunteers in our work; and
3. increase the use of staff from other teams, such as Day Services and Residential Services, to ensure that all shifts are covered and there is a smooth transition for clients who will be seeing a familiar face.

DAY SERVICES (HOSPITALITY, ASSESSMENT AND ADVICE, AND HEALTH TEAMS)

Because it is important for staff to understand why clients have come to the centre, they aim to assess them on their first visit. They managed to do this for more than 95% of all new clients during the past year. Everyone's story is unique – they may have started to sleep rough as the result of violence or a relationship breakdown; they may be living in their own accommodation but are threatened with eviction; or they may have a mental health problem, which is making them unable to cope with everyday life. Each client has the opportunity to talk to staff about what led them to the centre, and to explore the options and support available.

Across Day Services next year we aim to:

1. embed the new seven-day service across the Day Services Team, and ensure staff are supported and have the skills and abilities needed to manage the enhanced service;

2. develop and set appropriate targets, using the new outcomes framework, to ensure that we are not only in a position to identify achievements made by our clients but are also able to record data, consistently and effectively, across all teams;
3. identify possible new funding streams to enable us to develop the work we do with clients who are already in accommodation;
4. set up a Resource Centre forum to include centres from across central London to ensure that information is shared, and to enable us to monitor reconnections and sign-postings;
5. explore and identify the provision of emergency accommodation to enable us to offer our clients wider options;
6. develop a more robust system for obtaining and using client feedback to enable us to shape our service and implement the Day Centre Standards quality framework; and
7. review and implement any recommendations from our work with undocumented migrants in relation to advocacy and changing legislation.

Over the past year we reviewed our weekend service and, as a result, refocused it to work with those most in need – people sleeping rough and those new to homelessness – to offer a more comprehensive seven-day-a-week service for the most vulnerable people on the street. What is critical to the success of the new weekend service is that the Hospitality Team, rather than a separate weekend team, now runs the Resource Centre seven days a week. This has resulted in a more consistent and responsive service. The flexibility of our staff in dealing with the challenges of financial cuts, while ensuring that those most in need are prioritised, has been fantastic.

Day Services – hospitality specialism

The hospitality specialism comprises a team leader and eight project workers. Hospitality's role is to make sure all clients are welcomed to, and are able to access appropriate services in, the Resource Centre, and to assess new and returning clients. These assessments are completed on a daily basis.

The Resource Centre is open from 7.30am until 5pm on weekdays. There are currently two drop-in sessions available during this time: the first, from 8am to 11.30am, is specifically for clients who are sleeping rough in the local area. The second, at 12 noon, is for clients who are insecurely housed or are rough sleepers.

Because the Resource Centre is in a residential area, the staff open the outside lobby area at 7am and manage the queue so as to inconvenience local residents as little as possible; the first 25 clients are invited in at 7.30am. Three locality checks are made of the immediate vicinity to ensure that the areas outside the Resource Centre are clear of litter that may have been caused by clients. The Passage's Good Neighbourhood Policy has been upheld as a model of good practice across Westminster and was developed with extensive neighbourhood consultation.

Staff take the details (including names and dates of birth) of clients coming into the centre to enable them to track the services they have used at the centre, and to ensure that they are receiving an appropriate service.

When the centre first opens, the priority for the majority of clients is breakfast, showers, clothing and laundry, which are all available from 8am. Appointments for initial assessments or other services are made from 9am to enable clients to eat and take care of their immediate needs. Most assessments examine the need for housing options, such as hostels, but for some clients issues around health, benefits or employment may be more important.

Each assessment is based on a client's personal circumstances and the best option may be to reconnect them to services in an area where they have previously been settled. In these cases, we will often help them with transport costs, give them information on suitable services in the area to which they are returning and, where appropriate, arrange referral appointments. For those for whom the best solution is to work with our staff, we make a fuller, more comprehensive assessment, usually with an Assessment and Advice worker, unless there is a more pressing need, such as a health issue, when it is conducted by the appropriate health staff. The full assessment goes into greater detail on the client's issues and circumstances, and the options available to meet their needs.

The noon drop-in, which is available to clients who are insecurely housed or sleeping rough, includes a lunch service, which runs until 1.30pm. Insecurely housed clients can include people who are in hostels, bed and breakfast or sleeping on friends' sofas. In common with the early-morning session, we take names and details of those who have not already been in to the centre that day.

Throughout the day, in addition to attending to clients' needs and requests team members spend their time communicating with other internal teams, and outside agencies and organisations, inputting information into the client database and carrying out locality, and health and safety checks. Hospitality is also responsible for overseeing the activities programme at The Passage. The team provides

Detailed description of operations *continued*

safe storage for clients' valuables, such as proof of identity, and clients can use The Passage as a postal address in order to obtain their benefits, etc.

The majority of clients leave the centre at 2pm, when the drop-in finishes, although some stay on for appointments with staff, or to take part in group activities or training. One member of the team remains in the client reception office until 5pm to deal with any enquiries from existing clients or from individuals who have just been made homeless. The team member is also available to invite any client who arrives in crisis into the centre and to call on the duty manager and staff from appropriate teams that are also on the late shift.

Members of the team facilitate the Streetwise Opera rehearsals, which take place on Tuesdays, and there is a client-led film club on Thursdays. Client suggestion boxes, together with a complaints procedure, enable clients to make their views known. The well-attended client discussion forum, which takes place once a month, gives clients an opportunity to discuss Resource Centre issues. This has resulted in greater client involvement in running the centre, including taking part in staff selection processes.

The team is now looking to increase the number of group activities and will consult clients over the next few months.

The Hospitality Team currently has five committed volunteers who provide a vital service in running the information desk and assisting the team. They are supervised by members of the Hospitality Team and given a detailed induction, which was drafted by a member of the team.

Next year we aim to:

1. embed the new seven-day rota across the team, and the wider resource services team;
2. maintain our target for carrying out initial assessments while, at the same time, identifying the Quality Standard Mark;
3. identify funding streams to introduce the role of trainee project workers;
4. develop the role of volunteers by recruiting volunteers who have been homeless;
5. identify roles for client volunteers in the team and reintroduce them to the service; and
6. identify and implement new client-led activities in the Resource Centre.

Day Services – Assessment and Advice Specialism (A&A)

The Assessment and Advice team comprises a team leader, four housing advisers and an Irish Persons' Co-ordinator.

The work of the team includes:

- carrying out detailed assessments of clients visiting the Resource Centre, including establishing their needs and agreeing how they can best be met;
- providing a specific service for Irish clients, through the Irish Persons' Co-ordinator post, which is funded by Dón, an agency of the Irish Government;
- providing housing advice, making referrals into accommodation and advocating on clients' behalf when they may be entitled to statutory provision of housing;
- advocating for clients threatened with eviction, and negotiating with landlords to prevent homelessness;
- providing resettlement support for clients who have found accommodation;
- working in partnership with other agencies and services to optimise the services available to our clients; and
- developing the service in relation to the wider Day Services Team.

During the year

The team was, once again, successful in obtaining funding from Dion for the Irish Persons' Co-ordinator post; the current holder's qualifications in mental health strengthens the service that she is able to offer to her clients. She worked closely with the Health Team to identify funding for, and in establishing, an Emotional Wellbeing Group for clients at the Resource Centre. This very popular and well-attended peer support group, promotes positive mental health and psychological wellbeing.

A volunteer resettlement worker, who offers additional support to clients during the resettlement period, proved to be a valuable addition to the team. It helped the team to ensure positive resettlement experiences for clients that optimise the opportunities for successful accommodation placements. The team continues to look at ways of improving its resettlement services, with the aim of reducing incidents of repeat homelessness.

The team worked closely with the Financial Inclusion Team in relation to the Welfare Reform Act 2012. This enabled staff to advocate for clients and to advise them on the impact that the Act has on their income and housing options.



The team continued to work closely with the other Resource Centre teams to ensure that the most vulnerable rough sleepers continued to be the priority and to receive co-ordinated and comprehensive support. It also continued to work closely with external agencies – to ensure that our clients have access to the widest possible range of services – developed new relationships with housing providers and support resources, and continued to seek new partnerships.

The team supported clients to reconnect to their home areas. This involved helping them to re-establish links with accommodation and health services, in their local areas, and with family and friends. This work is essential in preventing people from becoming entrenched rough sleepers.

Outcomes

Total clients seen	574
Total number of advice sessions	3,956
Total number of assessments	432
Clients found accommodation	170
Clients helped to reconnect with support and accommodation in their home areas	74

Next year we aim to:

1. develop skills and knowledge across the team to ensure that staff are in a position to offer a quality service to clients in the current challenging environment;
2. optimise resources, including accommodation options and tenancy support services, that are available to our clients;
3. introduce user-involvement systems across the team to shape and improve the services the team provides;
4. develop our resettlement service with the aim of preventing repeat homelessness, with an emphasis on developing volunteer and peer mentor roles; and
5. develop and strengthen relationships with Passage teams and external services to ensure that we are aware of, and prepared to respond to, all developments in housing and welfare benefit services.

Day Services – health specialism

The Health Team consists of a team leader, two mental health workers and two substance misuse workers who, between them, engage with an incredibly diverse client group that has a wide variety of complex needs. There is also a nurse-led NHS medical service offering Primary Health Care to clients in the Resource Centre.

The Department of Health noted in 2010, “There is abundant evidence that people who are sleeping, or have slept, rough and/or are living in hostels and night shelters, have significantly higher levels of premature mortality and mental

and physical ill health than the general population”. (*Healthcare for Single Homeless People*, Department of Health, 2010 research 128, Joseph Rowntree Foundation, 1994.)

Homeless people have a very poor record of gaining health care and the lack of a stable address can be an obstacle to accessing mainstream health services. It is also likely that some homeless clients have undiagnosed or unregistered disabilities and mental issues. The health needs of homeless people are also far more complex than those of the general population and require a specialist response.

The Health Team works with clients to help them to begin to value their wellbeing. Many who visit the service have been pushed to the margins of the community, to low self-worth, ambivalence, the loss of healthy social networks and to homelessness itself, through failure or rejection, the breakdown of family relationships, or other traumas.

The Health Team works with clients not only to address their health needs, but also to try to support them in regaining their confidence and self-esteem so that they are better able to maintain their health and general wellbeing. Some of the many different services that are available to clients at the Resource Centre are listed below.

During the past year the Health Team was involved in providing an innovative way of working with the most entrenched street drinkers from eastern European countries by establishing joint working with the Ollalo project in Euston, which provides accommodation, and the Health Team, which provides support. This resulted in excellent outcomes for these clients, including reducing their alcohol intake, and exploring job opportunities. Detox has been made available for these clients only by taking them off the streets and into accommodation.

Homelessness Health Team (nurses and GP)

The Resource Centre has forged links with Westminster Primary Care Trust, which provides the Resource Centre with a fully staffed and equipped medical service, The Homelessness Health Team (HHT). The clinic, which is nurse-led with GP involvement, is open Monday to Friday and encourages everyone to have a health check and deal with long-term health issues that have been ignored. The service works closely with community practitioners as well as with other teams at the Resource Centre, and has become a specialist in the health issues of homeless people. During the year, 2,577 consultations were carried out with 1,223 patients.

Podiatry

As part of the HHT, a podiatrist runs a foot clinic and educates people about good foot care, such as taking off shoes at least once a day, to prevent conditions such

Detailed description of operations *continued*

as trench foot. The podiatrist can also detect other conditions, such as diabetes, and links people to the medical service for essential treatment that, in turn, can prevent further deterioration, such as loss of limbs and blindness.

Most people take changing shoes and socks for granted, but for people on the street it is a luxury. Healthy feet are a priority for homeless people. Shoes stay wet; soles wear thin and stones injure their feet; ulcers form and infection sets in. Many suffer from trench foot.

Counselling

The HHT also provide a counsellor who works on a one-to-one basis through deep-seated issues and helps people to move on emotionally and practically. Clients have asked for this service to be more frequent.

Mental health

Poor mental health can lead to homelessness and vice versa, and most people who walk through our doors suffer to some extent from emotional distress – from mild depression or anxiety, to long-term, chronic psychotic illness. The common themes are social isolation, lack of treatment and low self-worth.

Our staff members are trained in advanced assessment skills to enable the mental health workers to establish some rapport with clients and not to give unwanted advice or to prejudge them. This rapport may be achieved in a day or may take several weeks, but it enables clients to make informed choices about their lives and, with support, to seek help and treatment that leads to accommodation and more stability.

Staff members work closely with statutory agencies, particularly the Joint Homelessness Team (JHT), which comprises a psychiatrist, a CPN (community psychiatric nurse) and a social worker. The JHT comes to see clients at The Passage each week and may also arrange full Mental Health Act assessments. This can result in sectioning individuals. Clients are frequently later returned to their local areas, possibly abroad. The team continues, however, to support those who are local, visit them in hospital and liaise with other health and social work professionals.

Substance misuse

Homeless people who suffer from some form of mental illness, commonly self-medicate with drugs or alcohol. Some will have become homeless because of alcohol/drug use while others become addicted as a result of their life on the streets. Whatever the cause, those who use alcohol or other drugs in various combinations become more isolated, more unwell and progressively more entrenched in their behaviour and chaotic lifestyle. It is a self-destructive path.

The substance misuse workers must, therefore, support and

challenge in equal measure and, in the shorter-term, educate people to drink, smoke or inject more safely to minimise the harm they are doing to themselves. Workers also encourage their clients to eat healthy food, keep appointments and, at the appropriate time and if funding is available, to consider detoxification and rehabilitation programmes. Much joint work is carried out, not only within the Resource Centre, but also with specialist agencies, such as South Westminster Drug and Alcohol Service and a local doctor's surgery, both of which are valuable partners.

People who have a mental health issue and an addiction (dual diagnosis) can be the most difficult to help. We have a specific substance misuse worker who is trained in dual diagnosis issues.

Complementary therapies

Since choice is often a luxury denied to homeless people, services such as homeopathy, aromatherapy, reflexology, art therapy and acupuncture give them another way of looking at their health and wellbeing. These services work alongside mainstream health services.

We have a fully funded homeopathy service and a specialist homeopath who is experienced in homelessness and substance misuse. This has become very popular: after people have been treated homoeopathically they often feel more able to progress to other services at the Resource Centre.

Ear acupuncture has proved to be effective in treating addictions and post-traumatic stress disorder, as well as sleep problems and anxiety. Since changing the time of the clinic to 1.30pm, an optimum six clients attend each weekly session. A client often benefits from one-to-one listening after the treatment.

Emotional wellbeing

Funding was obtained to set up an emotional wellbeing group with user involvement.

This group has succeeded in regularly attracting 12–15 people. Themed sessions are followed by open discussions and mutual support. Topics included CBT (cognitive behavioural therapy), depression, self-esteem, food and mood, Wii fitness, drugs and alcohol, and meditation and psychological therapies. The group now meets weekly rather than fortnightly.

Art therapy

Art therapy is a form of psychotherapy that uses art as its primary mode of communication. Clients who are referred to an art therapist do not need artistic experience or skill. The art therapist's aim is to enable clients to change and grow on a personal level through the use of art materials in a safe and



facilitating environment. The relationship between the therapist and the client is of central importance, but art therapy differs from other psychotherapies in that it is a three-way process, between the client, the therapist and the image or artwork. It offers the opportunity for expression and communication, and can be particularly helpful to people who find it hard to express their thoughts and feelings verbally.

Homeless Health Peer Mentor Service

The aim of the Homeless Health Peer Mentor Service – a joint venture between The Passage and another charity – is to train formerly homeless clients to become health peer mentors to currently homeless people by offering one-to-one support to help them access health services, make appointments and build confidence.

The peer mentors received formal training and gained insight into hospital and primary care services by working alongside nurses, GPs, administration staff and clinicians. Equally, health providers gained an insight into the issues homeless people experience when trying to get their health needs met. Clients have been very positive about the scheme and one of our clients who trained as a health peer mentor is now working full time for us.

Outcomes for the Passage Health Team during the year

Mental Health Team:

Total support sessions held with clients	1,707
Individual clients seen	402
New clients seen	377
Referrals to statutory Mental Health Services	106
Clients sectioned under the Mental Health Act	13

Substance misuse team:

Total support sessions held with clients	748
Individual clients seen	179
New clients seen	45
Complex needs assessments	44
Referrals to drug and alcohol services	239

Next year we aim to:

1. develop and maintain quality life-saving interventions to improve physical and mental wellbeing;
2. record accurate information to enable us to have measurable outcomes that will help in measuring the work of the Health Team;
3. develop and promote the emotional wellbeing group to ensure we provide a client-led quality service;

4. assist with the introduction and development of the new seven-day service.
5. advocate for our clients to ensure that services are available within the new Tri-borough health structure; and
6. develop skills and knowledge across the team to ensure we are able to provide a quality service.

FINANCIAL INCLUSION TEAM (FI)

The Financial Inclusion Team provides facilities and training to help clients regain their independence and find work, training, education, or access to welfare benefits. FI currently comprises a project manager and deputy, two welfare rights workers, a mentoring co-ordinator and two education and employment project workers. In addition, City of Westminster College provides two part-time life-skills workers; 11 part-time volunteers, including one who specialises in opening bank accounts for clients, also provide assistance. Job Centre Plus supplies two session workers three times a week to help clients with job search and benefit advice.

During the year

Education, Training and Employment (ETE) clients finding full-time jobs

The ongoing economic situation continued to affect clients' ability to gain employment. Despite this, with significant support from the team, 39 clients found jobs during the year.

ETE provides training materials and mock tests for the CSCS (Construction Skills Certification Scheme) Health and Safety testing. This is necessary for anyone who wishes to work on most construction sites; 35 clients have completed this course.

ETE training room

Over the past year, the ETE room was used 3,877 times by some 465 clients. Clients can study a range of IT-based training programmes, from European Computer Driving Licence preparation, to the Construction Industry Scheme Health and Safety Certificate.

RSA CLAIT (Computer Literacy and Information Technology)

Average use – 20 client sessions a week.

This accredited computer course, which was run by City of Westminster College on two afternoons a week, enjoyed a pass rate comparable to any college in England, a real achievement considering the clients' extra needs. Five exams were passed last year.

Regrettably, as a result of cuts to adult education funding, the service was withdrawn half way through the year.

Detailed description of operations *continued*

Literacy

Average use – 15 clients a week.

In addition to general literacy, the team had the input of a specialist volunteer who works with clients to provide them with employment-related English, depending on which type of job they are looking for. These clients already speak general English, but lack IT- or construction-related vocabulary. The team also refers clients to more specialist literacy support agencies, such as the migrant Resource Centre, as appropriate.

Jobcentre Plus

Average use – 25 clients a week

All new ETE clients receive a mandatory referral to Jobcentre Plus (JC+) outreach. Since the JC+ workers can help clients access the national job database, this counts towards their Department of Work and Pensions (DWP) work diary commitment to look for work. JC+ also supports clients with benefit claims, corrections and appeals.

Changes to the benefit rules have meant that JC+ workers can now work only with clients who have not been referred to a Work Programme (job search and support provided by private-sector organisations). In general, this means that they can work only with clients who have benefit claims that are less than a year old. In practice, delays to Work Programme referrals have meant that JC+ workers are seeing more people than ever before.

In addition, the ETE department has become a registered DWP Work Club. Work Club is designed for people who have been unemployed for less than 12 months. It does not alter the service at the Resource Centre, it simply means that the service is now officially recognised by the government.

Welfare rights

Our two welfare rights workers gave advice and assistance to 372 individuals and dealt with the following number of cases:

Benefits and tax credits	833
Pensions and grants	171
Assistance with opening a bank account	31
Financial advice	64
Proof of identity obtained	89
Debt advice	71
Other advice	278
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Total	1,537

The service was heavily used throughout the year as a result of the major changes that were made to benefit regulations:

- the transfer of Incapacity Benefit Claimants to Employment Support Allowance (ESA);
- the re-assessment of ESA claimants and their allocation to ESA WRAG (Work Related Activity Group – though recognised as too ill to return to work at the moment, an eventual return to work and activities related to that progress are expected), ESA Support Group (clients never expected to return to work), Job Seekers Allowance (JSA) (some clients are deemed no longer in need of ESA and are expected to look for work immediately);
- the cap on housing benefit making clients' rents unaffordable (though in practice this is quite rare because many clients were concerned at the prospect and sought advice);
- increasing inconsistency concerning community care grant awards;
- the imposition of benefit withdrawal sanctions on clients who have not co-operated with their mandatory Work Programme requirements;
- the imposition of Mandatory Work Activity to clients whom the DWP has decided are not looking for work actively enough (though rare, each case takes time);
- the transition to online benefit application and management, and the related decline in face-to-face help on these tasks offered by the job centre; and
- the preparation for the abolition of JSA/ESA and Housing Benefit and its replacement by Universal Credit. The first benefit calculators for the new benefit are now ready and we need to learn how to use them.

Lifeskills

Average attendance – eight clients a week.

Lifeskills offers clients access to the Business Education Council's workskills qualification. This 12-week pre-employment course enables clients to gain work-related skills, such as working in a team and working positively with authority figures. Each client's performance is graded and each is given advice on issues that may prevent them from engaging with employers positively. After eight weeks, the clients are connected with in-house career advisers to enable them to decide what they want to do next, and to avoid returning to using the Resource Centre. Lifeskills provides courses on basic numeracy, cookery and budgeting, including nutrition and healthy eating. In addition, this year it delivered Food Hygiene qualifications. These courses help clients to look for work in restaurants, etc.



Mentoring

There are currently 20 active relationships.

The mentors – usually Barclays Bank staff – receive full training from the mentoring co-ordinator before beginning a relationship. They meet their clients regularly on a one-to-one basis and many clients say that the mentoring meeting is the nicest part of their week. This training is currently a model for other schemes around the country.

During the year, the team welcomed The John Lewis Partnership to the scheme. They are currently supplying four mentors for clients who are at an earlier stage in their journey back to work.

Business In The Community (BITC): Business Action on Homelessness

This BITC Ready for Work scheme is a four-stage programme of registration, pre-placement, placement and post-placement support. Stage 3 is a two-week work placement, the aim of which is to improve confidence, build skills and to result in a reference useful for further job search. Clients can also use Ready for Jobs, an online job databank targeted at homeless people. Contact was maintained with BITC during the year. Four clients undertook work placements; three attended BITC. A further five took part in “Get Ready” – a new, day-workshop scheme delivered by participating companies for clients who suffer from low self-esteem and other behavioural issues that hinder them in looking for work.

Bank accounts

The lack of a bank account can sometimes be a barrier to a client making progress. Although in many cases clients can open new bank accounts for themselves, it can be difficult if they have a poor credit history and, in those cases, we help. In addition to 31 bank accounts that were opened with assistance from the welfare rights worker a further 15 basic bank accounts were opened for clients by the education training and employment project workers.

Social Enterprise

Eight clients gained their Portable Appliance Testing qualification and carried out the Passage’s annual PAT test. Even taking the cost of the training into account, this represented a saving of more than £1,000 over bringing in an external contractor. Three of the clients used the qualification to enter related employment and a fourth client entered non-related employment. In addition, the clients PAT-tested equipment for people moving into their own accommodation and we also carried out several small jobs for charity shops that wish to sell electrical equipment.

Next year we aim to:

1. develop a Social Impact Bond to attract new funding for the team from social investors;
2. develop skills and knowledge across the team by supporting them to achieve a qualification in careers guidance and/or a Christians against Poverty money guidance qualification;
3. develop a training programme for residential project workers around transition to work benefits;
4. continue to buck the economic trend by maintaining our impressive rate of helping clients to find employment, and develop, and host, work-programme activity as part of our day and residential services;
5. develop work with Passage residential services to ensure all our residents have access to high-quality employment and training services; and
6. develop a specialised employment support programme for clients about to start work.

THE CHAPLAINCY

There are two full-time chaplains – a Daughter of Charity and a Vincentian priest. They are assisted by two volunteer part-time chaplains, both of whom are Catholic priests. The chaplains attempt to meet the spiritual and religious needs of clients and residents at the Resource Centre, Passage House and Montfort House and are sensitive to the spiritual needs of people from different faiths.

The primary aim of the service is to be available to all clients. At the Resource Centre and at our two hostels, the chaplains share conversations and meals with clients. Their ministry is a service of presence and friendship, not a proselytising ministry. The chaplaincy rooms at the Resource Centre and at Passage House are open throughout the day and are regularly used as places of silence, prayer or reading; they also serve as places where clients may talk to one of the chaplains in confidence, receive counselling (one of the chaplains is a trained spiritual director and psychotherapist) or for sacramental confession.

The chaplains aim to be a prophetic presence at The Passage to clients, volunteers and staff, a reminder that the organisation takes its inspiration from the gospel of Jesus Christ and the particular Christian vision of St Vincent de Paul. This Christian vision is implemented in our Vincentian values – that each client is a child of God and is respected accordingly. Each September, on the feast day of Vincent de Paul, the chaplains run a seminar for staff and volunteers to reflect on Vincentian values. Currently, they participate in ongoing workshops to promote these values for The Passage.

Detailed description of operations *continued*

Early each Monday morning a chaplain leads a small group of staff and volunteers for a few minutes' prayer to invoke God's blessing on the forthcoming week. On Tuesdays, following a 30-year tradition, a chaplain and a small group of clients gather in the chaplaincy room to read the gospel and speak and pray about their lives. At the request of clients, Holy Mass is celebrated in the chaplaincy every Wednesday.

The chaplains maintain links, meet and work with other teams. One chaplain attends the Monday meeting of the Hospitality Team and also helps in reception. The other attends the weekly team meetings at Passage House. They also attend the weekly client review meeting at the Resource Centre.

Each year brings news of deaths among our clients; in the past year 15 died. The chaplaincy takes responsibility for contacting – and where possible meets – the families of the dead. They liaise with police, hospitals, coroners' courts and undertakers. The chaplains plan and arrange funeral services that are appropriate to the beliefs of each client and, after funerals, hold memorial services at the centre.

The chaplains take part in the annual memorial service at St Martin-in-the-Fields, in early November, for all homeless people in London who have died. They also celebrate Holy Mass in the Cathedral crypt chapel in November for our own deceased Passage clients.

The chaplains visit and support clients in hospital, in prison, and at detox and rehabilitation centres. They visit clients at home after they have been housed. They are in contact with other homelessness agencies and have regular meetings with chaplains from five centres in London.

During the year, our chaplains led clients on popular outings to church communities outside London, and on pilgrimages to monasteries and religious sites. There were also visits to art galleries and musical events. One of the chaplains joins in the weekly workshops and occasional public performances with the Streetwise Opera.

Each Good Friday The Passage participates in The Crucifixion on Victoria Street. Nearly 2,000 people join this witness walk. The chaplains and our Chief Executive organise a group of clients, two of whom carry the Cross and lead the procession from Westminster Central Hall to Westminster Cathedral, and then to Westminster Abbey. Last year 20 clients participated. The Passage is the beneficiary of the collection at this event.

PRIMARY SERVICES

The Primary services team consists of the head chef, who manages the team, two further full-time chefs, a laundry worker and a locum chef who provides additional cover during staff holidays. Primary services provides catering across the organisation, and a laundry and clothing store service in the Resource Centre.

The food service

Most of the people who use the Resource Centre have breakfast or lunch, often both. Vegetarian options are offered each day. Considerable importance is given to providing varied nutritious food, and fresh vegetables and fruit are offered on most days. The present level of service is partly made possible by generous donations of food by local retailers and other suppliers. The team ensures that at least one nutritious meal a day is available for all clients using the centre. They normally provide about 90 cooked breakfasts and up to 200 lunches. In Passage House, a cooked evening meal is provided each day and a roast dinner on Sundays. A choice of a vegetarian option and culturally aware provisions are made for all residents. On Sundays, a cooked brunch is also provided and on other days a continental breakfast.

The clothing store, showers, laundry and hairdresser

A range of services underpins helping people with their sense of wellbeing and providing them with the facilities to care for their personal hygiene. Male and female clothing stores provide items for daily wear and for special events, such as job interviews, at nominal prices. There is also a well-used laundry service each weekday, where toiletries can also be bought. A hairdressing service is available on a regular basis.

Next year we aim to:

1. increase the opening times of the clothing store, with the help of volunteers, to offer a better service to clients;
2. recruit volunteer help in collaboration with the Volunteer Co-ordinator to help the laundry service, particularly when cover is needed;
3. gain accreditation as a training centre to support the training of staff, volunteers and client volunteers. This could also be a source of income;
4. continue to seek more food donations in kind in order to minimise food costs, while aiming to meet the needs of the clients and offering as much choice and variety as possible;
5. seek to take the lead in concluding the review of the current cleaning system with a view to making vast improvements in the cleaning in all areas; and
6. maintain the results of the comprehensive cleaning review that has been carried out.



FAITH-BASED GROUPS CO-ORDINATION PROJECT

We continue to carry out the Faith-based Groups Co-ordination Project, funded by the Greater London Authority through Southwark Council, on a year-by-year basis. Two workers – a Faith-based Groups Co-ordinator and a Faith-based Groups Project Worker – are employed at The Passage to help support faith- and community-based organisations tackle rough sleeping in London. There are currently many faith groups that operate different services (such as soup runs and Resource Centres) across London. The Faith-based Groups Co-ordination Project seeks to build positive relationships with these groups over the year and to help them to develop targeted services with clearly thought-out objectives, working in line with mainstream services and local authorities' homelessness strategies. The workers liaise closely with each borough to consult on how faith (and some secular) groups can work most effectively, and a wide range of alternative volunteering options is being promoted to faith groups to enable them to play a significant and meaningful role in the goal of ending rough sleeping.

In the past year, the project achieved a significant reduction in the number of soup runs in the piazza in front of Westminster Cathedral (linking them with other ways of supporting rough sleepers and ex-homeless people) – as opposed to the need for the bye-law that was originally proposed – and has extensively mapped food provision services across London to look at sharing experiences. The project also seeks to provide appropriate opportunities for people who are interested in volunteering during the Olympics, and promotes effective ways of working with homeless Europeans who have found themselves on the streets. The Passage is well placed to deliver this project because it is, itself, a faith-based provider that has developed its services over the years, and the way that it maintains its ethos while engaging with the issues around rough sleeping can be used as a positive example to other groups.

RESIDENTIAL SERVICES

Passage House

Passage House is a 40-bed hostel that provides accommodation and support services to vulnerable rough sleepers. The clients have mixed and varied support needs and diverse histories, but all have one thing in common – they have been sleeping rough on the streets of Westminster. During the past year, Passage House had to implement significant savings of £150,000 as part of the cuts to the Supporting People Grant. This was very challenging. The project re-structured its staffing to achieve the savings while, at the same time, maintaining a high level of care for the residents.

The staff team Passage House employs a full-time staff team of 19 and a regular pool of locums to cover absences. The project is staffed 24-hours a day. In addition to six key workers and two senior project workers, we have a dedicated four-strong night team. There are three specialist workers – an Employment Training and Education (ETE) worker, a Resettlement Worker and a Private Rented Resettlement (PRS) worker, who also helps people to move on from Montfort House. Management support is provided by the project manager and the deputy manager. Management is on call 24-hours a day in case of emergencies. There is also a full-time chef and cleaner.

The service provided by Passage House The majority of Passage House clients come straight from the street. All referrals are assessed to ensure they meet the service's criteria. A move-on plan is part of the process and clients are offered individual packages of support that tell them how long they will be in the project. The maximum stay is two years although occasionally, with more complex cases, that is extended. The majority, however, move on within six to 12 months. Each resident is allocated a key worker who agrees a support plan with them that identifies their individual needs and sets objectives to help them achieve their goals.

Places of Change building development The Places of Change building works, which were completed during the year, transformed Passage House. The improvements included: opening the reception area to create a much more welcoming environment, removing the dormitories so that each client has his or her own private bedroom, creating a much more client-focused ground floor area with a new Education, Training and Employment area and training kitchen, and improving the general standard of all areas. The project also reviewed its working practices with the aim of developing greater client involvement and empowerment across all its activities.

High-support beds High-support beds provide an intervention and assessment service for clients who present with complex and multiple needs. They are often used for short-term stays, pending assessments under the Mental Health Act, or may simply be a safe base while clients are trying to sort out prescribing services or other immediate support. Clients who come into the high-support rooms are often able to achieve a level of stability that enables them to move into the main hostel and start to work towards longer-term goals. Over the past year the project accommodated couples and women for the first time in the high-support beds.

Detailed description of operations *continued*

The Foyer project The Foyer project, which aims to replicate the success of traditional foyers for under 25-year-olds with an older client group, had mixed results. The difficulties were in attempting to source referrals because clients who are over 25 are not always happy to live in a shared environment. The clients who were accommodated in the Foyer achieved good outcomes over the year, but as the needs of clients sleeping rough have changed and become more complex, we will be reviewing the work of the Foyer over the coming year to ensure that it is meeting the most pressing needs of the client base.

As a result of the self-catering aspect of the Foyer, there is a focus on life skills and pre-tenancy support for the clients living in this part of the hostel, which works well and helps prepare them for more independent living.

During the year

- Literacy Pilot.** The literacy pilot as the runner-up at the Andy Ludlow Award, won £10,000 for The Passage, and was subsequently launched London-wide. Following its success at Passage House, it had been rolled out across all Westminster hostels. The scheme continues to go from strength to strength and is developing its use of peer mentors to support current hostel residents develop literacy skills.
- Places of Change.** The building works were completed in the year. They delivered a much-improved and more welcoming building. Highlights include the ending of dormitory accommodation, improved bathrooms, an open and welcoming new reception, a much improved café-style dining room, and a new training kitchen for residents.
- Restructure of service.** The service had to be restructured as a direct result of a £150,000 reduction in grants. The cuts coincided with the completion of the building works and we worked to ensure that front-line staff would be strengthened and supported to improve the service. The newly created Senior Project Worker post is seen as a key role for the future.

Total number of clients worked with	102
Percentage of clients completing a planned move on	75%
Number of support hours worked by staff	21,201
Average use of bed-spaces	94%

During the year clients leaving moved on to	
Supported housing	30
Private rented accommodation	5
Housing Association/Council tenancy	6
Stay with friends	4
Return to family/to previous home	3

<i>Total planned move on</i>	48
Died	1
Moved to hospital or prison	5
Abandonment	10
Total	64

Next year we aim to:

- progress the suggested ideas for involving residents in the running of Passage House while offering real opportunities for them to develop new skills in relation to employment and training. These include, setting up a market stall, equipping our catering and cleaning staff to become NVQ (National Vocational Qualification) assessors, and creating real work experience opportunities;
- continue with all aspects of the Places of Change philosophy to ensure we offer residents and staff true opportunities to develop and make positive and creative changes;
- be creative in developing partnerships that enable us to continue to deliver innovative solutions to the ongoing needs of Westminster and ensuring Passage House is a Place of Change that offers all residents real opportunities to make changes in their lives;
- continue to develop best practice and creative ways to work with complex clients;
- create opportunities for joint working between residential services and the Resource Centre; and
- ensure strong housing management by sustaining full occupancy, maximising rent collection, continuing high levels of planned move-on, and developing further move-on options.

Montfort House

Montfort House provides temporary accommodation in self-contained studio flats for 16 former rough sleepers, both men and women. Throughout the year we continued our efforts to target the most vulnerable long-term entrenched clients with long and complex homelessness histories. We also developed the service to enable us to take couples; there is a shortage of accommodation that accepts couples in Westminster. Currently, eight of our 16 flats are occupied by the most entrenched and vulnerable rough sleepers and three by couples with complex problems.

While residential services had to manage a significant cut to its budget during the year we were delighted that Montfort House will have an increase in its budget for 2012/13. It is acknowledged that, in order to continue the work we have started in housing a more complex client group straight from the street, staffing hours need to be increased. As a result, we received extra funding for an additional project worker. The new post will work closely with the Streetlink team to provide shift cover to engage with rough sleepers on the streets and act as a bridge to getting them to move in. The project is now managed by the residential services manager; the team consists of one senior and three other project workers. It will be staffed seven days a week, with extended staff cover between 9am to 9pm. We have turned the lounge into a training kitchen/lounge with the aim of having social and educational activities there that will entice our more difficult residents to engage in a more informal and relaxed setting.

Montfort House's principal aim is to offer the most vulnerable clients an opportunity to attempt to live in a self-contained environment. Traditionally, the clients we accept have turned down offers of accommodation because they are not prepared to live in hostels where there are too many rules and regulations. At Montfort House we aim to take a back seat and support from a distance. To achieve this we need to continue to develop the strong joint working partnerships we have with the Streetlink and other external teams. Streetlink and/or external agencies take the lead in settling residents in and delivering their support. We have reviewed the project's policies and procedures to make moving in as relaxed and informal as possible to ensure we do not frighten vulnerable clients away.

Despite changing our client group and the way we work with individuals, move-on remains a priority. We accept that the change in client group will slow down move-on. We will need to manage the process carefully as many new residents might see Montfort House as an end destination and not want to move on. While we are pleased that most complex clients are housed, if few of them move on we run the risk of not being able to reach our target group. We envisage that move-on will still happen, albeit at a slower pace.

Summary of work with clients during the year

Total number of clients worked with	25
Percentage of clients completing a planned move on	100%
Number of support hours worked by staff	3,715
Average utilisation of the flats	99.75%

During the year clients moved on to:

Supported housing	4
Private rented	2
Detox hostel	1
<hr/>	
Total	7

All six clients who moved on into self-contained accommodation during the year are still in their new homes.

Next year we aim to:

1. continue to develop policies and procedures that set the standard in best practice in working with entrenched hard-to-reach rough sleepers and couples;
2. implement the new staffing structure and move the service to the new extended hours;
3. develop opportunities for joint working to create stronger partnerships so that all external specialist services provide an in-house service;
4. continue to work closely with Passage House to ensure both projects work together to develop all aspects of the Places of Change philosophy;
5. review the role of our ETE service in meeting the needs of our more vulnerable clients;
6. continue to strengthen housing management by maintaining full occupancy, maximising rent collection, continuing with high levels of planned move-on from the project and developing further move-on options; and
7. continue to look for opportunities to improve the physical environment of the project and ensure all flats are let in a good condition.

Auditors' report

We have audited the financial statements of Passage 2000 for the year ended 31 March 2012 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the cash flow statement; the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees' Annual Report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 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.

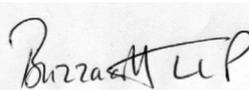
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Edward Finch

Senior Statutory Auditor for and on behalf of

Buzzacott LLP

Statutory Auditor

130 Wood Street

London EC2V 6DL

14 June 2012

Statement of financial activities



THE PASSAGE

	Notes	Unrestricted funds £	Restricted funds		Total funds 2012 £	Total funds 2011 £
			Running costs £	Buildings funds £		
INCOMING RESOURCES						
<i>Incoming resources from generated funds</i>						
Voluntary income	1	1,283,789	471,334	-	1,755,123	1,557,843
Bank interest		60,991	-	-	60,991	42,599
<i>Incoming resources from charitable activities</i>						
Grants from statutory bodies	2	-	1,684,549	1,014,440	2,698,989	2,387,085
Rents and charges to residents		526,286	-	-	526,286	552,077
Total incoming resources		1,871,066	2,155,883	1,014,440	5,041,389	4,539,604
RESOURCES EXPENDED						
<i>Cost of generating funds</i>						
Cost of generating voluntary income		171,859	3,000	-	174,859	201,123
<i>Charitable activities</i>						
Passage Resource Centre and outreach		745,413	1,265,470	102,832	2,113,715	2,152,132
Passage residential services		525,534	773,904	345,648	1,645,086	1,633,690
		1,270,947	2,039,374	448,480	3,758,801	3,785,822
Governance costs		54,561	-	-	54,561	62,098
Total resources expended	3	1,497,367	2,042,374	448,480	3,988,221	4,049,043
Net movement in funds		373,699	113,509	565,960	1,053,168	490,561
Total funds brought forward		1,428,145	106,690	8,583,265	10,118,100	6,022,324
Funds transferred from The Passage Trust	13	-	-	-	-	3,605,215
Total funds carried forward		1,801,844	220,199	9,149,225	11,171,268	10,118,100
MOVEMENT IN FUNDS BEFORE CAPITAL GRANTS						
Net movement in funds					1,053,168	490,561
Capital grants					(1,014,440)	(485,560)
Net movement in funds before capital grants					38,728	5,001

The amounts shown above derived from continuing operations.

There were no recognised gains and losses for the current or prior years other than those shown in the statement of financial activities.

Balance sheet

	Notes	Unrestricted funds £	Restricted funds		Total funds 2012 £	Total funds 2011 £
			Running costs £	Buildings funds £		
Fixed assets	4	37,631	-	6,864,642	6,902,273	6,481,810
Current assets						
Debtors	5	614,178	10,000	399,882	1,024,060	1,279,003
Cash on deposit and in hand		1,391,925	210,199	1,906,701	3,508,825	2,678,318
		2,006,103	220,199	2,306,583	4,532,885	3,957,321
Liabilities						
Creditors – amounts falling due within one year	6	(241,890)	-	(22,000)	(263,890)	(321,031)
Net current assets		1,764,213	220,199	2,284,583	4,268,995	3,636,290
Total net assets		1,801,844	220,199	9,149,225	11,171,268	10,118,100

THE FUNDS OF THE CHARITY

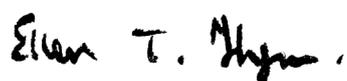
Restricted funds

Revenue funds	7	-	220,199	-	220,199	106,690
Building funds	7	-	-	9,149,225	9,149,225	8,583,265
		-	220,199	9,149,225	9,369,424	8,689,955

Unrestricted funds

Accumulated fund	8	138,213	-	-	138,213	146,929
Designated funds	8	1,663,631	-	-	1,663,631	1,281,216
		1,801,844	-	-	1,801,844	1,428,145
Total funds		1,801,844	220,199	9,149,225	11,171,268	10,118,100

Approved by the Board of Trustees of Passage 2000
(Company Registration Number 3885593)
on 29 May 2012 and signed on its behalf by:



Sister Ellen Flynn, Chairman

Cash flow statement



	2012 £	2011 £
Net cash inflow from operating activities	569,820	52,475
Grant received for Passage House improvements	1,100,118	-
Returns on investments		
Interest received	45,302	24,458
Cash inflow before capital expenditure	1,715,240	76,933
Capital expenditure and financial investment		
Purchases of equipment	(24,205)	(38,954)
Improvements to Resource Centre	(11,830)	(6,045)
Passage House improvements	(848,698)	(485,560)
Increase/(decrease) in cash before transfer	830,507	(453,626)
Cash transferred from Passage Trust	-	2,208,117
Increase in cash	830,507	1,754,491
Reconciliation of changes in resources to net cash outflow from operating activities		
Net movement in unrestricted funds	373,699	231,104
Net movement in restricted revenue funds	113,509	82,303
Net movement in funds from operating activities	487,208	313,407
Interest receivable	(60,991)	(42,599)
Depreciation of equipment	15,790	39,159
(Decrease)/increase in creditors	(57,141)	42,853
Creditors transferred from Passage Trust	-	(15,203)
Decrease/(increase) in debtors, excluding accrued interest receivable and grants for capital expenditure	184,954	(285,783)
Debtors transferred from Passage Trust	-	641
Net cash inflow from operating activities	569,820	52,475
Analysis of changes in cash		
Closing cash at bank and in hand	3,508,825	2,678,318
Opening cash at bank and in hand	(2,678,318)	(923,827)
Increase in cash	830,507	1,754,491

Principal accounting policies

31 March 2012

BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charity Commission in March 2005 ("SORP 2005") and comply with the requirements of the Companies Act 2006.

FUND ACCOUNTING

Accumulated fund

The accumulated fund is under the control of the Board of Trustees and can be used in furtherance of the general charitable objectives of the company.

Designated funds

Designated funds comprise resources which have been set aside by the Board of Trustees for specific purposes.

Restricted funds

The restricted funds represent donations and grants received where restrictions, which are legally binding on the company, have been imposed on the use of the funds.

INCOMING RESOURCES

Donations and grants are split between restricted and unrestricted funds in accordance with the terms of the grant or donation. Donations are accounted for when received. Income from fundraising events arranged independently by groups of volunteers in aid of The Passage is included as income from church and voluntary groups. Amounts received from public collections are included as donations from individuals.

Grants from statutory bodies are accounted for in the period to which they relate.

Legacies are accounted for when notified, once the value of the legacy can be measured with reasonable certainty and any conditions to enable the legacy to be received have been fulfilled.

Rents receivable are accounted for in the period to which they relate.

Bank interest and other incoming resources, where appropriate in accordance with the contractual arrangements, are accounted for on an accruals basis.

Donations in kind and voluntary help

Donated facilities, goods and services are brought into the accounts, where it is practicable to calculate the value to the company and the expenditure would otherwise have been incurred.

The value of voluntary help is not included in the statement of financial activities.

RESOURCES EXPENDED

The cost of generating funds comprises advertising costs and other direct fundraising expenditure plus an allocation as support costs for staff, part of whose time is spent encouraging donations, legacies and grants from existing and potential supporters.

Charitable expenditure comprises direct expenditure incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to those activities. It also includes as support costs an allocation of management and overhead costs directly related to running those activities.

Governance costs comprise the costs of the general management, which allows the company to operate and to generate information required for public accountability and the costs of the strategic planning process. They also include development planning costs relating to St Vincent's Centre and Passage House, which will contribute to the future development of the charity.

Support costs comprise those costs that, while necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Similarly, support costs are incurred in supporting income generation activities, such as fundraising, and in supporting the governance of the charity.

Where members of staff carry out duties that fall into more than one expenditure category, costs, including related overhead costs, have been allocated on the basis of estimates of time spent on various duties. Where property related costs cover more than one category, costs have been allocated on the basis of floor area occupied.

Pension contributions

The Passage has arranged a group personal pension plan for staff, the costs of which are charged to the Statement of Financial Activities in the year in which the contributions accrue.

FIXED ASSETS

Freehold property

The cost of improvements, including directly related professional fees, is capitalised when incurred. Expenditure on uncompleted building refurbishment and improvements is treated as incurred when certified, and on related professional fees when invoiced.

Until 28 September 2004, The Passage had no formal legal interest in the parts of St Vincent's Centre, Carlisle Place, used as the resource centre and used by residential services as Montfort House. Accordingly all expenditure on improvements before 28 September 2004 was charged against income as incurred.

Equipment

Individual items of equipment including fixtures and fittings costing £1,000 or more are capitalised. Individual items of equipment costing less than £1,000 are charged to expenditure in the year of purchase.

Depreciation

The cost of buildings are being depreciated over between 27 and 50 years. Plant and equipment including fixtures and fittings is depreciated over between 4 years and 15 years depending on its estimated useful life.

TAXATION

The company is a registered charity and accordingly is not liable to corporation tax or income tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the accounts

31 March 2012

1 VOLUNTARY INCOME

	Unrestricted funds £	Restricted funds £	Total funds 2012 £	Total funds 2011 £
Individuals	609,109	-	609,109	534,541
Legacies	171,157	-	171,157	353,449
Westminster Cathedral	21,885	-	21,885	11,172
Sisters of Charity of St Vincent de Paul	560	-	560	1,000
Society of St Vincent de Paul	1,050	-	1,050	1,935
Church and voluntary groups	215,460	-	215,460	197,114
Companies and businesses	35,041	187,148	222,189	272,261
Grants from trusts	229,527	284,186	513,713	186,371
Total funds	1,283,789	471,334	1,755,123	1,557,843
<i>Total funds 2011</i>	<i>1,294,785</i>	<i>263,058</i>	<i>1,557,843</i>	

2 GRANTS FROM STATUTORY BODIES

	Restricted funds		Total funds 2012 £	Total funds 2011 £
	Revenue £	Building funds £		
Westminster City Council	1,527,549	1,014,440	2,541,989	2,282,488
London Borough of Southwark	100,000	-	100,000	50,000
Dion	37,000	-	37,000	37,000
Department for communities and local government	20,000	-	20,000	11,833
Learning Skills Council	-	-	-	5,764
	1,684,549	1,014,440	2,698,989	2,387,085
<i>Total funds 2011</i>	<i>1,901,525</i>	<i>485,560</i>	<i>2,387,085</i>	

Further information on grants is given in note 15 on page 37.

3 RESOURCES EXPENDED

	Activities undertaken directly £	Support costs £	Total 2012 £	Total 2011 £
Cost of generating funds	87,639	87,220	174,859	201,123
Charitable activities				
Passage Resource Centre	1,895,251	218,464	2,113,715	2,152,132
Passage residential services	1,474,355	170,731	1,645,086	1,633,690
	3,369,606	389,195	3,758,801	3,785,822
Governance costs	8,060	46,501	54,561	62,098
	3,465,305	522,916	3,988,221	4,049,043
<i>Total 2011</i>	<i>3,421,079</i>	<i>627,964</i>	<i>4,049,043</i>	



	Cost of generating funds £	Passage Resource Centre £	Passage residential £	Governance £	Total 2012 £	Total 2011 £
SUPPORT COSTS						
Management and planning	48,772	90,682	53,996	21,790	215,240	273,878
Finance	24,528	18,396	12,264	18,457	73,645	83,392
Information technology	9,581	20,599	15,809	1,916	47,905	53,370
Human resources	1,258	33,324	27,037	1,257	62,876	89,797
Facilities management	3,081	55,463	61,625	3,081	123,250	127,527
	87,220	218,464	170,731	46,501	522,916	627,964
<i>Total 2011</i>	<i>107,882</i>	<i>257,687</i>	<i>206,259</i>	<i>56,136</i>	<i>627,964</i>	

Basis of allocation of support costs

Management and planning, finance and information technology costs are allocated on the basis of estimates of the use of the time of these departments in providing services to other projects and activities. Human resources overheads are charged on the basis of the number of staff engaged in each activity. Facilities management costs are recharged on the basis of the use of the services taking account of floor areas occupied and the intensity of their use.

	2012 £	2011 £
ANALYSIS OF TOTAL STAFF AND VOLUNTEER COSTS		
Wages and salaries	2,409,529	2,472,678
Social security costs	239,974	253,228
Pension contributions and life assurance	60,556	77,561
Other costs including agency staff	158,562	143,430
Training and recruitment	21,443	36,130
Volunteer travel and other costs	14,819	11,113
	2,904,883	2,994,140

One employee earned more than £60,000 but less than £70,000 (2011 – one more than £70,000 but less than £80,000) for whom employer's pension contributions of £5,310 (2011 – £ 5,421) were made to the group personal pension plan.

	Full-time 2012	Part-time 2012	Full-time equivalent 2012	Full-time equivalent 2011
Resource Centre including outreach	38	8	42	45
Residential services	22	7	26	27
Support services	15	1	15	17
	75	16	83	89

Pensions and life assurance

There is a group personal pension plan for staff with more than three months' service. Under these arrangements, The Passage contributes to the individual personal pension plans of those employees who have elected to participate. The plan complies with the government's rules on stakeholder pensions. The Passage pays group life assurance premiums for all employees.

Notes to the accounts *continued*

31 March 2012

3 RESOURCES EXPENDED *continued*

Expenditure for the year includes the following items

	2012 £	2011 £
Depreciation	464,270	347,565

Amounts payable to the auditors (including VAT)

Audit fees	12,312	15,344
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Board of Trustees' remuneration

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the two years ended 31 March 2012. The company has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its board of trustees, employees and agents and to indemnify the board or other officers against the consequences of any neglect or default on their part. The insurance premium amounted to £1,590 (2011: £1,701) and provides cover up to a maximum of £1,000,000.

Other direct costs within the resource centre are accounted for net of contributions from clients:-

	Food £	Clothes £	Laundry / shaver £	Total 2012 £	Total 2011 £
Purchases	81,489	817	1,091	83,397	85,829
Contributions from clients	(11,286)	(1,798)	(337)	(13,421)	(14,932)
Deficit/(surplus) on sales	70,203	(981)	754	69,976	70,897

4 FIXED ASSETS

	Freehold property £	Equipment, fixtures and fittings £	Total £
COST			
At 31 March 2011	7,936,580	200,007	8,136,587
Additions during the year	860,528	24,205	884,733
Disposals	-	(161,053)	(161,053)
At 31 March 2012	8,797,108	63,159	8,860,267
DEPRECIATION			
At 31 March 2011	1,483,986	170,791	1,654,777
Provided during the year	448,480	15,790	464,270
Disposals	-	(161,053)	(161,053)
At 31 March 2012	1,932,466	25,528	1,957,994
NET BOOK VALUE			
At 31 March 2012	6,864,642	37,631	6,902,273
<i>At 31 March 2011</i>	<i>6,452,594</i>	<i>29,216</i>	<i>6,481,810</i>

In September 2004 The Passage purchased the freehold of St Vincent's Centre (see note 12).

On 1 April 2010 the freehold of Passage House was transferred to the company from The Passage Trust (see note 13).

5 DEBTORS

	2012 £	2011 £
Legacies	179,000	328,348
Event sponsorship and advertising	77,216	72,216
Capital grant	399,882	485,560
Revenue grants paid in arrears	216,476	193,151
Income tax recoverable – Gift Aid	12,599	20,859
Accrued interest receivable	33,830	18,141
Prepayments	11,967	4,702
Rents and service charges	29,693	67,393
Donations held by intermediaries, principally Charities Aid Foundation	20,721	1,490
Sundry debtors	42,676	87,143
	1,024,060	1,279,003

6 CREDITORS – amounts falling due within one year

	2012 £	2011 £
Trade creditors	36,907	115,718
Accruals for goods and services	46,382	59,783
Income received in advance	68,190	28,250
Social security and payroll taxes	60,874	72,575
Group Personal Pension contributions	7,815	9,664
Housing benefit overpayment	34,710	34,869
Sundry creditors	9,012	172
	263,890	321,031

7 RESTRICTED FUNDS: movements during the year

	Balance at 1 April 2011 £	Incoming resources £	Resources expended £	Balance at 31 March 2012 £
Running costs	106,690	2,155,883	(2,042,374)	220,199
Buildings funds				
St Vincent's Centre	4,701,023	-	(102,832)	4,598,191
General development fund	2,010,574	-	-	2,010,574
Passage House	1,780,504	1,014,440	(345,648)	2,449,296
Passage Resource Centre	91,164	-	-	91,164
	8,583,265	1,014,440	(448,480)	9,149,225
Total restricted funds	8,689,955	3,170,323	(2,490,854)	9,369,424

Notes to the accounts *continued*

31 March 2012

7 RESTRICTED FUNDS: Movements during the year

Notes 1, 2 and 15 give details of the restricted income received to fund specific areas of expenditure. These funds are normally spent in their entirety during the year. Individual balances on the restricted funds relating to revenue expenditure are not material. Therefore, no further analysis is given of the unspent funds carried forward in relation to running costs.

The running costs fund represents donations given during the year to support the running of specific projects, which have not entirely been spent by the end of the year.

The St Vincent's Centre fund represents donations and grants made towards the cost of purchasing and redeveloping St Vincent's Centre.

The General Development Fund was funded by the donation of the accumulated fund of The Passage Trust for the specific purpose of further development of the company's buildings and major repair work.

The Passage Day Centre fund represents a legacy received by The Passage Trust for use in the day centre, given to Passage 2000 for the development and maintenance of the day centre.

The Passage House restricted fund consists of

(i) the historic cost of Passage House to The Passage Trust less accumulated depreciation to 31 March 2012 (it includes the Lily Ann & William Wiggins Fund of £146,045, which the donor agreed could be used for this purpose); and

(ii) grants payable to the company to develop Passage House.

8 UNRESTRICTED FUNDS: Movements during the year

	Balance at 1 April 2011 £	Increase in funds during the year £	Transfers £	Balance at 31 March 2012 £
Accumulated fund	146,929	373,699	(382,415)	138,213
Designated funds				
Funding contingency	1,100,000	-	250,000	1,350,000
Statutory redundancy	152,000	-	124,000	276,000
Equipment	29,216	-	8,415	37,631
	1,281,216	-	382,415	1,663,631
Total unrestricted funds	1,428,145	373,699	-	1,801,844

The designated funds are held for the following purposes:-

The funding contingency fund is designated in order to ensure that adequate resources would be available to maintain services to beneficiaries in the short-term having regard to seasonal fluctuations in income and the company's exposure to possible variations in future grant levels from major funders.

The statutory redundancy fund represents the present contingent liability for payments, which would have to be made to existing staff if they had to be made redundant.

The equipment fund represents the net book value of equipment.

**9 CHANGES IN RESOURCES APPLIED FOR FIXED ASSETS FOR CHARITY USE**

	Unrestricted funds £	Restricted funds		Total funds £
		Revenue £	Buildings £	
Net movement in funds for the year	373,699	113,509	565,960	1,053,168
Net increase in tangible fixed assets for direct charitable purposes	(8,415)	-	(412,048)	(420,463)
Net movement in funds available for future activities	365,284	113,509	153,912	632,705

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £	Net current assets £	Total £
RESTRICTED FUNDS			
Revenue funds	-	220,199	220,199
Buildings funds			
St Vincent's Centre fund	4,635,968	(37,777)	4,598,191
General development fund	-	2,010,574	2,010,574
Passage House	2,228,674	220,622	2,449,296
Passage Day Centre	-	91,164	91,164
Total restricted funds	6,864,642	2,504,782	9,369,424
UNRESTRICTED FUNDS			
Accumulated fund	-	138,213	138,213
Designated funds	37,631	1,626,000	1,663,631
Total unrestricted funds	37,631	1,764,213	1,801,844
Total funds	6,902,273	4,268,995	11,171,268

11 RELATED PARTY TRANSACTIONS

The Board of Trustees ("the Board") manages the charitable activities of the company.

The rules for the appointment of the Board of Trustees and its Chairman and Vice-chairman are set out in the Board's report on page 8. For the reasons set out on page 9, The Passage Trust, the Sisters of Charity of St Vincent de Paul ("the Sisters") and Westminster Cathedral are related parties.

Transactions with the Sisters

In order to minimise costs and because of the nature of sharing the building, certain services are purchased jointly and appropriate recharges are made. These arrangements continued after the change of ownership and contracts have been transferred as they become due for renewal. There were no recharges by the Sisters in the year to 31 March 2012 (2011: £22,123). The Sisters reimbursed costs of £ 14,733 (2011: £19,672) incurred on their behalf by The Passage. These transactions were carried out on an arm's length basis. In addition The Passage has charged the Sisters £15,000 (2011: £19,498) for the long-term maintenance of the building under the terms of the lease (see note 12). The Sisters also made grants and donations of £560 (2011: £1,000) to The Passage.

Notes to the accounts *continued*

31 March 2012

11 RELATED PARTY TRANSACTIONS *continued*

Transactions with Westminster Cathedral

Westminster Cathedral made grants and donations and collected donations on behalf of The Passage amounting to £21,885 (2011: £11,172). The Cathedral provided facilities for the collection of money to assist the work of The Passage and no charge was made for this facility.

Transactions with The Passage Trust

On 1 April 2010 the trustees of The Passage Trust transferred all of its assets to the company as described in note 13.

During the year employees of the company carried out day to day administration of The Passage Trust. No charge was made for this work. Minimal time was involved and it is not practical to place a value on this service.

12 ST VINCENT'S CENTRE

On 28 September 2004 The Passage purchased the freehold of the St Vincent's Centre from the Sisters of Charity of St Vincent de Paul ("the Sisters") for £5 million.

Under the original purchase agreement, the consideration was payable in instalments with £1 million being payable on completion and then five annual instalments of £800,000. The outstanding balance was subject to interest. The original purchase was subject to leases back to the Sisters of certain parts of the building for five years and on the Sisters' house for 20 years. The Passage received advice on the purchase from Cluttons, chartered surveyors. The terms of the contract with the Sisters were renegotiated and a final payment of £4 million was made to the Sisters on 31 March 2005. In return the Sisters waived the interest due for the period 28 September 2004 to 31 March 2005. The Sisters' lease on the parts of the building they used for their charitable work expired in September 2009. Should The Passage wish to dispose of the property before 28 September 2024, the Sisters' written consent is required.

St Vincent's Centre development

The Passage is seeking to redevelop its existing building in Carlisle Place to improve facilities for homeless people and other occupants and to address many of the concerns of the local neighbourhood. Prior to any planning submission, there will be a full consultation process with the local community and other interested parties.

13 TRANSFER OF ASSETS FROM THE PASSAGE TRUST

As described in the Board of Trustees report on pages 6 and 7 on 1 April 2010 the trustees of The Passage Trust (registered charity number 287207) transferred all the assets and liabilities of The Passage Trust to the company. The following amounts were transferred:

Assets transferred in	£	Restricted funds transferred in	£
Fixed assets Passage House at cost to The Passage Trust	2,215,000		
accumulated depreciation to 31 March 2010	(803,340)		
	1,411,660		
Debtors	641		
Cash	2,208,117		
	2,208,758	General development fund	2,010,574
Less creditors	(15,203)	Passage House	1,503,477
Net current assets	2,193,555	Passage Resource Centre	91,164
Total assets transferred	3,605,215	Total funds transferred	3,605,215



14 PASSAGE HOUSE REDEVELOPMENT

The Passage is in receipt of a grant of £1.5 million payable through Westminster City Council to redevelop Passage House under the Places of Change programme. The Passage has granted a five year charge over Passage House to the Council to secure the repayment of the grant in certain circumstances. At 31 March 2012 no further commitments (2011: £793,956) existed under contracts to carry out this redevelopment.

15 GRANTS FROM STATUTORY BODIES – FURTHER INFORMATION

		£
WESTMINSTER CITY COUNCIL		
Passage House improvement grant under Places of Change programme	Cost of remodelling Passage House hostel to convert shared rooms into single rooms and refurbish the hostel	1,014,440
Resourcse Centre grant	Cost of employment and related overheads for ten workers employed in the day centre in the areas of general project work and housing advice.	407,245
Passage House grant	Contribution to the running of Passage House	215,859
Building-based services grant	Funding for Passage day centre work with rough sleepers and street link work and for an administrator to coordinate work with rough sleepers in Westminster	363,900
Supporting people grant	Funding for workers giving general counselling and advice in Passage House	431,061
	Funding for workers giving general counselling and advice in Montfort House	109,484
		2,541,989
LONDON BOROUGH OF SOUTHWARK		
	Grant to co-ordinate work by faith-based groups, particularly soup runs	100,000
DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT		
European Prevention Work (Before You Go campaign)	Facilitate an awareness campaign warning of the perils of not preparing before arriving in London seeking work.	20,000
DION		
	Funding to employ a worker to co-ordinate the Resource Centre's services to Irish clients and to research their needs.	37,000
Total grants from statutory bodies		2,698,989

Most of the above grants include some allowance towards related overheads.

Analysis of operating expenditure

31 March 2012

ACTIVITIES UNDERTAKEN DIRECTLY

	Cost of generating funds £	Passage Resource Centre £	Passage residential services £	Governance £	Total 2012 £
Staff direct employment costs	52,331	1,509,687	859,400	8,036	2,429,454
Volunteers	8	14,711	15	-	14,734
Training	40	9,033	266	-	9,339
Recruitment	171	4,889	2,851	7,935	
Total staff and volunteer costs	52,550	1,538,320	862,532	8,060	2,461,462
Food net of contributions	-	70,203	48,547	-	118,750
Laundry net of contributions	-	754	171	-	925
Surplus on clothes	-	(981)	-	-	(981)
Client welfare and interpretation	-	29,187	11,194	-	40,381
Provision for irrecoverable rents	-	-	32,329	-	32,329
Client education and training	-	2,399	129	-	2,528
Maintenance repairs and renewals	25	18,625	38,762	-	57,412
Depreciation	-	95,115	369,155	-	464,270
Furniture and equipment	2,397	12,340	24,938	-	39,675
Council tax and business rates	-	770	619	-	1,389
Insurance	-	14,788	28,714	-	43,502
Electricity	-	18,117	10,001	-	28,118
Gas	-	22,249	10,954	-	33,203
Water	-	11,991	17,510	-	29,501
Cleaning materials, etc	-	12,047	6,187	-	18,234
Telephone	-	9,413	3,178	-	12,591
Postage	10,649	47	88	-	10,784
Printing and stationery	9,143	10,601	691	-	20,435
Travel	-	27,477	8,354	-	35,831
Medical/first aid	-	478	-	-	478
Publications	15	348	10	-	373
Subscriptions	406	893	-	-	1,299
Television licences	-	-	292	-	292
Professional fees	529	70	-	-	599
Advertising and publicity	11,925	-	-	-	11,925
Total other costs	35,089	356,931	611,823	-	1,003,843
Total costs	87,639	1,895,251	1,474,355	8,060	3,465,305

This page is not part of the audited accounts

**TOTAL EXPENDITURE**

	Activities directly taken	Support costs	Total expenditure 2012	Total expenditure 2011
	£	£	£	£
Staff direct employment costs	2,429,454	440,786	2,870,240	2,944,050
Volunteers	14,734	18	14,752	11,113
Training	9,339	1,268	10,607	30,510
Recruitment	7,935	1,349	9,284	8,467
Total staff and volunteer costs	2,461,462	443,421	2,904,883	2,994,140
Food net of contributions	118,750	-	118,750	134,285
Laundry net of contributions	925	-	925	1,618
Surplus on clothes	(981)	-	(981)	(1,954)
Client welfare and interpretation	40,381	-	40,381	30,886
Provision for irrecoverable rents	32,329	-	32,329	51,585
Client education & training	2,528	-	2,528	1,245
Maintenance repairs and renewals	57,412	1,383	57,412	58,510
Depreciation	464,270	-	464,270	347,563
Furniture and equipment	39,675	11,016	50,691	49,626
Rent and service charges	-	-	-	362
Council tax and business rates	1,389	-	1,389	4,217
Insurance	43,502	2,610	46,112	54,654
Electricity	28,118	3,195	31,313	40,239
Gas	33,203	3,036	36,239	56,968
Water	29,501	1,636	31,137	28,615
Cleaning materials, etc	18,234	1,648	19,882	22,774
Telephone	12,591	1,675	14,266	16,770
Postage	10,784	10	10,794	6,786
Printing and stationery	20,435	2,533	22,968	27,514
Travel	35,831	-	35,831	27,912
Medical/first aid	478	-	478	47
Publications	373	14	387	143
Subscriptions	1,299	7,707	9,006	9,320
Bank charges	-	5,372	5,372	5,001
Audit and accounting	-	12,312	12,312	15,344
Television licences	292	-	292	292
Sundries	-	48	48	-
Professional fees	599	25,300	25,899	39,403
Advertising and publicity	11,925	-	11,925	25,178
Total other costs	1,003,843	79,495	1,083,338	1,054,903
Total costs	3,465,305	522,916	3,988,221	4,049,043

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