



**Passage 2000**

A company limited by guarantee (No 3885593)

Operating as The Passage

**Annual Report and Accounts**

31 March 2014

Charity Registration Number: 1079764

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## Administrative details of the charity, its Trustees and advisers

<b>Founding Patron</b>	Cardinal Basil Hume
<b>Patron</b>	Cardinal Vincent Nichols
<b>Board of Trustees</b>	Sr Ellen Flynn DC (Chair) Peter Macklin (Vice-Chair) Christopher Williams (Treasurer) Mgr Vladimir Felzmann Sr Eileen Glancy DC Michael Kelly Julie Morgan Sr Marie Raw DC Dr Iram Sattar John Studzinski CBE Canon Christopher Tuckwell
<b>Chief Executive</b>	Michael Clarke
<b>Deputy Chief Executive</b>	Roger Clark
<b>Company Secretary</b>	Andrew Hollingsworth
<b>Principal bankers</b>	HSBC Belgravia Branch The Peak 333 Vauxhall Bridge Road London SW1V 1EJ
<b>Solicitors</b>	Pothecary Witham Weld 70 St George's Square London SW1V 3RD
<b>Auditors</b>	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB
<b>Registered office</b>	The Passage St Vincent's Centre Carlisle Place London SW1P 1NL
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## **CHAIRMAN'S INTRODUCTION**

I welcome you to the report and accounts for the year to 31 March 2014. This year for the first time the report has been reordered to comply with new rules to prepare a strategic report which contains some of the key elements of the original board of trustees report in relation to The Passage's performance and its financial results. We have then set out a report giving a detailed description of our services for homeless people during the year, followed by the board of trustees' report which is mainly concerned with governance of The Passage and other areas of interest not covered by the strategic report.

### **Our values**

During the year we have focussed on Vincentian Values across the organisation. Living Our Values workshops have been held for all staff and volunteers to ensure that our values are consistently applied in our day to day work. This process will continue each year to ensure that the organisation and its work continue to be values led.

### **Our work**

We continue to provide services to some of the neediest homeless people in London through our street outreach work, our resource centre and our two hostels Passage House and Montfort House. Without wishing to draw particular attention to one project the change in emphasis to the work of Montfort House from being supported flats for clients just prior to moving into accommodation without staff support on site to a project now working with some of the longest term rough sleepers in London is now complete. Many of the residents of the flats are individuals who have worked with our outreach team for many years but who were not prepared to move from the street into a larger hostel, due to poor experiences in the past. This approach has been very successful and the work is described in more detail on page 22. This year both hostels were subject to quality control reviews by Westminster City Council who contribute to their funding and both received grade A in every category which is a unique achievement.

### **Refurbishment of St Vincent's Centre**

The year to 31 March 2014 was a very significant year in the life of The Passage. We have for the last ten years realised the need to carry out a substantial refurbishment to St Vincent's Centre, Carlisle Place both to make the building fit for purpose and to further develop the quality of the services we deliver to homeless people. On 7 May 2013 we received planning permission for the refurbishment work. During the year we received sufficient commitments to support the refurbishment scheme to enable the Board of Trustees to decide to go ahead with the refurbishment. We also completed our detailed planning of the refurbishment and the work has now been put out to tender. Further details are given on page 6.

### **Development of prevention work**

Two years ago we began to develop prevention work with our Before You Go campaign. This was aimed at warning potential migrants from Poland of the danger of coming to the UK ill prepared and the potential misery of street homelessness if they did so. This year we have received funding to expand this work to Bulgaria, Lithuania and Romania. We have this year started a new project called 'Home for Good'. This aims to use a mixture of staff but mainly volunteers to provide ongoing support to former rough sleepers after they are resettled in to their own accommodation. It was developed in response to both client feedback and our realisation that some of the people we had resettled returned to the streets due to lack of support, particularly when resettled some distance away. The final element of prevention work launched this year is our hospital discharge scheme which works with local hospitals to assist individuals at risk of homelessness before discharge from hospital to find accommodation.

### **Our finances**

I am very grateful to all our supporters for their generous contributions to our work. Our fundraising drive has been conscious of the need to raise substantial capital funds for our building refurbishment. This has led to a surplus of £447,570 (2013- £579,706) not including the funds already contributed restricted to the refurbishment. We have therefore set the surplus funds to one side towards the refurbishment in a designated refurbishment fund. Once the overall costs are clear we will launch a charitable appeal to cover any shortfall.

I do hope you find the information detailed in this report and accounts informative and of interest and I thank you for your continued support of The Passage.

**ACHIEVEMENTS AND PERFORMANCE**

**Overall strategy and objectives**

*Ensuring our work delivers our aims*

The Board reviews The Passage’s overall strategy, objectives and activities each year in the annual planning process. This review looks at what was achieved and the outcome of the work in the previous 12 months. It also looks at the success of each key activity and the benefits they have brought to the people The Passage was set up to help. In addition, the review helps to ensure that the strategy, objectives and activities remain focused on The Passage’s principal aims. The Board has referred 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 the Board considers how planned activities will contribute to the strategy and objectives it has set.

*The main objectives for the year were to:*

Objective	Achievement
Develop our Vincentian Values by implementing a Client Care programme for all staff, ensuring our Values are consistently lived out on a day-to-day basis.	Living Our Values workshops have been held across the organisation to ensure that all staff consistently apply our values in their day to day work.
Develop and implement a joint working/shadowing and peer learning programme to ensure a joined-up service delivery approach throughout the organisation.	This has been implemented and will be continued in future years.
Encourage ownership of the fundraising function throughout the organisation by creating an environment that enables all staff and volunteers to contribute to the challenge of maintaining current, and attracting new, funding for The Passage.	A fortnightly fundraising forum has been held with staff and volunteers; a number of new fundraising initiatives are being pursued as a result. All staff are aware of the need to be conscious of fund raising in their day to day work.
Ensure client involvement and engagement mechanisms are in place to enable clients genuinely to have a say throughout The Passage. This includes recruiting service users to employment opportunities.	Client Involvement and engagement is well established across the services with the Client Discussion Forum and Residential resident meetings well attended and frequent. Clients are consulted on all service developments and policy matters and have been fully involved in St Vincent’s Centre development over the past year. Though no paid employment opportunities have been filled by clients this past year a number of new volunteering roles have been developed for clients.
Continue to develop the volunteering programme throughout the organisation, including opportunities for clients.	The involvement of volunteers has continued to grow including volunteers who were formerly homeless.
Produce guidelines for staff, that align with our Values, on the reconnection of clients.	A full review of Reconnections has been carried out this year and the recommendations and guidelines from the review have been implemented.
Implement a financial inclusion/employment and training strategy, with a particular focus on giving guidance and advice on Universal Credit.	Online training has been made available for staff and clients. Welfare rights workers have provided briefing to all other staff teams in team meetings. Appropriate detailed guidance notes have been prepared and distributed.
Ensure all service delivery projects capture the quality of their work through outcomes framework/data collection.	A newly revamped Data and Quality monthly meeting has been established to ensure that all client data is not only captured on a regular basis but also analysed for trends which then informs service delivery and developments.

Objective	Achievement
Carry out a comprehensive exercise to map our clients' current and emerging needs to produce a three-year business plan for The Passage.	This has been completed and incorporated in our new five year strategy.
Begin the refurbishment of St Vincent's Centre to ensure that the fabric of the building matches the quality of our current/emerging day and residential services, and produce/implement a transition plan for services during the refurbishment.	Plans for the refurbishment of St Vincent's Centre have been completed and the work has been put out to tender. A full Transitional Plan has been developed to ensure the continued provision of the existing services during the refurbishment.

## FINANCIAL REVIEW

### Financial results for the year

The net incoming resources excluding the St Vincent's Centre refurbishment fund was £447,570 (2013 - £579,706). In addition in the current year incoming resources of £6,946,929 were received for the refurbishment of St Vincent's Centre. In 2013 unusually high legacy income of £826,992 (2014 - £313,660) was received.

A surplus arose on unrestricted funds of £ 737,256 (2013 – £1,200,787). From this surplus, a further £725,000 has been set aside for the additional running costs likely to be incurred during the refurbishment of St Vincent's Centre and for costs not covered by the funding mechanism.

The Board of Trustees is very grateful to the charitable trusts, individual donors, businesses, churches and other supporters who have sustained our work during this period of public expenditure cuts.

Details of all restricted and unrestricted funds are given in notes 7 and 8 on pages 38 and 39.

### Resources expended

The costs of generating voluntary income were £ 196,012 (2013 – £182,687). This relatively low 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.

Expenditure during the year was:

	2014		2013	
	%	£	%	£
Direct charitable work				
Resource Centre, including Outreach	53	2,139,396	52	2,140,426
Residential services	41	1,634,420	41	1,688,452
Governance costs	1	52,247	3	101,532
Fundraising	5	196,012	4	182,687
<b>Total expenditure</b>	<b>100</b>	<b>4,022,075</b>	<b>100</b>	<b>4,113,097</b>

Fundraising expenditure included £39,835 (2013 - £34,934) being the direct costs of running fundraising events, other fundraising costs amounted to £156,177 (2013 - £147,753). Governance costs in 2013 included fees of £50,232 (2014 – nil) in connection with drawing up plans for the refurbishment of St Vincent's Centre and submitting a planning application. Employment costs were 73% (2013 – 70%) of total expenditure. Details of expenditure are given in note 3 on pages 35 to 37 to the accounts and in the unaudited analysis of operating expenditure on pages 43 and 44.

### Incoming resources

The Passage receives significant funding from Westminster City Council. An analysis of the funding, and its uses, is in note 13 on page 42. Reductions in grants continue: the main grants for running costs, from Westminster City Council for the year to 31 March 2015, will be £1,394,719 – £86,400 below the £1,481,119 for the year to 31 March 2014 (year to March 2013 – £1,506,119). The cost of partly funded posts will have to be met from voluntary income.

The principal incoming resources were:

	2014		2013	
	%	£	%	£
Grants from statutory bodies – revenue				
Westminster City Council	33	1,481,119	32	1,506,119
Other Government bodies	8	364,577	4	210,190
Legacies	7	313,660	18	826,992
Donations and voluntary grants	39	1,735,766	32	1,524,154
Rents and charges to residents	12	535,471	12	552,673
Bank interest	1	39,052	2	72,675
<b>Total revenue</b>	<b>100</b>	<b>4,469,645</b>	<b>100</b>	<b>4,692,803</b>
Receipts for St Vincent’s Centre refurbishment		6,946,929		-
<b>Total incoming resources</b>		<b>11,416,574</b>		<b>4,692,803</b>

Voluntary income came from:

	2014		2013	
	%	£	%	£
Individuals	36	630,900	39	595,243
Churches and voluntary groups	9	145,787	8	128,246
Fundraising events	12	208,686	12	184,347
Companies and businesses	13	223,619	15	226,658
Charitable trusts	30	526,774	26	389,660
<b>Voluntary income before legacies</b>	<b>100</b>	<b>1,735,766</b>	<b>100</b>	<b>1,524,154</b>
Legacies		313,660		826,992
<b>Total voluntary income</b>		<b>2,049,426</b>		<b>2,351,146</b>

The reduction in Westminster City Council’s grants has demanded more effort to attract donations and voluntary grants, and the level of voluntary income reflects the generous support from many individuals and organisations. Voluntary income before legacies increased by £211,612 to £1,735,766 (2013 - £1,524,154). This included a grant from a trust of £90,000 which relates to work only starting just before the end of March. Without this grant the increase would have been £121,612 representing growth of 8%. The board of trustees believes that it will need to achieve growth in voluntary income of approximately 8% per annum over the next five years to balance the reduced value in real terms of statutory grants and to fund additional work to serve the needs of homeless people.

Total voluntary income fell by £301,720 to £2,049,426 (2013 - £2,351,146) due to a fall in legacies by £513,332. The board of trustees is aware of the fluctuations in legacy income and has regard to the ten year average legacy income which now stands at £296,687 in setting a budget based on two-thirds of the ten year average income.

## Designated funds and reserves

The Board is aware of the need to maintain adequate reserves to ensure that the charity's work 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 services for homeless people, which could happen as a result of the volatile and uncertain nature of our income. We receive substantial grants from Government through Westminster City Council but, as noted above, these continue to be reduced as part of the national programme of public expenditure cuts.

The Board is planning a major refurbishment of St Vincent's Centre, Carlisle Place, described in greater detail on page 7, for which separate funding has been received covering the bulk of the costs. To help cover the costs of the refurbishment, particularly additional running costs and the costs of furniture and equipment, the Board has this year set aside a further £725,000 (2013 - £900,000) bringing the designated fund to £1,625,000 (2013 - £900,000).

To ensure that services can be maintained in the short term, the Board has also set aside a designated contingency fund of £1,650,000 (2013 - £1,650,000) which represents approximately 21 weeks' (2013 - 21 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 £25,185 (2013 - £ 48,280), 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 that represents accrued obligations to staff for statutory redundancy. The balance on this fund, which has been increased to £ 339,356 (2013 - £ 314,189), represents the fully accrued obligation.

## Cash flow

Cash resources excluding cash received for the refurbishment project increased during the year by £2,284,677 (2013 - £ 168,528). The movement in cash is analysed in full in the cash flow statement on page 36. The cash held at the end of the year was £12,336,869 (2013 - £3,677,353) being £6,374,839 of restricted funds for the refurbishment of St Vincent's Centre and £5,962,030 of other funds. Of these a further £2,167,892 (2013 - £1,794,343) is also restricted to building improvements and renovations and £1,625,000 (2013 - £900,000) is designated for the St Vincent's refurbishment leaving £2,169,138 (2013 - £983,010) of other cash mainly representing the designated funds for refurbishment and contingencies. The movement in cash is analysed in full in the cash flow statement on page 31.

Under the terms of the Memorandum and Articles of Association, The Passage may invest monies not immediately required for application to 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 and Investment Management. The cash held for the refurbishment of St Vincent's Centre under the funding mechanism is kept separately and cannot be used for any other purpose. More details on the refurbishment are set out on page 7.

## Fundraising events

Fundraising events continued to make a significant contribution to The Passage, not only in the funds raised, but also in introducing new supporters to The Passage who have subsequently contributed as donors or volunteers. During the year, three events were held. The largest, our annual "A Night Under the Stars" concert, was again held at the Royal Festival Hall, with the theme "the Mozart experience" playing to a full house. We are very grateful to the committee who give freely of their time to organise this event and to all sponsors, advertisers and donors whose additional contributions ensured its financial success. We again held a Garden Party in the College Garden, Westminster Abbey, and this year, for the second time, held a Carol Service at St Margaret's, Westminster Abbey. We are also very grateful for the support of the Dean and Chapter with these two events and the volunteers who so generously organised them.

Events we were involved in organising brought in £208,686 (2013 - £184,347) and, after costs of £39,835 (2013 - £34,934), made a contribution of £168,851 (2013 - £149,413) to our running costs. In addition, events were organised, without our direct involvement, by churches, schools, community groups and companies. The net proceeds from these events have been included as donation income from the bodies that organised them.

## PLANS FOR FUTURE PERIODS

### *Long-term strategy*

The key elements in our five year strategy are:

- To create an inspiring state of the art Resource Centre for homeless people and increase voluntary income to enable us to expand and develop our services;
- to further develop our homelessness prevention services to prevent those in housing crisis ending up on the streets and also prevent former rough sleepers returning to the streets;
- to continue to provide a safety net for those who become street homeless and to further develop those services;
- to further develop and increase client ownership and participation throughout The Passage;
- to further develop our volunteers and staff to ensure The Passage continues to provide high quality services to clients and is regarded as an organisation where volunteers and staff grow and develop;
- to build on our impressive track record of assisting clients into employment by rolling out new employment access routes for all;
- to further develop a coordinated response to our clients' health needs;
- to review all existing partnerships, and seek to form new ones to ensure they best serve our clients; and
- to use our geographic position close to transport hubs and the heart of Westminster to capture trends and concerns early in their development and share these on a wider basis to effect change.

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 current year are to:*

- (i) further embed our Vincentian values throughout the organisation and implement actions arising from the recent Living Our Values workshops;
- (ii) refurbish St Vincent's Centre (on time and on budget) ensuring that a high quality finish and inspiring space is created for clients, volunteers, staff and all those who visit;
- (iii) ensure effective and responsive day and residential services are maintained throughout the refurbishment of St Vincent's Centre in line with the Transition Plan;
- (iv) ensure all clients, staff and volunteers are supported throughout the refurbishment, with excellent communication forums in place and with continued focus on client participation;
- (v) explore the potential for the development of a social enterprise, in line with The Passage's employment and training strategy;
- (vi) further develop our expertise in housing and supporting the most vulnerable and hard to reach clients in both our residential services;
- (vii) develop an innovative and effective response to the new Rough Sleeping Strategy in Westminster ensuring our clients remain at the centre of everything we do;
- (viii) maximise voluntary and statutory income through an effective fundraising strategy and robust financial management ; and
- (ix) ensure effective data recording is being achieved by all staff to inform service delivery and sustain current, and attract new, funding .

### **St Vincent's Centre**

The Passage owns the freehold of St Vincent's Centre, which was purchased in 2004 from the Daughters of Charity of St Vincent de Paul ("the Sisters") for £5 million. A statutory grant of £5 million from the Housing Corporation, administered by Westminster City Council, was subsequently received to fund the purchase of the building. In return for the funding, The Passage gave Westminster City Council a five-year legal charge (which expired on 3 February 2012) over the building.

St Vincent's Centre is a substantial property. The Sisters' lease on the parts of the building they used for their charitable work expired in September 2009 and, following a temporary arrangement for them to continue to use parts of this area, they withdrew to the Sisters' House in January 2012. At the end of March 2014 the Sisters withdrew from the building altogether to facilitate its refurbishment. The Sisters have a twenty year lease on the part of the building that is used as the Sisters' House. The Sisters have agreed to surrender their lease in return for an agreement to grant a new ten year lease from the completion of the refurbishment.

## St Vincent's Centre Refurbishment

The Passage is about to commence The St Vincent's Refurbishment project, which will involve the complete refurbishment of the St Vincent's building. Planning permission for the refurbishment was granted by The City of Westminster on 7 May 2013. To assist with raising funds to carry out the refurbishment, property developers in the City of Westminster were able to contribute to the refurbishment as part of their obligation to The Council.

Based on pre-contract estimates the cost of the work is expected to be more than £16,500,000. A contribution of £6,917,146 was received during the year. In April 2014 an additional contribution of £5,001,095 was also received. The Passage continues to fundraise for the remaining funds which will be funded from restricted/designated funds available for capital expenditure and property developer contributions. Interest of £29,783 earned on contributions received during the year has been credited to the Refurbishment Fund. Any further interest earned on the contributions received will be added to the fund.

The Passage has developed detailed plans for the refurbishment which have been put out to tender. Pre-contract expenditure on the development of £601,128 has been capitalised. Contributions received are being paid into a restricted bank account to be used, apart from specified pre contract expenditure, for payments under the terms of the building contract to be approved by The City Council.

## Passage House

The building that houses Passage House, the company's direct-access hostel, is let on a 25-year lease to Peabody Trust, a registered housing association. The lease 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. The Passage has applied to register as a provider of social housing. Peabody Trust have indicated that once The Passage has registered they may surrender their lease over Passage House in order to simplify the arrangements.

In the year to 31 March 2012, a major programme of improvements at Passage House was completed, funded by the Places of Change programme. A grant of £1.5 million was made through Westminster City Council. In return for the grant The Passage has granted a charge over Passage House to the Council for five years, expiring on 29 May 2017. The charge secures the repayment of the grant during this period should The Passage become insolvent, dispose of the property, or use it for purposes other than providing accommodation for homeless people.

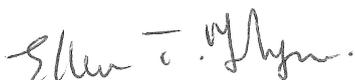
## PRINCIPAL RISKS AND UNCERTAINTIES

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 continue to 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 those risks, in greater detail. 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.

Signed on behalf of the Board



Sister Ellen Flynn, Chair

Approved by the Board on 11 June 2014

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

## **MISSION, ETHOS AND VALUES**

Our Mission, Ethos and Values have always underpinned our work with clients and key partners across our services and this past year saw us continue to embed our mission, ethos and values detailed below into practice.

### **Our Mission**

The Passage provides resources which 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

In the past year we achieved so much to be proud of across all the services in relation to making all our services places of change for the clients that we support. Our Values underpin all of this work and we will continue to further embed these Values across all our work in the next year.

## **THE RESOURCE CENTRE AND STREET OUTREACH**

The services delivered from the Resource Centre include Day Services incorporating Hospitality, Assessment and Advice and Health specialisms, the Street Outreach Team and the Employment, Training and Welfare Rights Team.

The Resource Centre provides services for up to 200 people daily. 2,117 different clients used the resource centre in the year to 31 March 2014. These clients made 28,410 visits to the centre. Many of those visiting the centre have suffered a traumatic event such as the breakdown of a relationship or perhaps through illness, and find themselves homeless and desperate. Many clients can be best supported by encouraging them to return to their home area (if support is available in that area) and linking them back into that support and away from sleeping on the streets of Central London. The Passage provides that support by reconnecting them to their home area.

### **Outcomes for the Resource Centre during the year:**

- **89% of those visiting the centre for the first time received a needs assessment on their first visit;**
- **388 were given support to reconnect to their home area.\***
- **157 were found accommodation**
- **1,483 were linked into Passage Specialist Support Services**

**\*Figures do not include outcomes from our Outreach team**

## Outreach

The Outreach Team comprises a manager, a deputy and six outreach workers who collectively provide outreach shifts every day of the week, including late nights and early mornings. Over the past year the team have recruited a number of volunteers, including former clients, to complement the service. The team do shifts with specialist mental health workers to ensure that those with mental health issues can be assessed if necessary on the street, and also do joint shifts with South Westminster Drug and Alcohol Service, Barka UK, the Social Impact Bond scheme, Westminster Ark and other teams. Members of the Day Services and Residential Services teams join Outreach staff in carrying out shifts as a way of increasing our joint work with particularly resistant and hard to reach clients. By meeting the staff that will be directly working with them in our other services we have been able to encourage some clients to access the Resource Centre or accept a room in Passage House or Montfort House. Members of the Outreach Team often provide a sense of continuity for their clients by maintaining contact and input even when their clients move into accommodation, using their productive relationships to help them maintain their tenancy.

The team has had a new member join as part of the pilot Outreach Buddies Riverside Grow trainee scheme programme in Westminster, which provides outreach traineeships for people who have formerly been homeless themselves. The new team member has been a great asset, helping to build relationships with longstanding rough sleepers who previously had been very difficult to engage with.

This year unusually did not see the Severe Weather Emergency Protocol (SWEP) being called, as the temperature did not drop below zero degrees for three or more consecutive nights. However, this winter was extraordinarily wet and windy and the Outreach Team responded by ensuring that everyone they met was well-equipped for the weather and carrying out welfare checks on every shift. The team referred people to Passage House which provided extra provision during this period on an informal, respite basis for individuals rough sleeping who were particularly vulnerable and at heightened risk from sleeping out in the extreme weather.

The Passage launched its Hospital Discharge Project this year and the Outreach Team has enjoyed close links with the new team, finding it very productive to have dedicated workers on hand to share information about hospital stays and recuperation of the team's unwell clients. The assistance that has been provided when clients are being discharged from hospital and, without intervention, would have ended up on the streets, has been invaluable and the two teams work closely together to ensure sustainable routes out of homelessness are found for people who suffer physical illness on the streets.

The team worked closely with other outreach teams and with a number of homelessness initiatives during the past year. A third No Second Night Out hub was opened during the year, allowing for more individuals new to the streets to be offered a place away from the streets on the very first contact with Outreach. The continued funding of the Personalisation Pilot meant that the team was able to work more creatively with some of the longest term rough sleepers as the team could access personalised budgets for these clients and pay for things such as Bed and Breakfast accommodation for clients resisting going into hostels or other types of homelessness provision. The team was also able to refer some of the longest term and difficult to house clients into their own flats by referring them to the Housing First scheme, which allows individuals to move into a property with limited expectations placed on them (for some clients agreeing to a support plan is not something they want to do), with the aim of encouraging engagement with services over a period of time once they've settled in their accommodation. Some of the clients helped by these initiatives and the team's perseverance were the most entrenched and complex of individuals.

The biggest challenge the Outreach Team has faced this year has been the change in nature of individuals presenting on the streets. Increasingly, more economic migrants have been sleeping in our patch. For most, reconnection back to their home country is the only viable option. However, for many, this is not straightforward or in some cases even viable. Accommodation options for this group have become fewer and fewer. Further planned changes to welfare rights mean that mainstream accommodation options for a high proportion of rough sleepers that the Outreach Team can work with has steadily decreased. This culminated at the end of the financial year with 59% of rough sleepers identified in our street audit as having no recourse to public funds, and therefore unable to access the Outreach Team's mainstream accommodation resources. It is envisaged that this problem will continue over the next year and the team will work closely with partners to find the most appropriate options for this client group and to ensure that The Passage continues to deliver support for the most vulnerable homeless people.

The team has continued working very closely with the Outcomes and Information Manager who is responsible for collating and analysing information about the clients met and worked with, and identifying important trends in client

profiles and issues so that any of The Passage's teams are in a strong position to change working practices or interventions when necessary. This year, robust analysis has been carried out on reporting mechanisms to ensure that the statistics The Passage collects truly reflect the hard work done by each team in often very challenging circumstances.

As always, The Passage's Outreach Team meets many new faces on the streets and consistently strives to help people to end their homelessness as quickly as possible. However, The Passage is all about long term solutions (rather than a short term approach) and it is important that our intervention for those new to the streets is not only effective in getting people off those streets quickly, but also that this outcome is sustained by keeping them off those streets. Therefore, when analysing our data in relation to our work with new rough sleepers (shown below) we have sought to look at the lasting and sustainable impact of our intervention.

### **Outcomes for the Outreach Team during the Year**

#### **New Rough Sleepers**

- 600 people were completely new to rough sleeping and were first met by our Outreach Team
- Out of those, 75% were not seen rough sleeping anywhere in London 3 months later

#### **Entrenched Rough Sleepers**

- **For those with a history of entrenched rough sleeping, the team also made progress;**
  - **43 were enabled to return to their home area; and**
  - **55 found accommodation**

#### **Next year we plan to:**

- Ensure that Outreach continues to work to further embed our Vincentian values in the work we do and implement actions arising from the recent Living Our Values workshops.
- Continue to run an effective Outreach Service during the refurbishment of St Vincent's Centre and develop a sustainable plan to maintain close and productive relationships with Day Services Teams while we are located off site.
- Continue to develop a wider knowledge of alternate housing options and develop even more expertise within Outreach to support our most vulnerable and hard to reach clients.
- Work closely with other teams to develop an innovative and effective response to the new Rough Sleeping Strategy in Westminster ensuring our clients remain at the centre of everything we do.
- Ensure effective data recording is being achieved by all outreach staff to inform service delivery and sustain current, and attract new, funding.

### **DAY SERVICES**

Day Services comprises three specialisms – Hospitality, Assessment and Advice, and Health. These teams in effect run the Resource Centre and are the first staff new clients meet when they visit the Resource Centre. Over the course of the past year there has been a significant recruitment of new volunteers, including client volunteers, and this has meant we now have volunteers working in the team 7 days a week. New volunteers have a diverse range of skills and carry out a broad range of roles from carrying out initial assessments with new clients, to running the laundry or clothing store, to assisting a client when they move into their new accommodation.

The number of economic migrants who come to London looking for work opportunities but finding none and who then become homeless and unable to support themselves continues to increase and impact the services we run. Over the past year there has been a significant increase in Romanian nationals sleeping on the streets. Given the difficult economic environment, staff often advise these individuals to return home and for vulnerable individuals sleeping out staff can refer them to a specialist reconnections team that operates in central London. 2014 will bring changes to welfare rights for EU nationals and we must, as ever, remain responsive to the needs on the streets. Prevention is always better than cure, and The Passage's 'Before you Go' campaign features a short film in which real life events bring to life the very real dangers of arriving in the UK without employment and housing in place, and a back-up plan if something goes wrong. This work was initially piloted in Poland and is funded by the Department of Communities and Local Government and the Foreign and Commonwealth Office. This year we are pleased to have been able to expand the campaign to Romania, Bulgaria and Lithuania.

#### ***Day Services - Hospitality Specialism***

The hospitality specialism consists of a team leader and 8 project workers. The team also have volunteers working alongside them every day of the week.

Hospitality's role is to make sure all clients are welcomed to the centre and are seen for an initial assessment so that the client is able to tell staff what their situation is and what help they need. These assessments are completed in the Resource Centre on a daily basis and in the past year we have achieved 89% assessments being carried out on the first visit clients make. Due to the increase in the number of individuals who cannot speak English the team have had to arrange for an interpreter to attend the initial assessments for a significant number and this has affected our target of 95% for assessing all new clients on their first visit. Over the past year we have re-established specialist advice sessions for this client group twice a week where we are able to carry out assessments and general advice and signposting to other more appropriate services. We are also excited to be participating in a new project in collaboration with Lift to embed East European Peer Navigators at the Resource Centre who will support East European individuals who are at risk of homelessness or newly arrived on streets. They will speak a variety of languages and will be able to give advice and signpost to ensure effective assistance around users' needs to prevent homelessness.

**From 1 April 2013 to 31 March 2014, the Hospitality Team had a total of 2,117 clients attending during the year of which 1,287 were new clients. The total number of initial assessments completed was 1,242 of which 388 were reconnected to more appropriate services**

The Resource Centre is open, on weekdays, from 8.00am until 5.00pm. Currently, there are two drop-in sessions available for our clients during this time. The first is from 8.00am until 11.30am and is specifically for clients who are sleeping rough in the local area. As the Resource Centre is in a residential area, The Passage has a Good Neighbour Policy and staff manage the queue and the running of the service in general to strive to prevent disturbances. Locality checks of the immediate vicinity are carried out to ensure that the areas outside the Resource Centre are clear of litter which may have been caused by clients, and ensure that a rapid response can be provided for those on the streets in the local area.

As clients access the Resource Centre, details (including their name and date of birth) are taken by staff allowing them to track the services that the client has accessed within the centre, and ensure they are receiving an appropriate service.

When the centre first opens, the priority for the majority of clients is breakfast, showers, clothing and laundry. These services are available from 8.00am. Appointments for initial assessments or other services are made for 9.00am onwards allowing clients to eat and take care of their immediate needs. Assessments are based around a client's needs and aspirations. Most assessments examine the need for housing options such as hostels but for some clients their priority need may focus on health, benefits or employment issues.

At 12 noon, the second drop-in for clients starts. This service is available to clients who are insecurely housed and rough sleepers and includes a lunch service. Insecurely housed clients can include people who are in hostels, bed and breakfast or sleeping on friends' sofas. As at the rough sleepers' session, the names and details are taken of those who have not already been in to the centre that day. The lunch service runs from 12pm until 1.30pm.

Throughout the day, as well as attending to client needs and requests, the team spend their time communicating with other internal teams and outside agencies and organisations, inputting relevant information into the client database and carrying out locality and health and safety checks. Hospitality are also responsible for overseeing the activities programme within The Passage. The team provides safe storage of client valuables such as proof of identification and clients can use The Passage as a postal address in order to obtain their benefits etc.

At 2pm, the drop-in finishes and the majority of clients leave the centre for the day, except for those who are attending appointments with staff, or taking part in groups. One member of the team then remains in the client reception office until 4pm to deal with any enquiries from existing clients or those who have just been made homeless. The team member is also available to work with any client arriving in crisis by inviting the client into the centre and calling on the duty manager and staff from appropriate teams that are also on the late shift.

Members of the team facilitate the Streetwise Opera drop in which takes place on a Tuesday, Women's Group on a Wednesday morning and there is also a film club on a Thursday which is client-led. Client suggestion boxes together with a complaints procedure enable clients to voice their views. The well attended Client Discussion Forum takes place once a month and 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 Resource Centre is open on Saturdays and Sundays between 9am and 12pm. The service is provided for invited rough sleepers and those new to the streets.

### ***Day Services - Assessment and Advice Specialism (A & A)***

The A & A team consists of a Team Leader, four Housing Advisors and an Irish Persons Co-ordinator. The team provides housing advice, makes referrals into a range of accommodation options, advocates on behalf of clients when trying to prevent eviction and repeat homelessness, and offers comprehensive pre-tenancy and post-tenancy support to clients.

We were once again successful in obtaining funding from the Irish Government Emigrant Support Programme for the Irish Persons' Coordinator post. The post holder has qualifications in Mental Health, strengthening the service that she is able to offer to her clients. A lot of her focus in this past year has been supporting the clients that she has resettled, to maintain their accommodation. She has also supported the wider Day Services Team by leading on the introduction of a weekly meditation group and a weekly gym class for Resource Centre clients, and jointly running the weekly Emotional Wellbeing Group with the Health Team.

With available housing stock in London continuing to decrease, and supported accommodation options becoming increasingly difficult to access due to the tightening of criteria, the team have continued to work hard to identify and diversify options. As the use of Private Rented Sector accommodation for homeless clients increases, so too has the need for the team to provide more clients with tenancy sustainment support. The team are continuing to develop the pre-tenancy training toolkit which is tailored for clients using the Resource Centre, and extensive client consultation was involved in the process to ensure that it is aimed at the very specific needs of those who will be using it. This toolkit will enable the clients that we resettle into independent accommodation to optimise their opportunities for a successful tenancy, thus reducing the risk of repeat homelessness. The team are jointly working with the newly established Home for Good Project to ensure that this toolkit reaches as large an audience as possible.

The team have continued to work closely with the other Resource Centre teams to ensure that the most vulnerable rough sleepers remain our priority and that they receive co-ordinated and comprehensive support. This change has enabled the A & A Specialism to significantly increase the total number of advice sessions it has delivered to each of its clients. This is reflective of the increased complexity of issues clients are presenting.

The team have worked with an increasing number of female homeless clients over the last year. 16% of all new clients to the Resource Centre were female. The team has worked very hard to ensure that females get a quick exit from homelessness, because of the particular challenges that they face when rough sleeping. The team were able to secure accommodation for 19 female clients.

We have continued to work closely with external agencies, to ensure that our clients have access to the widest range of services as possible such as Veterans Aid, Two Step, The Next Door Project, One Housing Floating Support Service, and Westminster Housing Options Service.

We have developed new relationships with housing providers and support resources, and continue to seek new partnerships.

The team have supported 53 clients to reconnect to their home areas. This work involves assisting clients to re-establish links with services in their local area, such as accommodation and health services, as well as with family and friends. This work is essential to preventing people from becoming entrenched rough sleepers.

#### **Outcomes for A & A Specialism during the year:**

<b>Total number of advice sessions</b>	<b>5,083</b>	<b>Clients found accommodation</b>	<b>95</b>
<b>Total number of assessments</b>	<b>319</b>	<b>Clients helped to reconnect</b>	<b>53</b>
<b>(180 Initial Assessments and 139 in depth Assessments)</b>		<b>Clients supported to maintain their tenancies</b>	<b>100</b>

### ***Day Services - Health Specialism***

The health team consists of a Team Leader, two mental health workers and two substance misuse workers who engage with a diverse client group with a wide variety of complex needs. We also have an NHS medical service offering primary health care.

We work with individuals to help them to begin to place some value upon their well-being. Many who visit us have experienced failure or rejection, breakdown of family relationships or other traumas, pushing them to the margins of

the community and leading to low self-worth, ambivalence, the loss of healthy social networks and to homelessness itself.

While living on the streets, people cannot protect themselves from illness and illnesses can become chronic when the person is sleeping out and not seeking treatment. Many of our clients are embarrassed or uncomfortable accessing mainstream medical services especially when they need it the most as their health deteriorates on the streets. Because of this The Passage has developed an extensive and holistic health service within the centre.

As with the Assessment and Advice Team, the Health Team has also seen a significant rise in female clients this year.

### **Homeless Health Team (Nurses & GP)**

The health needs of homeless people are also far more complex compared to the population in general and require a specialist response. This is provided by the Homeless Health Team funded by the Westminster Primary Care Trust. The clinic is nurse led with GP involvement and is open Monday to Friday and encourages clients to have a health check and address those long term health issues previously ignored. This service works closely with community practitioners as well as other teams in the Resource Centre and is a specialist health service for homeless clients.

### **Podiatry**

As part of the Homeless Health Team we have a specialist podiatrist who 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 as trench foot. The podiatrist can also detect other conditions such as diabetes and link people in to the medical service for essential treatment that in turn can prevent further deterioration such as loss of limbs and blindness.

### **Counselling**

The Homeless Health Team also provide a counsellor who works on a one to one basis with clients helping them work through deep-seated issues and helping people to move on emotionally and practically.

### **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 some form of emotional distress. This could be mild depression or anxiety to long term, chronic psychotic illness. The common themes are social isolation and lack of treatment and low sense of self-worth.

Our Mental Health Workers are trained and able to carry out comprehensive mental health assessments. Just as important as top quality assessment skills is the ability to form a rapport with clients, some of whom are so mentally unwell they find it incredibly difficult to communicate with anyone even about day to day matters let alone about the way they are feeling. We work closely with statutory agencies, in particular the Joint Homelessness Team comprising a psychiatrist, CPN (community psychiatric nurse) and Social Worker. They come to the Passage weekly to see clients and may also arrange a full Mental Health Act assessment. This can result in placing individuals in hospital under section. The team will continue to provide support, visit clients in hospital and liaise with other health and social work professionals.

In the past year the number of clients unwell enough to need a Mental Health Act assessment which resulted in being sectioned and being placed in hospital stayed high. It has still been challenging to find suitable support for those with mental health issues due to decreasing statutory resources and the tightening of referral criteria. The team continues to see complex cases and carry out long pieces of work. Both the above have had an impact on the overall number of clients able to be worked with.

### **Substance Misuse**

It is common that homeless people who are suffering from some form of mental illness will sometimes self-medicate with drugs or alcohol. Some will have become homeless due to alcohol / drug use and others will become addicted due to 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 behaviours and chaotic lifestyle.

The Substance Misuse Workers must therefore support and challenge in equal measures 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, if funding is available, to consider detoxification and rehabilitation programmes. Much joint work is carried out, not just within the Resource Centre but also with specialist agencies such as South Westminster Drug and Alcohol Service and a

local doctor’s surgery who are both valuable partners in our work. Both our workers are trained and experienced in dealing with dual diagnosis clients.

**Addiction Support**

A new Addiction Support Group has been established this year with an aim of supporting clients who suffer with a drug, alcohol and/or gambling addiction. It runs weekly by our specialist substance misuse workers and attracts up to 8 clients. Topics cover a variety of issues related to addiction and physical health, mental health and behaviour, therapies on offer and the opportunity to link in with AA, NA and other specialist drug and alcohol services.

**Complementary Therapies**

Choice is often a luxury denied to homeless people and so offering services such as homeopathy, aromatherapy, reflexology, art therapy and acupuncture gives people another way of looking at their health and well-being. These services work alongside mainstream health services.

We have a fully funded homeopathy service with a specialist homeopath experienced in the fields of homelessness and substance misuse. This has become very popular and once people have been treated homoeopathically they often feel more able to progress to other services within the Resource Centre.

Ear acupuncture has proven effective in treating addictions and post-traumatic stress disorder as well as sleep problems and anxiety. Often a client benefits from one to one listening following the treatment.

**Emotional Wellbeing**

The Emotional Wellbeing group is now well established in its second year, and regularly attracts up to 15 clients for its weekly session. The format is themed sessions followed by open discussion and mutual support. Topics this year included: meditation, cycle of homelessness, anger management, loneliness, discrimination, assertiveness, self-esteem, motivation, positive relationships, stress, phobias, depression and guilt. Two outings with the group participants were also arranged.

**Art Therapy**

Two Art Therapists offer weekly sessions in the centre. 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. Art therapy can also ultimately help clients feel confident enough to access other support to address their situation.

**Opticians**

We continue to work with a company (Medirex) to offer fortnightly opticians’ sessions for our clients.

**Outcomes for the Passage Health Team during the year:-**

**Mental Health Team**

Total Support Sessions held with clients	2,892
Individual Clients seen	384
New Clients seen	257
Referrals to Statutory Mental Health Services	58
Clients sectioned under the Mental Health Act	25
Supported reconnections	47

**Substance Misuse Team**

Total Support Sessions held with clients	1,889
Individual Clients seen	199
New Clients seen	125

**Next year over all the Day Services we aim to:-**

- Ensure that our Vincentian Values are at the heart of our work with clients and underpin our service delivery and implement actions arising from the recent Living our Values workshops.
- Ensure that we maintain a quality and responsive service to our clients during the transition period.
- Increase our range of activities, group work, and outings with the aim of improving engagement and physical wellbeing.
- Use data to maximum effect by fully capturing the work carried out and to further identify opportunities for service development.
- Develop and implement devising in-house training offered by the Health Team to other client services teams within the organisation.

- Further develop our Housing Advice Service to ensure that our clients continue to be supported to access appropriate and sustainable routes off the streets and develop our supported reconnections work specifically.
- Recruit and develop staff and volunteers with language skills specifically from Central and Eastern Europe to meet current and future needs.
- Expand and develop our volunteering opportunities across Day Services.

**EMPLOYMENT, TRAINING AND WELFARE RIGHTS (ETWR)**

The Employment, Training and Welfare Rights Team provides facilities and training to help clients find paid work. The team is made up of an Education, Training and Employment (ETE) department, Professional Mentoring and a Welfare Rights team. The team currently comprises a Project Manager and Deputy Manager, two Welfare Rights Workers, a Mentoring Coordinator and two Education and Employment Project Workers. Job Centre Plus supplies a benefit and jobsearch sessional worker three times a week to assist clients with job search and benefit advice.

The team also has 12 highly skilled volunteers who assist with a wide range of tasks from teaching literacy to helping clients brush up on their interview skills.

*Drop-in computing/ETE training room:*

Over the past year, the ETE room was used 5267 times by some 460 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.

*Literacy:* 46 clients participated over the course of the year

In addition to general literacy, we have enjoyed 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. Such clients already speak general English but lack IT or Construction related vocabulary. We also refer clients to more specialist literacy support agencies such as the Migrant Resource Centre as appropriate.

*Jobcentre Plus:* 55 clients participated over the course of the year

All new ETE clients receive a mandatory referral to Jobcentre Plus outreach. This counts towards their Department of Work and Pensions (DWP) work diary commitment to look for work since the JobCentre Plus (JC+) workers can help clients access Universal Job Match, the government’s job search database. JC+ also supports clients with benefit claims, corrections and appeals.

*Welfare Rights:*

Our two Welfare Rights Workers gave advice and assistance to 455 individuals and dealt with the following number of cases

Benefits and tax credits	1,085	Proof of identity obtained	89
Pension and grants	90	Debt advice	70
Assistance with opening a bank account	43	Other advice	328
		Total:	1,705

As has been well publicised, the introduction of Universal Credit has been problematic and we have not yet seen a single client issue a claim for it or be transferred to it from one of the benefits it is intended to replace. We continue to have a good relationship with the Department for Work and Pensions and similarly to last year we have hosted ministerial visits so that frontline workers and the clients themselves can talk directly to those who make benefit policy decisions.

*Lifeskills:*

Lifeskills was discontinued due to funding cuts at City of Westminster College. However following a successful bid, Lifeskills returned in April 2014.

*Mentoring:*

There are 20 active relationships at any one time.

The mentors, who are a mixture of Barclays, John Lewis and Royal Bank of Scotland staff, meet regularly, on a one to

one, basis with their clients. They receive full training from the Mentoring Coordinator before commencing their relationship. This training helps the mentor actively listen, reflect on and evaluate how the client's new job or course is going. The mentor is similarly taught to look for warning signs that the mentee is not coping with their new situation and therefore the mentor knows when to ask for assistance from within the Passage staff team.

Many clients say that the mentoring meeting is the nicest part of their week.

*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 result in a reference useful for further job search. Clients can also use Ready for Jobs, an online job databank targeted at homeless people.

### **60 ETWR client job outcomes**

The ongoing economic situation continues to affect our clients' ability to gain employment. Despite this 60 (compared to 53 last year) client job outcomes were gained this year.

ETWR 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. 26 clients have completed this course.

### *Bank accounts*

Sometimes a barrier to a client moving forward can be the lack of access to a bank account. Although in many cases clients can open new bank accounts for themselves, where there has been a poor credit history this can prove difficult, in which case we assist the client.

### **Next year we aim to:-**

- Ensure that our Vincentian Values are at the heart of our work with clients and underpin our service delivery and implement actions arising from the recent Living our Values workshops.
- Lead on the re-establishment and development of the client volunteering programme.
- Partner with Land Securities and City of Westminster College on their Sector Based Academy Project in order to provide us with pre-employment training, work placements and guaranteed interviews for the construction sector.
- Develop a new referral route within Employment, Training, and Welfare Rights that specialises in working with rough sleepers whose identified primary reasons for sleeping rough are economic.
- Re-align ETE's, Welfare Rights, Mentoring, and Lifeskills operating times to ensure the right services are being offered when, where and how often the clients need them.
- Re-establish Life Skills using a new model which integrates this work with a client's health and wider social needs.
- Formally create a new service which provides fast track accommodation for clients who have secured employment.
- Continue to develop information briefings and training for staff and clients in relation to benefits changes and new legislation.

### **THE CHAPLAINCY**

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

Our primary care is to be available to all clients. At the Resource Centre and in the two hostels we are present to clients, sharing conversations and meals with them. Our ministry is a service of presence and friendship. It is not a proselytising ministry. The multi faith rooms at the Resource Centre and at Passage House are open throughout the day and are regularly used as places for silence, prayer or reading; they also serve as places where clients may speak

with one of the chaplains in confidence, receive counselling (one chaplain is a trained spiritual director and psychotherapist) or for sacramental confession.

We try 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 its particular Christian vision of St Vincent de Paul. This Christian vision is implemented in our Vincentian values, i.e. that each client is a son/daughter of God, to be respected accordingly. Every September, on the feast day of Vincent de Paul, the chaplains run a seminar for staff and volunteers to reflect on Vincentian values. They participate in on-going workshops to promote these values for The Passage.

Early on Monday mornings 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, chaplains and group of clients gathers in the faith room to read the gospel and speak and pray about their lives.

Holy Mass is celebrated in the chaplaincy every Wednesday. This is at the request of clients.

We maintain links with other teams in the Resource Centre and hostels, meeting and working with them. One of us helps in reception early on Monday mornings and also attends the Monday meeting of the Hospitality team. The other chaplain attends the weekly Team meetings at Passage House. We attend the weekly Client Review meeting in the Resource Centre.

Last year thirteen clients died. The chaplaincy takes responsibility for contacting the families of the dead and, where possible, meets with them. We liaise with police, hospital, coroner's court and undertaker. We plan and arrange a funeral service appropriate to the beliefs of each client. Following the funeral a memorial service is held at the centre.

There is an annual memorial service at St Martin-in-the-Fields in early November for all homeless people in London who have died. We participate actively at this event. We also celebrate Holy Mass in the Cathedral crypt chapel in November for our own deceased Passage clients. In recent years we also have had the privilege of celebrating Mass for our clients and volunteers at the Shrine of St. Edward the Confessor in Westminster Abbey.

We visit and support clients in hospital/hospice, in prison, at detox and rehabilitation centres. We offer to visit clients at home after they have been housed.

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

The chaplains are in contact with other homeless agencies. These include regular meetings – three times each year - with chaplains from five centres in London.

On Good Friday, The Passage participates in The Crucifixion on Victoria Street, a witness walk which includes Westminster Central, Westminster Cathedral and Westminster Abbey. About fifteen hundred people joined the walk this year. The chaplains and Mick Clarke, our CEO, organise a group of clients, two of whom carry the Cross and lead the procession. This year eighteen clients participated. The Passage is the beneficiary of a 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 and clothing store worker, and a team of cleaners consisting of senior cleaner, 2 further full time cleaners, 1 part time and 2 locum cleaners to provide additional cover during staff holidays. Primary services provide catering and cleaning 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, food manufacturers and other suppliers. We ensure that at least one nutritious meal per day is available for all clients using the centre. We normally provide about 80 cooked breakfasts and up to around 200 lunches. In Passage House, Monday to Saturday, the residents have a continental breakfast. A choice of 2 different meat dishes

is offered as part of their evening meal. On Sundays, a cooked brunch is provided, and a roast dinner is served for their evening meal. A choice of a vegetarian option and culturally aware provisions are made for residents.

#### *The clothing store, showers, laundry and hairdresser*

A range of services underpin helping people with their sense of well-being and providing them with the facilities to care for their personal hygiene. Male and female clothing stores provide items for both daily wear and special events e.g. job interviews, at nominal prices. We also offer a well-used laundry service each weekday. Here, clients can also get towels and purchase toiletries. A hairdressing service is available on a regular basis.

#### *Cleaners*

Collectively the cleaners are responsible for ensuring a good quality standard of cleaning is maintained across the organisation.

Next year, we plan to:

- Deliver a comprehensive food, laundry, clothing store and cleaning service during the Refurbishment of St Vincent's centre to the same high standards.
- Depending on volunteer capacity open the clothing store at least twice during the morning session to 2pm. Within the framework of the client employment and volunteering strategy develop 2 kitchen based opportunities during the transition period.
- Achieve 5 Stars through the 'Scores on the Doors' scheme at the Resource Centre and Passage House.
- Develop and deliver food storage and delivery system during the transition.
- Develop a primary services client feedback form covering food, laundry clothing store and cleaning.

### **Community and Faith-Based Projects**

#### *Faith-Based Groups Co-ordination Project*

For the past several years The Passage has run the pan-London Faith Based Groups Co-ordination Project. Funded by the Greater London Authority, the project employs two workers to improve the role that voluntary, community and faith based groups play in helping to end rough sleeping in London, and to help improve their partnership working with statutory and commissioned services such as local authorities, outreach teams and day centres.

Over the past year we have made significant progress through this project, with several organisations which previously operated soup runs in central London hotspots being supported to develop their own building-based services offering a wider range of targeted support to people experiencing homelessness and social isolation. We have also assisted numerous day centres to develop their service through sharing best practice from organisations based all over Greater London, and have engaged with various faith-based groups to raise awareness of homelessness and how to best respond to this in their local communities.

#### *Outcomes for 2013-14:*

- 20% reduction in street-based soup runs in central London hotspots, with most supported instead to link into more effective homelessness services or to develop their own in their local area
- Targeted support provided to 16 day centres
- Training and development support provided to 13 soup runs
- Before You Go campaign rolled out in 4 countries
- Networks developed with homelessness services across 23 London boroughs

### **New Initiatives**

#### *Home for Good*

We have recently begun to develop the new Home for Good project, which focuses on preventing repeat homelessness through providing ongoing support to clients who have been resettled into their own accommodation. We have recruited a co-ordinator to run the new weekend social club based in central London, and are in the process of developing a volunteer-led service to provide local support across Greater London.

Home for Good will not only help clients to maintain their tenancies, but also to integrate into their new communities through helping them to access a range of services, opportunities and activities available in their local area.

***Next year we aim to:***

- Establish Home for Good in several key areas across London through recruiting and training volunteers to provide ongoing support to clients resettled into their local community
- Continue to support organisations operating soup runs in central London hotspots to provide a more effective way of helping people off the street, and to provide targeted support to a range of day centres across the capital
- Establish regular weekend social club as a hub for resettled clients to meet, interact and develop their own initiatives
- Develop a wider range of opportunities for client participation through the Home for Good project
- Support a wider range of voluntary, community and faith-based groups to get more actively involved in reducing homelessness in their local area

***Before You Go***

In response to a significant and increasing number of economic migrants sleeping rough across London, The Passage has developed an awareness raising campaign on homelessness prevention for several countries.

The project is focused on raising awareness amongst potential economic migrants of the benefits of proper preparation prior to travelling, and how to increase their chances of a successful transition to life in the UK. The campaign was developed in partnership with government agencies, frontline charities and faith communities from those countries targeted.

***Social Impact Bonds***

The Passage is always seeking to develop its services to meet the changing needs of the most vulnerable people in society. The Social Impact Bond (SIB) scheme launched in 2013. Social Impact Bonds are a new funding method, encouraging private investment in work with homeless people, with the Greater London Authority re-paying the investment on a payment-by-results basis.

The SIB project provides extensive, personalised support to a cohort of individuals who were identified in 2012 by the Greater London Authority as being at risk of becoming entrenched on the streets of Westminster. The unique aspect of this role is that the SIB workers work with this same group of clients for three years, helping them to find suitable housing and continuing to work with them after that, to ensure that they have the opportunities once they are housed to get into work and build skills and positive social networks. The Passage employs one SIB worker who has achieved outstanding results with this challenging group.

The SIB workers have extra flexibility in their work with clients, for example having a budget to use for financial assistance, such as helping with rent deposits, or training costs. There is an emphasis on building relationships with clients to be able to support them as effectively as possible over three years. Recently, our SIB worker went the extra mile and found housing and support in Cornwall for a client who decided he wanted to move away from London and live by the sea.

***Outcomes for the SIB project during the year were:***

- Within a year of the start of the SIB project 34 of its 39 entrenched clients were accommodated
- 65% of these entrenched clients have maintained this accommodation for 6 months or more

***Hospital Discharge Project***

Day Services also now have an additional specialism in the work of the Hospital Discharge Team. The Passage along with partner agencies, CSTM and West London Mission, were successful in receiving a year's funding from the Department of Health to prevent homeless people being discharged to the streets.

The aim of this team is to prevent homeless clients from being discharged from hospital to the streets with a focus on long term more complex clients who frequently use hospital services. A team of skilled homelessness sector navigators work across the 3 Westminster main day centres, hospitals, Homeless Health Teams (HHT) and Primary Care Trusts. A co-ordinator and 3 workers are based at The Passage, Connections at St Martins (CSTM) and West

London Mission (WLM) working with St Thomas’s, Chelsea and Westminster, and St Mary’s as well as local GP’s and Homeless Health Team’s homeless patients are identified on admission and their post treatment care and accommodation actively planned in line with their discharge to make it sustainable.

Numbers of frequent attenders worked with	25	Numbers reconnected back to their home areas	6
Numbers placed into immediate care beds	11	Numbers placed into accommodation	12

**RESIDENTIAL SERVICES**

**Passage House**

Passage House is a 40 bed hostel providing 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 in Westminster. Over the past year we have seen a significant increase in the needs levels of those coming to Passage House with more clients than ever before suffering with severe and enduring mental health issues or very high levels of drug and/or alcohol use. We are very proud that Passage House received straight A grades in its Supporting People review at the beginning of 2014, demonstrating the excellent work of the project.

***The staff team***

Passage House employs a full time staff team of 16 and employs a regular pool of locums to cover absences. The project is staffed 24 hours a day. In addition to 6 key workers we have a dedicated night team of 4. There are two specialist workers - an Employment Training and Education (ETE) worker and a Resettlement Worker. Management support is provided by the project manager and two team leaders. The management are on call 24 hours a day in case of emergencies. We also have a full time chef and cleaner.

***The service we provide***

The majority of our clients come straight from the street and are referred by one of the three outreach teams that cover Westminster. All referrals are assessed to ensure they meet the criteria of the service and a move on plan is completed as part of the assessment process. We also offer individual packages of support that dictate how long a resident will be with us. The maximum length of stay is two years & occasionally with more complex cases the two years is extended. The majority move on within six to twelve months. Each resident is allocated a key worker who in partnership will agree a support plan that identifies an individual’s needs and sets joint objectives to support residents achieve their goals.

***The high support beds:***

The high support beds provide an intervention and assessment service for clients who present with the most complex multiple needs, which could be mental health, physical health or mobility issues. They are particularly suited to this client group as the rooms have immediate access to staff, they are set apart from the rest of the hostel and they can provide greater privacy and quiet.

***The Foyer Beds***

The Foyer Project beds offer a higher level of independence for clients who may also be trying to reduce or maintain a lower level of drug and / or alcohol use. Residents can cook for themselves and are encouraged to be engaged with training or meaningful occupation while they stay in the Foyer.

***Emergency / respite provision***

Passage House continues to offer an emergency service for those most in need on the streets but who are perhaps not quite ready to accept on a longer term basis a bed space in a hostel. Outreach and staff at the Resource Centre were able to make emergency referrals for those in a particularly desperate situation who needed respite from the streets, but who would not have met the local connection criteria of the project. Clients are offered a room if one is available or a folding bed in an office space as a temporary, up to 5 day, stay. Clients are not asked to pay for their space and very few expectations are placed upon them while they stay. The priority for staff is to make clients feel welcome, and offer whatever support is needed. In some cases clients then asked to be referred to the main hostel or agreed to a move on plan to another more specialist provision.

**Hospital Discharge**

Passage House has played a key role in helping the Hospital Discharge Project to get off the ground and provided a flexible response to the referrals for homeless and vulnerable clients who are leaving hospital without anywhere to stay. Hospital Discharge clients usually stay in the high support beds so that they can be close to reception and don't have to navigate stairs, if they have mobility issues. This temporary stay provides a safety net for clients coming out of hospital until longer-term, more suitable accommodation can be found for them through the Hospital Discharge Project.

**Education, Training and Employment (ETE)**

During the year the ETE service expanded significantly to provide a much wider range of activities for clients as part of the ongoing Places of Change working practices. Clients at Passage House can now undertake the following:

1. Literacy classes
2. Certificates in Food Preparation and Hygiene
3. ESOL classes for those who want to learn English
4. Volunteering opportunities with the chef and maintenance team
5. Enrolling in further education
6. Learning ICT skills
7. Recreational activities including learning how to DJ, art and trips to places of interest

**Outcomes for Passage House during the year were:**

<b>Total number of clients worked with</b>	<b>107</b>	<b>During the Year Clients Moved on to :</b>	
Percentage of clients completing a planned move on	64%	Sheltered or supported housing	26
Number of support hours worked by staff	19,692	Private Rented Accommodation	4
Average use of bed-spaces	93%	Housing Association	7
Total Move on	73	Stay with Friends	2
		Return to Family/Previous Home	2
		Hospital	5
		Bed and Breakfast	<u>1</u>
		Total Planned Move On	<u>47</u>

**Next year we aim to:**

- Continue to develop effective support interventions for our clients and increase our expertise in working with clients with multiple and complex needs.
- Develop our Education, Training and Employment further including developing accredited training opportunities for clients and ensure that as many clients as possible have a training or employment plan in place whilst living in the project.
- Develop our Resettlement and pre-tenancy service for clients ensuring they are well-prepared and confident when moving to more permanent accommodation.
- Expand and develop our volunteering opportunities, including client volunteering, in the project.
- Develop and implement an accredited training programme for staff.
- Develop and implement an accredited training programme for all staff who would like it.
- Ensure effective data recording is being achieved by all Passage House staff to inform service delivery and sustain current, and attract new, funding.
- Continue to ensure effective housing management systems are in place to support the project to stay financially viable and a safe place for all to live and work in.
- Support the clients to develop an intranet for all clients to use.

**Montfort House**

Montfort House, consisting of 16 self-contained flats, continues to target the most entrenched and vulnerable people – male and female - in Westminster (the RS 205 client group, originally the 205 longest term rough sleepers). The team has developed to meet the changing needs of the client group and project and now consists of a manager and 3 support workers. Our flexible hands-off approach has been very successful, so much so that we have developed our own policy around professional boundaries and best practice when working with entrenched clients called Real Relationships. We have also developed a client handbook which is presented in user friendly language and contains useful information about the project and the local area and the staff team.

In addition to the developments detailed above we have introduced a number of other creative interventions designed to support our clients in maintaining their accommodation. Elastic Evictions is one of these interventions and is designed to give the client a way of returning to the project in situations where safety is not compromised. Goodbye Letters are another tool we use when a client has been asked to leave and an Elastic Eviction is not appropriate. The goodbye letter expresses our sadness about having to ask a client to leave and explains the reasons why we did this. It also lists the areas a client might want to work on if they would like to be considered for a place at Montfort House in the future. We hope that by sending these letters it will go some way to reducing the negative impact recurring evictions can have on the client.

The team have increased their involvement with the resettlement process and work in partnership with our resettlement worker. We now offer a comprehensive and flexible after care support package for clients who move on into more independent accommodation. This is client led and we design bespoke support in the new accommodation on an agreed framework with the intention of a structured disengagement from the service.

We recently had our Supporting People review and we were delighted to achieve an A grade. Supporting People’s feedback was very positive and comments included:

- Clients feel really listened to and that staff have time for people.
- That the staff are skilled and always as helpful as they can be.
- That clients feel safe and secure.
- That clients don’t feel rushed and pressured to move on but help is there to prepare you for the next step.
- The clients appreciate having their own independence and the clean and tidy communal areas.
- The word perfect came up many times.

**Outcomes for Montfort House for the Year were:**

Total Number of Clients worked with	27
Number of support hours worked by staff	4,043.5
Average use of bed spaces	99%
Total move on	14

**During the year clients moved on to:**

Housing Associations	4
Owner/occupier	1
Living with friends	1
Sheltered or supported housing	2
Care Home	<u>1</u>
Total planned move on	<u>9</u>

**Next year we aim to:**

- Establish, in conjunction with Information Officer, improved data entry systems that are user-friendly, more relevant to the work done with the RS205 client group and enhance the quality of the information captured.
- Identify services for the entrenched in other areas and establish a network to find ways of working together to improve skills and understanding.
- Develop a basic awareness course for ‘Working with the entrenched’
- Establish new initiatives within the service to better respond to entrenched and complex clients in a proactive way.
- Develop and clearly outline our post and pre accommodation work with clients and promote this throughout the borough and other services in Westminster.
- Develop a range of extra support mechanisms for our clients during the transition period to ensure maximum client retention.
- Further develop our Vincentian Values throughout our work.

The Board of Trustees (“the Board”) presents its report and the accounts for the year to 31 March 2014. This report should be read in conjunction with the strategic report and the detailed description of operations set out above on pages 1 to 22, which also form part of this report. The Board of Trustees’ 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 32 and 33 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.

For Companies Act purposes, the members of the Board of Trustees are the directors of the company.

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

### **Management structure and staff**

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

The Passage employs 78 full-time and 14 part-time staff; their varied background of qualifications and experience enables them to provide the services The Passage offers to homeless people. Staff members are consulted and play a major role in the development of the annual plan and budget and future strategy, and are offered regular training to increase their skills. The contribution made by volunteers, in all areas of our services, is essential to our work. A diversity and equality policy is applied throughout the organisation.

### **Constitution**

The company operates as The Passage, with the agreement of the Charity Commission. Its objectives, which are set out in its Memorandum and Articles of Association, are to promote the relief of poverty by providing:

- temporary and permanent accommodation for persons in need, and by providing advice and assistance to those at risk of becoming homeless to enable them to remain in their homes;
- food, clothing and counselling (including legal advice and advice on welfare benefits) to persons in need;
- medical advice and treatment for persons in need, including those suffering from alcohol or drug abuse; and
- education, training and assistance to persons in need to enable them to gain employment and sheltered employment.

### **Board of Trustees and Committees of the Board**

Under 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 Daughters of Charity of St Vincent de Paul (“the Provincial”) and the Administrator of Westminster Cathedral (“the Administrator”) are *ex officio* company members. Other members are appointed by the Board. 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. Effectively if the Provincial and the Administrator act together they can determine the composition of the Board, and they have the sole right to appoint the Chair and Vice-Chair.

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the two years ended 31 March 2014. 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 of £ 1,113 (2013 – £ 1,221) provides cover up to a maximum of £ 1 million.

Four committees advise the Board on client services, finance, fundraising, and risk and audit. They also assist the Board in monitoring the work of the company in these areas.

The Board has adopted a formal code of good governance – Good Governance - A Code for the Voluntary and Community Sector which can be downloaded from the Code Steering Group website

<http://www.governancecode.org/full-code-of-governance/>

### **Selection and training of new Board members**

In line with The Passage’s diversity and equality policy and procedure, new Board members are recruited with appropriate skills and backgrounds following a regular assessment of the experience of current Board members and

the areas in which 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, to enable them to discharge their responsibilities more effectively.

At the Annual General Meeting on 2 July 2013, Sister Ellen Flynn, Dr Iram Sattar, John Studzinski and Chris Williams retired by rotation and were all re-elected. The composition of the Board and committees at 31 March 2014 was:

<b>Members of the Board not serving on committees</b>	Sr Ellen Flynn (Chair)	Canon Christopher Tuckwell	Sr Marie Raw	Mike Kelly
	<b>Client services</b>	<b>Finance</b>	<b>Fundraising</b>	<b>Risk and audit</b>
<b>Members of the Board on the committees</b>	Julie Morgan (Chair) Sr Eileen Glancy Dr Iram Sattar	Christopher Williams (Chair) Peter Macklin John Studzinski	Mgr Vladimir Felzmann (Chair)	Peter Macklin (Chair) Christopher Williams
<b>Other company members serving on the committee</b>	Sr Margaret Barrett Cynthia Haddock John King Vincent Lowe Andrew Mason Gary Wood	Martin Allen Nick Gibb Christian Grobel Chris Morris	Martin Allen Daniel Brennan Richard Hamilton Baroness Maggie Jones Adrienne LeMan Sheila Smith	Anthony Carey Edward Cooke John King Chris Morris Alice Stein

## OBJECTIVES AND ACTIVITIES

### 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.

### Voluntary help

#### *Donations in kind*

The Passage receives many generous donations in kind, including food, furniture and clothing: regular donations of food and many other items are received from local businesses; and 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 'a night under the stars' website was 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 many businesses give to the work of The Passage. It has, however, set a policy of not placing a monetary value on this generosity because 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 wishes to record its thanks to all those businesses, church and community groups, and individuals who have assisted The Passage during the year.

#### *Involvement of volunteers*

The continued support, experience and time given by volunteers enables The Passage to offer a wide range and high quality of services and activities to our clients.

Whilst a large proportion of our circa 400 regular volunteers help in the kitchen, serving breakfast and lunch each day, we also have many other volunteer opportunities across all of the teams. Other volunteering roles include finance and fundraising functions, reception and administrative tasks, running complementary therapy sessions and literacy coaching.

At Passage House, the Project benefits from dedicated volunteers who come to help in the kitchen during the evening meal each day of the week. The client reception is staffed with volunteers throughout the week. These volunteers bring great value to the project by allowing key workers to be freed up to do more one to one work with clients and clients regularly feedback how refreshing it is for them to speak to the volunteers about more general and topical subjects and not necessarily about their support needs and issues around their stay in the hostel.

Up to 40 individuals give their assistance and skills on any given day, including weekends.

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 coaching hostel residents in IT skills on a one to one basis, a coffee morning group run by a volunteer in Montfort House, a Women’s Group volunteer and a new art group led by a volunteer in Passage House.

Furthermore, The Passage benefits from a growing number of companies who encourage their employees to support our work through corporate volunteering opportunities, particularly assisting with breakfast and lunch service but also with preparing for events, Victoria station collections, running tea parties and taking clients on day trips. We have recently established several new partnerships, including with GroupOn and UBM.

We always seek to develop and improve the volunteering scheme, making The Passage a positive, welcoming and inclusive environment for volunteers. Much has been achieved in terms of diversifying our volunteer base, increasing the variety of volunteering roles and creating better systems for volunteer management and communications. In the coming years, we plan to focus particularly reviewing and improving all key features of the volunteering scheme with a view to becoming a centre of good practice.

Estimated total time donated by volunteers during the year:

	Hours 2014	Hours 2013
Resource Centre primary services	22,500	22,100
Resource Centre supporting other services	7,200	5,700
Passage House	3,700	2,500
Office-based fundraising and administration	7,900	7,600
	<u>41,300</u>	<u>37,900</u>

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 that 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.

Next year we aim to:

- Maintain positive and open communication channels with volunteers so that they are well informed and able to share their views during the transition period.
- Assess and plan for the post-refurbishment volunteering needs of the teams in line with the 5 year business plan
- Continue to evaluate and review the volunteering team to ensure it is proactively and innovatively responding to the changing organisational needs throughout the transition period and in anticipation of the 5 year business plan.
- Draft and seek approval for a Volunteering Policy and Problem Solving Procedure in consultation with the relevant stakeholders.
- Further develop and consolidate the volunteer induction programme in line with the needs of the transition period and post-refurbishment period.

## Other Information

### **Public benefit statement**

The Trustees confirm that they have complied with their duty under section 17 of The Charities Act 2011 to have regard to the 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 and committees, and senior employees complete an annual declaration of conflict of interest. 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 one that 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 Daughters of Charity of St Vincent de Paul and Westminster Cathedral are both related parties of the company. As the Provincial and

the Administrator appoint the Trustees of The Passage Trust, The Passage Trust is also a related party. Full details of transactions and balances with these related parties are shown in notes 11 and 12 to the accounts on pages 41.

### **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 that they are subject to abuse of any kind, they are encouraged to speak to a member of staff or volunteer at the project, or to an external advocate. Risk assessments, needs assessments and support plans are implemented and agreed with clients, are reviewed on a regular basis, and are recorded and kept on file at the project. In addition, risk assessments that relate to all forms of abuse that may occur, detail potential risks to staff and volunteers, and to clients who use the service.

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

### **Concern for the environment**

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

### **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 then 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 the going-concern basis unless it is inappropriate to presume that the charity will continue in operation.

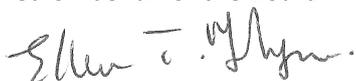
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and, therefore, 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 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, Chair

Approved by the Board on 11 June 2014

## Independent auditor's report to the members of Passage 2000

We have audited the financial statements of Passage 2000 for the year ended 31 March 2014, 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](http://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 2014 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 matters 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.

Thomas Ward, Senior Statutory Auditor  
for and on behalf of Moore Stephens LLP,  
Statutory Auditor  
150 Aldersgate Street  
London  
EC1A 4AB

11 June 2014

Statement of financial activities – year to 31 March 2014  
(Including income and expenditure account)

	Notes	-----Restricted funds-----			Total funds 2014	Total funds 2013	
		Unrestricted funds	Running costs	Buildings funds			Refurbishment fund
		£	£	£	£	£	
<b>Incoming resources</b>							
<i>Incoming resources from generated funds</i>							
Legacies		313,660	–	–	–	313,660	826,992
Other voluntary income		1,323,786	411,980	–	–	1,735,766	1,524,154
<b>Total voluntary income</b>	1	<b>1,637,446</b>	<b>411,980</b>	<b>–</b>	<b>–</b>	<b>2,049,426</b>	<b>2,351,146</b>
Bank interest		39,052	–	–	29,783	68,835	72,675
<i>Incoming resources from charitable activities</i>							
Grants from statutory bodies	2a	–	1,845,696	–	–	1,845,696	1,716,309
Building development funding	2b	-	-	–	6,917,146	6,917,146	–
Rents and charges to residents		535,471	–	–	–	535,471	552,673
<b>Total incoming resources</b>		<b>2,211,969</b>	<b>2,257,676</b>	<b>–</b>	<b>6,946,929</b>	<b>11,416,574</b>	<b>4,692,803</b>
<b>Resources expended</b>							
<i>Cost of generating funds</i>							
Cost of generating voluntary income		196,012	–	–	-	196,012	182,687
<i>Charitable activities</i>							
Passage Resource Centre and Outreach		740,583	1,333,483	65,330	-	2,139,396	2,140,426
Passage residential services		485,871	788,882	359,667	-	1,634,420	1,688,452
		<b>1,226,454</b>	<b>2,122,365</b>	<b>424,997</b>	<b>-</b>	<b>3,773,816</b>	<b>3,828,878</b>
<b>Governance costs</b>		<b>52,247</b>	<b>–</b>	<b>-</b>	<b>-</b>	<b>52,247</b>	<b>101,532</b>
<b>Total resources expended</b>	3	<b>1,474,713</b>	<b>2,122,365</b>	<b>424,997</b>	<b>-</b>	<b>4,022,075</b>	<b>4,113,097</b>
<b>Net movement in funds</b>		<b>£737,256</b>	<b>£135,311</b>	<b>£(424,997)</b>	<b>£6,946,929</b>	<b>£7,394,499</b>	<b>£579,706</b>

Statement of financial activities (concluded) – year to 31 March 2014  
(Including income and expenditure account)



	Notes	-----Restricted funds-----			Total funds 2014	Total funds 2013
		Unrestricted funds	Running costs	Buildings Funds		
		£	£	£	£	£

**Movement in funds before capital grants**

<b>Net movement in funds</b>					7,394,499	579,706
<b>Refurbishment funding</b>					(6,946,929)	–
<b>Net movement in funds before refurbishment funding</b>					<u>£ 447,570</u>	<u>£ 579,706</u>

**Reconciliation of funds**

<b>Net movement in funds</b>	737,256	135,311	(424,997)	6,946,929	7,394,499	579,706
Total funds brought forward	<u>3,002,631</u>	<u>111,855</u>	<u>8,636,488</u>	<u>-</u>	<u>11,750,974</u>	<u>11,171,268</u>
<b>Total funds carried forward</b>	<u>£3,739,887</u>	<u>£247,166</u>	<u>£8,211,491</u>	<u>£6,946,929</u>	<u>£19,145,473</u>	<u>£11,750,974</u>

The amounts shown above were 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.

	Notes	-----Restricted funds-----				Total funds 2014 £	Total Funds 2013 £
		Unrestricted funds £	Running costs £	Buildings funds £	Refurbishment fund £		
<b>Fixed assets</b>	4	25,185	-	6,047,265	601,128	6,673,578	6,520,543
<b>Current assets</b>							
Debtors	5	409,735	-	-	11,858	421,593	1,825,329
Cash at bank and in hand		3,547,972	247,166	2,167,892	6,374,839	12,336,869	3,677,353
		<u>3,956,707</u>	<u>247,166</u>	<u>2,167,892</u>	<u>6,386,697</u>	<u>12,758,462</u>	<u>5,502,682</u>
<b>Liabilities</b>							
Creditors – amounts falling due within one year	6	(242,005)	-	(3,666)	(40,896)	(286,567)	(272,251)
<b>Net current assets</b>		<u>3,714,702</u>	<u>-</u>	<u>2,164,226</u>	<u>6,345,801</u>	<u>12,471,895</u>	<u>5,230,431</u>
<b>Total net assets</b>		<u>£3,739,887</u>	<u>£247,166</u>	<u>£8,211,491</u>	<u>£6,946,929</u>	<u>£19,145,473</u>	<u>£11,750,974</u>
<b>The funds of the charity</b>							
<b>Restricted funds</b>							
Revenue funds	7	-	247,166	-	-	247,166	111,855
Building funds	7	-	-	8,211,491	6,946,929	15,158,420	8,636,488
		<u>-</u>	<u>247,166</u>	<u>8,291,491</u>	<u>6,946,929</u>	<u>15,405,586</u>	<u>8,748,343</u>
<b>Unrestricted funds</b>							
Accumulated fund	8	100,046	-	-	-	100,046	90,162
Designated funds	8	3,639,841	-	-	-	3,639,841	2,912,469
		<u>3,739,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,739,887</u>	<u>3,002,631</u>
<b>Total funds</b>		<u>£3,739,887</u>	<u>£247,166</u>	<u>£8,291,491</u>	<u>£6,946,929</u>	<u>£19,145,473</u>	<u>£11,750,974</u>

Approved by the Board of Trustees of Passage 2000 (Company Registration Number 3885593) on 11 June 2014 and signed on its behalf by:

Sister Ellen Flynn, Chairman

	2014 £	2013 £
<b>Net cash inflow from operating activities</b>	1,847,760	268,118
<b>St Vincent's Centre refurbishment payment from developer</b>	6,917,146	–
<b>Receipt of capital grant included in debtors 31 March 2013</b>	399,882	–
<b>Returns on investments</b>		
Interest received	97,761	56,020
Cash inflow before capital expenditure	9,262,549	324,138
<b>Capital expenditure and financial investment</b>		
Purchases of equipment	(1,905)	(35,252)
Governance costs re St Vincent's Centre development	–	(50,232)
St Vincent's Centre Development	(601,128)	–
Passage House improvements	–	(70,126)
<b>Increase in cash</b>	<b>£8,659,516</b>	<b>£168,528</b>
<b>Reconciliation of changes in resources to net cash outflow from operating activities</b>		
Net movement in unrestricted funds	737,256	1,200,787
Net movement in restricted revenue funds	135,311	(108,344)
Net movement in funds from operating activities	872,567	1,092,443
Interest receivable	(39,052)	(72,675)
Depreciation of equipment	25,000	24,603
Increase in creditors	14,316	8,361
(Increase)/Decrease in debtors, excluding accrued interest receivable and grants for capital expenditure	974,929	(784,614)
<b>Net cash inflow from operating activities</b>	<b>£1,847,760</b>	<b>£268,118</b>
<b>Analysis of changes in cash</b>		
Closing cash at bank and in hand	12,336,869	3,677,353
Opening cash at bank and in hand	(3,677,353)	(3,508,825)
<b>Increase in cash</b>	<b>£8,659,516</b>	<b>£168,528</b>

### **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 that 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. 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.

### **Resources expended (concluded)**

Governance costs comprise the costs of the general management, which enables 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 are payable.

### **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 those 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 is being depreciated over 27 to 50 years. Plant and equipment, including fixtures and fittings, are depreciated over 4 to 15 years, depending on their estimated useful lives.

### **Taxation**

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

**1 Voluntary income**

	Unrestricted funds £	Restricted funds £	Total funds 2014 £	Total funds 2013 £
Individuals	630,900	–	630,900	595,243
Legacies	313,660	–	313,660	826,992
Westminster Cathedral	33,859	–	33,859	19,673
Daughters of Charity of St Vincent de Paul	60	–	60	386
Society of St Vincent de Paul	1,055	–	1,055	1,495
Church and voluntary groups	110,813	–	110,813	106,692
Fundraising events	208,686	–	208,686	184,347
Companies and businesses	70,519	153,100	223,619	226,658
Grants from trusts	267,894	258,880	526,774	389,660
<b>Total funds</b>	<b>£1,637,446</b>	<b>£411,980</b>	<b>£2,049,426</b>	<b>£2,351,146</b>
<i>Total funds 2013</i>	<i>£2,043,670</i>	<i>£ 307,476</i>	<i>£2,351,146</i>	

Grants from trusts includes £30,000 (2013 - £40,000) from Bridge House Estates.

**2a Grants from statutory bodies**

	Restricted funds		Total funds	Total funds
	Revenue	Buildings funds	2014	2013
	£	£	£	£
Westminster City Council	1,481,119	–	1,481,119	1,506,119
London Borough of Southwark	–	–	–	100,000
Government of Ireland Emigrant Support Programme	37,000	–	37,000	37,000
Department for communities and local government	50,000	–	50,000	–
Greater London Authority	50,000	–	50,000	–
Foreign and Commonwealth Office	–	–	–	5,000
Social Impact Bond	49,332	–	49,332	–
Department of Health	178,245	–	178,245	–
Cabinet Office	–	–	–	68,190
	<b>£1,845,696</b>	<b>–</b>	<b>£1,845,696</b>	<b>£1,716,309</b>
<i>Total funds 2013</i>	<i>£1,716,309</i>	<i>£-</i>	<i>£1,716,309</i>	

Further information on grants is given in note 14 on page 42

## 2b Building development funding

On 7 May 2013 planning permission was granted for the refurbishment of St Vincent's Centre (note 13). As part of the arrangements a mechanism was put in place to enable The Passage to receive funding towards the refurbishment, this is described in note 13. A payment of £6,917,146 was received during the year under the mechanism.

<b>3 Resources expended</b>	<b>Activities undertaken directly</b> £	<b>Support costs</b> £	<b>Total 2014</b> £	<b>Total 2013</b> £
<b>Cost of generating funds</b>	136,765	59,247	196,012	182,687
<b>Charitable activities</b>				
Passage Resource Centre	1,870,135	269,261	2,139,396	2,140,426
Passage Residential Services	1,407,992	226,428	1,634,420	1,688,452
	<u>3,278,127</u>	<u>495,689</u>	<u>3,773,816</u>	<u>3,828,878</u>
<b>Governance costs</b>	9,314	42,933	52,247	101,532
	<u>£3,424,206</u>	<u>£597,869</u>	<u>£4,022,075</u>	<u>£4,113,097</u>
<b>Total 2013</b>	<u>£3,544,515</u>	<u>£568,582</u>	<u>£4,113,097</u>	

Governance costs in 2013 included £52,032 of fees for preparing plans for the refurbishment of St Vincent's Centre, Carlisle Place, and submitting them as part of the planning application.

	<b>Cost of generating funds</b> £	<b>Passage Resource Centre</b> £	<b>Passage residential services</b> £	<b>Governance</b> £	<b>Total 2014</b> £	<b>Total 2013</b> £
<b>Support costs</b>						
Management and planning	34,265	121,813	87,419	18,022	261,519	229,192
Finance	5,571	22,285	22,285	17,428	67,569	76,249
Information technology	14,912	32,062	24,605	2,983	74,562	63,881
Human resources	1,426	37,780	30,651	1,426	71,283	70,899
Facilities management	3,073	55,321	61,468	3,074	122,936	128,361
	<u>£59,247</u>	<u>£269,261</u>	<u>£226,428</u>	<u>£42,933</u>	<u>£597,869</u>	<u>£568,582</u>
<b>Total 2013</b>	<u>£53,460</u>	<u>£257,425</u>	<u>£215,972</u>	<u>£41,725</u>	<u>£568,582</u>	

### 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 these departments' time 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 floor areas occupied, and the intensity of their use, into account.

	2014	2013
	£	£
<b>Analysis of total staff and volunteer costs</b>		
Wages and salaries	2,454,236	2,369,423
Social Security costs	248,121	238,970
Pension contributions and life assurance	66,254	58,181
Other costs, including agency staff	118,681	156,683
Training and recruitment	22,697	23,623
Volunteers' travel and other costs	14,175	11,332
	<u>£2,924,164</u>	<u>£2,858,212</u>

One employee earned more than £70,000, but less than £80,000 (2013 – one more than £70,000 but less than £80,000) for whom employer's pension contributions of £5,681 (2013 – £ 5,421) were made to the group personal pension plan. In addition one employee earned more than £60,000 but less than £70,000 (2013 – none).

	Full-time	Part-time	Full-time equivalent	Full-time equivalent
	2014	2014	2014	2013
<b>Average number of employees</b>				
Day Centre, including Outreach	39	6	42	42
Residential services	23	6	26	26
Support services	16	2	17	15
	<u>78</u>	<u>14</u>	<u>85</u>	<u>83</u>

#### **Pensions and life assurance**

There is a group personal pension plan for staff members 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.

#### **Expenditure for the year includes the following items**

	2014	2013
	£	£
Depreciation	<u>£449,998</u>	<u>£487,108</u>
<b>Amounts payable to the auditors (including VAT)</b>		
Audit fees	<u>£11,843</u>	<u>£12,648</u>

#### **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 2014. 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 £1,113 (2013 – £1,221) and provides cover up to a maximum of £1,000,000.

**3 Resources expended (concluded)**

Other direct costs within the Resource Centre are accounted for net of contributions from clients:

	Food £	Clothes £	Laundry /shaver £	Total 2014 £	Total 2013 £
Purchases	72,084	1,147	472	73,703	74,999
Contributions from clients	(9,377)	(292)	(999)	(10,668)	(13,457)
Deficit/(Surplus) on sales	62,707	855	(527)	£63,035	£61,542

**4 Fixed assets**

	Freehold property £	Equipment, fixtures and fittings £	Total £
<b>Cost</b>			
At 31 March 2013	8,867,234	98,411	8,965,645
Additions during the year	601,128	1,905	603,033
At 31 March 2014	£9,468,362	£100,316	£9,568,678
<b>Depreciation</b>			
At 31 March 2013	2,394,971	50,131	2,445,102
Provided during the year	424,998	25,000	449,998
At 31 March 2014	£2,819,969	£75,131	£2,895,100
<b>Net book value</b>			
At 31 March 2014	£6,648,393	£25,185	£ 6,673,578
At 31 March 2013	£6,472,263	£48,280	£ 6,520,543

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.

**5 Debtors**

	2014	2013
	£	£
Legacies	130,000	530,061
Event sponsorship and advertising	1,250	41,216
Capital grant	-	399,882
Revenue grants paid in arrears	122,482	639,802
Income tax recoverable – Gift Aid	46,150	53,281
Accrued interest receivable	21,560	50,485
Prepayments	16,144	20,822
Rents and service charges	37,184	49,495
Donations held by intermediaries	14,554	2,850
Sundry debtors	32,299	37,435
	<u>£421,593</u>	<u>£1,825,329</u>

**6 Creditors – amounts falling due within one year**

	2014	2013
	£	£
Trade creditors	133,238	70,440
Accruals for goods and services	28,139	72,893
Social Security and payroll taxes	69,390	68,678
Group personal pension contributions	8,564	24,196
Housing benefit overpayment	45,919	35,046
Sundry creditors	1,317	998
	<u>£286,567</u>	<u>£272,251</u>

**7 Restricted funds: movements during the year**

	Balance at 1 April 2013	Incoming resources	Resources expended	Balance at 31 March 2014
	£	£	£	£
Running costs	111,855	2,257,676	(2,122,365)	247,166
<b>Buildings funds</b>				
St Vincent's Centre refurbishment fund	-	6,946,929	-	6,946,929
St Vincent's Centre Building Fund	4,533,136	-	(65,330)	4,467,806
General building development fund	1,922,565	-	-	1,922,565
Passage House	2,089,623	-	(359,667)	1,729,956
Passage Resource Centre	91,164	-	-	91,164
	<u>8,636,488</u>	<u>6,946,929</u>	<u>(424,997)</u>	<u>15,158,420</u>
<b>Total restricted funds</b>	<u>£8,748,343</u>	<u>£9,204,605</u>	<u>£(2,547,362)</u>	<u>£15,405,586</u>

Notes 1, 2 and 13 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. No further analysis is, therefore, 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 been entirely spent by the end of the year.

The St Vincent's Centre fund represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.

The St Vincent's centre refurbishment fund represents payments contributed by developers to The Passage for the refurbishment of St Vincent's Centre ( see note 13) plus interest earned on this fund.

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

The Passage House restricted fund consists of

- (i) the historical cost of Passage House to The Passage Trust, less accumulated depreciation to 31 March 2014 (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 2013 £	Increase in funds during the year £	Transfers £	Balance at 31 March 2014 £
Accumulated fund	90,162	737,256	(727,372)	100,046
Designated funds				
Funding contingency	1,650,000	-	-	1,650,000
St Vincent's Centre refurbishment	900,000	-	725,000	1,625,000
Statutory redundancy	314,189	-	25,467	339,656
Equipment	48,280	-	(23,095)	25,185
	<u>2,912,469</u>	<u>-</u>	<u>727,372</u>	<u>3,639,841</u>
Total unrestricted funds	<u>£3,002,631</u>	<u>£737,256</u>	<u>£-</u>	<u>£3,739,887</u>

*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 St Vincent's Centre refurbishment fund is designated for additional costs of operating The Passage during the refurbishment of St Vincent's Centre and for any costs not covered by the funding mechanism (note 13).

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	Restricted funds		Total
	funds	Revenue	Buildings	funds
	£	£	£	£
Net movement in funds for the year	737,256	135,311	6,521,932	7,394,499
Net (increase)/decrease in tangible fixed assets for direct charitable purposes	23,135	–	(176,130)	(152,995)
Net movement in funds available for future activities	<u>£ 760,391</u>	<u>£ 135,311</u>	<u>£ 6,345,802</u>	<u>£ 7,241,504</u>

**10 Analysis of net assets between funds**

	Fixed assets £	Net current assets £	Total £
<b>Restricted funds</b>			
Revenue funds	–	247,166	247,166
<b>Buildings funds</b>			
St Vincent's Centre 2014 refurbishment fund	601,128	6,345,801	6,946,929
St Vincent's Centre fund	4,467,806	–	4,467,806
General development fund	–	1,922,565	1,922,565
Passage House	1,579,459	150,497	1,729,956
Passage Resource Centre	–	91,164	91,164
<b>Total restricted funds</b>	<u>6,648,393</u>	<u>8,757,193</u>	<u>15,405,586</u>
<b>Unrestricted funds</b>			
Accumulated fund	–	100,346	100,046
Designated funds	25,185	3,614,356	3,639,841
<b>Total unrestricted funds</b>	<u>25,185</u>	<u>3,714,702</u>	<u>3,739,887</u>
<b>Total funds</b>	<u>£ 6,673,578</u>	<u>£12,471,895</u>	<u>£ 19,145,473</u>

## 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 23. For the reasons set out on page 25, The Passage Trust, the Daughters of Charity of St Vincent de Paul (“the Sisters”) and Westminster Cathedral are related parties.

### *Transactions with the Sisters*

The Sisters occupied the area in St Vincent’s Centre they had always lived in until 31 January 2012. The Sisters continued to be resident in a small area of St Vincent’s Centre until March 2014, but helped to look after a larger area of the building, before refurbishment, that is used directly by The Passage. From time-to-time, costs are incurred that pertain to the Sisters, but generally each party manages its own expenses. There were no recharges in the year, in the year to 31 March 2013 the Sisters reimbursed costs of £1,697 incurred on their behalf by The Passage. These transactions were carried out on an arm’s-length basis. The Sisters also made grants and donations of £60 (2013 – £386) to The Passage.

### *Transactions with Westminster Cathedral*

Westminster Cathedral made grants and donations, and collected donations on behalf of The Passage amounting to £33,859 (2013 – £19,673). No charge was made for the facilities provided by the Cathedral for the collection of money to assist the work of The Passage.

## 12 St Vincent’s Centre

The Passage owns the freehold of St Vincent’s Centre, which was purchased in 2004 from the Daughters of Charity of St Vincent de Paul (“the Sisters”) for £5 million. A statutory grant of £5 million from the Housing Corporation, administered by Westminster City Council, was subsequently received to fund the purchase of the building. In return for the funding, The Passage gave Westminster City Council a five-year legal charge (which expired on 3 February 2012) over the building.

St Vincent’s Centre is a substantial property. The Sisters’ lease on the parts of the building they used for their charitable work expired in September 2009 and, following a temporary arrangement for them to continue to use parts of this area; they withdrew to the Sisters’ House in January 2012. At the end of March 2014 the Sisters withdrew from the building to facilitate its refurbishment. The Sisters have a twenty year lease on the part of the building that is used as the Sisters’ House. The Sisters have agreed to surrender their lease in return for an agreement to grant a new ten year lease from the completion of the refurbishment.

## 13 St Vincent’s Centre Refurbishment

The Passage is about to commence The St Vincent’s Refurbishment project, which will involve the complete refurbishment of the St Vincent’s building. Planning permission for the refurbishment was granted by The City of Westminster on 7 May 2013. To assist with raising funds to carry out the refurbishment, property developers in the City of Westminster were able to contribute to the refurbishment as part of their obligation to The Council.

Based on pre-contract estimates the cost of the work is expected to be more than £16,500,000. A contribution of £6,917,146 was received during the year. In April 2014 an additional contribution of £5,001,095 was also received. The Passage continues to fundraise for the remaining funds which will be funded from restricted/designated funds available for capital expenditure and property developer contributions. Interest of £29,783 earned on contributions received during the year has been credited to the Refurbishment Fund. Any further interest earned on the contributions received will be added to the fund.

The Passage has developed detailed plans for the refurbishment which have been put out to tender. Pre-contract expenditure on the development of £601,128 has been capitalised. Contributions received are being paid into a restricted bank account to be used, apart from specified pre contract expenditure, for payments under the terms of the building contract to be approved by The City Council.

**14 Grants from statutory bodies – further information**

		£
<b>Westminster City Council</b>		
Resource Centre grant	Cost of employment and related overheads for ten workers employed in the resource centre in the areas of general project work and housing advice	382,245
Passage House grant	Contribution to the running of Passage House	215,859
Building-based services grant	Funding for street outreach work and for an administrator to record and analyse the work with rough sleepers.	363,900
Supporting people grant	Funding for workers giving general counselling and advice in Passage House	381,061
	Funding for workers giving general counselling and advice in Montfort House	138,054
		1,481,119
<b>Greater London Authority</b>		
	Grant to co-ordinate work by faith-based groups, particularly soup runs	50,000
<b>Department for Communities and Local Government (DCCLG)</b>		
European Prevention Work (“Before You Go” campaign)	Develop an awareness raising campaign to prevent homelessness amongst economic migrants from Bulgaria, Lithuania and Romania	50,000
<b>Department of Health</b>		
	Funding to employ a coordinator and three workers (two employed by and based in partner agencies) to work with homeless patients and hospital staff to improve patient experience and to ensure safe discharge, avoiding discharge to the streets where this is possible.	178,245
<b>Irish Government – Emigrant Support Programme</b>		
	Funding to employ a worker to co-ordinate the Resource Centre’s services to Irish clients and to research their needs	37,000
<b>Total grants from statutory bodies</b>		£ 1,716,309

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

Activities undertaken directly

	Cost of generating funds £	Passage Day Centre £	Passage residential services £	Governance £	Total 2014 £
Staff direct employment costs	50,697	1,538,335	805,330	9,277	2,403,639
Volunteers	361	9,912	1,704	–	11,977
Training	1,285	6,075	1,889	33	9,282
Recruitment	20	621	339	4	984
<i>Total staff and volunteer costs</i>	<u>52,363</u>	<u>1,554,943</u>	<u>809,262</u>	<u>9,314</u>	<u>2,452,882</u>
Food net of contributions	–	62,707	53,654	–	116,361
Laundry net of contributions	–	855	190	–	1,045
Surplus on clothes	–	(473)	–	–	(473)
Client welfare and interpretation	–	21,890	14,728	–	36,618
Provision for irrecoverable rents	–	–	3,775	–	3,755
Client education and training	–	569	258	–	827
Maintenance repairs and renewals	1,011	17,702	23,754	–	42,467
Depreciation	–	64,543	385,456	–	449,999
Furniture and equipment	6,342	4,829	13,132	–	24,303
Council tax and business rates	–	–	681	–	681
Insurance	–	18,727	31,876	–	50,603
Electricity	–	24,430	16,202	–	40,632
Gas	–	20,927	23,898	–	44,825
Water	–	(4,533)	5,782	–	1,249
Cleaning materials, etc.	27	12,086	9,907	–	22,020
Telephone	–	10,089	2,967	–	13,056
Postage	10,593	3,358	162	–	14,113
Printing and stationery	7,534	14,735	2,291	–	24,560
Travel	–	30,561	7,488	–	38,049
Medical/First aid	–	234	–	–	234
Publications	172	51	296	–	519
Subscriptions	282	1,010	–	–	1,292
Television licences	–	–	2,183	–	2,183
Sundries	–	–	50	–	50
Professional fees	–	10,895	–	–	10,895
Fundraising events costs	39,835	–	–	–	39,835
Advertising and publicity	18,606	–	–	–	18,606
<i>Total other costs</i>	<u>84,402</u>	<u>315,192</u>	<u>598,730</u>	<u>–</u>	<u>998,324</u>
<b>Total costs</b>	<b><u>£136,765</u></b>	<b><u>£1,870,135</u></b>	<b><u>£1,407,992</u></b>	<b><u>£9,314</u></b>	<b><u>£3,424,206</u></b>

Water charges are net of a credit for settling a dispute with the supplier

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**Total expenditure**

	Activities directly undertaken £	Support costs £	Total expenditure 2014 £	Total expenditure 2013 £
Staff direct employment costs	2,403,639	485,231	2,888,870	2,825,301
Volunteers	11,977	2,090	14,067	11,149
Training	9,282	10,769	20,051	15,875
Recruitment	984	195	1,179	5,887
<i>Total staff and volunteer costs</i>	<u>2,452,882</u>	<u>498,285</u>	<u>2,924,167</u>	<u>2,858,212</u>
Food net of contributions	116,361	–	116,361	117,158
Laundry net of contributions	1,045	–	1,045	925
Surplus on clothes	(473)	–	(473)	(981)
Client welfare and interpretation	36,618	–	36,618	41,422
Provision for irrecoverable rents	3,755	–	3,755	20,291
Client education and training	827	–	827	453
Maintenance repairs and renewals	42,467	2,026	44,493	61,405
Depreciation	449,999	–	449,999	487,108
Furniture and equipment	24,303	35,195	59,498	42,822
Council tax and business rates	681	–	681	833
Insurance	50,603	3,305	53,908	50,811
Electricity	40,632	3,903	44,535	50,633
Gas	44,825	2,852	47,677	55,253
Water	1,249	(616)	633	33,936
Cleaning materials, etc.	22,020	1,644	23,664	23,023
Telephone	13,056	1,246	14,302	13,526
Postage	14,113	1,396	15,509	18,638
Printing and stationery	24,560	3,062	27,622	23,351
Travel	38,049	6	38,055	38,386
Medical/First aid	234	–	234	588
Publications	519	–	519	38
Subscriptions	1,292	8,256	9,548	9,999
Bank charges	–	6,546	6,546	5,761
Audit and accounting	–	11,843	11,843	12,648
Television licences	2,183	–	2,183	2,183
Sundries	50	–	50	129
Professional fees	10,895	18,344	29,239	94,276
Fundraising events costs	39,835	–	39,835	34,935
Advertising and publicity	18,606	–	18,606	14,165
<i>Total other costs</i>	<u>998,324</u>	<u>99,584</u>	<u>1,097,908</u>	<u>1,254,885</u>
<b>Total costs</b>	<u><b>£3,424,206</b></u>	<u><b>£597,869</b></u>	<u><b>£4,022,075</b></u>	<u><b>£4,113,097</b></u>

Professional fees in the year to 31 March 2013 included £52,032 relating to the planning application for the St Vincent's Centre refurbishment.

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