

Company no.03885593

Charity no.1079764

Passage 2000 (operating as The Passage)
Report and financial statements
For the year ended 31 March 2020

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Chairman and CEO's statement

Our central goal is to end street homelessness. No one individual or organisation can achieve that in isolation and we work with many partners as we strive to achieve this goal. This approach also shaped our response to the Covid-19 pandemic in the final quarter of 2019-20.

It has been one of the most challenging years in our 40 year history. 2018-19 had already seen unprecedented demand for both our day and residential services, with a 33% increase in the number of people using our services compared to the previous year. At the same time, the complex needs of our client group has also increased.

This report captures the amazing work of our staff and volunteers and their support for those who have no hope left, helping and guiding them to overcome the odds and find a way back into society. They share a deep passion to eradicate street homelessness.

We pay tribute for the tremendous and tireless work they have carried out over the last 12 months and the incredible results they have achieved, but most of all we pay tribute to our clients for their courage, resilience and determination to succeed.

We also want to thank our supporters. Increased demand inevitably results in increased costs, and we are fortunate to have a loyal group of supporters - individuals, corporate partners, trusts and foundations, community and faith groups - whose donations are never taken for granted. We take our responsibilities to be a good steward of income very seriously and we are proud that for every £1 donated in voluntary income, 93 pence goes directly to our frontline work. We are also very grateful for the support of our partners in both local and central government for their financial backing of the services we provide.

Covid-19 changed everything. So many people have been impacted by this awful virus, and for those on the streets with nowhere to self-isolate, we needed to move urgently to help them off the streets and into safety. We are very proud to have played a key role to achieve this alongside so many statutory and voluntary sector partners, helping hundreds of people off the streets and into safety whilst keeping our other services running and operating safely. Our frontline staff have truly been incredible.

This response shows what can be achieved when there is the political will, societal support and a sense of urgency and partnership. We have shown what can be achieved if everyone pulls together. Street homelessness has no place in 21st century Britain. We now find ourselves at a critical fork in the road; let things go back to the way they were or seize the opportunity to end street homelessness for good. The Passage chooses the latter and we invite you to join us in that mission.

Thank you again for your support.

Mike Kelly

Chair of Trustees

Mick Clarke

Chief Executive

Administrative details of the charity, its trustees and advisors

Founding Patron Cardinal Basil Hume

Royal Patron HRH The Duke of Cambridge

Patron Cardinal Vincent Nichols

Board of Trustees Michael Kelly (Chair), Roisin Murphy, Christopher Williams (Treasurer), Mgr Vladimir Felzmann, Sr Eileen Glancy DC, Christopher Morris, Antonio Orlando, Dr Iram Sattar Victoria Stephenson, Kevin Hyland

Chief Executive Michael Clarke

Chief Operating Officer and Company Secretary Jane Sandeman

Head of Income Generation and Communications Emma Noble

Principal bankers HSBC Belgravia Branch, The Peak, 333 Vauxhall Bridge Road, London, SW1V 1EJ

Solicitors Potheary Witham Weld, 70 St George's Square, London, SW1V 3RD

Auditors Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

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Introduction

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ended 31 March 2020 which are also prepared to meet the requirements for a directors' report, strategic report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Mission, ethos and values

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; encompassing a diverse and rich culture from among our 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.

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 sectors of society.

Our results, in the context of the Covid-19 health crisis

The charity faced unprecedented challenges in the final quarter of the financial year as the coronavirus crisis unfolded, leaving hundreds of homeless people exposed to a new and indiscriminate danger on the streets.

Our key priority was to ensure that all rough sleepers in Westminster were accounted for and safely helped off the streets into emergency accommodation as quickly as possible. Working together with other charities and local and central government, hundreds of people were supported off the streets and

into places of safety, almost overnight, highlighting what can be achieved through effective joint-working and the right political support.

Responding to the health crisis, we also developed several new initiatives to keep our clients safe and healthy; reconfiguring our Resource Centre into a Food Hub to prepare and deliver food parcels to people in emergency accommodation, offering floating case worker support, and replacing services that would usually offer face-to-face meetings (such as our Home for Good resettlement scheme) with virtual sessions instead. Every day, during the 13 week period, our kitchen staff and volunteers catered for more than double the number of people that they would during usual times, with a grand total of 61,687 meals provided to vulnerable people by the end of the operation in July.

As the nation locked down, our services remained open, as well as our food hub service, our three residential services; Passage House Assessment Centre, Montfort House and Newman Street continued as normal, with PPE and social distancing enforced, where possible, and extra emotional and practical support offered to clients affected by the significant lifestyle changes during lockdown. We are pleased to report that since the beginning of the crisis, there have been 0 covid outbreaks and 0 covid deaths in our services, a credit to the regular deep cleaning of our client areas and residential projects by our cleaning staff and the high standards of care and hygiene practised by all of our frontline teams.

Despite the challenges faced during this unusual period, we continued to successfully move clients out of temporary supported accommodation into their own private rented homes, with 40 clients being supported into their own homes during the pandemic.



Passage services

Key figures from 2019/20

No matter what challenges we face, we strive to obtain the best outcomes for our homeless clients and this is reflected by some of our key figures from the past year.

Resource Centre	37,455 visits by 2,832 individuals.
Accommodation	354 clients housed or helped to return home.
Employment	82 clients gained employment across a variety of industries including IT, catering, and hospitality. 32 mentoring relationships were set up with local employers.
Money Advice	£15,446 funds recovered for clients, £4,764 debts written off. 205 cases were dealt with, who between them presented with 280 issues.
Mental Health and Dual Diagnosis	230 clients supported.
Health	1,500 clients received services from our Health Teams and NHS partnership.
Immigration	68 clients received legal support of which 13 granted indefinite 'leave to remain status' and 4 granted 'settled status.'
Passage House Assessment Centre	173 referrals from the street. 122 (69%) of 177 clients moved on positively.
Montfort House	4 positive moves into independent accommodation, 92% of residents engaged with mental health services, 100% of clients engaged with physical health services, 24% of clients engaged meaningfully with training or education.
Modern Slavery	Over 250 frontline Homeless sector staff trained to spot the signs of modern slavery and 25 victims of modern slavery directly helped into support.

Organisational Objectives and Targets 2019-20

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 that 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. In particular the Board considers how planned activities will contribute to the strategy and objectives it has set.

Organisational Overall Goal 2019-20

Develop innovative and creative solutions that help prevent and work towards ending street homelessness

Our work around Housing Options and our Home for Good project has helped prevent street homelessness, and our work around the links between modern slavery and homelessness saw The Passage win a London Housing Foundation Innovation award. Our use of a psychotherapist in our Montfort House project has greatly helped residents sustain their accommodation, by addressing the causes of their homelessness, and our work at our assessment centre (Passage House) has seen a near 70% positive move on into accommodation rate. Recognising we achieve more in partnership than isolation, our membership of the Westminster Homelessness Partnership and our partnership with The Goring Hotel with regard to Hotel School has enabled us to avoid duplication and assist many into employment.

Commence work on achieving the cultural and systems change required to ensure that The Passage truly lives out co-production

Establish The Passage's Theory of Change approach in order to capture data and then develop our impact reporting to inform and improve service provision for our service users and to then share with the wider sector

During the year we have undergone a significant migration project from CHAIN to a new database, In-Form, offering a complete client relationship and service management system for housing and homelessness organisations. Our frontline teams have received technical training and are now using the system to capture and track client data. A new set of client data has been created as a result of our response to Covid-19. We are continuing to develop our Theory of Change model and impact measurement.

Further develop communication systems (internal and external) across every aspect of the organisation

New methods of regular communication were also established with frequent HR newsletters, departmental email updates and a brand new website launched in the final quarter; these updates have all played a critical role in keeping staff and volunteers informed, particularly during the final month of the financial year when the coronavirus outbreak unfolded.

Further develop support mechanisms and structures for volunteers and staff, including carrying out surveys and a staff salary benchmarking exercise

We regularly ensure that our staff are supported and looked after so that they can in turn provide a high level of care to the residents and clients that they help. In the final quarter, we successfully carried out a staff survey to measure satisfaction across the board, which received a high response rate of 81%. Overall, the results were positive with over 90% of respondents stating that they were proud to work for the charity, believed in the charity's aims and enjoyed the work that they did.

Internal communication was highlighted as an area for improvement, along with stress management and the environment which have all been addressed quickly. For example, specialist training course have been introduced to increase the range of wellbeing, mental health and mindfulness modules. The timings of these course has coincided with a period when many frontline staff were dealing with an increased workload and new challenges in the face of COVID-19.

Develop public awareness campaigns to focus on issues directly impacting on our clients to assist bringing about required changes

In addition to our award winning and awareness raising work around modern slavery and homelessness, we have also worked closely with various agencies around public awareness, including our work with Crisis regarding legislative changes required to end street homelessness.

Pilot new approaches to address the current street homelessness crisis, including working in collaboration with others

In addition to our work around modern slavery and homelessness, our work as part of the Westminster Homelessness Partnership has seen us collaborating on developing new approaches and ways of joint working.

Establish the new Chief Operating Officer role to ensure high standards of management and support in all central services departments

A new Chief Operating Officer joined The Passage in May 2019 to lead on all central services, including Finance, Volunteering, IT, Human Resources and Facilities Management. A major part of the improvements that have been introduced include a new finance and accounting system.

Ensure all projects have a physical environment that matches the high quality services they provide, with a particular focus on Passage House Assessment Centre, and the refurbishment of Bentley House to ensure move on accommodation from Montfort House and affordable housing for ex rough sleepers entering employment

Considerable progress has been made over the last financial year to address the environment in which we operate, optimising our building spaces to match the high quality of services that we provide, with Passage House and the Resource Centre undergoing major improvement works to ensure clients had access to excellent facilities and welcoming spaces. In the Resource Centre, the dining room ceiling was re-plastered, there was a full refurbishment of the male and female client showers, as well as cyclical decorations of client areas including the circulation routes,

staircases, NHS and interview rooms. Passage House underwent extensive refurbishment to create new functional space for staff and client use including kitchens, toilet, meeting space and office areas.

Diversify and grow voluntary income and raise the profile and brand awareness of The Passage

A major success has been the diversification and growth of our voluntary income with an increase of £713,214 on the previous year from £2,554,121 in 2018-19 to £3,267,335 in 2019-20. These figures exclude legacy income and include fundraising events income.

During the year we have invested in new staff posts and other marketing resources as part of a phased approach to building a professional team of fundraising and communication specialists. In particular, income from individual supporters, trusts and foundations and corporate partnerships has exceeded budget.

A major project this year has been the development of a new website, including the facility for supporters to make donations online. This functionality, supported by a much-improved social media programme, has enabled us to start testing targeted fundraising appeals, attracting new supporters and increasing donations. We have also run two successful campaigns with The Big Give as well as our regular supporter mailings.

A comprehensive audit of our individual giving programme has been started to identify opportunities for improved stewardship and future growth. We have also invested in improvements to our fundraising database, with the project expected to complete next financial year, and a review of our Gift Aid processes.

During the year we have secured new relationships with a number of corporate partners, trusts and foundations, as well as continuing to receive support from long-standing supporters. We received our first award from the National Lottery Community Fund to fund our Home for Good programme.

The Passage was awarded several emergency grants in March to fund our response to the outbreak of Covid-19.

We are very grateful for the support of a loyal group of churches and schools across London and other parts of the country. Our programme of station collections has increased and 2019-20 has been our most successful year for public collections to date.

We have run four successful fundraising events this year, including our annual Night Under The Stars gala concert at The Royal Festival Hall in November.

The Passage was featured in a high profile BBC One programme, *A Berry Royal Christmas*, which was broadcast in December 2019 featuring our Royal Patron, The Duke of Cambridge and Mary Berry visiting The Passage and meeting clients, volunteers and staff.

Ensure all our work and services continue to be centered on our Vincentian Values

A new Values programme and staff induction programme has been developed and will be rolled out in 2020/21.

Passage Trading Limited

Lockdown began in late March 2020. From that date to the present time, and for the foreseeable future, venue hire for Cathedral View could not operate. The Passage 2000 Board and the Passage Trading Board have taken the view that Passage Trading is still a viable trading entity. As at 31st July 2020 it has £84k of cash in its bank accounts. Passage 2000 is going to rent the Cathedral View rooms on a short term let. Passage Trading is also looking to extend its trading remit beyond the letting of rooms and also explore roof garden bookings.

Success stories

The Passage: Achieving Long-term, Sustainable Solutions

Paul

In our 40 years, we have helped thousands of people off the streets. The Passage believe in achieving long term and sustainable solutions. Paul is one such example.

Paul was sent to a tough school for troubled boys for those whose families were not managing. One of his gifts was his love of song, football and fun. These qualities brought him through many of those early scrapes.

For years he worked, driving a van around Ireland delivering orders of wine. But the attraction and access to wine brought about his downfall and separation from his wife and six children. Drink was the demon that broke up his family and his life.

Paul arrived in London twenty-five years ago, alone with no work and a thirst for alcohol.

In 2000 a sad, lonely Paul came to The Passage. He kept his sunny temperament and sense of humour as well as his reflective ability to admit that the problems in his life were of his own making. The Passage worked with Paul to help him off the streets and into accommodation, but the main focus was on tackling his alcohol addiction. Paul would do well, but sometimes have relapses. He joined a number of groups at The Passage, and six years ago joined us and an international group of homeless people invited by Pope Francis to Rome. This was a pivotal event for Paul.

Paul is now in his own flat and re-connecting with his wife and children. Two years ago he was invited to attend the wedding of one of his children (who he had not seen for years). The invitation had a condition: that Paul would not take any drink. He promised; he kept that promise.

During the Covid-19 lock-down when access to the Resource Centre was restricted and the focus was on our food hub (which providing over 61,000 meals to clients in emergency accommodation) we kept weekly telephone contact with many clients, including Paul. Paul had his 70th birthday in July. This birthday was special; he had a card from each of his six children - a late but vital victory in the battle with drink for Paul.

A few days after his birthday we invited Paul to visit The Passage. Paul said “I came to The Passage all those years ago; The Passage became the family I had lost; the Passage was good to me, helped me overcome many difficulties. Now I have my own home and am re-uniting with my family, I think I must let go of The Passage and pick up the threads of my life”.

We will miss Paul’s songs and his good humour, but knowing that we have helped someone, however long it takes, to the point that they no longer need us is the best feeling in the world.

The Passage: Ending Street Homelessness

John and Judith

Our Home for Good resettlement scheme recruits Community Volunteers across London to support people in their local area who are settling in to their new accommodation after experiencing homelessness. During regular social meetings, the volunteer accompanies and supports their client in exploring the local area, resources and opportunities, and building connections, resilience and a sense of purpose. This in turn reduces the risk of them becoming homeless again. The coronavirus outbreak meant that the Home for Good service had to adapt quickly, moving the majority of face-to-face meetings online, with extra emotional support and practical advice being provided over the phone or video chat to help people struggling to adjust to the challenging new lifestyle change. In some cases, Home for Good staff delivered food parcels and clothing to clients who were unable to access these resources themselves and additional support and referrals to other services were also offered to those who were shielding.

John and Judith are a perfect example of a partnership that endured the test of lockdown, emerging from the experience stronger, through maintaining regular communication and planning socially distanced exercise and activities to keep morale high and avoid social isolation, a consequence which could have been very detrimental to someone recovering from homelessness.

Judith: Lockdown disrupted our emerging rhythm of meetings. We had just visited Pitshanger Manor and Gallery in Ealing and both really enjoyed the experience, and were making a mental list of places we could start visiting once the weather got warmer. I managed to obtain a recycled bicycle for John (my estate management firm was removing disused bikes from the estate and I found a bike that was in good shape and saved it from being thrown away, my partner who is an avid cyclist did some maintenance on it to ensure it was safe) and this was really going to help with his mobility.

So, being told from one day to the next that we cannot meet face to face put a lot of questions before us. I reached out to John on the phone and we had a good chat about this new reality. Then we established a regular day and time for a chat. Even though we couldn’t see each other, it was still very good to hear John and know he’s doing well and adapting to the situation. Also having a bit of a moan about the new crazy reality was cathartic! John is a brilliant conversationalist, with a wide range of interests and a philosophical attitude to life, so it’s always interesting to listen to what he has to say. He’s been missing his rides on the bike so we are looking forward to being able to meet for a bike ride [this happened at the weekend].

John: Judith and myself had met a couple of times before lockdown and we were beginning to explore Ealing together, as I had no local knowledge and Judith knows the area well. We have kept in touch with phone calls twice a month since then, which have been good, along with the support from the Home for Good team, who helped me get a TV set at the beginning of lockdown which has made it easier to bear. I met with Judith again on Saturday 13th June for a socially distanced bike ride around Brentford, and it was really good to meet up again in person.



John and Judith on a socially distanced bike ride in June.

The Passage: Providing specialist support to people with addiction and mental health issues

Hayley

Hayley was referred to The Passage 2 years ago after a period of rough sleeping that turned particularly dangerous when she became trapped in an abusive relationship. Her partner was often violent; this ongoing trauma together coupled with an ongoing alcohol problem, meant that Hayley was extremely vulnerable when she first arrived at The Passage.

Hayley was battling a lot of issues with Class A substances and alcohol; consequences of the lifestyle, negative influences and hardships of living on the streets. However what stood out about her very early on, was her aspiration to come through it all and live her life independently in her own flat.

Working with Hayley, the team at Montfort House did all that they could to ensure that Hayley's hopes could become reality, however the journey was far from easy. It was clear that the only way to resolve Hayley's deep-rooted relationship with drugs and alcohol was to confront the traumas that she had experienced that had led her down this very path in the first place. The Montfort House team engaged her with psychologists at The Passage who worked with Hayley to help her understand, process and manage her traumas.

Despite this positive development/ breakthrough, Hayley's health began to fail her. Her liver was in a very bad way due to her previous drinking to excess, and she ended up going into

cardiac arrest in the Summer of 2019. She came very close to dying. She hadn't even reached 30 years old by this point. This brush with death was the biggest intervention in turning her life around.

Although Hayley was medically ready to be discharged from hospital just 2 weeks after the incident, the Montfort House team were concerned about her relapsing due to her past experience and complex relationship with alcohol, so they pushed for the best possible social services package when she left hospital - with a strong focus on prevention. They also ensured that she had a sound occupational health assessment following her discharge.

As well as having a fully committed team behind her, all deeply invested in her recovery, advocating on her behalf; another key factor that played a part in Hayley's recovery, was her sustained motivation and drive. She knew that she had to keep herself busy in order to take her mind off the drink. Filling her time as productively as she could, she linked herself in with Mayday College to study construction, and focused her energy on positive achievements for herself. She very much took this part of her recovery into her own hands, creating her own safety plan and making connections in the community, leaving negative influences and relationships behind (and severing these ties in a sensitive manner).

Hayley's strength, sacrifice and hard work paid off, and despite the challenges brought about by the Covid-19 outbreak, we were able to move her out of Montfort House and into her own flat in June. She receives floating housing support as well as regular check-ins from the team at Montfort House. She still pops in to visit us, and is currently happy and healthy.



Hayley in her new flat, June 2020

The Passage: helping victims of Trafficking

Helena

Helena is a 24-year-old Eritrean woman with a harrowing back-story. Her parents were murdered when she was a very young child. She was then looked after by her aunt, but by the age of 12 was being trafficked and exploited sexually.

She came to the UK aged 16, where she was held as a modern-day slave. She tried to escape, and indeed managed to flee for a short while, until one day she asked someone for directions and was recaptured by traffickers. She has also suffered abuse from a support worker in a charity that was meant to help her.

These memories are exceptionally painful for Helena, but they have not defeated her. She managed to escape the traffickers once more and came to The Passage. At The Passage, Helena was supported to work through her trauma by the mental health team, and obtained her indefinite leave to remain in the country, with the help of The Passage's Immigration Solicitor and No Recourse to Public Funds Worker.

She is articulate, intelligent and defiant, and determined to build a life for herself. When Helena was interviewed by our Mentor Co-ordinator, she said that she would like to work in a hospital where she could help people. At that stage she did not know where, but it seemed a good idea to start as a volunteer. She was introduced to a Mentor called Lucy who works for John Lewis, and is a similar age to Helena. Lucy comes from a stable home and is a university graduate in Marketing; they shared interests in running and keeping fit, cooking and some TV programmes.

During their time together Helena began volunteering at her local hospital and still meets Lucy every second week to discuss how she is getting on. During the year that they have been meeting,

Helena has attended various training days for volunteers, and after a number of months of volunteering she decided she would like to work in the Phlebotomy Department. She spoke about her plans with Lucy, who helped her with an application.

The Passage is delighted to share that in the autumn of 2019, Helena was accepted onto the Phlebotomist training programme.

FINANCIAL REVIEW

Financial results for the year

In the current year there was a surplus of £54,543 (2019 - deficit £204,588).

Income from charitable activities - Statutory bodies' grants

Statutory Income was £1,873,897 in 2020 (£1,672,176 in 2019.) An analysis of this funding, and its uses, is in note 18a and 18b. Statutory Income forms 29% of the total income of The Passage.

Fundraising donations and legacies

The Passage relies on the generosity of our supporters to provide resources which encourage, inspire and challenge homeless people to transform their lives. Like the people that we help through our services, our supporters are at the heart of everything that we do; we are truly grateful to the many individuals, companies, trusts and foundations, churches, schools and voluntary groups whose donations make our work possible.

2019/20 has been a largely successful, but challenging year for The Passage. We are operating in an uncertain external landscape in which cuts to statutory funding continue and therefore our reliance on voluntary donations is becoming even more critical. Last year excluding legacies, donations grew by £763,189 to £3,042,866 (2019 - £2,279,677).

The cost of raising donations and legacies was £669,413 (2019- £449,383). The increase in costs is due to The Passage implementing a fundraising strategy which involved having a team of specialist fundraisers in post to ensure that The Passage remains a sustainable organisation.

Fundraising events

We benefited from a number of fundraising events; our gala ‘Night Under The Stars’ concert, the annual Garden Party and Carol Service and a St David’s Day Concert at Methodist Central Hall.

The above events generated income of £224,468 (2019 - £274,444) with costs of £96,076 (2019 - £80,731) to run the events producing net income of £128,392 (2019-£193,712).

Many companies, churches, schools and community groups ran events in aid of The Passage, donating the net surplus to the charity. The income from these activities have been accounted for as donations.

Expenditure

Employment costs were 65% (2019 - 69%) of total expenditure for the Charity. Details of expenditure to deliver our services are given in note 5 of the financial statements.

Details of all restricted and unrestricted funds are given in note 18 of the financial statements.

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 grants from Government through Westminster City Council but these continue to be reduced as

part of the national programme of public expenditure cuts. For The Passage this has meant continued and sustained cuts to funding from statutory sources for the last few years.

To ensure that services can be maintained in the short term, the Board has set aside a designated contingency fund of **£1,750,000 (2019 - £1,750,000)** which represents approximately 15 weeks' (2019 - 18 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 **£167,238 (2019 - £108,414)**, which represents the net book value of capitalised equipment funded from unrestricted funds 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 increased to £ 452,324 (2019- £ 397,495), represents the fully accrued obligation.

Going concern

Like all organisations, The Passage has been impacted by the Covid 19 crisis. As a charity we have been able to continue through the lockdown period by providing residential accommodation, providing a food hub for street homeless put into hotel accommodation in Westminster, and by continuing to support our clients in this difficult time. We are now key in ensuring that rough sleepers in hotels in Westminster find accommodation and have support to make that accommodation a home. As such, we have attracted funding, both voluntary and statutory to help us deliver those services. We also have reserves set aside to help us remodel our services and way of operating to manage the changed landscape. As such, the trustees believe that although the Covid crisis will draw up on the charity's reserves, it does not impact on its status as a going concern.

St Vincent's Centre Refurbishment

The Passage has the opportunity of buying back the lease for 20 affordable housing units located on the top two floors of St. Vincent's Centre, giving the opportunity to provide move on accommodation from our Housing First project (Montfort House) and accommodation for those coming off the streets and entering employment. The cost of acquisition and refurbishment is estimated at £2.5 million.

Passage House

The building that houses Passage House, the company's Assessment Centre, 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.

STRUCTURE GOVERNANCE AND MANAGEMENT

Structure

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.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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. They each have the right to serve on the Board of Trustees and each to appoint a second member of the Board of Trustees.

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the two years ended 31 March 2020. 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.

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 resolved to set up a nominations committee to advise the board on recruitment to the board and committees and a remuneration committee to advise the board on remuneration of senior staff.

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.

Subsidiary companies

Two subsidiary companies have been established. Passage Housing Services (a company limited by guarantee, company number 9337431, charity number 1161696, registered provider of social housing no 4842). Passage Housing Services has not yet commenced operations but it is anticipated that it will commence operations in the year to 31 March 2021. Passage Trading Services (a company limited by shares, company number 9874011) commenced trading activities in support of Passage 2000 in 2016/17.

Passage Housing Services (PHS)

PHS has been established as a company limited by guarantee, charity and registered provider of social housing. Although the company has not yet commenced operations it is planned for PHS to take over the role as the registered provider of social housing for Passage House from Peabody. When Optivo Housing Association sells back the lease on Bentley House, PHS again will be the registered provider.

Passage Trading Services (PTS)

PTS operates the conference space Cathedral View within St Vincent's Centre. This space is let out to third parties to generate income to support the work of The Passage.

OTHER INFORMATION

Public benefit statement

The Trustees confirm that they have complied with their duty under sections 4 & 17(5) 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 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.

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

The subsidiary companies Passage Housing Services and Passage Trading Services are both related parties.

The Administrator of Westminster Cathedral and the Sister Provincial of the Sisters of Charity of St Vincent de Paul, by virtue of their right to board membership and to each appoint a board member are also both related parties of the company. As the Provincial and the Administrator appoint the Trustees of The Passage Trust, The Passage Trust is a related party as well. Full details of transactions and balances with these related parties are shown in note 9.

Pay policy for senior staff

The directors consider the board of directors, who are the Trust's trustees, the other members of the board's committees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating The Passage on a day to day basis. All directors and committee members give of their time freely and no director or committee member received remuneration or reimbursement of expenses in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with the cost of living increases awarded to local authority employees. In view of the nature of the charity, the directors benchmark against pay levels in other similar charities.

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

The Passage continues 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.

Living wage

The Passage is an accredited London Living Wage Employer under a scheme organised by the Living Wage Foundation.

Fundraising Regulator

The Passage is registered with the Fundraising Regulator. We follow the Code of Fundraising Practice guidelines on best practice and are compliant with current data protection legislation. The safety and appropriate use of supporters' data is important to us and we will never share or sell personal details to another organisation for their own use. We have not received any formal fundraising complaints in the past financial year.

We do not use professional fundraisers or commercial participators to fundraise on our behalf. We do receive support from volunteers who assist with public collections and follow the required standards with regard to handling donations.

We follow the Code of Practice guidelines in relation to the fair treatment of all donors to ensure that they can make an informed decision about their support. We take into account the needs of any possible donor who may be in vulnerable circumstances. Our policy, as per the Code, is to return any donations to a supporter that may not have the capacity to make an informed decision. This practice is also in line with The Passage's own values.

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.

Key risks are:

- 1) The impact on voluntary income streams in the Covid period may impact on The Passage's ability to deliver its services. The Passage is looking to mitigate that risk through applying for emergency funding, investing in stewardship of its individual donors and continuing to run a comprehensive service for street homeless so that there are specific asks to support clients in this period.

- 2) The service offer may be impacted by the impact of Covid. We have ensured that our residential projects are Covid safe. Risk assessments have been carried out and are monitored. Our day centre services have been re-engineered to ensure that we are adding value to our clients' lives, in a Covid safe environment.
- 3) Staff work in a secure and safe environment to deliver outcomes for The Passage. Each member of staff has worked through an individual risk assessment with their manager. The outcomes of these assessments have been made into a plan and concerns and challenges have been dealt with. There will be continuous reviews of the risk assessment, so our response to support staff safety can change as circumstances change.

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 charitable company and group, and of the incoming resources and application of resources, including the income and expenditure of the charitable company group 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 applicable Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- make judgements and estimates that are reasonable and prudent; 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 auditor is 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 auditor is 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.

AUDITOR

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

Signed on behalf of the Board

Michael Kelly, Chair of trustees

Approved by the Board on

Date : 22 September 2020

Opinion

We have audited the financial statements of The Passage (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the consolidated, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2020 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the group financial statements is not appropriate; or
- The trustees have not disclosed in the group financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. Our opinion on the group financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the group financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's or the parent charitable company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

13 November 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Passage 2000 (operating as The Passage)

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2020

	Note	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Income from:							
Donations and legacies	2	2,686,647	783,433	3,470,080	2,219,478	340,456	2,559,934
Charitable activities	3						
Grants from statutory bodies		-	1,873,897	1,873,897	-	1,672,176	1,672,176
Accommodation and prevention projects		616,713	-	616,713	616,918	-	616,918
Other		18,926	-	18,926	8,441	-	8,441
Other trading activities	4	498,951	-	498,951	559,823	-	559,823
Investments		23,294	-	23,294	21,365	-	21,365
Total income		3,844,531	2,657,330	6,501,861	3,426,025	2,012,632	5,438,657
Expenditure on:							
Raising funds	5	669,413	-	669,413	421,804	27,579	449,383
Charitable activities	5						
Passage Resource Centre		1,655,136	1,327,808	2,982,944	1,718,047	1,226,893	2,944,940
Accommodation and prevention projects		1,597,415	1,197,547	2,794,962	969,093	1,279,829	2,248,922
Total expenditure		3,921,964	2,525,355	6,447,319	3,108,944	2,534,301	5,643,245
Net income / (expenditure) for the year	6	(77,433)	131,975	54,542	317,081	(521,669)	(204,588)
Transfers between funds		1,027,222	(1,027,222)	-	-	-	-
Net movement in funds		949,789	(895,247)	54,542	317,081	(521,669)	(204,588)
Reconciliation of funds:							
Total funds brought forward		4,816,015	17,055,655	21,871,670	4,498,934	17,577,324	22,076,258
Total funds carried forward		5,765,804	16,160,408	21,926,212	4,816,015	17,055,655	21,871,670

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18a to the financial statements.

Passage 2000 (operating as The Passage)

Balance sheets

Company no. 03885593

As at 31 March 2020

	Note	The group 2020 £	2019 £	The charity 2020 £	2019 £
Fixed assets:					
Tangible assets	11	16,809,498	17,078,867	16,059,626	16,301,416
Investments	12	–	–	100	100
		16,809,498	17,078,867	16,059,726	16,301,516
Current assets:					
Debtors	14	1,224,778	1,630,655	1,214,492	1,619,796
Cash at bank and in hand		4,259,157	3,574,115	4,161,258	3,388,545
		5,483,935	5,204,770	5,375,750	5,008,341
Liabilities:					
Creditors: amounts falling due within one year	15	(367,221)	(411,967)	(325,475)	(341,727)
		5,116,714	4,792,803	5,050,275	4,666,614
Net current assets					
		21,926,212	21,871,670	21,110,001	20,968,130
Total assets less current liabilities					
Loan to Subsidiary	14	–	–	791,963	899,963
		21,926,212	21,871,670	21,901,964	21,868,093
Total net assets					
Funds:					
Restricted income funds	18a	16,160,407	17,055,655	16,160,407	17,164,440
Unrestricted income funds:					
Designated funds		4,569,562	4,455,909	4,569,562	4,455,909
General funds		1,196,243	360,106	1,171,995	247,744
		5,765,805	4,816,015	5,741,557	4,703,653
Total unrestricted funds		5,765,805	4,816,015	5,741,557	4,703,653
		21,926,212	21,871,670	21,901,964	21,868,093

Approved by the trustees on 22 September 2020 and signed on their behalf by

Michael Kelly
Chair of trustees

Passage 2000 (operating as The Passage)

Consolidated statement of cash flows

For the year ended 31 March 2020

	Note	2020 £	£	2019 £	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		54,542		(204,588)	
Depreciation charges		430,457		505,199	
Loss on disposals of fixed assets		17,441		–	
Interest income		(23,294)		(21,365)	
(Increase)/decrease in debtors		405,877		(409,923)	
Increase/(decrease) in creditors		(44,746)		52,306	
Net cash provided by / (used in) operating activities		840,277		(78,371)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		23,294		24,659	
Purchase of fixed assets		(178,529)		(84,978)	
Net cash provided by / (used in) investing activities		(155,235)		(60,319)	
Change in cash and cash equivalents in the year		685,042		(138,690)	
Cash and cash equivalents at the beginning of the year		3,574,115		3,712,805	
Cash and cash equivalents at the end of the year		4,259,157		3,574,115	

1 Accounting policies

a) Statutory information

Passage 2000 is a charitable company limited by guarantee and is incorporated in England. Passage 2000 operates as The Passage.

The registered office address is at St Vincent's Centre, Carlisle Place, London SW1P 1NL. The Passage provides resources which encourage, inspire and challenge homeless people to transform their lives.

b) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Like all organisations, The Passage has been impacted by the Covid 19 crisis. As a charity we have been able to continue through the lockdown period by providing residential accommodation, providing a food hub for street homeless put into hotel accommodation in Westminster, and by continuing to support our clients in this difficult time. We are now key in ensuring that rough sleepers in hotels in Westminster find accommodation and have support to make that accommodation a home. As such, we have attracted funding, both voluntary and statutory to help us deliver those services. We also have reserves set aside to help us remodel our services and way of operating to manage the changed landscape. As such, the trustees believe that although the Covid crisis will draw up on the charity's reserves, it does not impact on its status as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

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

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Revenue funding from statutory bodies is normally spent in its entirety during the year. Individual balances on the restricted funds relating to revenue expenditure funded by statutory bodies is not material and no further analysis is therefore given.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated direct staff and support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to 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. Human resources overheads are charged on the basis of the number of staff engaged in each activity.

Governance costs are the costs associated with the governance arrangements of the charity.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £5,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold property 3–100 years
- Equipment 4–15 years

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity has arranged a group personal pension plan, which is a defined contribution scheme, for staff, the costs of which are charged to the Statement of Financial Activities in the year in which the contributions are payable. The charity has no liability for the ultimate benefits paid.

Passage 2000 (operating as The Passage)

Notes to the financial statements

For the year ended 31 March 2020

2 Income from donations and legacies

	2020			2019		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Legacies	427,213	-	427,213	280,157	-	280,157
Individuals	1,262,578	9,213	1,271,791	1,145,041	-	1,145,041
Westminster Cathedral	12,805	-	12,805	24,275	-	24,275
Donations from related parties	288	-	288	970	-	970
Church and voluntary groups	115,215	-	115,215	99,119	-	99,119
Grants	346,162	642,845	989,007	345,360	218,530	563,890
Corporate donations	522,386	131,375	653,761	324,456	121,926	446,382
	2,686,647	783,433	3,470,080	2,219,378	340,456	2,559,834

3 Income from charitable activities

	2020			2019		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Westminster City Council	-	1,675,035	1,675,035	-	1,571,706	1,571,706
Government of Ireland	-	34,014	34,014	-	29,620	29,620
Brighton and Hove	-	38,000	38,000	-	38,000	38,000
Health Authorities	-	31,416	31,416	-	32,850	32,850
EUSS	-	48,604	48,604	-	-	-
London Housing Foundation	-	46,828	46,828	-	-	-
Sub-total for Grants from statutory bodies	-	1,873,897	1,873,897	-	1,672,176	1,672,176
Rent	616,713	-	616,713	616,918	-	616,918
Other charges	18,926	-	18,926	8,441	-	8,441
Accommodation and prevention projects	635,639	-	635,639	625,359	-	625,359

4 Income from other trading activities

	2020			2019		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Hire of meeting rooms and conference facilities	268,769	-	268,769	278,379	-	278,379
Sundry recharges	5,714	-	5,714	7,000	-	7,000
Fundraising events	224,468	-	224,468	274,444	-	274,444
	498,951	-	498,951	559,823	-	559,823

Passage 2000 (operating as The Passage)

Notes to the financial statements

For the year ended 31 March 2020

5a Analysis of expenditure (current year)

	Charitable activities					2020 Total £	2019 Total £
	Raising funds £	Passage Resource Centre £	Acommodation and prevention projects £	Governance costs £	Support costs £		
Staff costs (Note 7)	220,114	1,810,771	1,582,269	-	566,167	4,179,321	3,879,234
Other direct costs	168,704	479,393	653,754	-	-	1,301,851	901,762
Management and planning	-	-	-	-	39,685	39,685	259,854
Finance	-	-	-	-	31,031	31,031	103,347
Information resources	-	-	-	-	67,918	67,918	92,044
Human resources	-	-	-	-	31,534	31,534	160,617
Facilities management	-	-	-	-	591,524	591,524	246,387
other costs	-	-	-	13,092	-	13,092	-
	388,818	2,290,164	2,236,023	13,092	1,327,860	6,255,958	5,643,245
Support costs	89,234	686,234	552,392	-	(1,327,860)	-	-
Governance costs	-	6,546	6,546	(13,092)	-	-	-
Total expenditure 2020	478,052	2,982,944	2,794,962		-	6,255,958	
Total expenditure 2019	449,383	2,944,940	2,248,922	-	-		5,643,245
Passage Trading Costs in fundraising		£191,361					

Passage 2000 (operating as The Passage)

Notes to the financial statements

For the year ended 31 March 2020

5b Analysis of expenditure (prior year)

	Charitable activities					2019 Total £
	Raising funds £	Passage Resource Centre £	Acommodation and prevention projects £	Governance costs £	Support costs £	
Staff costs (Note 7)	144,087	2,268,999	1,466,148	-	-	3,879,234
Other direct costs	238,140	253,374	410,248	-	-	901,762
Management and planning	-	-	-	-	259,854	259,854
Finance	-	-	-	-	103,347	103,347
Information resources	-	-	-	-	92,044	92,044
Human resources	-	-	-	-	160,617	160,617
Facilities management other costs	-	-	-	20,247	226,140	246,387
	382,227	2,522,373	1,876,396	20,247	842,002	5,643,245
Support costs	65,131	413,456	363,415	-	(842,002)	-
Governance costs	2,025	9,111	9,111	(20,247)	-	-
Total expenditure 2019	449,383	2,944,940	2,248,922	-	-	5,643,245

Passage 2000 (operating as The Passage)

Notes to the financial statements

For the year ended 31 March 2020

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2020 £	2019 £
Depreciation	430,457	505,199
Loss on disposal of fixed assets	17,441	-
Operating lease	4,788	6,657
Auditor's remuneration (excluding VAT):		
Audit	15,900	15,900
Audit fees for subsidiary	2,200	1,750

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	3,399,302	3,094,031
Social security costs	338,142	305,643
Employer's contribution to defined contribution pension schemes	145,423	100,831
Other staff costs (including agency costs)	198,188	439,938
Training and recruitment	56,805	72,395
Other costs	41,461	25,159

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2020 No.	2019 No.
£60,000 – £69,999	1	1
£70,000 – £79,999	1	-
£80,000 – £89,999	-	-
£90,000 – £99,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £426,471 (2019: £479,525).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2019: £nil) incurred by nil (2019: nil) members relating to attendance at meetings of the trustees.

Notes to the financial statements

For the year ended 31 March 2020

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 105 (2019: 111).

Staff are split across the activities of the charity as follows:

	2020 No.	2019 No.
Raising funds	5.0	–
Passage resource centre	49.0	58.0
Prevention and accommodation	38.0	37.0
Support	13.0	16.0
	<u>105.0</u>	<u>111.0</u>

9 Related party transactions

The board of trustees ("The Board") manages the charitable activities of the company. Passage Housing Services, Passage Trading Services, 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 made grants and donations of £288 (2019 £370) to The Passage. In the prior year they supplied the services of a full time chaplain without remuneration for the period March 2019–September 2019.

Transactions with Westminster Cathedral

Westminster Cathedral made grants and donations, and collected donations on behalf of The Passage amounting to £12,805 (2019 £24,275). No charge was made for the facilities provided by the cathedral for the collection of money to assist the work of The Passage.

Transactions with Passage Trading Services

During the year The Passage received repayment of £160,492(2018 £47,932) from Passage Trading Services in loans and advances.

Aggregate donations from related parties were £173,585 (2019: £72,577).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Passage Trading Services Limited distributes under Gift Aid available profits to the parent charity.

Notes to the financial statements

For the year ended 31 March 2020

11 Tangible fixed assets

The group

	Freehold property £	Equipment fixtures and fittings £	Total £
Cost			
At the start of the year	20,741,606	981,488	21,723,094
Additions in year	16,104	162,425	178,529
Disposals in year	–	(29,229)	(29,229)
At the end of the year	20,757,710	1,114,684	21,872,394
Depreciation			
At the start of the year	3,763,349	880,878	4,644,227
Charge for the year	352,101	78,356	430,457
Eliminated on disposal	–	(11,788)	(11,788)
At the end of the year	4,115,450	947,446	5,062,896
Net book value			
At the end of the year	16,642,260	167,238	16,809,498
At the start of the year	16,978,257	100,610	17,078,867

All of the above assets are used for charitable purposes.

	Freehold property £	Equipment fixtures and fittings £	Total £
The charity			
Cost			
At the start of the year	19,881,418	981,488	20,862,906
Additions in year	16,104	162,425	178,529
Disposals in year	–	(29,229)	(29,229)
At the end of the year	19,897,522	1,114,684	21,012,206
Depreciation			
At the start of the year	3,680,612	880,878	4,561,490
Charge for the year	324,522	78,356	402,878
Eliminated on disposal	–	(11,788)	(11,788)
At the end of the year	4,005,134	947,446	4,952,580
Net book value			
At the end of the year	15,892,388	167,238	16,059,626
At the start of the year	16,200,806	100,610	16,301,416

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2020

12 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Passage Trading services Limited, a company registered in England. The company number is 09874011. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results of the subsidiary is shown below:

	2020 £	2019 £
Turnover	268,769	278,379
Cost of sales	(191,361)	(157,983)
Gross profit/(loss)	77,408	120,396
Interest on loan payable to parent undertaking	16,333	-
Management charge due from parent undertaking	-	-
Profit / (loss) on ordinary activities before taxation	61,075	120,396
Taxation on profit on ordinary activities	-	-
Profit / (loss) for the financial year	61,075	120,396
Retained earnings		
Total retained earnings brought forward	1,963	25,726
Profit / (loss) for the financial year	61,075	120,396
Distribution under Gift Aid to parent charity	(40,000)	(144,159)
Total retained earnings carried forward	23,038	1,963
The aggregate of the assets, liabilities and reserves was:		
Assets	865,380	1,046,153
Liabilities	(842,233)	(1,044,090)
Reserves	23,147	2,063

Amounts owed to the parent undertaking are shown in note 14.

13 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2020 £	2019 £
Gross income	6,289,426	5,322,936
Result for the year	33,468	(182,437)

Notes to the financial statements

For the year ended 31 March 2020

14 Debtors

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	11,159	75,327	-	-
Other debtors	437,578	150,568	437,578	150,568
Amounts due from subsidiary undertakings	-	-	7,323	72,365
Prepayments	166,623	229,525	166,623	221,628
Accrued income	571,706	901,167	563,737	901,167
Sundry Debtors	37,712	274,068	39,231	274,068
Debtors over one year:				
Funding advance to Passage Trading Services Limited	-	-	791,963	899,963
	1,224,778	1,630,655	2,006,455	2,519,759

The Funding loan to Passage Trading Services Limited, a wholly owned subsidiary, represents funds advanced to enable the subsidiary company to renovate the conference space area which it now hires out. The loan has flexible repayment terms and carries a commercial rate of interest.

15 Creditors: amounts falling due within one year

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	83,683	90,613	69,562	87,291
Taxation and social security	100,763	95,438	95,003	82,619
Pension contributions	34,608	42,751	34,608	42,751
Other creditors	20,268	3,507	20,268	3,507
Accruals	113,876	92,015	102,796	83,379
Deferred income (note 16)	14,023	87,643	3,238	42,181
	367,221	411,967	325,475	341,728

16 Deferred income

Deferred income comprises funds in advance from Housing benefits and room hire paid in advance

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Balance at the beginning of the year	87,643	48,340	42,181	48,340
Amount released to income in the year	(87,643)	(48,340)	(42,181)	(48,340)
Amount deferred in the year	14,023	87,643	3,238	42,181
Balance at the end of the year	14,023	87,643	3,238	42,181

Passage 2000 (operating as The Passage)

Notes to the financial statements

For the year ended 31 March 2020

17a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	749,872	167,238	15,892,388	16,809,498
Net current assets	446,371	4,402,324	268,019	5,116,714
Net assets at 31 March 2020	1,196,243	4,569,562	16,160,407	21,926,212

17b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	8,861	108,414	16,961,592	17,078,867
Net current assets	351,245	4,347,495	94,063	4,792,803
Net assets at 31 March 2019	360,106	4,455,909	17,055,655	21,871,670

18a Movements in funds (current year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
Immigration	-	34,000	(30,000)	-	4,000
Destitution	-	15,000	(15,000)	-	-
Home for Good	-	153,983	(103,118)	-	50,865
Montfort House Services	-	3,500	(3,500)	-	-
Rough Sleeping Team	63,176	402,249	(325,717)	-	139,708
Passage House	-	21,207	(12,800)	-	8,407
Modern Slavery	6,068	40,000	(46,068)	-	-
Westminster Housing Project	-	46,828	(23,771)	-	23,057
Resource Centre	-	51,500	(51,500)	-	-
Employment and training	-	28,000	(28,000)	-	-
New Initiative evaluation	6,421	-	(6,421)	-	-
Chaplaincy	-	33,993	(33,993)	-	-
Other statutory grants	18,398	1,827,069	(1,845,467)	-	-
Building fund:		-	-	-	
St Vincent's refurbishment	10,515,458	-	-	(680,128)	9,835,330
St Vincent's Centre	4,280,914	-	-	(276,884)	4,004,030
General Building development fund	977,474	-	-	(63,221)	914,253
Passage House	1,096,582	-	-	42,193	1,138,775
Passage Resource Centre	91,164	-	-	(49,182)	41,982
Total restricted funds	17,055,655	2,657,329	(2,525,355)	(1,027,222)	16,160,407

Passage 2000 (operating as The Passage)

Notes to the financial statements

For the year ended 31 March 2020

18a Movements in funds (current year continued)

Unrestricted funds:

Designated funds:

Funding Contingency	1,750,000	-	-	-	1,750,000
St Vincent's refurbishment	2,200,000	-	-	-	2,200,000
Statutory redundancy	397,495	-	-	54,829	452,324
Equipment	108,414	-	-	58,824	167,238
Total designated funds	4,455,909	-	-	113,653	4,569,562
General funds	360,106	3,844,532	(3,921,964)	913,569	1,196,243
Total unrestricted funds	4,816,015	3,844,532	(3,921,964)	1,027,222	5,765,805
Total funds	21,871,670	6,501,861	(6,447,319)	-	21,926,212

The narrative to explain the purpose of each fund is given at the foot of the note below.

18b Movements in funds (prior year)

	At 1 April 2018	Income & gains	Expenditure & losses	Transfers	At 1 April 2019
	£	£	£	£	£
Restricted funds:					
Mental Health Work	42,633	60,000	(68,097)	-	34,536
Employment and training	-	75,000	(75,000)	-	-
New Initiative evaluation	-	16,421	(10,000)	-	6,421
Money Advice	28,432	29,356	(29,148)	-	28,640
Homeopathy	-	20,000	(20,000)	-	-
Neighbourhood Liaison	-	100,000	(100,000)	-	-
Montfort House Services	1,945	1,570	(3,515)	-	-
Client ambassadors scheme	11,647	-	(11,647)	-	-
Home for Good	27,695	9,109	(36,804)	-	-
Modern Slavery	18,210	23,000	(35,142)	-	6,068
Furnishings	3,633	6,000	(9,633)	-	-
Other –statutory grants	7,402	1,672,176	(1,661,180)	-	18,398
Building fund:					
St Vincent's refurbishment	10,876,784	-	(361,326)	-	10,515,458
St Vincent's Centre	4,318,515	-	(37,601)	-	4,280,914
General Building development fund	1,042,378	-	(64,904)	-	977,474
Passage House	1,106,886	-	(10,304)	-	1,096,582
Passage Resource Centre	91,164	-	-	-	91,164
Total restricted funds	17,577,324	2,012,632	(2,534,301)	-	17,055,655
Unrestricted funds:					
Designated funds:					
Funding Contingency	1,750,000	-	-	-	1,750,000
St Vincent's refurbishment	2,200,000	-	-	-	2,200,000
Statutory redundancy	340,190	-	-	57,305	397,495
Equipment	121,201	-	-	(12,787)	108,414
Total designated funds	4,411,391	-	-	44,518	4,455,909
General funds	87,543	3,426,025	(3,108,944)	(44,518)	360,106
Total unrestricted funds	4,498,934	3,426,025	(3,108,944)	-	4,816,015
Total funds	22,076,258	5,438,657	(5,643,245)	-	21,871,670

Purposes of restricted funds

The Running Costs Fund – Represents donations and grants received or receivable 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 Refurbishment Fund – Represents payments contributed by developers to The Passage for the refurbishment of St Vincent's Centre, plus interest earned on this fund.

The St Vincent's Centre Building 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 General Development 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 Passage House Fund – Consists of the historical cost of Passage House to The Passage Trust, less accumulated depreciation to 31 March 2019 (including the Lily Ann & William Wiggins Fund of £146,045, which the donor agreed could be used for this purpose), and grants payable to the company to develop Passage House.

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.

Westminster City Council –

Passage House Assessment Centre Grant – Contribution to the running of Passage House as an assessment centre for Westminster rough sleepers.

Supporting People Grant – Funding for workers giving general counselling and advice in Montfort House. Additional funding for night time support staff in Montfort House.

Housing Options Grant – Grant to provide housing advice and assistance to single homeless people.

Private Rented Sector Advice Grant – Grant to employ a staff team giving advice and assistance to homeless people to access private rented accommodation and related resettlement costs.

Guys and St Thomas' NHS Foundation – Funding to employ a worker to support homeless patients and hospital staff to improve patient experience and to ensure safe discharge, avoiding discharge to the street where this is possible.

Brighton and Hove Council – Grant to co-ordinate work by community and faith-based groups

Irish Government–Department of Foreign Affairs and Trade – Funding to employ a worker to co-ordinate the Resource Centre's services to Irish clients and to research their needs.

EUSS – a partnership with Crisis to help EA nationals receive the right to remain in the UK.

London Housing Foundation– supporting establishing a Westminster wide project to co-ordinate strategic interventions to end homelessness in Westminster.

Purposes of designated funds

Funding Contingency Fund – Ensures 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.

St Vincent's Refurbishment Fund – Designated for future major cyclical maintenance of St Vincent's Centre and towards any costs of acquiring and refurbishing Bentley House, which cannot be funded through grants and donations.

Statutory Redundancy Fund – The present contingent liability for payments, which would have to be made to existing staff if they had to be made redundant.

Equipment Fund – Represents the net book value of equipment, apart from equipment funded as part of the St Vincent's refurbishment project.

19 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Equipment 2020 £	2019 £
Less than one year	4,190	6,657
One to five years	2,394	2,919
Over five years	-	-
	<u>6,584</u>	<u>9,576</u>

20 Capital commitments

At the balance sheet date, the group had committed to £nil (2019: £nil)