

The Passage



Passage 2000

A company limited by guarantee (No. 3885593)
Operating as The Passage

Annual Report and Accounts

31 March 2011

Charity Registration Number: 1079764

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Administrative details of the charity, its trustees and advisers

Founding Patron	Cardinal Basil Hume
Patron	Archbishop Vincent Nichols
Board of trustees	Sr. Ellen Flynn DC (Chairman) Peter Macklin (Vice Chairman) Christopher Williams (Treasurer) Mgr. Vladimir Felzmann Sr. Eileen Glancy DC Michael Kelly Mark McGreevy Sr. Marie Raw DC Dr Iram Sattar John Studzinski CBE Canon Christopher Tuckwell
Chief Executive	Michael Clarke
Deputy Chief Executive	Roger Clark
Company Secretary	Andrew Hollingsworth
Principal bankers	HSBC Belgravia Branch The Peak 333 Vauxhall Bridge Road London SW1V 1EJ
Solicitors	Pothecary Witham Weld 70 St George's Square London SW1V 3RD
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Registered office	The Passage St Vincent's Centre Carlisle Place London SW1P 1NL
Telephone	020 7592 1850
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Web site	www.passage.org.uk
Email	info@passage.org.uk

The Board of Trustees (“the Board”) presents its report and the accounts for the year to 31 March 2011. This report has been prepared in accordance with Part VI of the Charities Act 1993 and Part 15 of the Companies Act 2006. The accounts have been prepared in accordance with the accounting policies set out on pages 37 - 39 and comply with the company’s memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice (“SORP”) “Accounting and Reporting by Charities” issued by the Charity Commission in March 2005.

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

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

Principal aims and activities

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

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

Management structure and staff

The Board, see pages 9 and 10, has ultimate responsibility for the activities of The Passage. The Chief Executive, Mick Clarke is responsible for the strategic direction of The Passage and he is assisted by the Deputy Chief Executive, Roger Clark who is responsible to him for the day to day running of activities. Both are supported by a team of experienced managers, each of whom is responsible for a particular area of operations.

The Passage employs 82 full-time and 14 part-time staff, with a wide background of qualifications and experience to enable them to provide all the different services The Passage offers to homeless people. Staff are consulted and play a major role in the development of the annual plan and budget. All staff are offered regular training to enhance their skills. Essential to The Passage is the contribution made by volunteers in all areas of work. There is a diversity and equality policy applied throughout the organisation.

REVIEW OF OPERATIONS

During the year, The Passage continued its mission to help homeless people. All the services were fully utilised. 3,104 different individuals used the day centre and Passage House and Montfort House had high occupancy levels.

A full description of the services provided and help given to homeless people during the year is set out on pages 13 to 30 and forms part of the Trustees’ report. This section includes key facts and figures relating to the different services provided during the year.

Overall strategy and objectives

Ensuring our work delivers our aims

The Board reviews The Passage’s overall strategy, objectives and activities each year in the annual planning process. This review looks at what has been achieved and the outcome of the work in the previous twelve months. The review looks at the success of each key activity and the benefits they have brought to the people The Passage was set up to help. The review also helps to ensure our strategy, objectives and activities remain focused on The Passage’s principal aims. The Board has referred to the guidance contained in the Charity Commission’s guidance on public benefit when reviewing its strategy and objectives and in planning The Passage’s future activities. In particular the Board considers how planned activities will

contribute to the strategy and objectives it has set.

Long-term Strategy

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

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

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

The main objectives for the year were to:-

Objective	Achievement
Implement a Passage Values programme to ensure our Vincentian Values and Ethos is embedded across the organisation.	Staff have attended a Vincentian Values course with staff from other charities in Vincentians in Partnership. The internal working party on ethos and values has met regularly and reported to the Board of Trustees. Clients have been consulted on our newly adopted Values and Trust Statements.
Ensure there are client involvement processes in place across all teams and further develop client volunteering, traineeships and employment opportunities for clients within The Passage.	We ran a successful pilot project for training and giving work experience to clients in portable appliance testing. Clients are involved in volunteering in many areas. Client consultation continues in the day centre and both hostels. The Passage has played an active role in developing the Employment Steering Group which has provided over 50 volunteer and paid job opportunities for homeless clients within the participating agencies over the first 6 months of operation.
Fully embed the new services structure within the day services, and encourage innovation in all service provision across the organisation in relation to meeting client needs and aspirations	The new day services structure is fully embedded. Passage House and Montfort House are developing their services in line with the Places of Change agenda, with an increased focus on client involvement, meaningful occupation and employment outcomes to better meet client aspirations.
Establish recognised externally validated quality systems across all teams	We continue to make steady progress towards accreditation. Changes by external regulators to quality frameworks during the year have slowed progress.
Maintain and expand volunteering opportunities in all projects and develop robust and effective systems to support this activity	The involvement of volunteers continues to grow with volunteer hours rising to 34,200(2010 - 32,400) New roles have been taken on including literacy coaches for Passage House residents maintenance volunteer, resettlement volunteer, admin support for Passage House and volunteer coordinator.

Ensure fundraising and finance systems are organised and robust, in order to weather the economic downturn	The team of volunteers supporting fund raising continues to grow with targeted recruitment of new volunteers to ensure a fully skilled team.
Further develop systems to fully capture client information and trends to inform service development both within The Passage and across the sector	Our capturing and use of information continues to develop and we have contributed significantly to the development of the pan London database Chain Plus

The main objectives for next year are to:-

- (i) Continue to embed our Vincentian Values and Ethos across the organisation.
- (ii) Diversify funding streams and further develop the quality of our fundraising and finance systems, in order to increase efficiency and weather the economic downturn.
- (iii) Maintain and expand volunteering opportunities in all projects to support current service delivery levels, primary services and administration activities.
- (iv) Further develop client volunteering, traineeships and employment opportunities for clients within The Passage, and ensure genuine client involvement is in place across all Passage services.
- (v) Ensure staff are supported, trained and developed in the goal of providing quality services for our clients.
- (vi) Expand Financial Inclusion activities to support Passage clients affected by Government deficit reduction measures, and position the organisation to be seen as the market leader in this area of expertise.
- (vii) Influence and engage with Central Government in key areas such as Welfare Reform and the Big Society.
- (viii) Complete the redevelopment of Passage House, ensuring that both Passage House and Montfort House are places of change for all residents.
- (ix) Finalise and implement plans for the redevelopment of St. Vincent's Centre and complete the redevelopment of Passage House.

FINANCIAL REVIEW

Financial results for the year

The incoming resources amounted to £ 4,539,604 (2010 - £ 4,186,888) and the resources expended amounted to £ 4,049,043 (2010 - £ 4,050,391), resulting in a net surplus in funds in the year of £490,561 (2010 - £ 136,497). Incoming resources includes a capital grant of £485,560 for improvements to Passage House without which the surplus for the year would have been £5,051. On 1 April 2010 the assets of The Passage Trust of £3,605,215 were transferred to Passage 2000 resulting in an overall increase in funds of £4,095,776 during the year. This increase in funds is made up of an increase in the restricted buildings funds of £ 3,782,369 (2010 - £ 51,638), an increase in restricted funds for running costs of £82,303 (2010 - £ 98,690 decrease) and an increase in unrestricted funds of £ 231,104 (2010 - £ 183,549). Total funds at the end of the year were £ 10,118,100 (2010 - £6,022,324). Details of unrestricted and restricted funds are given in notes 7 and 8 on pages 43 and 44.

Resources expended

Expenditure during the year was incurred as follows:

	2011		2010	
	%	£	%	£
Direct charitable work				
Day centre and outreach	53	2,152,132	56	2,276,904
Residential services	40	1,633,690	37	1,514,705
Governance costs	2	62,098	2	58,955
Fundraising	5	201,123	5	199,827
Total expenditure		4,049,043	100	4,050,391

Employment costs were 74% (2010 – 79%) of total expenditure. Included in the costs for residential services is a charge for depreciation of £77,934 of Passage House. In earlier years this charge was included in the separate accounts of The Passage Trust. Details of expenditure are given in note 3 on pages 40 to 42 to the accounts and in the unaudited analysis of operating expenditure on pages 49 and 50.

Incoming resources

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

	2011		2010	
	%	£	%	£
Grants from statutory bodies - revenue	42	1,901,525	45	1,913,682
- capital	10	485,560	4	150,000
Donations, legacies and voluntary grants	35	1,557,843	36	1,492,201
Rents and charges to residents	12	552,077	15	624,614
Bank interest	1	42,599	0	6,391
Total income	100	4,539,604	100	4,186,888

The Passage receives significant funding from Westminster City Council. A full analysis of this funding and its uses is set out in note 15 to the accounts on page 48. The growth in statutory funding represents a decline in revenue grants of £12,157 and an increase in grants for capital development of £335,560. Statutory grants were frozen in monetary terms at the beginning of the previous year and not increased to reflect increased salary levels. The costs of posts which are only partly funded are being met from donation income.

The level of voluntary income reflects the continuing very generous support for the work of The Passage from very many individuals and organisations. Voluntary income for the year rose by 4% above the previous year, mainly due to the level of legacies which grew from £192,290 to £353,449.

Voluntary income came from:

	2011		2010	
	%	£	%	£
Individuals	34	534,541	35	525,970
Legacies	22	353,449	13	192,290
Churches and voluntary groups	13	211,221	16	241,341
Companies and businesses	19	272,261	13	185,211
Charitable trusts	12	186,371	23	347,389
Total voluntary income	100	1,557,843	100	1,492,201

The costs of generating voluntary income were £201,123 (2010 - £ 199,827). This relatively low level of expenditure compared to the total voluntary income reflects the fact that a team of volunteers undertake much of the work necessary to generate, acknowledge and administer donations. This year the costs of generating voluntary income include the production of a new fund raising leaflet and the costs of an exhibition associated with the Thirty by Thirty annual report to mark the thirtieth anniversary of The Passage. Both of these projects were fully sponsored by corporate supporters with grants of £12,000.

Designated funds and reserves

The Board is aware of the need to maintain adequate reserves to ensure that the work of the charity can continue. Designated funds are set aside to enable the Trustees to develop specific areas of charitable work and to meet potential future obligations. In addition, the Board has to ensure that adequate resources are available to avoid disruption to the service for homeless people, which may happen as a result of the volatile and uncertain nature of the charity's income.

The Passage receives substantial grants from government through Westminster City Council. The funding agreed for 2011/12 is £212,000 below the funding in 2010/11. The proposal for 2012/13 and 2013/14 is to reduce the funding by a further £100,000 so that it will be £312,000 below 2010/11 levels in both years.

To ensure that the services can be maintained in the short-term, the Board has set aside a designated contingency fund, which has been increased to £ 1,100,000 (2010 - £ 900,000), and represents approximately 13 weeks' running costs. It is the Board's intention to maintain this fund to between three months' running costs and six months' running costs.

In addition, the Board has set aside a designated fund of £29,216 (2010 - £ 66,358) representing the net book value of capitalised equipment at the year end. The Board has also decided that it is prudent to set aside a designated fund representing the accrued obligations to staff for statutory redundancy. The balance on this fund is £ 152,000 (2010 - £ 152,000).

Cash Flow

The increase in cash resources during the year was £1,754,491 (2010 - £ 60,201 decrease), mainly due to the transfer of cash of £2,208,117 from The Passage Trust. The funds transferred from The Passage Trust are not available to meet running costs but represent part of the restricted buildings funds. Excluding the transfer cash balances declined by £453,626 (2010 - £60,201) mainly due to statutory grants outstanding at the year end which have now been received and significant legacies notified just before the year end. The cash held

at the end of the year was £2,678,318 (2010 - £ 923,827).

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

St Vincent's Centre

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

St Vincent's Centre is a substantial property. The Sisters' lease on the parts of the building they presently use for their charitable work expired in September 2009 and a new lease over a slightly smaller area has been issued for a five year period to 28 September 2014 but subject to the right of The Passage or the Sisters to give 12 months notice. The Sisters have a 20 year lease on the part of the building that is used as the Sisters' House. The ownership of St Vincent's Centre gives The Passage the opportunity to improve the services it provides for homeless people. The Passage is seeking to redevelop its existing building in Carlisle Place to improve facilities for homeless people and other occupants and to address many of the concerns of the local neighbourhood. Prior to any planning submission, there will be a full consultation process with the local community and other interested parties.

Passage House

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

During the year a major programme of improvements began at Passage House funded by the Places of Change programme. A grant of £1.5 million is payable through Westminster City Council. In return for the grant The Passage has granted a charge over Passage House to the Council for five years. The charge secures the repayment of the grant during this period should The Passage become insolvent, dispose of the property or use the property other than for the provision of accommodation for homeless persons.

The improvements include the replacement of shared rooms with single bedrooms and when the redevelopment is complete Passage House will contain 40 single bedrooms. A dedicated committee chaired by the deputy chairman of the Board, Peter Macklin, is overseeing the arrangements on behalf of the Board.

Transfer of the assets of The Passage Trust to Passage 2000

The work of The Passage began over 30 years ago and originally The Passage was constituted as a charitable trust. On 1 April 2000 The Passage Trust transferred its day to day activities to Passage 2000 as the trustees considered that given the scale of operations it was more appropriate to operate through a company limited guarantee than through a trust. At this point the redevelopment of Passage House had just been completed

and the trustees had recovered Value Added Tax on the development costs. This recovery was subject to a claw back should the trustees dispose of the freehold of Passage House within ten years. The trustees retained the freehold of Passage House and cash funds to cover their potential liabilities as freeholders. On 1 April 2010 the trustees of The Passage Trust transferred the freehold of Passage House and their cash reserves to Passage 2000 for the specific purpose of further development of their buildings and major repair work. Details of the assets transferred are set out in note 13 to the accounts on page 47.

VOLUNTARY HELP

Donations in kind

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

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

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

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

Involvement of Volunteers

Volunteers continue to make a vital contribution to the work of The Passage. Without the commitment, enthusiasm and energy of our volunteers, we would not be able to provide the same range and quality of services to our clients.

A large proportion of our volunteers help out in the kitchen serving food, washing up and assisting the chefs with food preparation. Other volunteering roles include: helping in the clothing store, medical room support, organising client identification, Education, Training and Employment tutors, mentoring, volunteer drivers, hairdresser, complementary therapists, kitchen support at Passage House, hostel key worker support, reception and administration, and all fundraising functions.

However, in response of the changing needs of the organisation we are also expanding the range of activities that volunteers engage in and now have volunteers working alongside staff in every team. New volunteering opportunities created over the course of the past year, include literacy coaches who work one to one with Passage House residents, volunteers who share their creative skills by running drama and art workshops, volunteers who are helping with archiving and logging client files and a maintenance volunteer. The clothing store opening hours have been extended as a result of client requests. We have also taken on three students on work placements from City Lit College.

In addition, the Passage benefits from a growing number of companies who encourage their employees to support our work through corporate volunteering opportunities, particularly assisting with breakfast and lunch service but also with painting, Victoria station collections and taking clients on day trips. We have recently established several new partnerships, including with the National Audit Office, Department for Work and Pensions and GAP, all of whom send volunteers on a weekly basis.

We aim to develop and improve the volunteering scheme, making The Passage a positive, welcoming and learning environment for volunteers. To this end all new volunteers are now allocated a designated, named

supervisor, usually a member of staff from the relevant team, who takes responsibility for their induction and offers ongoing support and guidance.

There is a pool of over 300 regular volunteers with up to 40 individuals giving their assistance and skills on any given day. The estimated total time donated by volunteers during the year is as follows:-

	Hours
Day Centre primary services	17,700
Day Centre supporting other services	5,500
Day centre - weekends	2,500
Passage House	1,300
Office-based fundraising and administration	7,200
	<u>34,200</u>

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

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

The Passage intends to remain a place of excellence for volunteering. We employ a dedicated volunteer coordinator. During the year she has reviewed the existing volunteering practice to ensure that we implement the highest standards in advertising, recruitment, induction and support for volunteers. New volunteer roles have been established in Fundraising, Health, Hospitality, Streetlink and corporate volunteering. There is now a waiting list for some volunteering opportunities. This will help to ensure that that when volunteers move on they can be immediately replaced.

Next year

In the coming year, we will issue an updated Volunteer Handbook which provides volunteers information about the ethos, what we offer volunteers and what we expect from them. We plan to give training to staff who supervise volunteers so as to ensure a uniformly high level of support. In order to improve the level of communication and consultation with volunteers, we are making a comments book available to volunteers for general suggestions and ideas and we will hold quarterly forums to enable volunteers to share their views and discuss relevant issues. We also plan to achieve a volunteering based externally validated quality standard, such as Investor in Volunteering; extend volunteering across The Passages' residential services by developing 5 new volunteering opportunities based in Passage House or Montfort House; and in conjunction with the Services teams and steering group, support and develop client-volunteering opportunities across The Passage.

Fundraising activities

The annual gala evening "A Night Under The Stars" held in December raised over £65,000. There is a voluntary committee, who again arranged this event. The Board is grateful to the performers and the committee who gave their time and talents to make the occasion such an enormous success for the tenth year running.

Another very successful garden party in Westminster Abbey College Garden was also organised by a group of dedicated volunteers raising £18,000.

GOVERNANCE

Constitution

The company's governing document is its memorandum and articles of association. Its objects, which are set out in its memorandum of association, are to promote the relief of poverty by:-

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

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

Board of Trustees and Committees of the Board

Under the rules laid out in the articles of association the election of the Board is in the power of the members of the company in general meeting. The Sister Provincial of the Sisters of Charity of St Vincent de Paul ("the Provincial") and the Administrator of Westminster Cathedral ("the Administrator") are ex officio company members. The Board appoints other members of the company. At a general meeting, if a vote is taken on a poll, the Provincial and the Administrator each have a number of votes equal to half the total number of members of the company (rounded down if there is an odd number); the other members have one vote each. Effectively if the Provincial and the Administrator act together they can determine the composition of the Board.

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

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the two years ended 31 March 2011. The company has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its Board of Trustees, employees and agents and to indemnify the Board or other officers against the consequences of any neglect or default on their part. The insurance premium amounted to £ 1,701 (2010 - £ 1,575) and provides cover up to a maximum of £ 1,000,000.

The Board is supported by two committees who advise the board on client services and on finance and fundraising matters and assist the board in monitoring the work of the company in these areas.

At the annual general meeting on 29 June 2010 Monsignor Vladimir Felzmann, Sister Marie Raw and John Studzinski retired by rotation and were re-elected. Dr Iram Sattar and Christopher Williams were also elected to the board at the annual general meeting. The board appointed Christopher Williams as Treasurer. Martin Mosley resigned from the board on 6 December 2010.

The composition of the Board, the committees and groups at 31 March 2011 was as follows:-

	Board members not serving on committees	Client services committee	Finance and fund-raising committee
Members of the board of trustees	Sr. Ellen Flynn (Chairman) Mark McGreevy Mgr. Vladimir Felzmann Sr. Marie Raw Dr Iram Sattar Canon Christopher Tuckwell	Mike Kelly (Chairman) Sr. Eileen Glancy	Christopher Williams (Chairman) Peter Macklin John Studzinski
Other company members serving on the committees not on the board		Cynthia Haddock John King Julie Morgan Gary Wood	Martin Allen Alice Stein

The finance and fundraising committee has set up a further sub committee to advise on fundraising and a sub committee with the client services committee to advise on risk and audit.

Fundraising

Christopher Williams (Chairman)
Martin Allen
Daniel Brennan
Adrienne Leman
Alexander Nichol
Sheila Smith

Risk and audit

Peter Macklin (Chairman)
Anthony Carey
Mike Kelly
John King
Christopher Morris
Alice Stein

Selection and training of new board members

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

Public benefit statement

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

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

Related parties

By virtue of the voting rights exercisable in the general meeting by the Provincial and the Administrator, the Sisters of Charity of St Vincent de Paul and Westminster Cathedral are both related parties of the company. As the Provincial and the Administrator appoint the trustees of The Passage Trust, The Passage Trust is also a related party. Full details of transactions and balances with these related parties are shown in notes 11 and 12 to the accounts on pages 46 and 47.

Risk management

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

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

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

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 feel 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 an external advocate. Risk assessments, needs assessments and support plans are implemented and agreed with the client and reviewed on a regular basis. All risks and needs with which the client presents, and their support needs around these, are recorded and kept on file at the project. Additionally, risk assessments are in place, which detail the risks to staff that may occur. These are reviewed on a regular basis. This policy is applicable to all clients using the service and all staff and volunteers working in the service and relate to all forms of abuse that may occur.

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

Concern for the Environment

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

Statement of trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- make judgements and estimates that are reasonable and prudent;

- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

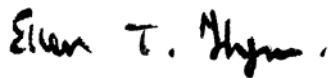
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

Each of the trustees confirms that:

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

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

Signed on behalf of the board:



Sister Ellen Flynn, Chairman
Approved by the Board on 7 June 2011

DETAILED DESCRIPTION OF OPERATIONS

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

A central theme to all our work is the Service Promises which we make to every client showing what they can expect when working with us. These are displayed in every area of the day centre, Passage House and Montfort House and underline our commitment to making The Passage an active place of change. The Passage's service promises are:-

1. We will welcome you and treat you with respect and dignity.
2. We will talk to you and find out what you want and need.
3. We will offer professional and appropriate advice and help according to your needs and aspirations.
4. We will explain to you why, at times, we are unable to help you with a particular issue, and refer you to another more appropriate service.
5. We will agree an action plan with you which will be time limited and with the aim of supporting you out of homelessness.
6. We will allocate a lead worker or team to help oversee your action plan.
7. We will be creative, flexible and joined up in our approach to seeking solutions with you.
8. We will keep you informed of all significant developments and activities within the service.
9. We will have user involvement processes in place, so that you can become involved in influencing the service
10. We will listen to your concerns about the service and have in place robust appeals and complaints policies.

THE DAY CENTRE AND STREET LINK

In October the day centre completed 30 years of service to homeless and socially excluded people in London. The services delivered from the day centre include Day Services incorporating Hospitality, Assessment and Advice and Health specialisms, the Street Link Team, and the Financial Inclusion Team, which provides education, training and employment support and specialist advice on welfare benefits

The day centre provides services for up to 200 people daily. 3,104 (2010 - 3,669) different clients used the day centre in the year to 31 March 2011. These clients made 45,398 visits to the centre. Where clients can be best supported by encouraging them to return to their home area away from sleeping on the streets of Central London we support them in reconnecting to their home borough or in some cases country of origin. During the year 656 individuals were reconnected to housing and support away from Central London.

DAY SERVICES

The Day Services Team has now been in operation for just over a year. The team now consists of the hospitality, health and assessment and advice specialisms. Having one manager overseeing this team has significantly improved our capacity to see and assess more clients, improved joint case work with clients, and allowed for a smoother overall operation of the day centre.

Our new client reception, which opened in May 2010, has been a great success for both clients and staff. It provides a more open planned, welcoming and interactive environment when clients first come to the centre, and it also facilitates much better joint working between staff, volunteers and clients.

Clients have also commented on how warm and welcome they now feel on entry to the service. One client commented “I prefer to use the Passage rather than any other service because they treat me like a human being and spend time talking to me, I feel like I’m respected here”.

Our Hospitality Team are the most client facing workers in the day centre. Their role is to meet and greet the clients to ensure they feel welcomed and safe in the day centre. They also engage with clients on a daily basis. The Health Team work with the most entrenched and complex clients; their work includes engagement, comprehensive substance use and mental health assessments and case work, referrals to specialist services, and advocacy work for those finding it difficult to access statutory services. The Assessment and Advice Team assess client’s need for housing, advocate for those with accommodation but being threatened with homelessness, and make housing applications to local authority, private rented and social housing accommodation on behalf of clients. They also provide practical assistance to clients moving into accommodation.

The Day Centre provided a service for on average 180 people per day. Last year the 3,104 clients, who accessed our services, had a diverse range of support needs. On entry to the service its important for us to understand why the person has come to us and what support needs they have, in order for us to help the client move away from a life on the streets and achieve their dreams and aspirations.

We aim to assess people on their first visit to the centre. Assessments for new clients on their first visit has risen to 98%.

At this stage it may become apparent that clients can be best supported by encouraging them to return to their home area away from sleeping on the streets of Central London we support them in reconnecting to their home borough or in some cases country of origin.

Next year we aim to:

1. Set a quality standard in customer care and ensure support for staff across the Day Services Team to enable the team to deliver a quality customer focused approach for all clients accessing the service.
2. Develop a volunteer programme for the Day Services Team ensuring that it covers provision for a 7 day service and that volunteers are supported and developed.
3. Further develop client volunteering and employment opportunities for clients to become involved in service delivery.
4. Design and implement a new support planning framework enabling staff to have a clear and effective toolkit in order to ensure client progression.
5. Develop clear and achievable targets for assessments and support planning, which will ensure clients needs are targeted at an early stage.
6. Develop a strategy for a continual and co-ordinated joint work approach across the Day Services Teams and with Financial Inclusion, Streetlink and Residential Teams in order to provide a consistent and quality service to clients.

Day services - Hospitality Specialism

The hospitality specialism, which is now part of Day Services, consists of a team leader and 8 project workers.

During the year

Hospitality's role is to make sure all client are welcomed to the centre, access appropriate services within the centre, and engaging with and giving initial assessments to new and returning clients. These assessments are completed in the day centre on a daily basis.

The day centre is open, on weekdays, from 8.00 am until 6.00 pm. Currently, there are two drop-in sessions available for our clients during this time. The first is from 8.00 am until 11.30 am and is specifically for clients who are sleeping rough in the local area. As the day centre is in a residential area, the staff will open the outside lobby area from 7.00 am and manage the queue so as to inconvenience local residents as little as possible; if the weather is poor the clients will be invited in at this time so they are dry and warm. The areas outside the day centre are also checked throughout the day to ensure that there is no litter caused by The Passage services in the immediate vicinity. The Passage has a Good Neighbourhood Policy which has been upheld as a model of good practice across Westminster and was developed with extensive neighbourhood consultation.

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

When the centre first opens, the priority for the majority of clients is breakfast, showers, clothing and laundry. These services are available from 8.00 am. Appointments for initial assessments or other services are made for 9.00 am onwards allowing clients to eat and take care of their immediate needs. Assessments are based around a client's needs and aspirations. Most assessments examine the need for housing options such as hostels but for some clients the priority need may focus on health, benefit or employment issues. Each assessment is based on individual circumstances and sometimes reconnecting a person with services in another area may be the best way forward. In these cases, they will often be assisted with the aid of a train or bus ticket and information that we have regarding appropriate services in the area they are returning to. For those where the best solution is for us to work with them for a more local solution, there will be a full assessment, usually with an Assessment and Advice worker, unless there is a more pressing need such as a health issue, in which case this will be conducted by the appropriate staff. The full assessment goes into greater detail regarding the client's issues and circumstances and the options available that are appropriate to the client's needs.

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

Throughout the day, as well as attending to client needs and requests, the team spend their time communicating with other internal teams and outside agencies and organisations, inputting relevant information into the client database, carrying out locality and health and safety checks, as well as provision of safe storage of client valuables such as proof of identification.

At 2 pm, the drop-in finishes and the majority of clients leave the centre for the day, except for those who are attending appointments with staff, or taking part in groups or training. Members of the team facilitate group activities. On Tuesday afternoons the team work with Street Wise Opera, a separate charity, to encourage clients to join rehearsals for future operatic productions. Also on Tuesday afternoons, the team assist with an information session for economic migrants who wish to find out what services are available to them; the session, which is rotated on a weekly basis between the day centre teams, is run with the aid of an

interpreter. There is a film club on Wednesday afternoons. On Friday morning there is a women's group and on Friday afternoons the team facilitates a board games session. Group activities are run by the health team on the other afternoons.

After the drop-in and groups have finished, one member of the team is in the client reception office until 6 pm to deal with any enquiries from existing clients and people who may be concerned about their housing situation or have just been made homeless. The team member is also available to work with any client arriving in crisis by inviting the client into the centre and calling on the duty manager and staff from appropriate teams that are also on the late shift.

The day centre is also open on Saturdays and Sundays between 9am and 12 noon offering services such as initial assessments and sign posting clients into other services. The service also provides primary services and the majority of clients using the weekend service have already used the day centre on a weekday.

As part of our aim to develop a more welcoming experience for clients at the point of entry to the day centre, the newly refurbished client reception area provides a more open planned and welcoming space and encourages team working.

The hospitality team have all taken part in customer care in-house training to create a more customer care orientated approach. Client suggestion boxes together with a complaints procedure continue to enable clients to voice their views. The well attended client discussion forum takes place once a month and gives clients an opportunity to discuss day centre issues. This has resulted in greater client involvement in running the centre including taking part in staff selection processes.

We have also developed volunteering opportunities within the Hospitality team. We also currently have six committed volunteers who are an asset to the team.

Our accredited Client Volunteering scheme, offering volunteering opportunities for our clients, has now been running for a year and has supported 30 clients in volunteering roles. The project has developed during this time, with clients now helping in the kitchen, clothing store, painting and maintenance and the induction of new clients into the service. We are now in the process of reviewing the programme to further develop it.

Next year we aim to:

1. Increase the capacity for carrying out initial assessments ensuring quality and consistency across the team.
2. Enhance current daytime activities for clients and expand on the programme of activities being offered to ensure a varied range of options for clients, which are run 7 days per week.
3. Increase the numbers of client volunteers involved in the delivery of the service in collaboration with the Volunteer Coordinator.
4. Develop roles within the team for volunteers ensuring they play a part in the delivery of the service.
5. Assist in improving the service we offer to our female clients ensuring that their needs are being met.

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

The Assessment and Advice team consists of a Team Leader, four Housing Advisors and an Irish Persons Co-ordinator.

The work of the team covers several key areas and includes;

- Carrying out assessments of clients visiting the day centre, including establishing what their needs are and how they can be best met.
- Providing a specific service for Irish clients, through the Irish Persons' Co-ordinator post, which is funded by D  n an agency of the Irish Government.
- Providing housing advice, making referrals into accommodation and advocating on clients behalf

when they may be entitled to statutory housing provision.

- Providing resettlement support for clients who have accessed accommodation
- Working in partnership with other agencies and services to provide a holistic service to our clients
- Developing the service in relation to the wider Day Services Team.

During the year

We were again successful in obtaining funding from Dion for the Irish Persons’ coordinator post. The Irish Persons’ coordinator is establishing links with other similar services to look at sharing good practice and accessing resources. She is also monitoring newly arrived Irish clients to assess the impact of the recession in Ireland.

During the year we recruited a volunteer to support the team with resettlement work, ensuring that clients receive a comprehensive resettlement package. We have worked with the Private Rented Sector worker at Passage House to widen the range of accommodation options available to our clients. We have also worked closely with the other day centre teams to ensure that the most vulnerable rough sleepers receive co-ordinated and comprehensive support.

We have continued to work closely with external agencies, to ensure that our clients have access to the widest range of services as possible. SSAFA, a service that offers support and advice to people who have served in the armed forces, come here once a week to make contact with clients. Hope Worldwide – Two Step, a project that supports people to access and maintain tenancies in the private rented sector also hold weekly surgeries at the day centre. We have developed new relationships with housing providers and support resources, and continue to seek new partnerships.

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

Outcomes:

Assessment and advice sessions	3,416
In depth assessments	285
Clients found accommodation in London	174
Clients assisted in reconnecting to support and accommodation in their home area	68

Next year we aim to:

1. Together with the Financial Inclusion team, develop and strengthen our advocacy work in advising clients with regard to the new welfare reforms in accessing benefits e.g. Housing Benefit.
2. To develop a Client volunteering role within the team to assist with peer mentoring advice and resettlement work.
3. To develop skills across the team to ensure a consistent and quality service is delivered to clients and to enable staff to increase team working.
4. Together with the Financial Inclusion team, develop and identify options for clients seeking employment and those on low income in obtaining affordable accommodation.
5. Strengthen partnerships within the external environment to enable clients to have increased choice of accommodation options including Private Rented Sector and Housing Associations.

Day Services – Health Specialism

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

The team aims to provide specialist therapeutic skills, and to be a bridge back into the broader community where appropriate. Good listening is fundamental.

It is common knowledge that rough sleeping will cause physical and mental health problems. But it is less well appreciated that homeless people will also suffer a broad range of illnesses. They too suffer heart attacks, lung disease, skin disorders, foot problems, neurological illness, rheumatism and arthritis, broken limbs, ulcerated legs, early onset dementia, learning disability and also dental problems. However, their illnesses are more complex. All are exacerbated by having nowhere to sleep. Prolonged use of drugs and/or alcohol slowly destroys veins, liver, oesophagus and may cause organic brain disease or Hepatitis C. Unlike the rest of us, those who are homeless usually avoid seeking medical help and are often unwelcome in a doctor's surgery. This is part of the downward spiral of physical and emotional despair that homeless people can fall into.

The Homelessness Health Team

As mentioned above, homeless people have a very poor record of accessing primary health care, as not having a stable address can prevent registration with a GP and access to mainstream health services. The health needs of people experiencing homelessness are far more complex compared to the population in general. A specialist response is necessary. The Passage has strong links with the Westminster Primary Care Trust which provides the day centre with a fully staffed and equipped medical service called The Homelessness Health Team. The clinic is led by nurses with a GP three times a week. A community psychiatric nurse is soon to be added to the service. It is open Monday to Friday and encourages everyone to have a health check and address those long term health issues previously ignored. This service does not operate in isolation but works closely with a variety of mainstream community practitioners and special services e.g. TB van, and Great Chapel Street Medical Centre Dentist, Dr Hickey's Surgery, Community Mental Health Teams, Hospitals as well as other teams in the day centre. This service has become well known in the field of health and homelessness.

Podiatrist

As part of the Homelessness Health Team we are fortunate to have a podiatrist, who is very experienced in treating homeless people, people receive treatment and education about good foot care such as removing shoes at least once a day to prevent conditions such as trench foot. The podiatrist can also detect other conditions such as diabetes and link people in to the medical service for essential treatment. This in turn can prevent further deterioration such as loss of limbs and blindness.

Counsellor

The Homelessness Health Team also provides an NHS Counsellor, for one day each week, who works to full capacity on a one to one basis working through deep-seated issues and helping people to move on emotionally and practically.

Mental Health

Mental health issues could range from emotional distress, mild depression / anxiety to long term, chronic psychotic illnesses and personality disorders. Contributory factors are social isolation and lack of treatment. Sleep deprivation and insomnia can contribute to severe depression. We are fortunate to have experienced mental health staff whose skill is to break through the barrier of mistrust and build a meaningful relationship with the homeless person; this might take an hour or several weeks but this work enables the individual to

make informed choices about their life and, with support, seek help and treatment leading to accommodation and more stability.

We work closely with statutory agencies, in particular the Joint Homelessness Team's Psychiatrist and Social Worker, who work with us in the day centre to assess those who are so unwell that a Mental Health Act assessment is needed. This sometimes means a hospital admission. However, the team will continue to support such people and visit them in hospital and liaise with other health and social work professionals regarding their discharge.

Substance Misuse

Homeless people may self-medicate with drugs or alcohol as their way of dealing with mental health issues. Some will have become homeless due to their alcohol or drug usage. Others will become addicted as a result of living on the streets. Whatever the cause, those who use alcohol or other drugs in various combinations become more isolated, more unwell and progressively more entrenched in their behaviour and chaotic lifestyle. Occasionally, gambling addiction is the cause of losing both job and home.

Substance misuse workers must therefore support and challenge in equal measure and in the shorter term educate people to minimise the harm they are doing to themselves. Workers also encourage their clients to keep appointments and at the appropriate time, if funding is available, to consider detoxification and rehabilitation programmes. They are also encouraged to eat healthy food. Much joint work is carried out, not just within the day centre but also with specialist agencies such as Turning Point South (substance misuse service for Westminster), our NHS Medical room, the Community Mental Health Teams, Gambling Addiction services, the Cardinal Hume Centre Surgery and Great Chapel Street Medical Centre, who are all valuable partners in our work.

Complementary Therapies

Acupuncture offers another way of attending to health and well-being. A new acupuncture service based on the National Acupuncture Detoxification Association (NADA) protocols started in May 2010. This offered acudetox and has proven to reduce cravings by 75%. It also treats ex-servicemen / women who suffered trauma. These services work alongside mainstream health services.

Homeopathy

Thanks to Nelsons, we are fortunate to have the services of a Homeopath with experience in the fields of homelessness and substance misuse. Homeopathic remedies treat a wide range of illnesses. Control of cravings by homeopathic remedies has proven successful, especially for Eastern Europeans who may not be able to be referred to detoxification or rehabilitation. Once people have been treated homoeopathically they often feel more able to access other services within the day centre.

Art Therapy

Two Art Therapists continue to offer a weekly session which allows clients to express themselves without being invasive. This has enabled some clients to engage with a worker and move on from street homelessness.

Aromatherapy This service continues thanks to a highly qualified volunteer. The effect has been proven to assist people who previously did not engage with other practical ways of moving off the streets.

Optician

We work in partnership with an eye care charity, Vision Care, which offers free eye tests and spectacles to any homeless person. Homeless people often lose or break their glasses and this service can provide another pair irrespective of their lack of income. This has led to many people being able to see and read properly, overcoming a fundamental obstacle to social and economic participation. A few people were referred to the Eye Hospital with more serious conditions.

Outcomes-

Mental Health

Number of clients seen on average per quarter	172
Number of sessions with clients per quarter	624
Clients sectioned under the Mental Health Act	14

Substance misuse

Number of clients seen on average per quarter	86
Number of sessions with clients per quarter	235

Accessed Primary Health Care

(NHS Homelessness Health Team)

Number of patients	1,628
Number of consultations	3,249

Next year we aim to

1. Develop a Client Volunteer within the Health team, which also offers clients a chance to develop their skills and gain a qualification.
2. Carry out a review, and then implement, a new support system to co-ordinate the health volunteers.
3. Establish a mental health/dual diagnosis group within the Health team incorporating a volunteer and/or clients.
4. Establish a client led ‘Emotional Wellbeing’ group to focus on the holistic needs and awareness of clients around substance misuse and mental health.
5. Develop a structure and support package using substance misuse/mental health state assessments and the recovery star (a soft outcomes tool for measuring mental health) to ensure positive disengagement outcomes from the service.

Financial Inclusion Team (FI)

The Financial Inclusion team incorporated the smaller Education Training and Employment team in 2010. FI currently comprises a project manager and deputy, two welfare rights workers, a mentoring coordinator and two education and employment project workers. Additionally, City of Westminster College (CWC) provides two part time life skills workers and one part-time IT tutor. FI is also currently assisted by eleven part time volunteers including one who specialises in opening bank accounts for clients. Job Centre Plus supplies one sessional worker three times a week to assist clients with job search and outreach support from the Benefits Agency who interview and assist clients within the day centre.

During the year

Drop-in computing:

This service was used 3,853 times over the last year by a group of some 471 clients. Clients can study a range of IT based training programmes from European Computer Driving Licence preparation to the Construction Industry Scheme Health and Safety Certificate.

RSA CLAIT (Computer Literacy and Information Technology):

Average usage - 20 client sessions per week.

This accredited computer course, which is run by City of Westminster College on two afternoons per week, continues to enjoy a pass rate comparable to any college in England, a real achievement considering the clients’ extra needs. 11 exams were passed last year.

Literacy:

Average usage - 15 clients per week.

In addition to general literacy, we have enjoyed the input of a specialist volunteer who works with clients to provide them with employment related English depending on which type of job they are looking for. Such clients already speak general English. We also refer clients to more specialist agencies such as a migrant resource centre as appropriate.

Jobcentre Plus :

Average usage - 20 clients per week

All new ETE clients receive a mandatory referral to jobcentre plus outreach. This counts towards their Department of Work and Pensions (DWP) work diary commitment to look for work since the Job Centre Plus (JC+) workers can help clients access the national job database. JC+ also support clients with benefit claims, corrections and appeals. The new rules outlined by the Welfare Reform Act 2011 is likely to raise demand for this service during the coming year.

Welfare Rights:- 40 clients per week.

This service was transferred from the Assessment team's remit at the end of the previous financial year. The purpose of this was to make sure that those we assist claim back to work benefits, should link into back to work services. Another aim of the move was to ready ourselves for the abolition of many benefit types and their replacement with Universal Credit. Universal Credit is focussed on aiding clients back into work but absorbs other payments, such as Housing Benefit into it.

Lifeskills:

Average attendance - 8 clients per week.

Lifeskills offers clients access to the Business Education Council's work skills qualification. This 12 week pre-employment course enables clients to gain work experience in the day centre. Their performance is graded and they receive advice on issues such as team working. After eight weeks the clients are connected with in-house career advisors so that they can decide what they want to do next, and avoid returning to using the day centre. Lifeskills continues to provide courses covering basic numeracy, cookery and budgeting, including nutrition and healthy eating.

Mentoring:

There are currently 20 active relationships.

The mentors, all volunteers from Barclays' staff, meet regularly on a one to one basis with their clients. They receive full training from the mentoring coordinator before commencing their relationship and this training is currently a model for other schemes around the country. Many clients say that the mentoring meeting is the nicest part of their week.

Magazine group:

A regular magazine Writes of Passage is produced by the clients.

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

This BITC initiative has three elements: Ready to Go is a two-day training programme aimed at work-ready homeless people. It helps people prepare for interview and work placements. It also brings employers and homeless people together in order to match candidates with suitable placement opportunities. Ready for Work is a two-week work placement, the aim of which is, to improve confidence, build skills and result in a reference useful for further job search. Ready for Jobs is an online job databank targeted at homeless people. Contact has been maintained with BITC during the year. Four clients undertook work placements last year.

ETE clients finding full time jobs

The ongoing economic slump continues to affect the clients' ability to gain employment. Despite the slump at least 47 clients found jobs with significant support from the team during the year up from 40 in the previous year. Our job outcomes are significantly better than a number of other providers.

When a person enters employment and ceases to be homeless, they usually wish to draw a line under this experience. Consequently ETE often does not get to hear of job interview successes. This can make it difficult to ascertain exactly how many people went into employment as a result of the help and support given by ETE. For this reason the total shown above has been described as 'at least'.

ETE provide training materials and mock tests for the CSCS (Construction Skills Certification Scheme) Health and Safety testing. Within the Learning Skills Council (LSC) consortium we are able to arrange the testing and accreditation for those clients wishing to pursue a career in construction.

Bank accounts

Sometimes a barrier to a client moving forward can be the lack of access to a bank account. Although in many cases clients can open new bank accounts for themselves, in some cases where there has been a poor credit history this can prove difficult, in which case we assist the client. During the year 15 basic bank accounts were opened for clients. At the end of the year we secured the services of a recently retired worker from HBOS. This volunteer will personally oversee the creation of new bank accounts with a view to greatly increasing the number of clients who can access this service.

Social Enterprise

We have this year carried out a pilot project in which we have trained clients in the testing of portable electrical appliances. These clients have then carried out the annual testing of portable electrical appliances within our premises. This experience has enabled two of those clients to progress into related employment. We have gained funding to take this initiative forward next year.

Next year we aim to:-

1. Achieve accreditation for the 2011 New Quality Mark across Financial Inclusion services to ensure we meet the standards to become a market leader in this field.
2. Develop and share complimentary employment services with other partner agencies in order to increase training and employment pathways for clients and achieve increased training, volunteering and employment outcomes for clients.
3. Further develop pre-work support and training for clients that are newly required to seek employment as a result of the benefit system reforms.
4. Establish a social enterprise co-ordinator within Financial Inclusion and further develop social enterprise programmes for clients.
5. Co-ordinate and oversee client training in relation to client involvement and volunteering programmes.
6. Develop a volunteer led literacy support programme at weekends in collaboration with the Volunteer Coordinator.

Streetlink

During the year The Streetlink team consisted of a manager, a deputy and four outreach workers who collectively provided four street shifts per week, three late nights and one early morning. A primary function of the team is to link individuals who are rough sleeping in the Victoria area into the day centre and other services in order to support them off the streets. Team members go out in pairs to target known spots

and respond to specific referrals which can come from a variety of internal and external sources. This year the team was joined by two volunteers who were able to go out on shifts with a paid worker, thus enhancing the service. One of the volunteers had a dual role of carrying out street work and then completing the rest of their shift in the day centre which made the transition from street to day centre smoother for more vulnerable clients – this model of work is now being rolled out across the team.

During the year

3,746 street contacts were made with people bedding down for the night.

1,676 contacts were made with known rough sleepers passing by on the street.

Within these figures contact was made with 1,213 different individuals.

627 individuals were verified as new to rough sleeping in Central London.

97 individuals were found accommodation.

58 clients were reconnected to support and accommodation in their home areas away from Central London

It has been a challenging year in relation to being able to access hostels for some clients due to the loss of hostel bedspaces across the borough so we have seen a reduction in the number of clients accommodated by Streetlink this year. This has been an issue with our partner agencies as well but we are working with Westminster City Council (WCC) to try and ensure that every possible pathway is made available to our clients over the coming year. We also know that WCC are reviewing provision for women and couples which is a very welcome development.

This year saw the Severe Weather Emergency Protocol (SWEP) called four times between November and February for a total of 24 nights. The Streetlink team undertook outreach shifts on all SWEP nights in order to find the most vulnerable rough sleepers and get them into the emergency provision.

Sadly this year funding for our pilot Eastern European Migrant Project with our hostel Passage House which assists Eastern European nationals into work or back to their home country came to an end. Funding for this pilot had been made available by the Department for Communities and Local Government (CLG) through WCC. During the year long project we assisted 130 clients from Eastern Europe, the majority of whom (40%) were from Poland. Outcomes included: assistance with benefits entitlement due to work history in the UK, referrals to detox and accommodation, including the Olallo Project, and assistance with returning home. There has been a gradual reduction in the numbers of Polish rough sleepers, but Streetlink continue to meet many rough sleepers from Eastern Europe, many with complex and challenging issues.

The team have continued to work closely with WCC, the CLG and the Mayor's London Delivery Board (LDB) on an initiative, which has identified 205 longer term rough sleepers and returning individuals in Inner London boroughs for case management with a multi agency focus in order to look at innovative and creative ways to engage with and assist them off the streets. This is known as the RS205 initiative. In addition the team have been working closely with WCC and the LDB on a new initiative to target individuals new to sleeping on the streets in London, No Second Night Out (NSNO). A full London wide pilot of the initiative is due to start on 1 April 2011 however Streetlink and the other Westminster outreach services started a research initiative in January this year to incorporate adjustments to current working practices and create a smooth link in to the pilot scheme.

Many individuals met by the Streetlink team on the streets do not wish to use the day centre or, in a number of other cases, individuals' chaotic lifestyles or mental health issues prevent them from accessing accommodation and other support services consistently and effectively. The team continues to hold a late afternoon session at the day centre to target these particular individuals, giving them the opportunity to access a quieter space outside the normal open sessions. Rough sleepers with less complex needs and those able to make and keep appointments are referred to the assessment and advice team.

In addition, being the main link with the street, the team provides a valuable bridge with other providers and street teams in the borough, hosting multi-agency meetings to flag up areas of concern and formulate strategies that will help to reduce rough sleeping and street activity by assisting individuals into services.

Joint working has seen a steady reduction of long term numbers on the street despite an increase in flow of individuals to the streets over the past year.

Partnership initiatives with other street teams operating in Westminster include joint Christmas cover and shifts at weekends when SWEP is in operation.

Next year we aim to:

1. Develop an effective 7 day service and ensure a range of opportunities for clients as soon as they present on the street.
2. Continue to develop new ways of working and different approaches to work with the most entrenched rough sleepers to ensure more positive outcomes for these clients.
3. Continue to develop opportunities and structured support and training for volunteers within Streetlink and to look at ways to incorporate client volunteers in our work.
4. Work with Fundraising to increase funding for client welfare.

THE CHAPLAINCY

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

The chaplains' primary care is to be available to all of our clients. They attend the day centre in order to be present to clients, sharing conversations and meals with them. Their ministry is a service of presence and friendship. It is not a proselytising ministry. The chaplaincy rooms at the Day Centre and at Passage House are open throughout the day and are regularly used as places for silence, prayer or reading; they also serve as places where clients may speak with one of the chaplains in confidence, receive counselling (one of the chaplains is a trained spiritual director and psychotherapist) or for sacramental confession.

The chaplains try to be a prophetic presence at The Passage to clients, volunteers and staff, a reminder to all that the organisation takes its inspiration from the gospel of Jesus Christ and the *charism* of St Vincent de Paul, lived out in Vincentian values, i.e. that each client is a child of God and is accordingly respected. Each September the chaplains run a seminar for staff and volunteers to reflect on Vincentian values. Last year they participated in regular workshops to promote these values for the organisation.

Early each Monday morning a chaplain leads a small group of staff and volunteers for a few minutes to invoke God's blessing on the forthcoming week. On Tuesdays, following a 30-year tradition, a small group of clients gathers in the chaplaincy to read the gospel and speak and pray about their lives. Holy mass is celebrated in the chaplaincy on Wednesdays. This was requested by clients.

The chaplains maintain links with other teams meeting and working with them. One attends the Monday meeting of the Hospitality team and also helps in reception; the other attends the weekly Team meetings at Passage House. One attends the weekly Client Review meeting in the Day Centre.

Each year brings news of death among our clients; last year fifteen clients died. The chaplaincy takes responsibility for contacting the families of the dead and, where possible, meets with them. They liaise with police, hospital, coroner's court and undertaker. They try to arrange a funeral service appropriate to the beliefs of each client. Following the funeral a memorial service is held at the centre.

There is an annual memorial service at St Martin-in-the-Fields in early November for all homeless people in London who have died. The chaplains participate in this event. We celebrate Holy Mass in the cathedral, also in November, for our deceased Passage clients.

The chaplains visit and support clients in hospital, in prison, at detox and rehabilitation centres. They visit clients at home after they have been housed.

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

The chaplains are in contact with other homeless agencies. These include regular meetings with chaplains from four centres in London.

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

PRIMARY SERVICES

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

The food service

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

The clothing store, showers, laundry and hairdresser

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

Next year we aim to

1. Review purchasing of food and food usage with a view to keeping food costs to a minimum consistent with providing a proper diet to the homeless people we serve.
2. Look at improving the laundry in order to speed the throughput of washing and improve the service to the clients.
3. Actively seek more donations in kind in order to minimise food costs.
4. Look at the use of donated goods to support clients adversely affected by changes to the benefits legislation.
5. Increase the involvement of the clients in planning future menus in a way consistent with making good use of donations and proper cost control.

6. Gain accreditation as a training centre to support training staff and volunteers, including client volunteers.

FAITH BASED GROUPS COORDINATION PROJECT

The Faith Based Groups Coordination Project is a one-year project carried out by The Passage, from December 2010 to December 2011, funded by the Department for Communities and Local Government through Southwark Council. Two workers - a Faith Based Groups Coordinator and a Soup Run Outreach Worker – have been employed at The Passage to improve the role that faith based organisations play in helping to end rough sleeping in London. There are currently many faith groups operating different services (such as soup runs, winter shelters and day centres) across London. The Faith Based Groups Coordination Project seeks to build positive relationships with these groups over the year and to assist them to develop targeted services with clearly thought-out objectives, working in line with mainstream services and local authorities' homelessness strategies. The workers liaise closely with each borough to consult on how faith groups can work most effectively, and a wide range of alternative volunteering options are being promoted to faith groups to allow them to play a significant and meaningful role in the goal of ending rough sleeping. The Passage is well placed to deliver this project as it is itself a faith based provider that has developed its services over the years and the way that it maintains its ethos while engaging with the issues around rough sleeping can be used as a positive example to other groups.

RESIDENTIAL SERVICES

Passage House

Passage House is a 48 bed hostel providing accommodation and support services to vulnerable rough sleepers. The clients have mixed and varied support needs and diverse histories but all have one thing in common – they have been sleeping rough on the streets in Westminster.

The staff team

Passage House employs a full time staff team of 20 and employs a regular pool of locums to cover absences. The project is staffed 24 hours a day. In addition to 9 key workers we have a dedicated night team of 4. There are three specialist workers - an Employment Training and Education (ETE) worker, a Resettlement worker and a Private Rented Resettlement (PRS) worker who also help people to move on from Montfort House. Management support is provided by the manager, a deputy and two team leaders. The management are on call 24 hours a day in case of emergencies.

Historically, the project has been divided into three tiers – a 20 bed assessment unit, a further 22 beds that are second stage and finally an innovative 5 bed adult foyer. There are also 2 rooms designated “high support” for clients with the most complex needs.

The assessment service

For most clients the assessment service is the first step off the streets and into accommodation. An initial 21-day licence is granted and a formal assessment of the individuals needs begins. The formal assessment is completed at agreed stages over the 21 days and results with a clear support plan and clear move on strategy within the Westminster pathways. This may be a move to a longer-term hostel, a referral to the local authority for housing or a referral to a specialist service provider. Many clients will go into the second stage beds at Passage House. During the initial 21 days assessment a keyworker will explore in detail any issues that might be preventing an individual accessing accommodation and who agrees a support plan with the resident. The plan is action based and designed to meet the initial needs that may block an individual's route into housing. It will cover basics such as benefits and identification issues and then move on to consider areas such as substance misuse, mental or physical health concerns and to look at the causes of the individual's homelessness.

The second stage

The second stage beds work with a target timeframe of six to nine months. The aim is to pick up on the issues identified in the assessment and provide the linking and support work needed for the client to achieve the positive change that allows them to move onto more permanent accommodation. Again a key worker agrees a support plan with the individual and they jointly work towards set aims. This work is more holistic than that carried out by the assessment centre and an assessment tool known as the “outcomes star” is employed to measure the individual’s growth in 9 key areas. The aim of this is to stabilise an individual successfully and help them to prepare for more independent (though often still supported) living. This year 87 clients who went through second stage completed a planned move through to more independent living.

The high support beds

The high support beds provide an intervention and assessment service for clients who present with the most complex multiple needs. This may often be a short-term stay pending assessment under the Mental Health Act, or it may be simply a safe base while they are trying to sort out prescribing services or other immediate support. Often clients who have come into the high support rooms are able to achieve a level of stability that allows them to then move into the second stage beds and start to work towards longer term goals.

The Foyer Project

The Foyer Project, which aims to replicate the success of traditional foyers for under 25 year olds but with an older client group, has been going well. Many individuals who end up homeless have relatively low (or indeed no) support needs when they actually become homeless. Ex-service men are a good example of this. However, time spent on the streets (and in the hostel system) can be damaging, disempowering and increase institutionalisation. One of the consequences of homelessness is the increased difficulty in getting back into mainstream education or employment. The foyer focuses on each individual’s ability and desire to actively address issues through employment, training and education. A full pre-tenancy support package and life skills support package (in partnership with City of Westminster College) is provided in addition to the input of a specialist education, training and advice worker. The floor on which this is based has been converted to include a kitchen and dining area so residents are able to shop and cook for themselves, either rebuilding skills lost through institutionalisation or learning new ones. The service is supported by our PRS worker who has been helping people into private rented accommodation. This post is funded by a charitable trust. We are continuing to build up relations with private landlords and individuals are being supported through and out of the homelessness cycle and into full financial and social independence.

Passage House is funded by statutory grants from Supporting People, a grant from Central Government administered by Westminster City Council and rents paid by clients generally out of housing benefits, which are supplemented by income from general donations. All of our residents benefit from communal laundry facilities, the provision of a breakfast and an evening meal and cleaning services paid for by a weekly service charge.

Places of Change

Places of Change building works started this year. Funded through the Homes and Community Agency (HCA) the places of change programme aims to encourage homeless agencies to focus on moving service users forward. This includes their access to meaningful occupation and training and employment opportunities. The four key elements to places of change are

- Client involvement
- Welcoming buildings
- Motivated & developed staff
- Empowering services users

The programme will bring massive changes in how we deliver our services in a much improved building. To date two phases of the building works have been completed. Once completed the works will have removed our dormitory accommodation and replaced this with 40 new or refurbished rooms, created a new warm and welcoming reception area, a new client IT resource area, new training kitchen, refurbished kitchen and dining room and new meeting rooms for residents and staff. We are currently consulting with staff and residents at looking at what new initiatives we can introduce to move residents forward in their lives and staff in their careers. The new building will create opportunities to reshape the service especially in relation to how we define the assessment centre and second stage accommodation.

During the year

1. **Literacy Pilot** – The Education, Training and Employment (ETE) worker assisted with the development of a literacy pilot and the subsequent rolling out of this scheme across Westminster. The scheme ensures that all new clients entering residential services are assessed on their literacy needs. One to one support in the form of reading lessons is offered to those in most need and this is delivered by specially sourced volunteers, project workers and (in the most successful cases) other service users.
2. **Re-launch Foyer** – the ETE worker has completed a thorough review of the Foyer service offered at Passage House. Following on from this the Foyer Service Specification has been overhauled to provide a more focused service. Clients receive bespoke support on a time limited licence with regular review dates to ensure progress is being made.
3. **Skills audit** - the ETE worker has completed a thorough skills audit of all residents at Passage House. This is with the view to involving clients in some parts of the redevelopment works at Passage House.
4. **Barclays Money Skills** - the ETE worker has been involved in the feedback process to Barclays bank in the initial stages of developing their Money Skills training. The aim of the training is to break down perceived barriers to opening bank accounts and accessing / understanding financial services. The ETE worker is able to make a direct referral to a volunteer who specialises in opening bank accounts for clients. The Passage House ETE worker will soon have the ability to open bank accounts for clients onsite.
5. **Volunteers** - We have employed as a locum a volunteer project worker who had been volunteering with the Street Link Team.
6. **Abandonments and Evictions** - Through creative and flexible interventions we have reduced our evictions and abandonments and have been involved in developing best practice across the sector in this area.
7. **Places of Change** – we are on track to complete our Places of Change Programme in Summer 2011.

During the year Passage House also continued to work with Westminster City Council to find creative ways to meet the many changing needs of the clients including the No Second Night Out Pilot

Total number of clients worked with		240
Percentage of clients completing a planned move on	*	87%
Number of support hours worked by staff		23,995
Average utilisation of bed-spaces		93%

* Including those moving to other hostels

During the year clients moved on to

Supported Housing	46
Private Rented	10
Housing Association / Council Tenancy	10
Went to stay with friends	10
Returned to family / Returned to previous home	14
Sheltered Accommodation	<u>1</u>
Total (excludes those moving to other hostels)	<u>91</u>

Next year we aim to:

1. Develop real opportunities for residents to develop new skills and need to finalise our client volunteer programme and look to see if we can create internal job opportunities in the form of job tasters, apprenticeships, NVQ training opportunities.
2. Complete the Places of Change building works and launch the new service and create real opportunities for resident involvement. To develop and motivate staff to ensure they are fully embracing the Places of Change philosophy and ensuring Passage House is a real place of change.
3. Continue to work closely with Westminster to ensure Passage House is a place of change for the most entrenched rough sleepers, in line with the development of Passage House.
4. Continue to develop and nurture strong working relationships and communication with the new day services team at the day centre and work on at least two new joint initiatives.
5. Ensure strong housing management by sustaining full occupancy, maximising rent collection, continuing high levels of planned move on, and develop further move on options.

Montfort House

Montfort House provides temporary accommodation in self-contained studio flats for 16 former rough sleepers, both men and women. Individuals using the service can have multiple and complex needs ranging from mental health and alcohol issues through to poly-drug use and a range of vulnerabilities created by street sex work, abuse and chronic homelessness. This year we worked closely with Streetlink to target vulnerable long term entrenched clients all with long and complex homelessness histories. Over the last year we have worked with a total of 5 long term entrenched rough sleepers. We also worked with couples for the first time and have to date had three couples in the project. These are both areas we would like to develop over the coming year. We also took our first dog into the project that belongs to one of the couples. The average stay in normal circumstances is nine months to a year.

The staff team is made up of two key workers with a team leader based on site. In addition to providing appropriate support for the particular needs of each individual, Montfort House’s principal aim is to prepare tenants to move into longer term accommodation. Over the past year we have continued to provide a nine week pre-tenancy programme (delivered both in groups and one to one sessions), an increased life skills programme and a structured approach to addressing key issues for clients moving from hostels into independent living. For many, institutionalisation is a major factor and this, combined with problems around isolation, needs to be addressed as closely as the initial “support need”. We agree individual support plans with clients at the point of entry. These are regularly reviewed to ensure the appropriate levels of support are given – in some cases tapering off as clients become more independent – in others increasing as the new challenges of independent living present themselves.

The actual move into long term accommodation is a critical point for many in the journey from the street into their own homes – this process is managed by the project workers and supported by the resettlement coordinator who continues to work with clients for up to six months after they have moved on.

Summary of work with clients during the year:

Total number of clients worked with	35
Percentage of clients completing a planned move on	87%
Number of support hours worked by staff	3,575
Average utilisation of the flats	98%

During the year clients moved on to

Supported Housing	6
Private Rented	1
Housing Association / Council Tenancy	3
Went to stay with friends	1
Returned to family / Returned to previous home	1
Sheltered Accommodation	<u>2</u>
Total	<u>14</u>

All 14 clients are still in their new homes

Next year we aim to:

1. Complete the review of the service this year, in light of the change of client group, and as part of this review, develop the service to offer a more flexible service that meets the needs of the more vulnerable and entrenched rough sleepers who will not or cannot access other hostels.
2. Link the project to Passage House in ensuring it develops in line with all Places of Change philosophy and best practice especially in relation to developing real opportunities for residents to get real opportunities to develop new skills.
3. Finalise our client volunteer programme and look to see if we can create internal job opportunities in the form of job tasters, apprenticeships, NVQ training opportunities for residents.
4. Continue to strengthen housing management by sustaining full occupancy, maximising rent collection, continuing with high levels of planned move ons, and developing further move on options.
5. Implement the Development Plan for the improvement of the physical environment of the project and agree a best practice standard for all new lettings.

Independent auditor's report to the members of Passage 2000

We have audited the financial statements of Passage 2000 for the year ended 31 March 2011 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the cash flow statement; the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

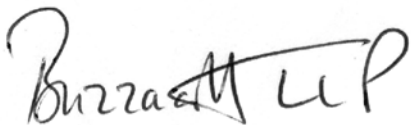
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London EC2V 6DL

6 October 2011

Statement of financial activities - Year to 31 March 2011
(Including income and expenditure account)



	Notes	Unrestricted funds	Restricted funds		Total funds 2011	Total funds 2010
		£	Running Costs £	Buildings Funds £	£	£
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income	1	1,294,785	263,058	-	1,557,843	1,492,201
Bank interest		42,599	-	-	42,599	6,391
<i>Incoming resources from charitable activities</i>						
Grants from statutory bodies	2	-	1,901,525	485,560	2,387,085	2,063,682
Rents and charges to residents		552,077	-	-	552,077	624,614
Total incoming resources		1,889,461	2,164,583	485,560	4,539,604	4,186,888
Resources expended						
<i>Cost of generating funds</i>						
Cost of generating voluntary income		188,907	12,216	-	201,123	199,827
<i>Charitable activities</i>						
Passage day centre and outreach		894,315	1,181,197	76,620	2,152,132	2,276,904
Passage residential services		513,037	888,867	231,786	1,633,690	1,514,705
		1,407,352	2,070,064	308,406	3,785,822	3,791,609
<i>Governance costs</i>		62,098	-	-	62,098	58,955
Total resources expended	3	1,658,357	2,082,280	308,406	4,049,043	4,050,391
Net movement in funds		231,104	82,303	177,154	490,561	136,497
Capital grants		-	-	485,560	485,560	150,000
Net movement in funds before capital grants		£231,104	£82,303	£ (308,406)	£5,001	£ (13,503)

Statement of financial activities (concluded) - Year to 31 March 2011
(Including income and expenditure account)



	Notes	Restricted funds			Total	Total
		Unrestricted funds	Running Costs	Buildings Funds	funds	funds
		£	£	£	2011	2010
Net movement in funds		231,104	82,303	177,154	490,561	136,497
Total funds brought forward		1,197,041	24,387	4,800,896	6,022,324	5,885,827
Funds transferred from The Passage Trust	13	-	-	3,605,215	3,605,215	-
Total funds carried forward		<u>£ 1,428,145</u>	<u>£ 106,690</u>	<u>£ 8,583,265</u>	<u>£10,118,100</u>	<u>£ 6,022,324</u>

The amounts shown above derived from continuing operations.

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

	Notes	Unrestricted funds £	Restricted funds Running Costs £	Buildings Funds £	Total funds 2011 £	2010 £
Fixed assets	4	29,216	-	6,452,594	6,481,810	4,887,156
Current assets						
Debtors	5	781,227	12,216	485,560	1,279,003	489,519
Cash on deposit and in hand		923,530	94,474	1,660,314	2,678,318	923,827
		<u>1,704,757</u>	<u>106,690</u>	<u>2,145,874</u>	<u>3,957,321</u>	<u>1,413,346</u>
Liabilities						
Creditors - amounts falling due within one year	6	(305,828)	-	(15,203)	(321,031)	(278,178)
Net current assets		<u>1,398,929</u>	<u>106,690</u>	<u>2,130,671</u>	<u>3,636,290</u>	<u>1,135,168</u>
Total net assets		<u>£ 1,428,145</u>	<u>£106,690</u>	<u>£8,583,265</u>	<u>£ 10,118,100</u>	<u>£ 6,022,324</u>
The funds of the charity						
Restricted funds						
Revenue funds	7	-	106,690	-	106,690	24,387
Building funds	7	-	-	8,583,265	8,583,265	4,800,896
		<u>-</u>	<u>106,690</u>	<u>8,583,265</u>	<u>8,689,955</u>	<u>4,825,283</u>
Unrestricted funds						
Accumulated fund	8	146,929	-	-	146,929	78,683
Designated funds	8	1,281,216	-	-	1,281,216	1,118,358
		<u>1,428,145</u>	<u>-</u>	<u>-</u>	<u>1,428,145</u>	<u>1,197,041</u>
Total funds		<u>£ 1,428,145</u>	<u>£106,690</u>	<u>£8,583,265</u>	<u>£10,118,100</u>	<u>£6,022,324</u>

Approved by the board of trustees of Passage 2000 (Company Registration Number 3885593)
on 7 June 2011 and signed on its behalf by:-

Ellen T. Flynn.

Sister Ellen Flynn, Chairman

	2011	2010
	£	£
Net cash inflow / (outflow) from operating activities	52,475	(29,843)
Grant received for day centre entrance improvements	-	150,000
Returns on investments		
Interest received	24,458	6,579
Cash inflow before capital expenditure	76,933	126,736
Capital expenditure and financial investment		
Purchases of equipment	38,954	-
Improvements to day centre entrance	6,045	150,000
Passage House improvements	485,560	36,937
(Decrease) in cash before transfer	(453,626)	(60,201)
Cash transferred from Passage Trust	2,208,117	-
Increase / (decrease) in cash	£ 1,754,491	£ (60,201)
Reconciliation of changes in resources to net cash outflow from operating activities		
Net movement in unrestricted funds	231,104	183,549
Net movement in restricted revenue funds	82,303	(98,690)
Net movement in funds from operating activities	313,407	84,859
Interest receivable	(42,599)	(6,391)
Depreciation of equipment	39,159	30,343
Increase in creditors	42,853	93,391
Creditors transferred from Passage Trust	(15,203)	-
(Increase) in debtors, excluding accrued interest receivable and grants for capital expenditure	(285,783)	(232,045)
Debtors transferred from Passage Trust	641	-
Net cash inflow / (outflow) from operating activities	52,475	(29,843)
Analysis of changes in cash		
Closing cash at bank and in hand	2,678,318	923,827
Opening cash at bank and in hand	(923,827)	(984,028)
Increase / (decrease) in cash	£ 1,754,491	£ (60,201)

Basis of accounting

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

Fund accounting

Accumulated fund

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

Designated funds

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

Restricted funds

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

Incoming resources

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

Grants from statutory bodies are credited in the accounting period to which they relate.

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

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

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

Donations in kind and voluntary help

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

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

Resources expended

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

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

Resources expended (concluded)

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

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

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

Pension contributions

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

Fixed assets

Freehold property

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

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

Equipment

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

Depreciation

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

Taxation

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

1 Voluntary income

	Unrestricted funds	Restricted funds	Total funds 2011	Total funds 2010
	£	£	£	£
Individuals	534,541	-	534,541	525,970
Legacies	353,449	-	353,449	192,290
Westminster Cathedral	11,172	-	11,172	17,896
Sisters of Charity of St Vincent de Paul	1,000	-	1,000	1,000
Society of St Vincent de Paul	1,935	-	1,935	1,680
Church & voluntary groups	197,114	-	197,114	220,765
Companies and businesses	70,404	201,857	272,261	185,211
Grants from trusts	125,170	61,201	186,371	347,389
Total funds	£1,294,785	£263,058	£1,557,843	£1,492,201
<i>Total funds 2010</i>	<i>£1,223,154</i>	<i>£269,047</i>	<i>£1,492,201</i>	

2 Grants from statutory bodies

	Restricted Funds		Total Funds	Total Funds
	Buildings		2011	2010
	Revenue	Funds	2011	2010
	£	£	£	£
Westminster City Council	1,796,928	485,560	2,282,488	1,971,010
London Borough of Southwark	50,000	-	50,000	-
Dion	37,000	-	37,000	37,000
Department for communities and local government	11,833	-	11,833	-
Learning Skills Council	5,764	-	5,764	55,672
	£1,901,525	£485,560	£2,387,085	£2,063,682
<i>Total funds 2010</i>	<i>£1,913,682</i>	<i>£150,000</i>	<i>£2,063,682</i>	

Further information on grants is given in note 15 on page 48

3 Resources expended

	Activities undertaken directly £	Support costs £	Total 2011 £	Total 2010 £
Cost of generating funds	93,241	107,882	201,123	199,827
Charitable activities				
Passage day centre	1,894,445	257,687	2,152,132	2,276,904
Passage residential services	1,427,431	206,259	1,633,690	1,514,705
	3,321,876	463,946	3,785,822	3,791,609
Governance costs	5,962	56,136	62,098	58,955
	£3,421,079	£627,964	£4,049,043	£4,050,391
Total 2010	£3,483,790	£566,601	£4,050,391	

	Cost of generating funds £	Passage Day Centre £	Passage Residential £	Governance £	Total 2011 £	Total 2010 £
Support Costs						
Management and planning	65,011	109,349	72,663	26,855	273,878	263,223
Finance	27,213	20,410	13,607	22,162	83,392	67,901
Information technology	10,674	22,949	17,612	2,135	53,370	59,308
Human resources	1,796	47,592	38,613	1,796	89,797	78,314
Facilities management	3,188	57,387	63,764	3,188	127,527	97,855
	£ 107,882	£ 257,687	£ 206,259	£ 56,136	£ 627,964	£ 566,601
Total 2010	£ 102,114	£ 232,962	£ 181,779	£ 49,746	£566,601	

Basis of allocation of support costs

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

	2011	2010
	£	£
<i>Analysis of total staff and volunteer costs</i>		
Wages and salaries	2,472,678	2,588,743
Social security costs	253,228	261,895
Pension contributions and life assurance	77,561	75,084
Agency staff and other costs	143,430	184,766
Training and recruitment	36,130	55,653
Volunteer travel and other costs	11,113	15,459
	<u>£2,994,140</u>	<u>£3,181,600</u>

One employee earned more than £70,000 but less than £80,000 (2010 - one more than £60,000 but less than £70,000) for whom employer's pension contributions of £5,421 (2010 - £ 5,155) were made to the group personal pension plan.

	Full-time	Part-time	Full-time equivalent	Full-time equivalent
<i>Average number of employees</i>	2011	2011	2011	2010
Day centre and outreach	40	9	45	47
Residential services	25	5	27	30
Support services	17	0	17	16
	<u>82</u>	<u>14</u>	<u>89</u>	<u>93</u>

Pensions and life assurance

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

Expenditure for the year includes the following items

	2011	2010
	£	£
Depreciation	<u>£347,565</u>	<u>£128,705</u>
Amounts payable to the auditors (including VAT)		
Audit fees	<u>£15,344</u>	<u>£11,615</u>

Board of trustees' remuneration

No member of the board of trustees received any remuneration or reimbursement of expenses during the two years ended 31 March 2011. The company has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its board of trustees, employees and agents and to indemnify the board or other officers against the consequences of any neglect or default on their part. The insurance premium amounted to £ 1,701 (2010 - £ 1,575) and provides cover up to a maximum of £ 1,000,000.

3 Resources expended (concluded)

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

	Food £	Clothes £	Laundry / shaver £	Total 2011 £	Total 2010 £
Purchases	84,803	-	1,026	85,829	96,042
Contributions from clients	(12,675)	(1,954)	(303)	(14,932)	(9,508)
Deficit / (surplus) on sales	£72,128	£(1,954)	£723	£70,897	£86,534

4 Fixed Assets

	Freehold Property £	Equipment, fixtures and fittings £	Total £
Cost			
At 31 March 2010	5,193,038	201,671	5,394,709
Transfer from The Passage Trust	2,215,000	-	2,215,000
Transfer between categories	36,937	(36,937)	-
Additions during the year	491,605	38,954	530,559
Disposals	-	(3,681)	(3,681)
At 31 March 2011	£7,936,580	£200,007	£8,136,587
Depreciation			
At 31 March 2010	372,240	135,313	507,553
Transfer from The Passage Trust	803,340	-	803,340
Provided during the year	308,406	39,159	347,565
Disposals	-	(3,681)	(3,681)
At 31 March 2011	£ 1,483,986	£ 170,791	£ 1,654,777
Net book value			
At 31 March 2011	£ 6,452,594	£ 29,216	£ 6,481,810
At 31 March 2010	£ 4,820,798	£ 66,358	£ 4,887,156

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

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

5 Debtors

	2011 £	2010 £
Legacies	328,348	112,500
Event sponsorship and advertising	72,216	30,000
Capital grant	485,560	-
Revenue grants paid in arrears	193,151	168,973
Income tax recoverable – Gift Aid	20,859	9,089
Accrued interest receivable	18,141	-
Prepayments	4,702	2,243
Rents and service charges	67,393	114,801
Donations held by intermediaries, principally Charities Aid Foundation	1,490	5,790
Sundry debtors	87,143	46,123
	<u>£1,279,003</u>	<u>£489,519</u>

6 Creditors - amounts falling due within one year

	2011 £	2010 £
Trade creditors	115,718	30,836
Accruals for goods and services	59,783	104,348
Income received in advance	28,250	-
Social Security and payroll taxes	72,575	75,428
Group Personal Pension contributions	9,664	9,827
Housing benefit overpayment	34,869	52,898
Sundry creditors	172	41,841
	<u>£ 321,031</u>	<u>£ 278,178</u>

7 Restricted funds : Movements during the year

	Balance at 1 April 2010 £	Transfer Passage Trust £	Incoming Resources £	Resources Expended £	Balance at 31 March 2011 £
Running costs	24,387	-	2,164,583	(2,082,280)	106,690
Buildings funds					
St Vincent's Centre	4,800,896	-	-	(99,873)	4,701,023
General development fund	-	2,010,574	-	-	2,010,574
Passage House	-	1,503,477	485,560	(208,533)	1,780,504
Passage Day Centre	-	91,164	-	-	91,164
	<u>4,800,896</u>	<u>3,605,215</u>	<u>485,560</u>	<u>(308,406)</u>	<u>8,583,265</u>
Total restricted funds	<u>£ 4,825,283</u>	<u>£ 3,605,215</u>	<u>£ 2,650,143</u>	<u>£ (2,390,686)</u>	<u>£ 8,689,955</u>

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

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

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

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

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

The Passage House restricted fund consists of

- (i) the historic cost of Passage House to The Passage Trust less accumulated depreciation to 31 March 2010 (it includes the Lily Ann & William Wiggins Fund of £ 146,045, which the donor agreed could be used for this purpose); and
- (ii) grants payable to the company to develop Passage House.

8 Unrestricted funds : Movements during the year

	Balance at 1 April 2010 £	Increase in funds During the year £	Transfers £	Balance at 31 March 2011 £
Accumulated fund	78,683	231,104	(162,858)	146,929
Designated funds				
Funding contingency	900,000	-	200,000	1,100,000
Statutory redundancy	152,000	-	-	152,000
Equipment	66,358	-	(37,142)	29,216
	<u>1,118,358</u>	<u>-</u>	<u>162,858</u>	<u>1,281,216</u>
Total unrestricted funds	<u>£1,197,041</u>	<u>£231,104</u>	<u>£ -</u>	<u>£1,428,145</u>

The designated funds are held for the following purposes:-

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

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

The equipment fund represents the net book value of equipment.

9 Changes in resources applied for fixed assets for charity use

	Unrestricted Funds £	Restricted Funds Revenue £	Buildings £	Total Funds £
Net movement in funds for the year	231,104	82,303	177,154	490,561
Transfer from Passage Trust	-	-	3,605,215	3,605,205
Net decrease / (increase) in tangible fixed assets for direct charitable purposes	39,142	-	(1,631,796)	(1,592,654)
Net movement in funds available for future activities	<u>£ 270,246</u>	<u>£ 82,303</u>	<u>£ 2,150,573</u>	<u>£ 2,503,122</u>

10 Analysis of net assets between funds

	Fixed Assets £	Net current assets £	Total £
Restricted funds			
Revenue funds	-	106,690	106,690
<i>Buildings funds</i>			
St Vincent's Centre fund	4,726,970	(25,947)	4,701,023
General development fund	-	2,010,574	2,010,574
Passage House	1,725,624	54,880	1,780,504
Passage Day Centre	-	91,164	91,164
Total restricted funds	6,452,594	2,237,361	8,689,955
Unrestricted funds			
Accumulated fund	-	146,929	146,929
Designated funds	29,216	1,252,000	1,281,216
Total unrestricted funds	29,216	1,398,929	1,428,145
Total funds	<u>£ 6,481,810</u>	<u>£ 3,636,290</u>	<u>£ 10,118,100</u>

11 Related party transactions

The board of trustees (“the board”) manages the charitable activities of the company.

The rules for the appointment of the board of trustees and its chairman and vice chairman are set out in the board’s report on pages 9 and 10. For the reasons set out on pages 10 and 11, The Passage Trust, the Sisters of Charity of St Vincent de Paul (“the Sisters”) and Westminster Cathedral are related parties.

Transactions with the Sisters

In order to minimise costs and because of the nature of sharing the building, certain services are purchased jointly and appropriate recharges are made. These arrangements have continued since the change of ownership and contracts have been transferred as they become due for renewal. The Passage was recharged by the Sisters’ costs of £ 22,123 (2010 - £ 63,854) and the Sisters also reimbursed costs of £ 19,672 (2010 - £8,525) incurred on their behalf by The Passage. These transactions were carried out on an arm’s length basis. In addition The Passage has charged the Sisters £ 19,498 (2010 - £ 22,500) for the long-term maintenance of the building under the terms of the lease (see note 12). The Sisters also made grants and donations of £1,000 (2010 – £1,000) to The Passage.

Transactions with Westminster Cathedral

Westminster Cathedral made grants and donations and collected donations on behalf of The Passage amounting to £11,172 (2010 - £17,896). The Cathedral provided facilities for the collection of money to assist the work of The Passage and no charge was made for this facility.

Transactions with The Passage Trust

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

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

12 St Vincent’s Centre

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

Under the original purchase agreement, the consideration was payable in instalments with £ 1 million being payable on completion and then five annual instalments of £ 800,000. The outstanding balance was subject to interest. The original purchase was subject to leases back to the Sisters of certain parts of the building for five years and on the Sisters’ house for twenty years. The Passage received advice on the purchase from Cluttons, chartered surveyors. The terms of the contract with the Sisters were renegotiated and a final payment of £ 4 million was made to the Sisters on 31 March 2005. In return the Sisters waived the interest due for the period 28 September 2004 to 31 March 2005. In addition the terms of the five-year lease were modified to allow The Passage to elect to give notice for early termination. Should The Passage wish to dispose of the property before 28 September 2024, the Sisters written consent is required.

The Sisters’ lease on the parts of the building they presently use for their charitable work expired in September 2009 and a new lease over a slightly smaller area was issued for a five year period to 28 September 2014 but subject to the right of The Passage to give 12 months notice.

St Vincent's Centre Development

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

13 Transfer of assets from The Passage Trust

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

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

14 Passage House redevelopment

The Passage is in receipt of a grant of £1.5 million payable through Westminster City Council to redevelop Passage House under the Places of Change programme. The Passage has granted a five year charge over Passage House to the Council to secure the repayment of the grant in certain circumstances. At 31 March 2011 further commitments of £793,956 existed under contracts to carry out this redevelopment.

15 Grants from statutory bodies - further information

Westminster City Council		£
Passage House improvement grant under places of change program	Cost of remodelling Passage House hostel to convert shared rooms into single rooms and refurbish the hostel	485,560
Day centre grant	Cost of employment and related overheads for fourteen workers employed in the day centre in the areas of general project work, housing and welfare rights advice, mental health and substance abuse and resettlement support.	407,245
Passage House grant	Contribution to the running of Passage House	215,859
Building Based Services grant	Funding for Passage day centre work with rough sleepers and street link work and for an administrator to coordinate work with rough sleepers in Westminster	468,836
A10 nationals grant	To provide a specialist worker for street outreach work with Eastern European clients, funding for four bed spaces in Passage House and activities to help them into employment or to return home.	64,443
Supporting people grant	Funding for workers giving general counselling and advice in Passage House	531,061
	Funding for workers giving general counselling and advice in Montfort House	109,484
		<u>2,282,488</u>
London Borough of Southwark	Grant to coordinate work by faith based groups particularly soup runs	50,000
European Social Fund through Learning skills council	Grant for work undertaken to assist homeless people in taking up employment	5,764
Department for communities and local government		
Severe Weather grant	To operating severe weather shelter during the period when the temperature was below freezing	2,833
Research grant	Research into engagement with long term rough sleepers	9,000
Dion	Funding to employ a worker to coordinate the day centre's services to Irish clients and to research their needs.	37,000
Total grants from statutory bodies		<u>£ 2,387,085</u>

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

Activities undertaken directly

	Cost of generating funds £	Passage Day Centre £	Passage Residential Services £	Governance £	Total 2011 £
Staff Direct Employment Costs	50,908	1,498,131	881,552	5,962	2,436,553
Volunteers	162	10,256	63	-	10,481
Training	1,463	11,161	2,321	-	14,945
Recruitment	-	4,348	2,806	-	7,154
<i>Total staff and volunteer costs</i>	<i>52,533</i>	<i>1,523,896</i>	<i>886,742</i>	<i>5,962</i>	<i>2,469,133</i>
Food net of contributions	-	72,128	62,157	-	134,285
Laundry net of contributions	-	723	895	-	1,618
Surplus on clothes	-	(1,954)	-	-	(1,954)
Client welfare and interpretation	-	23,706	7,180	-	30,886
Provision for irrecoverable rents	-	-	51,585	-	51,585
Client education & training	-	1,245	-	-	1,245
Maintenance repairs and renewals	464	22,220	33,651	-	56,335
Depreciation	-	84,763	262,800	-	347,563
Furniture and equipment	1,707	13,192	18,369	-	33,268
Rent & service charges	-	217	90	-	307
Council tax & business rates	-	3,366	726	-	4,092
Insurance	-	22,640	28,019	-	50,659
Electricity	-	11,978	26,136	-	38,114
Gas	-	27,978	25,174	-	53,152
Water	-	20,201	5,658	-	25,859
Cleaning materials, etc.	64	11,250	9,864	-	21,178
Telephone	-	11,013	3,818	-	14,831
Postage	5,436	901	55	-	6,392
Printing and stationery	6,970	14,755	1,797	-	23,522
Travel	-	25,488	2,424	-	27,912
Medical / First aid	-	47	-	-	47
Publications	57	29	-	-	86
Subscriptions	303	1,983	-	-	2,286
Television licences	-	-	292	-	292
Sundries	-	-	-	-	-
Professional fees	529	2,679	-	-	3,208
Advertising and publicity	25,178	-	-	-	25,178
<i>Total other costs</i>	<i>40,708</i>	<i>370,548</i>	<i>540,690</i>	<i>-</i>	<i>951,946</i>
Total costs	£93,241	£1,894,444	£1,427,432	£5,962	£3,421,079

The above analysis of costs includes a charge of £ 77,934 for depreciation on Passage House, which was included in the accounts of The Passage Trust in the previous year.

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Total expenditure

	Activities Directly Undertaken £	Support Costs £	Total Expenditure 2011 £	Total Expenditure 2010 £
Staff Direct Employment Costs	2,436,553	507,497	2,944,050	3,110,488
Volunteers	10,481	632	11,113	15,459
Training	14,945	15,565	30,510	28,248
Recruitment	7,154	1,313	8,467	27,405
<i>Total staff and volunteer costs</i>	<u>2,469,133</u>	<u>525,007</u>	<u>2,994,140</u>	<u>3,181,600</u>
Food net of contributions	134,285	-	134,285	161,084
Laundry net of contributions	1,618	-	1,618	69
Surplus on clothes	(1,954)	-	(1,954)	(785)
Client welfare and interpretation	30,886	-	30,886	35,437
Provision for irrecoverable rents	51,585	-	51,585	38,397
Client education & training	1,245	-	1,245	733
Maintenance repairs and renewals	56,335	2,175	58,510	60,630
Depreciation	347,563	-	347,563	128,705
Furniture and equipment	33,268	16,358	49,626	56,629
Rent & service charges	307	55	362	2,140
Council tax & business rates	4,092	125	4,217	5,105
Insurance	50,659	3,995	54,654	60,202
Electricity	38,114	2,125	40,239	36,657
Gas	53,152	3,816	56,968	59,110
Water	25,859	2,756	28,615	30,001
Cleaning materials, etc.	21,178	1,596	22,774	21,974
Telephone	14,831	1,939	16,770	17,241
Postage	6,392	394	6,786	6,099
Printing and stationery	23,522	3,992	27,514	28,323
Travel	27,912	-	27,912	24,933
Medical / First aid	47	-	47	235
Publications	86	57	143	169
Subscriptions	2,286	7,034	9,320	16,124
Bank charges	-	5,001	5,001	4,743
Audit and accounting	-	15,344	15,344	11,615
Television licences	292	-	292	286
Sundries	-	-	-	28
Professional fees	3,208	36,195	39,403	39,051
Advertising and publicity	25,178	-	25,178	23,856
<i>Total other costs</i>	<u>951,946</u>	<u>102,957</u>	<u>1,054,903</u>	<u>868,791</u>
Total costs	<u>£ 3,421,079</u>	<u>£ 627,964</u>	<u>£ 4,049,043</u>	<u>£ 4,050,391</u>

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