



Annual Report and Financial Statements

31 March 2010

Company Number 4333875
Registered Charity Number 1090836

Cardinal Hume Centre
Annual Report and Financial Statements
For the year ended 31 March 2010

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Trustees' Report

"Each person matters; no human life is redundant. Every individual must be given the opportunity to live a life in which his or her basic needs are provided for and in which, so far as is reasonably possible, their full potential is realised."

Cardinal Basil Hume

Principal Activities

The Cardinal Hume Centre works with homeless young people, badly housed families, refugees, asylum seekers and migrants, helping them to obtain employment and to break out of the cycle of homelessness and exclusion.

The objects of the Centre, set out in the Memorandum and Articles of Association, in particular are:

- To advise, assist and counsel young persons who are in need and their families in order to promote their mental, spiritual and physical welfare;
- And for that purpose to run the Cardinal Hume Centre and such other centre or organisation as the Trustees think fit.

The Centre focuses on 4 major categories of need.

Lack of Income: we offer employment advice and job search, financial management and budgeting, debt advice and advocacy, and benefits advice.

Lack of Housing: we offer a 32-bed hostel for 16–21 year olds, an 8-bed hostel for people in recovery from substance misuse, and housing advice and advocacy.

Lack of Education and Skills: we offer English classes, IT training, adult literacy, parenting and life skills and work experience.

Lack of Formal Immigration Status: we offer immigration advice and advocacy.

In addition, a fully-fledged medical surgery together with specialist drug and alcohol services, are available on site, as is spiritual and pastoral support.

The Centre aims to ensure each client can engage in a journey of development and undertake a pathway to employment. Each potential new client now enters the Centre through the Gateway where the first step is to undertake a comprehensive assessment of need. This is the beginning of the pathway, either to access internally delivered services or to be referred to another organisation, which is better placed to

respond to the primary presenting need. There are three teams of front line staff dedicated to helping clients on their journey of development: an Assessment and Client Engagement (ACE) team, a Learning, Development and Employment (LDE) team and a Housing and Residential Services (HRST) team. Active partnerships have also been developed with a range of organisations and agencies, which support and complement the internally delivered services.

Review of the Year's Activities

The Centre developed a three-year Business Plan as a key tool towards achieving its charitable objectives. The following provides an overview and examples of outcomes against objectives contained in the plan from the year to 31 March 2010 (available on the Centre's website www.cardinalhumecentre.org.uk.)

Assessment and Client Engagement

1,321 people (2009: 1,391) used the Centre's services during the year, of whom 815 (2009: 942) were registered in the Gateway as new clients; 560 (2009: 783) received a full needs assessment. Following the introduction of the new assessment system, last year's figure includes assessments of pre-existing clients as well as new clients.

Planned for 2009/10: To develop an outcomes framework and ensure that every client is offered one-to-one support and has an individual development plan in the regular review of which they are actively involved.

We have now completed the re-organisation and strengthening of the Assessment and Client Engagement team and decided on an appropriate outcomes framework. Work is now progressing to ensure all staff, including volunteers and mentors, are appropriately trained and our database systems updated.

Whilst the number of plans reviewed increased to 15% (2009: 8%) we remain committed to increasing this amount substantially to 85%. The completion of our work developing frameworks, training and systems, combined with increasing the numbers of volunteer mentors, are the means by which we aim to be able to extend, as well as improve, the one-to-one support given to clients.

Simon's Story

21 year old Simon Binns was kicked out of home at the age of 16, a crucial time as he was about to take his GCSEs. Hounslow Council put him into bed and breakfast accommodation in Hayes, six miles from his school. He had no money, so had to walk or dodge fares on the buses. He was expelled from school, though not before managing to get four GCSEs at grade C. He was moved to Chiswick for a while but then was told to move out by the landlord because he did not have housing benefit to pay the rent. Hounslow Council then declared that he was intentionally homeless. The reality was the Simon knew nothing about the need to apply for housing benefit or the processes involved. "I then got in with the wrong crowd, ended up taking drugs and sleeping rough for two and a half months," said Simon, who went on to stay at a friend's house before moving to a local Hostel from which he was banned. A fellow homeless person then helped him out for a while and it was around this time that Simon first came in contact with the Centre and was assigned to Tim, one of the Client Engagement Team, who worked with him on tackling his anti social behaviour. It wasn't long before the police caught up with him and Tim helped Simon through the resulting court case. He received an 18 months community service sentence as a young offender and from this moment began to turn his life around. Tim helped him enroll at college and to find somewhere to live, where he was well out of the drugs culture that had helped drag him down. Things then began to look up and now Simon is a trainee management consultant and qualified sports coach.

Our Immigration Advice and Support services continued to develop with particular growth in taking up the more complex and difficult cases: Level 3 advice was given to 40 clients (2009: 10), Level 2 to 22 clients (2009: 30) and Level 1 to 25 clients (2009: 36). 32 clients (2009: 10) accessed immigration advice relating to work and welfare rights.

Ali's Story

20 year old Ali Sadeghi is from Afghanistan. He and his family witnessed murder, torture and had suffered severe beatings in their home area that is under the control of the Taliban. The decision was taken to leave. The family travelled for months through the desert and over mountains, to reach safety. Eventually they arrived in Britain and were given refugee status. However, the health of the family had deteriorated to the point that they all suffered from post traumatic stress and Ali's brother in particular developed severe epilepsy, which manifested itself in major fits and violent mood swings. Ali felt he needed to leave his home as he became the main target for no obvious reason. He failed to get accommodation from the

local council and other agencies and soon found himself living on the streets. He was regularly abused and beaten as he slept rough; he became depressed even attempting suicide. Ali managed to get a 28-day stay at a short-term hostel and was then referred to the Cardinal Hume Centre. Ali started to receive counselling which helped him come to terms with the difficulties he had faced. "I started to climb a mountain but this time I had someone to hold my hand." Following months of negotiation and lobbying by the Centre's staff, including the Immigration Advice Officer as well the Housing Advice team, Ali moved into his own flat and is studying for an NVQ in construction.

Housing and Residential Services

There was a 97% occupancy rate (2009: 98%) in the 32-bed Hostel for 16 to 21 year olds and 17,264 hours of contracted support (2009: 16,106) were provided. 80% of residents left the service in a planned way (2009: 88%). During the year we accepted more clients with higher needs who therefore required a longer than average stay which reduced the number of move-ons.

There was a 95% occupancy rate (2009: 97%) in the 8-bed Hostel for people in recovery from substance misuse and 4,011 support hours (2009: 3,094) were provided. 75% of residents left the service in a planned way (2009: 75%)

Daniel's Story

"My name is Daniel Harbottle. I was homeless and living on the streets of London. Whilst on the streets I was at the lowest I had ever been. I left the army and just could not adjust to "Civvie Street". I kept getting into trouble with the police and it led to me getting four months in Wandsworth prison – but at least I was warm and had a bed to sleep in. It was when I got out of prison I was introduced to the Cardinal Hume Centre and from then on everything got a whole lot better. I could get showered and washed just about every morning and make myself look presentable. I got help with benefits and with the help I received from the Centre I found myself a job in West Sussex as a bar man. After three months I was the bar manager. The company I worked for went into liquidation, so I moved to Scotland for another job running bars for a hotel chain. But I soon got tired of making money for others and thought "I want to make money for myself." So I moved to Aberdeen and started my own company – Dan's Building Solutions Ltd – restoring granite buildings in and around Aberdeen. I've also met the girl of my dreams and have a baby boy who's 8 months old – and another on the way. It is still hard to take in that in three and a half years I've gone from

being broke and on the streets to having a family and my own business."

We submitted a self assessment review at Level A (2009: B) under the local authority's Supporting People Quality Assessment Framework and our funding was renewed for the next three years, subject to maintaining level A.

Housing advice was provided to 480 clients (2009: 400) with 120 (2009: 100) successfully re-housed via other agencies and providers.

Roshni's Story

Roshni Seeam came to the Centre for help when she was heavily pregnant with an expected delivery date of December 2009. Roshni had come to the UK on a student visa, which expires in May 2011. Whilst here she became pregnant but unfortunately the father of her unborn child died. The deceased father of the child was of a different racial background. This had caused huge strain on family relations who continued to pressure Roshni not to have or keep her unborn child. Roshni was hoping that she could have her baby back home in Mauritius and leave the child with her mother to look after whilst she came back to the UK and completed her studies. Unfortunately the relationship with her family members had broken down to a point where Roshni and her child would have been shunned if she returned back home and therefore this was not an option. She was then staying with a friend of hers who was renting a room privately. However the landlady had found out about this arrangement and wanted Roshni out by Saturday 6th November. Roshni wanted to bring up her child but unfortunately had no emotional or financial help available to her. Without the support of Social Services, Roshni and her unborn child would become destitute, as she has no recourse to public funds and is not eligible for housing assistance under the Housing Act due to her immigration status. Following advocacy by the Centre, Social Services accepted a duty of care for Roshni until her baby was born and the Centre continued to work with her to ensure she was accepted for a longer term stay in the UK.

Planned for 2009/10: To re-develop our 8-bed hostel.

We have applied for planning permission to redevelop the site and have made considerable progress in discussions with Westminster Council regarding appropriate priority client groups and potential for funding. We are taking this development project forward in 2010/11 as a priority.

Learning, Development and Employment

Planned for 2009/10: To use the data from our client need survey to further develop service provision and to refocus staff resources where possible and necessary (for example into financial management and debt advice and advocacy). To introduce criteria for priority access to the Family Services, including use of the crèche, and for entry into the English classes and Adult Literacy services. To recruit skilled volunteers and increase the crèche facility, to reduce the waiting list for access to the Adult Literacy and Development service. A decision will be made in September 2010 as to the feasibility of providing services over the Christmas period, alongside the year-long residential services.

Direct support hours increased substantially in our Family Services to 1,827 (2009: 864) and 66 parents (2009: 55) accessed further learning and development opportunities within the Centre. We increased the number of crèche sessions to seven increasing the provision by 4 hours per week enabling an average of 16 families per week from the waiting list to access learning and development opportunities (2009: 5). Overall numbers of children and parents fell as we concentrated on providing more focussed attention on 111 children (2009: 200) and 87 parents (2009: 100) during the year.

Annie's Story

Annie Beggs is a 25-year-old mother of five children, three of whom are under five years old. Since 2000, she has lived in a cramped two-bedroom flat on the eighth floor of a council estate in Pimlico. Her three eldest children are squashed into one bedroom, where there is only enough room for their beds, and her twins share Annie's bed every night. She has very little furniture in the living room as she wants the children to have some space to call their own. The council have told Annie that it will be at least four years before she will be re-housed. "The girls are getting older and need to have their own space," she says. "I love my children but sometimes would like a room of my own where I can shut the door and have five minutes for me." The Centre is a lifeline for Annie and her family. "The Centre gives us all support in all kinds of ways; the children can play without complaints from neighbours. I am learning to cook healthy balanced meals from a small budget and I get to talk to other adults and feel normal, and to learn new things."

143 people (2009: 168) received support and advice directly related to gaining employment or better work through our employment services. 19 people obtained jobs which they have sustained (2009: 11) in the year.

An average of 29 hours of English lessons (2009: 27) were given each week supporting 166 clients (2009: 92) and 128,000 hours (2009: 115,200) of individual face to face and group tuition were delivered over the year. The waiting list at the end of the year was 120 people.

87 adult literacy assessments took place (2009: 50) and 87 clients were supported on a one-to-one basis in developing their literacy skills in the short or long term using a variety of learning tools.

100 long-term learners accessed the IT suite (2009: 56) and 7 clients (2009: 19) obtained formal CLAIT qualifications. In addition, we increased the opportunity for drop-in job search and forged a new partnership whereby an external provider introduced family learning one day per week.

The Centre remained open throughout the Christmas period welcoming 65 people on Christmas day including 20 children.

Ellen's Story

"My name is Ellen Higgins. I am registered disabled. I am profoundly deaf and I have thyroid and heart problems, which means I cannot work. At the age of 8, I was placed in a residential care home for children with disabilities. But my educational needs were not met and I still find reading and spelling very difficult. I have a son aged 12 years who is also registered disabled. I first attended the Centre when he was 3 years old; he had outbursts of temper and mood-swings which I was unable to cope with at the time. The Centre staff helped me realise that there was a problem and put me in contact with a Child Behaviour Therapist. My son was later diagnosed as having Asperger's Syndrome and I received lots of support through his nursery and primary school years. My son is now at a special needs school in North London. I still find it hard to cope with him and often come to the Centre for advice. In August we went on a farm holiday to Glastonbury with the Centre. We had a wonderful time and I felt that no-one was judging me because of my son's behaviour. He amazed everyone with his memory recall by naming the kings and queens of England. He felt very proud and was really happy with the praise he received. Since coming home from the holiday there has been a great improvement in my son's behaviour. The staff tried to encourage me to join the literacy class at the Centre but I never felt confident enough to do so. When the Centre helped me obtain a computer for my son to use at school, I realised I was unable to help him use it. So they introduced me to the Adult Learning and Development Officer, who has helped me with basic computer skills. I attended 4 sessions with 3 other people who had no knowledge of computers and I had a great time. I

want to continue to learn. The Friday book club is my next goal. Learning again has broken down so many barriers for me. I don't feel invisible anymore."

Raising Support

The Centre is fortunate in being able to complement its statutory funding with funding from a wide range of donors including individuals, trusts, parishes, schools and religious organisations.

The major statutory funder of the charitable activities is Westminster City Council which provides funds for our Residential Services (through its Supporting People funding). Our Supporting People funding was renewed during the year for a further three years, subject to maintaining level A under their Quality Assessment Framework.

Major trusts included Ashden Trust, BBC Children In Need, Comic Relief, E B M Charitable Trust Garfield Weston Foundation, Henry Smith (Estates Charities), Maurice and Hilda Laing Foundation, Peter De Haan Charitable Trust, Peter Stebbings Memorial Trust, Sandra Trust, Sir Harold Hood's Charitable Trust, St John Southworth Fund, Street Smart, Holbeck Charitable Trust, Doughty Hanson Charitable Foundation, Anderson Charitable Trust

The Centre would also like to record its appreciation for the financial and operational support offered by the Catholic community and its endorsement of the work carried out on behalf of homeless and vulnerable people.

Planned for 2009/10: To articulate the key messages coming out of the major change process undertaken in 2008/09 and resulting re-focused mission, and, following on from this, to produce new fundraising materials, to update and enhance the web-site as well as organising an event to mark the 10th Anniversary of Cardinal Hume's death on 17 June and to celebrate his life and legacy in an appropriate manner.

We produced new fundraising materials and organised a special Mass at Westminster Cathedral to mark the 10th anniversary of Cardinal Hume's death. We were not able to enhance the web-site this year and this is now being actively taken forward together with refreshing our branding and visual image.

Services and Organisational Development

Planned for 2009/10: To strengthen the Assessment and Support teams to enable more clients to have both one to one support and regular assessments of progress. And to refocus the service delivery staff into new teams whose engagement with clients is geared more clearly to employability. We also planned to introduce further changes in the light of the data from the 'Are We Listening?' client survey carried out in March 2009, particularly around helping clients deal with the impact of the deepening recession, and to redouble our capacity to help clients gain work experience and/or paid employment.

We completed the re-organisation of front line staff into three Operational Teams, and successfully recruited two new Managers and implemented the re-focusing of services around the key objective of employability and financial inclusion.

We also established a new partnership with Toynbee Hall and currently have a member of staff from Toynbee Hall on secondment to build our capacity to develop the financial capability of clients.

Planned for 2009/10: To complete the Business Plan by September 2010 and to use it as a key tool in forward planning and financial control, especially in the prevailing economic climate, as well as to attract new funding.

We have established a new planning cycle and considerably enhanced our Business Planning. Our new Business Plan covering the three years to 2012/13 was approved by the Board of Trustees in March 2010 and is available on our website.

Governance and Management

Planned for 2009/10: To follow through on the priority recommendations of the Governance Review (May 2009), namely the establishment of additional Sub-Committees including Risk and Compliance, Service Development, and Fundraising and Communications, and the recruitment of new Trustees to fill the identified skills gaps on the Board.

The additional Sub-Committees with 2 Trustees serving on each Committee working with senior staff to deliver key pieces of work are now fully functioning. An open recruitment process undertaken in the summer of 2009 attracted 30 expressions of interest from a diverse range of

people interested in becoming Trustees; the four successful applicants joined the Board in March 2010.

As a necessary component in embedding the organisational restructuring, we embarked on a Management Development programme for Senior and Middle Managers learning together and sharing good practice on the coaching style of management. We intend to follow through with a second phase of training on being 'Effective Managers' in the coming year.

Future Plans

Our priority initiatives over the next year (2010/11) will be:

1) Deepening impact

We will agree on a common assessment framework for the client to measure his or her own progress which will also indicate what support they need to continue on their development journey and enable us to better monitor outcomes. We will back this up by investing in a improved database including technical support and training. We will invest in developing the use of volunteers. 1,000 clients will have plans in place that set out what they want to achieve and the steps they need to take to reach those aspirations. 150 clients will be supported by a mentor or coach appropriate to his or her needs.

2) Meeting the needs of our community

2i) Improvement of specific services

Over the next year we will review the immigration advice service to ensure that we are using this resource to reach as many clients as possible and monitor the number of test cases we can mount as result. We will revisit the recommendations of the review of the Family Services undertaken in 2008, to ensure we are reaching families in most need and to maximise this service's role in contributing towards client employability and financial inclusion.

Our 8-bed hostel for people in recovery from substance misuse is in urgent need of refurbishment. We will develop a business case for the different options for development, ranging from a complete redevelopment to suit different client profiles and needs, to a straightforward refurbishment and retaining the current client group. The business case, which will be presented to the Trustees for decision in the early part of the year, will take particular account of the implications of the development on our current and future relationship with Westminster Council. We will then begin to implement the chosen

option in the second half of the year.

2ii) Extension of services

We will extend our service provision through more use of evening hours and weekends, to maximise the use of restricted space and to reduce waiting lists for certain services. This will also enable us to provide support to some clients who cannot access specific services during daytime hours. We will identify new partnerships, and look to strengthen existing ones, particularly those that complement our overarching objective of employability.

In line with the findings of the 2009 survey of client need, we will identify resources to run a pilot scheme for a new service that of helping clients to become financially capable and to underpin progress made in other areas of their lives through increased financial stability. Subject to the findings of the pilot scheme, we will seek to attract new sources of funding and support in kind for this service.

2iii) Stakeholder and client engagement:

We will carry out and establish a regular framework for stakeholder and client engagement to feed-in to the annual revision of the business plan.

3) Financial sustainability

The Centre's income and expenditure has more than doubled over the last seven years and we have also been able to increase our level of reserves. However, much of the increase in income over the last three years has come through substantial legacy income and our current level of services now relies on good levels of legacy income. As legacy income is unpredictable, the overall financial plan looks at reducing the reliance on legacies over a number of years by holding core expenditure growth to 2% p.a. and growing other income streams whilst maintaining a specific legacy reserve in case of shortfalls in future legacy income. Our target is to increase voluntary income (excluding legacies) to £925,000. Specific fundraising activities and targets will be built into the celebration of the Centre's 25th Anniversary in 2011.

4) Staff and Volunteer Team

We will develop our processes and resources to recruit and support volunteer mentors so that 150 clients will be supported by a mentor or coach appropriate to his or her needs. We will ensure that all staff have been trained in the core competencies necessary to deliver their functions including new training in common assessment tools and methodology. We will continue to

develop our management training and development programmes including modules in performance management, appraisals and recruitment.

Financial Review

Results for the year

The Centre's income for the year was £2,251,000 (2009: £2,558,000). 2009 had record levels of legacy income (£743,000) so it was expected that income would be lower this year. However the final figure for 2010 was better than we had expected. £495,000 legacy income, whilst lower than the previous year, is still an historically high figure and other donation income increased by 6% to £858,000 (2009: £812,000) despite the general economic situation. This was a testament both to the generosity and loyalty of our many supporters and to the work of the fundraising team. Incoming resources from charitable activities reduced to £832,000 (2009: £904,000), with the ending of the three year grant from the London Development Agency, and investment income at £13,000 (2009: £47,000) was affected by the reduction in base rates.

Expenditure for the year was £2,229,000 (2009: £2,211,000). Despite maintaining and developing the expansion of the services started last year, costs only rose slightly because of better financial control, efficiencies, and increased use of volunteers and mentors.

This enabled the Centre to have a small surplus for the year of £22,000 (2009: £347,000).

Reserves

The Board of Trustees reviews the Centre's reserves policy annually.

The current economic and funding environment remains challenging whilst the needs of our client groups continue to grow. The overall aim of the reserves policy is to ensure that the Centre is using an appropriate level of resources in responding to need whilst maintaining sufficient reserves to ensure stability and flexibility.

In considering these factors, the Trustees have established two new designated funds and revised the target level for the general reserve fund so that it represents between two and four months expenditure. At the year-end, the balance on the general fund was £580,000 which represented 3.1

months expenditure.

The Centre currently depends on high levels of legacy income to maintain core expenditure. The financial plan for the next three years looks at reducing that reliance through increasing other income sources. However the Centre will still need high levels of legacy income which can fluctuate considerably from year to year. To protect against potential shortfalls, the Trustees have established a legacy reserve of £700,000 so that services can be maintained if actual legacy income comes in less than planned.

The Trustees have also established a reserve for property maintenance and refurbishment of £150,000. Property maintenance and refurbishment can fall very unevenly from year to year. So this reserve enables the Centre to maintain appropriate amounts to meet maintenance and refurbishment needs.

Given the need for the above reserves, the Trustees have released the amounts previously designated for the development of the Centre. Plans continue, however, to develop the Horseferry Road Hostel which will require identifying new sources of capital funding from statutory and voluntary sources.

A fixed asset fund is also maintained representing the net book value of tangible fixed assets after long-term financing to indicate these resources are not available for other purposes. At the end of the year this stood at £1,821,000 (2009: £1,891,000).

Investment Policy and Performance

The Centre's investment policy covers the investment of all monies held by the Centre that are surplus to the amounts needed to run the Centre on a day-to-day basis. The investment policy seeks to balance return with security, liquidity, and ethical integrity and is reviewed regularly so as to respond to any changes in the Centre's needs and the economic environment. At 31 March 2010, invested monies were held in the form of cash deposits with several banks and an investment company. The Centre does not invest its funds in a way that might be inconsistent with its aims and objectives, in particular its commitment to address the causes and effects of homelessness and poverty.

During the year interest received totalled £13,000 (2009 - £47,000) which represented an average return of 1.0% p.a. against an average base rate of 0.5% p.a..

Structure, Governance and Management

Organisational Structure

The Centre is governed by the Board of Trustees, who are also Directors of the Company. They usually meet five times annually. The Archbishop of Westminster appoints one Trustee and the remaining Trustees are elected by the Members at the Annual General Meeting. The Trustees may also appoint a Trustee to serve until the next Annual General Meeting, at which time he or she would cease to hold office but would be eligible for election.

The Board of Trustees' current composition and changes in the year is set out on page 21. Vacancies for Trustees are advertised in the local and national press. On appointment, Trustees are encouraged to participate in an all Centre induction to become familiar with the activities of the Centre. They also receive relevant information relating to the Centre and their responsibilities as Trustees. They are invited to attend relevant training to keep abreast of changes in charity governance that may affect the Centre. They are encouraged to form a working relationship with the Senior Management Team as appropriate and as far as feasible they are welcomed to assign time to any service or area of operation that corresponds either to their expertise or personal interest.

New Board Sub-Committees were established during the year and the following Committees now meet regularly to monitor the following areas:

- Service Development
- Finance
- Risk and Compliance
- Buildings
- Fundraising and Communications
- Personnel and Staffing.

The day-to-day management of the Centre is delegated to the Chief Executive and Senior Management.

Partnerships

In pursuing its aims and objectives, the Centre is guided by local and regional partnerships with Westminster City Council, Children's Centres, Primary Care Trust, SITRA and Homeless Link. At the service level, the Centre has close connections with other like-minded organisations that provide

services relating to homelessness and poverty services relating to homelessness and poverty, and it has found the involvement of Broadway and Capitalise, CRISIS UK, City of Westminster College, Job Centre Plus, Migrants Resource Centre, Praxis, Toynbee Hall, Voluntary Action Westminster, Westminster Adult Education Service and Women Like US invaluable in delivering its services.

The Centre also enjoys good working partnerships with the John Lewis Partnership, American Express, Bregal Investments, the Junior League of London and Global Asset Management (GAM).

Internal Control and Risk Management

The Trustees have overall responsibility for the Centre's systems of internal control. There is a clear delegation of the Trustees' authority through the Chief Executive to the rest of the organization. The Centre operates a three-year planning and budgeting system with an annual budget approved by the Trustees. Significant changes to budget are subject to specific approval. A financial reporting system compares results with the budget on a monthly basis together with forecasts of the expected results.

A register of the risks faced by the Centre is maintained. This register identifies the major strategic and operational risks faced and how they are being managed. The Trustees are satisfied that systems are in place to monitor, manage and mitigate the Centre's exposure to major risks. As part of the annual planning process the key risks the Centre faces are re-assessed and evaluated by the Trustees and the Senior Management Team.

Staff and Volunteers

The Centre is an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, disability, marital status or sexual orientation.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated equally on the basis of their relevant merits and abilities. All employees receive equal treatment and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. The Centre is committed to a staff training and development programme to take this forward.

The Trustees would like to take this opportunity to thank the staff and volunteers, including mentors, of the Centre for their commitment, dedication and professionalism during this period. They have all made a critical contribution to the Centre's continuing development. Without this valuable support, and the wealth of skills therein, the Centre could not offer such a breadth of services to its clients.

An external review of the Volunteering function undertaken in August 2009 identified a number of recommendations which have been taken forward during the year.

Since early 2010 there has been a particular focus on recruiting Mentors who provide invaluable 1:1 support to the clients. There are now 17 with recruitment ongoing. In addition there were a total of 27 general volunteers, which included 2 clients, and 6 English Language Learning Volunteers. Overall the Centre benefitted from an average of 260 hours *per week* of invaluable and professional expertise. In addition we have received support from corporate volunteers, namely American Express, the John Lewis Partnership, Bregal Investments, STthree and GAM – Global Fund Management.

Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to ensure accounts are prepared which give a true and fair view of the state of affairs of the Centre as at the balance sheet date and of its incoming resources and application of resources, including its income and expenditure, for the financial year then ended. In preparing accounts giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Centre will continue in operation.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Centre, and which enable them to ensure that the accounts comply with the Companies Act 2006. The Trustees are also

"Each person matters; no human life is redundant."
Cardinal Basil Hume 1923 - 1999

responsible for safeguarding the assets of the Centre and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of audited information published on the charity's website or by other electronic means.

Each of the Trustees, in his or her capacity as a Director of the Centre confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the Centre'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 Centre's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Public Benefit Statement

The Trustees confirm that they have complied with their duty under section 4 of the Charities Act 2006 and considered the public benefit guidance published by the Charity Commission, *Charities and Public Benefit*. The annual report gives a detailed description of the activities undertaken by the Centre during the year in furtherance of its charitable purposes, and the Trustees are satisfied that all such activities provide a public benefit.

Approved by the Trustees
and signed on their behalf by:



John Butterworth
Chairman of the Trustees

28 July 2010

Independent auditors' report to the Members of Cardinal Hume Centre

We have audited the financial statements of Cardinal Hume Centre for the year ended 31 March 2010 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the cash flow statement, principal accounting policies and the related notes. The financial statements have been prepared under the accounting policies set out therein.

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 auditors

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the statement of Trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' annual report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

- ◆ the financial statements give a true and fair view of the state of the charity's affairs as at year end 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ the financial statements have been prepared in accordance with the Companies Act 2006; and
- ◆ the information given in the Trustees' annual report is consistent with the financial statements.



Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
12 New Fetter Lane, London EC4A 1AG

28 July 2010

Statement of financial activities for the year ended 31 March 2010 (Incorporating an Income and Expenditure Account)

	Notes	Unrestricted Funds £'000s	Restricted Funds £'000s	Total funds 2010 £'000s	Total funds 2009 (Re-stated) £'000s
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income					
Donations	2	647	211	858	812
Legacies	2	495	-	495	743
Total voluntary income	2	1,142	211	1,353	1,555
Activities for generating funds					
Sales of donated goods		27	-	27	26
Interest receivable		13	-	13	47
Incoming resources from charitable activities	3	267	565	832	904
Other incoming resources		26	-	26	26
Total incoming resources		1,475	776	2,251	2,558
RESOURCES EXPENDED					
Cost of generating funds	4	230	-	230	204
Charitable activities					
Housing and residential services	4	441	199	640	654
Assessment and client engagement	4	306	308	614	601
Learning and development	4	396	299	695	688
Total charitable activities	4	1,143	806	1,949	1,943
Governance costs	4	50	-	50	64
Total resources expended	4	1,423	806	2,229	2,211
Net movement in funds and net incoming/(outgoing) resources for the year	5	52	(30)	22	347
Fund balances brought forward at 1 April		3,199	38	3,237	2,890
Fund balances carried forward at 31 March		3,251	8	3,259	3,237

The result for the year for Companies Act purposes is represented by the net movement in funds in the statement of financial activities. There are no recognised gains or losses in the current or preceding year other than those shown in the statement of financial activities above. All amounts derive from continuing operations.

Balance Sheet as at 31 March 2010

	Notes	2010 £'000s	2010 £'000s	2009 £'000s	2009 £'000s
Fixed assets					
Tangible assets	7		2,160		2,230
Current assets					
Debtors	8	87		339	
Cash at bank and short-term deposits		1,491		1,163	
		<u>1,578</u>		<u>1,502</u>	
Creditors: amounts falling due within one year	9	<u>(140)</u>		<u>(156)</u>	
Net current assets			<u>1,438</u>		<u>1,346</u>
Total assets less current liabilities			<u>3,598</u>		<u>3,576</u>
Creditors: amounts falling due after one year	10		<u>(339)</u>		<u>(339)</u>
Total net assets			<u><u>3,259</u></u>		<u><u>3,237</u></u>
Represented by:					
Funds and reserves					
Unrestricted funds					
General fund	11	580		808	
Designated funds	11	2,671		2,391	
			<u>3,251</u>	<u>3,199</u>	
Restricted funds	11		8		38
			<u>3,259</u>		<u>3,237</u>

Approved by the Trustees
and signed on their behalf by:

John Butterworth
Chairman of the Trustees
28 July 2010

Cashflow Statement for the year ended 31 March 2010

	Notes	2010 £'000s	2009 £'000s
Cash inflow from operating activities	A	329	142
Returns on investments and servicing of finance			
Interest received		8	47
Capital expenditure and financing investments			
Payments to acquire tangible fixed assets		(9)	(61)
Increase in cash and short-term deposits	B	<u>328</u>	<u>128</u>

Notes to the cash flow statement for the year to 31 March 2010.

A Adjustment of net incoming resources before transfers to net cash inflow from operating activities

	2010 £'000s	2009 £'000s
Net incoming resources before transfers	22	347
Depreciation charge	79	91
Interest receivable	(13)	(47)
Decrease/(increase) in debtors excluding accrued interest receivable	258	(241)
(Decrease) in creditors	(17)	(8)
Net cash inflow from operating activities	<u>329</u>	<u>142</u>

B Analysis of changes in cash and short-term deposits

	At 1 April 2009 £'000s	Cash flows £'000s	At 31 March 2010 £'000s
Cash at bank and short-term deposits	1,163	328	1,491

Notes to the Financial Statements

I. Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the requirements of the Companies Act 2006, applicable United Kingdom Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the Centre.

Designated funds comprise unrestricted funds that have been put aside at the discretion of the Trustees for particular purposes (see note 11).

Restricted funds are funds subject to specific restrictions imposed by donors or by the purposes of the appeal.

Incoming resources

Incoming resources are recognised in the period in which the Charity is entitled to receipt and the amount can be measured with reasonable certainty.

Grants from government have been included as income from charitable activities where these are under contracts for services and similar arrangements.

Legacies are included in the statement of financial activities when the Charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Items donated to the Charity for resale, and sold through the shop, are included within incoming

resources when sold and no value is placed on stock of such items at the period end.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of resources.

The costs of generating funds include the salaries, direct costs and overheads associated with generating voluntary income.

Support costs include functions such as general management, financial management, human resources and the costs of premises and facilities. They are allocated across the categories of charitable expenditure, governance costs and the costs of generating funds on the basis set out in note 4 to the financial statements.

Governance costs are the costs associated with governance arrangements including the costs of strategic as opposed to day-to-day management of the Charity.

Tangible fixed assets

Assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided, once the asset has been brought into use, in order to write off the cost of each asset over its estimated useful life, on a straight-line basis, as follows:

- ◆ Freehold property 50 years
- ◆ Equipment and furniture 3 years

Pensions

Contributions made to employees' personal pension plans are debited to the statement of financial activities in the year to which they relate.

2. Voluntary income

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2010 £'000s	Total 2009 £'000s
Donations				
Companies	7	-	7	5
Convents and monasteries	14	-	14	7
Groups and parishes	39	-	39	39
Schools	20	-	20	12
Trusts	232	180	412	436
Major donors	156	30	186	148
Individuals	169	1	170	159
Events	10	-	10	6
	647	211	858	812
Legacies	495	-	495	743
Total voluntary income	1,142	211	1,353	1,555

At 31 March 2010, in addition to the legacy income which has been included in the accounts, the Centre had entitlement to a number of legacies from estates for which the administration had yet to be finalised. The Centre's future income from these legacies is estimated at £224,000 (2009: £540,000).

3. Incoming resources from charitable activities

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2010 £'000s	Total 2009 £'000s
Rent and service charges	267	-	267	255
Grants				
City of Westminster Council				
Supporting People	-	468	468	461
Other grants	-	78	78	64
London Development Agency	-	-	-	90
London Councils	-	-	-	16
Client related grants	-	19	19	18
	267	565	832	904

4. Total resources expended

	Direct costs	Support Costs	Total 2010	Total 2009 (Re-stated)
	£'000s	£'000s	£'000s	£'000s
Cost of generating funds	196	34	230	204
Charitable activities				
Housing and residential services	325	315	640	654
Assessment and client engagement	467	147	614	601
Learning and development	494	201	695	688
Total charitable activities	1,286	663	1,949	1,943
Governance costs	46	4	50	64
Total resources expended	1,528	701	2,229	2,211

Many programmes achieve benefits in a number of different areas and their costs are allocated on the basis of their principal aims. Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record-keeping. The allocations shown are therefore a best estimate of attributable cost. Following changes in organisational structure, the categorisation and allocation of certain costs changed for 2009/10. The comparative figures have been re-stated accordingly.

Support costs and the basis of their allocation are as follows:

	Principal basis of allocation to activities	Total 2010	Total 2009 (Re-stated)
		£'000s	£'000s
Executive management and communications	Pro-rata to direct expenditure	114	104
Financial management	Pro-rata to direct expenditure	117	168
Human resources	Pro-rata to direct expenditure	72	68
Premises and facilities	Pro-rata to area used	398	440
		701	780

Governance costs are made up as follows:

	Total 2010	Total 2009 (Re-stated)
	£'000s	£'000s
Management & Administrative Staff	33	34
Review of Charitable Activities	-	6
Other costs	6	5
Audit	11	19
	50	64

5. Net movement in funds before transfers

This is stated after charging:

	2010 £'000s	2009 £'000s
Auditors' remuneration		
Statutory audit services		
Current year	9	10
Prior year	-	6
Irrecoverable VAT	2	3
	<u>11</u>	<u>19</u>
Depreciation	<u>79</u>	<u>91</u>

6. Employees and Trustees

Employee Costs	2010 £'000s	2009 £'000s
Staff costs during the period were as follows:		
Wages and salaries	1,210	1,176
Social security costs	125	122
Pension costs	17	16
	<u>1,352</u>	<u>1,314</u>
Locums, temporary staff and other staff costs	<u>341</u>	<u>283</u>
	<u>1,693</u>	<u>1,597</u>

Pension costs comprise employer's contributions to the personal pension schemes of individual employees. Included within creditors falling due within one year is £2,000 (2009: £2,000) in respect of outstanding pension contributions.

No employees earned more than £60,000 per annum (including taxable benefits but excluding employer pension contributions) during the period (2009: no employees).

The average number of employees analysed by function and expressed as full-time equivalents was:

	2010	2009
Housing and Residential Services	5	4
Assessment and Client Engagement	10	10
Learning, Development and Employment	11	11
Fundraising	4	4
Central Services	8	7
	<u>38</u>	<u>36</u>

No Trustees received any remuneration in respect of their services as Trustees during the period (2009: none). Trustee expenses were £53 (2009: £113) in respect of travel costs.

7. Tangible fixed assets

	Freehold Property £'000s	Equipment and Furniture £'000s	Total £'000s
Cost			
At 1 April 2009	2,471	389	2,860
Additions	-	9	9
Disposals	-	(89)	(89)
At 31 March 2010	2,471	309	2,780
Depreciation			
At 1 April 2009	296	334	630
Charge for period	49	30	79
Disposals	-	(89)	(89)
At 31 March 2010	345	275	620
Net book value			
At 31 March 2010	2,126	34	2,160
At 31 March 2009	2,175	55	2,230

The freehold property is subject to a charge (see Note 10).

In order to expand its work, part of its freehold building was leased to Servite Houses, a registered housing association, at a peppercorn rent for a period of thirty years. Servite Houses developed the property into 32 individual residential units financed by a grant of £1.89 million from the Housing Corporation with the balance provided from the Centre's own resources. The Centre manages the property and receives income from licences granted in respect of the accommodation. The management is regulated by an agreement between the charity and Servite Houses.

8. Debtors

	2010 £'000s	2009 £'000s
Rent and grants receivable	34	47
Tax recoverable	9	5
Legacies	10	200
Other debtors	9	44
Prepayments	25	43
	87	339

9. Creditors: amounts falling due within one year

	2010 £'000s	2009 £'000s
Expense creditors	50	51
Tax and social security	43	35
Accruals	47	70
	140	156

10. Creditors: amounts falling due after more than one year

	2010 £'000s	2009 £'000s
Loan from Westminster Roman Catholic Diocesan Trust	339	339

Westminster Roman Catholic Diocesan Trust has agreed that this loan, which is secured on the Charity's freehold property, should remain outstanding (indefinitely and interest-free) unless the property is sold, when 50% of the net proceeds from the sale of the property will be repayable to the Trust.

11. Funds

	At 1 April 2009 £'000s	Incoming resources £'000s	Expenditure £'000s	Transfers £'000s	At 31 March 2010 £'000s
General Fund	808	1,475	(1,423)	(280)	580
Designated funds					
Fixed asset fund	1,891	-	-	(70)	1,821
Legacy fund	-	-	-	700	700
Property maintenance fund	-	-	-	150	150
Centre development fund	500	-	-	(500)	-
	2,391	-	-	280	2,671
Total unrestricted funds	3,199	1,475	(1,423)	-	3,251
Restricted funds					
Assessment and client engagement	1	307	(308)	-	-
Housing and residential services	2	197	(199)	-	-
Learning and development	35	272	(299)	-	8
Total restricted funds	38	776	(806)	-	8
Total funds	3,237	2,251	(2,229)	-	3,259

Designated funds are established for the following purposes:

- The fixed asset fund represents the net book value of tangible fixed assets, net of the loan from Westminster Roman Catholic Diocesan Trust secured on the freehold property.
- The legacy fund represents amounts designated to cover potential future shortfalls in legacy income.
- The property maintenance fund represents amounts designated to meet future property maintenance needs of the Centre.
- The Centre development fund represents amounts designated for planned Centre development in particular the re-development of the Horseferry Road Hostel.

Restricted funds represents those amounts received from donors for specific purposes and are shown under the principal business areas for which they were given.

12. Analysis of net assets between funds

Fund balances at 31 March 2010 are represented by:

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2010 £'000s
Tangible fixed assets	2,160	-	2,160
Net current assets	1,430	8	1,438
Creditors: amounts falling due after one year	(339)	-	(339)
Total net assets	3,251	8	3,259

13. Taxation

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

14. Company status

The Charity is constituted as a company limited by guarantee. In the event of the company being wound up Members are required to contribute an amount not exceeding £1.

15. Related party transactions

The Charity has a loan from the Westminster Roman Catholic Diocesan Trust, which is secured on the Charity's freehold property (see Note 10).

TRUSTEES, SENIOR STAFF AND ADVISERS

Trustees

John Butterworth (Chairman)
Veronica Fulton (Vice-Chair)
Michael Walton (Treasurer)
Bishop John Arnold (*appointed March 2010*)
Charmaine De Souza
Rev. Neville Dyckhoff OBE
Anthony Fincham (*retired November 2009*)
Caroline Hattersley
Richard Hopper
Caitlin Kennedy (*appointed March 2010*)
Cyril Kinsky QC (*appointed March 2010*)
Rt. Rev. Bernard Longley (*retired November 2009*)
Simon O'Toole (*appointed March 2010*)
Terry Philpot (*appointed March 2010*)
Rev. Jim M Richards (*retired November 2009*)

Auditors

Buzzacott LLP
12 New Fetter Lane
London
EC4A 1AG

Bankers

The Royal Bank of Scotland
119/121 Victoria Street
London
SW1E 6RA

Solicitors

Stone King Sewell
13 Queen Square
Bath
BA1 2HJ

Company Secretary

Malcolm Twigger-Ross ACA

Senior Management Team

Cathy Corcoran OBE (*Chief Executive*)
Maureen Boughton (*Human Resources*)
Tracey Harrington (*Operations*)
Kate Pitt (*Executive Assistant*)
Anne Shewring (*Fundraising*)
Malcolm Twigger-Ross (*Finance and Central Services*)

Registered office

3-7 Arneway Street
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Charity registration no. 1090836

Company registration no. 4333875