



Annual Report and Financial Statements

31 March 2017

Company Number 04333875  
Registered Charity Number 1090836

## **Cardinal Hume Centre**

### **Annual Report and Financial Statements For the year ended 31 March 2017**

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## TRUSTEES' REPORT

### FOUNDING ETHOS and PUBLIC BENEFIT

Cardinal Basil Hume founded the Centre in 1986. The Centre draws particularly on Benedictine teaching, looking to welcome 'as Christ' each person who comes to the Centre, providing sanctuary and hospitality to people from all backgrounds. Inspired by Catholic Social Teaching, we believe that each person is created in the image of God with the right to the fullness of life.

*"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 OSB*

The Cardinal Hume Centre meets its public benefit obligation by reaching out to and giving practical help to those in greatest personal, social and economic need. In providing access to its services, the Centre does not discriminate on the basis of religion, or any other protected characteristic. In making this statement, the Trustees have had regard to the Charity Commission guidance on public benefit.

### Our Vision

The Cardinal Hume Centre strives towards a society where every individual will have a safe place to live and where their right to develop is respected and supported.

### Our Mission: Turning Lives Around

The Centre enables people to gain the skills and access the support they need to overcome poverty and homelessness.

### Our Values

**Integrity:** we strive to be true to our founding ethos and to live out our vision and mission; we are accountable to all our stakeholders.

**Respect:** we seek to be non-judgemental, to listen and acknowledge each other's worth and to put people at the centre of our work.

**Inclusiveness:** we promote equality of access to our services and support each client to access the same life opportunities as everyone else.

**Compassion:** we demonstrate our care for each individual who comes to the Centre in the quality and consistency of the services we offer to them.

**Empowerment:** we provide holistic support to our clients in helping them to identify their needs and in making informed choices about their lives.

**Collaboration:** we work together with others who share our values, seeking partnerships to augment and complement our service offer.



## Oliver's Story

Four and a half months ago I was homeless. I had no family to turn to, and I had been sleeping in a friend's van most nights to avoid being out on the streets. I was holding down a job for a delivery company but not having a place to call my own started to affect my work. Not knowing where you're going to sleep or when you're going to eat are constant worries when you're homeless, and I was mentally and physically exhausted. When I first arrived at the Centre's hostel, honestly, it was scary. It's the same feeling as your first day at school. But everyone at the Centre has been so welcoming and warm, even when they have had to be upfront with me about the problems I have been facing. The best thing about living in the hostel is getting to know the support workers and the other residents. Even though I've really just met them it feels like I've known them for years. People say good morning when you first get up and are there to say good night before you go to bed. That's what keeps me going. I've learned so much and gained so many skills in the four and half months that I've been here and I now see a lot of hope within myself. That's thanks to the people who help the Centre to stay running. Thank you for your support; for giving me a safe place to live where I could find peace in my life. Because of you the future looks brighter for me.

*(Please note the stories are all 'real' people and using the client's own words)*

## What people gained from the Centre during the year

During the year, 1,370 (2016: 1,120) new clients registered with the Centre and received an initial assessment.

Some of those key outcomes included:

- 46 young people moved on successfully from the residential services to more independent living (2016: 54). We worked with a number of young people in this period presenting more complex needs so we had to work with them longer to address those needs.
- 78% of the residents were in education, employment or training at any time (2016: 74%)
- 50 persons/families were prevented from facing eviction proceedings or from being evicted from their homes (2016: 34): difference due to increased staff capacity and outreach provision
- 36 people obtained employment (2016: 34): difference due to taking on a new contract which focussed on people further away from the job market
- 45 clients per month on average attended the Job Club (2016: 50); difference due to increase in IT support volunteers, allowing people to use IT job search at other times
- An average of 80 unique people visited the IT suite every month with one to one support on offer when required; (2016: 13 received one to one coaching): difference due to reshaping of the digital inclusion model of working with clients
- 152 people were taught ESOL - English for Speakers of Other Languages (2016: 180). This was due to a period where there were less teaching resources
- 268 new immigration advice cases were opened (2016: 118): difference due to increased staff numbers, more robust triage system and forging links with external agencies
- 56 people secured or extended their right to remain in the UK (2016: 77): overall reduction due to longer decision making times and potentially tightening of the rules and negative decisions

- 45 children and their parents attended Homework Club on a Monday and a Friday (2016: 55 families with a total of 96 children). The overall number of children attending family services sessions increased as the stay and play family sessions were introduced.
- 51 families with a total of 92 children participated in stay and play family sessions (no previous data as this is a new programme)

### **Progress on Implementation of the Business Plan (2014-17)**

Our Business Plan for 2014-17 identified four strategic outcomes we wished to achieve by 2017: the first two are service related, the third relates to advocacy and influencing public policy and the fourth to organisational development and sustainability. We use an outcomes framework by which we can measure performance against these strategic outcomes; namely that clients have achieved one or more of the following (a) sustainable accommodation, (b) economic wellbeing and/or (c) more resilience and overall wellbeing.

***More homeless people, particularly young people, have been able to build a more secure life (Outcome No. 1)***

#### **Achievements in 2016/17 included:**

- 46 young people moved on to independent living
- We achieved Level A in all five categories of the Quality Assessment Framework review undertaken by WCC (Westminster City Council) of our Residential Services
- An external review of our Residential Services to ensure we are using our resources to maximum effect in responding to youth homelessness was commissioned and recommendations received to help prepare for the funding from WCC moving from an annual grant to a tendering process
- We introduced a tailor made ESOL package of support for the increasing number of UASC (Unaccompanied Asylum Seeking Children) residents in the Hostel funded by Westminster Council and other funders
- The outreach work in Churchill Gardens, SW1, was extended providing an increased number of housing advice sessions
- Further development of the homelessness prevention work with City West Homes as a model for other possible proactive interventions before peoples' situations reach crisis point
- 50 people/families were prevented from facing eviction proceedings or from being evicted from their homes.

#### **Not achieved**

- Commissioning research into the current realities of youth homelessness and looking to produce a cost/benefit analysis on our Residential Services to ensure we are maximising those resources to best effect in meeting increasing demand
- Seeking to form a new partnership with like-minded service providers to develop an enhanced approach to responding to the prevention of youth homelessness. This includes exploring potential for providing affordable and sustainable move-on accommodation which is critical to breaking the cycle of homelessness.

## **Fatima's Story**

Serious problems with her family forced Fatima to leave her home. She came to London with no knowledge of the city and only one friend who she could call on for help. However, when their relationship soured, Fatima found herself with no one and nowhere to turn to. When she arrived at the Centre she had been wandering the streets all night, with no shelter, food or water. Alice Adams, one of the Centre's Advice Officers, described the state she found her in: "Fatima turned up at the Centre on a Friday afternoon. She looked so tired and run down when she came in and she was very upset". Alice became increasingly aware of the urgency of her situation as it became clear Fatima didn't know that she could claim any benefits and she wasn't working. "She had absolutely no one she could call upon in the world," Alice recalls, "and it was scary how little knowledge she had in terms of looking after herself." Alice needed to find her a room for the weekend. With many council and charity services only operating Monday to Friday, Alice had limited time to arrange accommodation. Our own hostel was at capacity, with the last bed being given away just ten minutes before Fatima arrived on our doorstep. Alice advised Fatima that she should declare herself as homeless, and drafted a letter for Fatima to present to the Council's Housing Options on Monday morning. But that still left the problem of finding somewhere for Fatima to sleep until then. Alice frantically made calls but to no avail. Alice was afraid of what might happen if Fatima was left to fend for herself. With no other options left to them Alice advised Fatima that they should wait until the emergency housing phone lines opened at 5.30pm. Fatima finally accepted a cup of tea, she had been refusing to accept anything all day. Realising how much Alice was doing for her, "She asked me why I wasn't going home, and I told her I wanted to make sure she had a place to stay". When the emergency housing lines opened, Alice got through straight away, and was able to get a room for Fatima in a B&B in the area of London which Fatima was familiar with. Reflecting on the urgency of cases such as Fatima's, Alice spoke about how difficult it can be for rough sleepers to get off the streets: "It's pot luck if there is a bed available in hostels a lot of the time; and finding a bed is just a short term solution for a much bigger problem".

## ***More people living with insecurity and other acute needs have increased their resilience and wellbeing (Outcome No. 2)***

### **Achievements in 2016/17 included:**

- All the service teams were brought together under one Director of Services including the strengthening of the Service Manager Team thereby streamlining and enhancing the overall service offer to clients
- The new post of Manager of Advice was established giving greater capacity to scoping the external environment and shaping new responses to increasing need
- The assessment and referral process was strengthened to ensure the focus is on priority need, and allowing speedier access to services including opportunities to meet with specialist staff
- Immigration advice sessions were introduced at our outreach office in Churchill Gardens, SW1
- Work on reshaping the Learning Team and service offer to feed more clearly and tangibly into the work of helping people get into sustainable employment was begun
- Six new partnerships were established with other organisations to expand the reach of the Immigration Advice service and to increase its capacity to respond to overwhelming need

- New cross-Centre working practices including a monthly Practitioners' Forum and more robust monitoring systems were introduced increasing effectiveness, ensuring consistent good practice in addressing client need effectively, and measuring the progress clients make in achieving their goals

### **Partially Achieved**

- Re-balancing our employment offer to include a judicious mix of people who are almost job ready and those who are further from the job market, in order to get more people into work especially through our corporate partnership network
- Remodelling the Family Services to provide an entry point to the Centre for vulnerable families following the closure of the nursery in July 2015 and the crèche in October 2015. The new service supports the needs of families with children of school age.

### **Not Achieved**

- Evaluating the success of the outreach pilot scheme in Churchill Gardens, SW1
- Developing the Client Forum including exploring ways to access clients' wisdom and experience in developing services as well as opening channels for potential client engagement with the Centre's management and governance structures

### **Helen's Story**

When I first became a client of the Cardinal Hume Centre things were looking pretty bleak for me. I had just spent a period of time homeless and, on account of ongoing housing issues, had at that stage been unemployed for nearly a year and a half. My confidence was shattered. A requirement at the Centre for using the Job Club at the time was to be registered with the Centre's employment team, and this would include regular meetings. I wasn't keen on the idea as virtually every single employment adviser I had worked with up until that date had been, let's say, less than stellar. Needless to say I went along with it. To say I was pleasantly surprised when I met my employment adviser Jeanita Snowdon is the understatement of the century! Jeanita actually listened to what I had to say. Alongside reminding me of my talents, which she assured me were many, Jeanita helped me perfect my CV and cover letters for two different industries. She conducted mock interviews with me and even sent me on a workshop at the prestigious Chartered Bank, where I got to mingle with employees. When Jeanita had to take leave for some time, I was assigned the wonderful Ben Anderson. He helped me to further hone my interview skills, applications, and much more besides. He also sent me on a workshop at Westminster Abbey, where I would go on to secure a job interview. Indeed the support I received at the Centre has helped me secure countless job interviews these past two years. The most impressive was perhaps when I interviewed at BMW for the role of Community Manager (which happens to be my dream job!). The feedback I received was great, but in the end they went with a candidate who actually cared about cars. Last month my stars finally aligned and I managed to secure full time employment at a leading London college. I don't know if I would have maintained the confidence to keep aiming high had it not been for the Centre's employment team. I am eternally grateful to the Centre as a result. I will never forget the countless lessons Jeanita and Ben taught me. I am convinced they have equipped me with all the tools needed to follow their lead in achieving lifelong and highly impressive career success. I also want to give shout-outs to Richard, Yusuf and Michalis, whose support and kindness also helped a lot. Thank you.

### ***Advocacy, Public Policy and Public Education - The voices of the people we work with are being heard (Outcome No. 3)***

#### **Achievements in 2016/17 included:**

- Client engagement opportunities were encouraged and offered related to external events including the London Mayoral Elections and the European Referendum. Eleven clients participated in a focus group for Westminster Council's community cohesion report and a client from the young people's hostel contributed to a parliamentary report on social mobility.
- A light survey of the key issues facing Centre clients was undertaken to inform our public policy and influencing work
- Clients using the Centre's services attended donor events to talk about the work of the Centre and to share their own experiences
- We provided oral and written evidence to the Work and Pensions Select Committee on the future of Jobcentre Plus
- We formed part of a small delegation of Caritas Social Action Network (CSAN) to meet with the Secretary of State for Work and Pensions regarding the impact of changes to the welfare system
- We organised a key public policy and influencing event with other organisations on the topic of working with unaccompanied asylum seeking children. It was attended by parliamentarians, donors, supporters and other organisations working with refugees and led to the recruitment of a new post at Citizens UK co-ordinating arrangements for child refugees coming to the UK from Europe.

#### **Not achieved**

- Placing a feature story in a national outlet on an issue related to poverty and homelessness to contribute to public awareness of the issues as well as to promote the Centre and our work
- Commissioning a reflection on the Benedictine concept of 'sanctuary' which lies at the core of the Centre's ethos

### ***Organisational Development - The Centre will become a more effective and sustainable organisation (Outcome No. 4)***

#### **Achievements in 2016/17 included:**

- Three events were organised at niche venues which increased the rate of recruitment of major donors to the Hume Club therefore securing committed income over a three year period
- Plans for a tailored and layered management development programme were drawn up
- Architect led plans were produced to provide better access for clients and to co-locate service delivery teams to encourage cross disciplinary sharing of good practice in working with clients
- Following the evaluation of the clinical supervision pilot, we successfully tendered for a provider and decided to roll the programme out to all front line teams

- A Volunteer Impact Survey was undertaken alongside our annual volunteer survey; and we also analysed our retention rates for the first time, e.g. out of the 48 new volunteers who started with us, 43 fulfilled their minimum time commitments and 100% of our volunteers (54) would recommend volunteering with us
- A programme of Board development to ensure governance is even more effective was initiated based on Trustee Board self-evaluation

### **Partially achieved**

- We raised £1.84 million during 2016/17. The fundraising objective was to raise £2m in voluntary income, excluding legacy income by the end of this financial year.

### **Christiana's Story**

Christiana is a remarkable woman whose faith carried her through an extremely difficult time in her life, enduring a period of homelessness and battling to secure the right to remain in the UK with her partner Samuel, and their four children. However, life has been turned around thanks to the support she received from the Cardinal Hume Centre, and the care that was shown to her by her church. Maggie Crowley is the immigration advisor who took on the family's case when they came to the Centre for help. Maggie not only started to deal with their immigration case but made sure they had somewhere safe to live and enough food to eat. "We are so grateful that God gave us such a person to work with us," says Christiana, "Maggie was so kind to us. She found us a place to rest our heads when we had nowhere to live. And she worked hard on our immigration case. We followed all her advice and trusted in God that things would be ok." With help from the Centre's Christmas volunteers, and thanks to generous donations of gifts, Maggie was able to make Christmas special for a family who had had so little for such a long time. "On the 25<sup>th</sup> December my children were able to open Christmas presents; which they had never had before," Christiana recalls, "It was lovely. It made them so happy. It meant that when they went back to school they were able to share that they had got presents too. Even me and my husband got gifts. It put joy on our faces on Christmas day." Thankfully the family finally received their residence permits confirming their right to live and work in the UK. Christiana and Samuel are now looking for work so that they can support their children, and Christiana is volunteering at her church and her children's school as a way of saying thanks to the parish priest and teachers who lent their support to the family over the years. "We all say a big thank you to everyone at the Centre," says Christiana, "At last we have joy in our lives. I don't know where our lives and the lives of our children would be without the Centre."

### **Business Plan 2017 - 20:**

In April 2017 we introduced our new plan in which our new **three year objectives** are contained. Outstanding and still pertinent strategies from the 'old' Plan have been incorporated.

#### **1. The voices of the people we work with are being heard**

- Implementing a client inclusion policy which ensures representation in key areas of decision making and which is embedded in all our work
- Increasing the resources available to the public affairs and communications functions to increase their impact

- Shaping a policy influencing strategy based on client and staff experience and identifying key partners and players in a proactive manner
  - Sourcing one article per year in a national media outlet on a key issue relating to the Centre's work and based on client experience
  - Taking advantage of opportunities to raise public awareness of the causes and impact of homelessness and poverty evidenced in client stories
- 2. The needs of homeless young people are met in an effective and proactive manner enabling them to take more control of their lives going forward**
- Shaping and adapting the service offer within our Residential Services as the external context changes, ensuring we are securing the financial future of our work in responding to youth homelessness
  - Ensuring there is a flexible quality support package in place suited to the individual resident and his/her aspirations including tailored activities for specific groups such as care leavers
  - Identifying and accommodating the client group who will gain the most advantage from residing in Basil Hume House and adapting the service offer accordingly
- 3. More people are prevented from becoming homeless through the provision of services which focus on early intervention**
- Developing our outreach work, gradually increasing our off-site service provision according to evidenced need and organisational capacity
  - Honing the assessment and referral process to guarantee a time critical response to presenting issues
  - Building on the expertise and specialism achieved by the housing advice team, achieving accreditation across all the advice services
  - Strengthening the welfare rights role to meet the increased demand across all services
  - Increasing our ability to work with clients to overcome the legal barriers they face in making progress in achieving their goals
  - Partnering with more organisations to help them develop their ability to provide accredited immigration advice to migrants and refugees; and developing a transparent and robust referral system
- 4. More people are enabled to gain the skills and experience which make them better equipped to overcome the barriers they face**
- Re-shaping and focusing our learning services to respond more closely to learners' needs
  - Ensuring that we get people into the kind of work which supports them to achieve their employment goals; targeting those we are in the best position to help
  - Developing our family service offer to include a new focus on older children and young people; exploring providing an outreach service in Churchill Gardens which will include identifying families whose circumstances are impacting on their ability to keep their homes
  - Identifying new partners and collaborators with a shared ethos, with whom we can work to achieve mutually beneficial objectives

## **5. A sustainable organisation which is able to measure its impact, and respond flexibly to a changing and demanding environment**

- Increasing our financial stability by achieving an annual income of £2.8 million by 2020 founded on a sustainable cost base
- Embedding the new Key Performance Indicators (KPIs) into our everyday working practice, and implementing any learning from the analysis of trends identified through regular monitoring
- Implementing an effective manager programme to ensure consistent good practice in managing and supporting staff and volunteers
- Investing in a substantive staff training package to support staff development, building an agile and flexible team, and ensuring a healthy level of staff retention
- Increasing the capacity and reach of each of the services and teams through the engagement and retention of committed volunteers
- Committing to a rolling programme of developing Board effectiveness and refreshing the Trustee profile through both targeted and open recruitment
- Investing in a phased development of a robust IT infrastructure to match the organisation's needs
- Ensuring we are maximizing the full potential of the Centre's building and site to ensure client accessibility and welcome

### **In 2017/18 we will:**

- Undertake a feasibility study on client inclusion including analysing what other organisations do, and following this, draw up and begin to implement a Centre wide policy and strategy
- Organise two breakfast briefings on topical issues for supporters, donors and "influencers" for example, on 'Access to Justice' which is increasingly a barrier to our clients moving on successfully
- Consider carefully and implement the approved recommendations of the review of Residential Services re feasibility, affordability, and relationship with other providers
- Prepare and submit a bid to the tendering process for WCC's supported housing programme for young people
- Expand the tailored ESOL programme for Unaccompanied Asylum Seeking Children (UASCs) should the numbers arriving maintain or increase
- Explore the need for providing family services and immigration advice in Churchill Gardens, SW1; noting that the relationship with St Gabriel's from where the services are currently delivered is working well, we will take stock on whether this is the optimum location to reach people in need.
- Appoint a second Welfare Rights specialist as the demand for advice and advocacy increases across the Centre's services
- Take advantage of having two new Managers in post (Family Support and Learning and Employment) to promote and implement key strategies in both services
- Bid to renew the legal aid contract for our immigration advice work

- Seek expertise in helping us understand the ‘digital agenda’ and how this can enhance our efficiency in responding to client need and scope what this means for the organisation over the three years of the Business Plan
- Make a further investment in fundraising and ensuring we are compliant with the new Fundraising Regulator
- Deliver both effective management and staff training and undertake a staff survey on the quality and impact of the training towards the end of the year
- Build on the findings of the Volunteer Impact Survey and implement the approved recommendations
- Progress the first phase of the governance development programme with a facilitated Awayday; looking to introduce a new strategy for Trustee recruitment; and Board refreshment with the recruitment of a minimum of two new Trustees
- Upgrade the client server and begin the migration to Office 365
- Develop the lower ground floor space which will give clients better access and bring service delivery teams together geographically

### Jean’s Story

“When I first went to Jean’s class, I was new to the UK and my English was miserable. And to be honest, when I first met Jean, I was a little bit nervous because she seemed quite serious. But as soon as she started teaching, I realised how lucky I was to be in her class. The lesson was full of information and the atmosphere was friendly and happy. After that, I never missed a class as I wanted to learn as much as I could from her. She was quite strict about grammar but I loved that because I wanted to speak very clear English and I realised Jean could help me do that.” These are the words of Entsar Marthy who came to the UK in 2008. From being able to speak very little English, she has gone on to pass ESOL exams in E3 and Level 1, and then on to college to study childcare. Entsar is now working as a family support worker and she credits Jean for helping her to get where she is today. “She made me believe that I could achieve things and my confidence began to grow.” Jean Newbold has been an English tutor with the Cardinal Hume Centre since 2004. Many of the people who access our classes are not able to attend college because they cannot afford the fees or are not eligible for courses. The classes are therefore reaching people living on the margins of society, whose lack of English prevents them from accessing opportunities and integrating into their community. Our ESOL provision is delivered free entirely by a team of volunteers who are qualified teachers. Jean is the longest-standing member of the team and in the 13 years she has taught at the Centre we estimate she has delivered nearly 4,000 hours of classes. Jean is passionate about education and the positive change it can bring about in people’s lives. Motivated by her faith and her keen sense of social justice, she cares deeply about helping the most disadvantaged and vulnerable in our society. Jean’s teaching style inspires her learners to achieve to the best of their abilities. She encourages them to take their learning seriously and through discussion, story-telling and singing, people gain confidence and are gently pushed to take one further step, whether that’s taking an exam, finding work and most importantly, using English in their everyday lives. Her lessons have a lasting impact and months, sometimes years later, students come back to visit Jean and update her on their lives and their successes.

## Finances

### Financial Strategy

The Centre's financial strategy and reserves policy over the period of the 2017-2020 Business Plan is to ensure that there are sufficient resources in place to support the development of the services to respond to need.

We will implement this strategy by ensuring strong steady growth in voluntary income streams which we have been successful in achieving to date with significant investment in fundraising. In 2016/17 this achievement is of particular note as we also had to absorb cuts to statutory income. Although there are still significant risks and challenges in the current environment, we are confident that we will continue to manage our financial sustainability through continual monitoring of expenditure, impact measurement and control over resource allocations through the life of the Business Plan.

### Results for the Year

	2017	2016
	£'000s	£'000s
Voluntary income (excluding legacies)	1,840	1,746
Total income	2,857	2,678
Total expenditure	2,661	2,644
Net surplus	196	34

2016/17 has been another successful year for the Cardinal Hume Centre, whereby we have continued to benefit from our investment in fundraising initiatives, and keeping a tight control on costs while at the same time extending the reach of our services. Voluntary income exceeded its targets in most areas. Individual donations remained strong, while engagement with major donors is starting to bear fruit. The income from companies performed strongly, although this was partly a consequence of being the Grosvenor Estate's charity of the year in 2015/2016 which still had a financial impact in 2016/17 as the Centre received monies from the Grosvenor's Got Talent event held towards the end of the previous financial year.

Total expenditure increased to £2,661,000 (2016: £2,644,000). The Centre invested in two new immigration adviser posts in this year. A new post of Manager of Advice Services was established to consolidate our assessment processes, to extend the reach of our advice services and to provide an overarching impact measurement system.

The Centre achieved a surplus of £196,000 (2016: £34,000) and continues to keep a tight control of its costs but we are mindful that the funding environment has become harsher and more competitive. The Centre has managed to have surpluses three years in a row as it has consciously diversified its funding stream and ensured that expenditure is targeted in the most effective way possible.

The new three year Business Plan launched in April 2017 will ensure a strategy for financial sustainability in an era when the services that the Centre offers are more critical than ever.

The major statutory funder of the charitable activities is Westminster City Council which provides funds for our Residential Services and Family Services (through its Supporting People funding). This has normally been decided on an annual basis, however, WCC will be moving to commissioning its supported housing pathways and the Centre will be tendering for our current provision within the young peoples' homeless pathway. The successful bids will be known in December with a start date of April 2018.

We are grateful to the many trusts and companies who supported the Centre during the year. These are set out on page 39. The Centre would like to record its appreciation for the financial and operational support offered by the Catholic community in particular and its endorsement of the Centre's work. For the first time this year we have noted those individuals who have donated over £5,000. (Please note that several such donors wish to remain anonymous).

### **Reserves**

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

The Board seeks to retain adequate reserves determining what level they should be by (i) reviewing the sustainability of current and projected income as compared with (ii) projected expenditure required to enable the Centre to meet client need and (iii) to meet any contingent costs associated with a forced reduction in activity. Overall the Board seeks to maintain sufficient reserves to provide stability and flexibility as the economic and funding environment changes.

Although there are continuing risks that statutory income will reduce, our voluntary income has increased substantially over the last three years. The Centre regularly reviews its contingency plans for how expenditure would be reduced in the event of significant shortfalls in projected income and any associated one-off costs.

At the year-end, funds backed by net current assets were £1,012,000 (2016: £752,000) representing 4.3 months (2016: 3.4 months) of budgeted expenditure for next year.

Included within unrestricted funds are the following designated funds which were created to address specific risks:

- The fixed assets fund represents 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 £1,878,000 (2016: £1,946,000).
- A fund of £50,000 (2016: £50,000) has been set aside to meet some of the costs of the development of the lower ground floor. It is expected that this fund will be used by 31 March 2018.

The general fund represents the balance of unrestricted funds. At the year-end the balance on the general fund was £935,000 (2016: £686,000) which represented 4.0 months (2016: 4.5 months) of budgeted unrestricted expenditure for next year. The Trustees' target has been to have between two and four months' unrestricted expenditure in the general fund. The Trustees are satisfied with the current levels of reserves given the requirement to respond to beneficiaries' needs and invest in developing the organisation to deliver long-term sustainability.

## **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 potential return with security, liquidity and ethical integrity. At 31 March 2017, invested monies were held in the form of cash deposits with several financial institutions.

The Centre's policy is not to hold equity investments.

## **Structure, Governance and Management**

### **Organisational Structure**

The company is a charitable company limited by guarantee established under a Memorandum and Articles of Association. At the year-end there were ten members (2016: ten), set out on page 38 who were each liable to contribute £1 in the event of the company being wound up.

The Centre is governed by the Board of Trustees who are also the Directors for the purposes of Company Law. The Board meets up to five times annually. The Archbishop of Westminster approves the appointment of one Trustee and the remaining Trustees are elected by the Company Members at the Annual General Meeting. The Board 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 during the year are set out on page 38.

Vacancies for Trustees are normally advertised. 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 training to keep abreast of changes in charity governance that may affect the Centre. They serve on one or more of the sub-committees listed below. They are invited to form a working relationship with members of the Senior Management Team and as far as feasible they are encouraged to assign time to any service or area of operation that corresponds either to their expertise or personal interest.

The following sub-committees meet regularly to monitor the following areas:

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

Committee membership includes Trustees, Company Members, external consultants and senior staff.

The day-to-day management of the Centre is delegated to the Chief Executive and Senior Management Team which consists of the Director of Services, the Finance Director, the Fundraising Director and the HR Director. The pay range for the Senior Management Team (excluding the Chief Executive) is from £53,665 to £57,054 (FTE). (Please see page 33 for the CEO's remuneration.) Pay grades and scales are reviewed by the Personnel and Staffing sub-committee and ultimately the Board of Trustees.

### **Partnerships**

In pursuing its aims and objectives, the Centre seeks to have collaborative relationships with local and national organisations and networks. Particularly at the service delivery level it has close connections with other like-minded organisations that provide services relating to tackling homelessness and poverty. Significant partnerships over the year are set out on pages 39 and 40.

### **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 organisation.

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. Our 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 more regularly by the Senior Management Team.

The three top risks during the year were identified as risk to voluntary income, risk to statutory income and changes in the external legislative landscape. These risks are further discussed below.

#### ***Risk to voluntary income***

The Centre, in the main, funds its activities through voluntary income. This forms 70% of income received. The voluntary income has increased over the past four years, due to a clear investment strategy into fundraising. However, by the non-contractual nature of the income stream, it remains a risk. A key element of managing this income risk is that the Centre has a robust reserves policy and financial sustainability plan which is reviewed annually by the Board. There are regular financial reports that are monitored by both the Finance Committee and the Board. There is a continuous development of services and continuing investigation as to how to align the development of services with sources of funding which are monitored by both the Service Development and the Fundraising Committees.

### **Risk to Statutory income**

In 2018 Westminster City Council is managing its homeless provision through a tender contract. The Centre is intending to tender for part of that contract. This will be a key project for the Centre in 2017/2018 and will be a key focus of the Board and the Service Development Committee.

### **Changes to the external legislative landscape**

The Centre operates in a landscape that is changing rapidly and therefore must keep up to speed with changes in the external legislative environment as they impact on the advice given to clients as well as more generally on clients' lives. This risk is mitigated by the Centre incorporating this discipline into its business planning. It has a designated Partnership and Public Affairs post which is engaged with developing external relationships and interpreting the external environment; and in addition external speakers are invited to address key events organised by the Centre. Speakers have included CEOs of other charities in the sector talking about initiatives they have undertaken, a Cybersecurity expert, and a member of the House of Lords highlighting the situation of unaccompanied asylum seeking children.

### **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 Centre's staff team for their professionalism and commitment to working with the clients to achieve their goals and to ensuring the Centre has the resources it needs to work effectively and efficiently in response to need.

### **Volunteers**

The Centre benefits from the increasing quality of support of volunteers who are crucial in augmenting the capacity, reach and quality of service provision. At 31 March 2017 there were 107 regular volunteers (2016: 97), including 25 one-to-one coaches in IT, reading and English language (2016: 35). Therefore the Centre benefited from an average of 369 volunteering hours per week of invaluable and professional expertise (2016: 343 hours) during the year. In addition, last year corporate partnerships provided 173 volunteers contributing 701 hours over the year. Our community supporters provided 43 volunteers who contributed 257 hours in the same period. 'Family Saturdays' averaged 15 volunteers per term to help deliver the activities, giving an additional 45 volunteers over the year with an estimated 264 hours' contribution. Family Services also provides holiday programmes for local families and 36 volunteers (not including corporate volunteers) were recruited to support these initiatives over the year.

In 2016 we conducted our annual volunteer survey, this time including a section on the difference our volunteering programme makes, to the Centre, to staff and to volunteers themselves. Impact figures are yet to be published, but initial findings show there were three main areas where staff and volunteers agree our volunteering programme makes the biggest impact: (i) increased capacity (ii) allowing us to do activities we couldn't otherwise afford to do and (iii) increasing the learning and skills of clients. In addition the impact survey also told us that clients are overwhelmingly positive about their experience at the Centre.

We also learnt that 'learning' (provided largely by volunteers) plays a significant role in driving how positively clients respond in other areas e.g. self-esteem, confidence and optimism for the future. We asked volunteers how their volunteering at the Centre made a difference to them personally and the majority told us it gave them a greater appreciation of the needs of vulnerable people and of other cultures as well as an interest in doing more volunteering.

### **Statement of Trustees' responsibilities**

The Trustees (who are also directors of Cardinal Hume Centre 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 Centre and of the income and expenditure of the Centre 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- 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 Centre will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Centre 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 Centre 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 Centre's auditor is 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 auditor is aware of that information.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Centre's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Approved by the Trustees  
and signed on their behalf by:**



**Robert Arnott**  
**Chair of the Trustees**  
[ 13 July ] 2017

### **Independent auditor's report to the members of Cardinal Hume Centre**

We have audited the financial statements of Cardinal Hume Centre for the year ended 31 March 2017 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, the statement of cash flows; 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), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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**

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

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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 2017 and of 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**

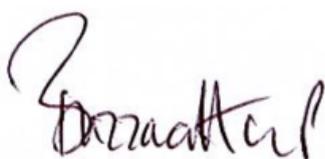
In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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.  
or
- ◆ the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



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

19/1/17

**Statement of Financial Activities for the year ended 31 March 2017**  
**(Incorporating an Income and Expenditure Account)**

	Notes	Unrestricted Funds £'000s	Restricted Funds £'000s	Total funds 2017 £'000s	Total funds 2016 £'000s
<b>Income from:</b>					
Donations and legacies					
Donations	2a	1,331	509	1,840	1,746
Legacies	2b	165	—	165	98
Total donations and legacies		1,496	509	2,005	1,844
Charitable activities	3	408	364	772	737
Other trading activities					
Sales of donated goods		47	—	47	47
Investments: interest receivable		2	—	2	1
Other		31	—	31	49
<b>Total income</b>		<b>1,984</b>	<b>873</b>	<b>2,857</b>	<b>2,678</b>
<b>Expenditure on:</b>					
Raising funds					
Donations and legacies	4a	401	—	401	364
Fundraising trading	4a	41	—	41	41
		442	—	442	405
Charitable activities					
Housing and residential services	4b	518	499	1,017	1,008
Advice and assessment	4b	521	192	713	602
Learning, employment and family services	4b	322	167	489	629
		1,361	858	2,219	2,239
<b>Total expenditure</b>		<b>1,803</b>	<b>858</b>	<b>2,661</b>	<b>2,644</b>
<b>Net income and net movement in funds</b>	6	<b>181</b>	<b>15</b>	<b>196</b>	<b>34</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 April 2016		2,682	—	2,682	2,648
Total funds carried forward at 31 March 2017		2,863	15	2,878	2,682

Income from other trading activities, investments, and other sources were wholly unrestricted in both the current and previous financial year. The analysis of other items of income and expenditure for the year ended 31 March 2016 (comparative period) between unrestricted and restricted sources are provided within the notes to the financial statements.

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 reported derive from continuing operations.

## Balance Sheet as at 31 March 2017

	Notes	2017 £'000s	2017 £'000s	2016 £'000s	2016 £'000s
<b>Fixed assets</b>					
Tangible assets	8		2,217		2,285
<b>Current assets</b>					
Debtors	9	195		202	
Short-term deposits		464		115	
Cash at bank		504		609	
		<u>1,163</u>		<u>926</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(151)</u>		<u>(174)</u>	
<b>Net current assets</b>			<u>1,012</u>		<u>752</u>
<b>Total assets less current liabilities</b>			<u>3,229</u>		<u>3,037</u>
<b>Creditors: amounts falling due after one year</b>	11		<u>(351)</u>		<u>(355)</u>
<b>Total net assets</b>			<u><u>2,878</u></u>		<u><u>2,682</u></u>
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Unrestricted funds					
General fund	12	935		686	
Designated funds	12	<u>1,928</u>		<u>1,996</u>	
			<u>2,863</u>		<u>2,682</u>
Restricted funds	12		15		—
			<u>2,878</u>		<u>2,682</u>

Approved by the Trustees  
and signed on their behalf by:



Robert Arnott  
Chair of the Trustees  
[ 13 July ] 2017

Charity registration no. 1090836  
Company registration no. 04333875

## Statement of cash flows for the year ended 31 March 2017

	Notes	2017 £'000s	2016 £'000s
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	273	136
<b>Cash flows from investing activities:</b>			
Investment income		2	1
Proceeds from the disposal of current asset investments		-	3
Purchase of tangible fixed assets		(25)	(108)
<b>Net cash used in investing activities</b>		<b>(23)</b>	<b>(104)</b>
<b>Cash flow from financing activities</b>			
Payments towards finance lease		(6)	(11)
<b>Change in cash and cash equivalents in the year</b>		<b>244</b>	<b>21</b>
<b>Cash and cash equivalents at 1 April 2015</b>	B	<b>724</b>	<b>703</b>
<b>Cash and cash equivalents at 31 March 2016</b>	B	<b>968</b>	<b>724</b>

## Notes to the statement of cash flows for the year to 31 March 2017

### A Reconciliation of net income for the year to net cash provided by operating activities

	2017 £'000s	2016 £'000s
<b>Net income (as per the statement of financial activities)</b>	<b>196</b>	<b>34</b>
<b>Adjustments for:</b>		
Depreciation charge	93	101
Bank interest receivable	(2)	(1)
Lease interest payable	2	2
Decrease (increase) in debtors	7	17
(Decrease) increase in creditors	(23)	(17)
<b>Net cash provided by operating activities</b>	<b>273</b>	<b>136</b>

### B Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	504	609
Short term deposits (less than three months)	464	115
<b>Total cash and cash equivalents</b>	<b>968</b>	<b>724</b>

## Notes to the Financial Statements

### I. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

#### Basis of preparation

These financial statements have been prepared for the year to 31 March 2017.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

#### Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the estimates of the useful economic lives of tangible fixed assets used to determine the annual depreciation charge;
- ◆ The basis on which support costs have been allocated across the various expenditure headings; and

- ◆ The assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds.

#### Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. In particular, they note satisfaction with the reserves level at the end of the reporting period. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

#### Income

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the

legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Grants and fee income from government and other agencies have been included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Items donated to the Charity for resale, and sold through the shop, are included within income when sold and no value is placed on stock of such items at the period end.

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

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement

and the amount of the obligation can be measured reliably. All expenditure is stated inclusive of irrecoverable VAT.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes staff costs associated with fundraising, direct costs associated with the operation of the charity's shop, and an allocation of support costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include direct and support costs in respect to the provision of housing and residential services, advice and assessment, and learning and development services.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of a finance function, human resources function, premise, communication and information systems support, and the contribution of the Chief Executive and Senior Management Team.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs (including governance costs) are allocated to the above expenditure heading on a reasonable basis. This is further detailed within note 5 to the financial statements.

### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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 economic life, on a straight-line basis, as follows:

• Freehold property	50 years
• Fixtures, equipment and furniture	3 to 10 years

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

The long term loan repayable to the Westminster Roman Catholic Diocesan Trust is accounted for as a basic financial instrument. Although there is contingent consideration linked to the property's value, this would only become payable on cessation of the Centre's activities and not while

the charity remains a going concern. The liability is recognised at the cash value received and is not discounted in accordance with the provisions set out in section 34 of FRS 102. Interest charges does not accrue on this balance and the loan is available indefinitely and not repayable on demand.

### **Fund accounting**

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

Restricted funds represent donations received for which the donor has prescribed how these donations may be used, and these monies are only used for those specified charitable purposes.

Where funds are received to enable the Charity to acquire fixed assets for use in the delivery of its services, the funds are held as restricted income until the assets are acquired. When assets are purchased from such funds, and the asset is available for general charitable use, the restriction is regarded as discharged and the funds are transferred to the designated fund representing tangible fixed assets.

### **Pensions**

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

## **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the charity. Assets held under finance leases are recognised initially at the fair value of the leased assets (or the present value of minimum lease payments if lower) at the inception of the lease. The corresponding liability to the lessor is recognised as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation in order to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of financial activities. Assets held under finance leases are capitalised and depreciated and assessed for impairment losses in the same way as owned assets.

## 2a. Income from donations

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2017 £'000s	Total 2016 £'000s
Donations				
Trusts	172	455	627	614
Individuals	904	25	929	875
Schools & parishes	75	1	76	87
Corporates	177	28	205	163
Other	3	—	3	7
<b>2017 Total funds</b>	<b>1,331</b>	<b>509</b>	<b>1,840</b>	<b>1,746</b>
2016 Total funds	1,271	475	1,746	

## 2b. Income from legacies

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2017 £'000s	Total 2016 £'000s
Legacies	165	—	165	98
<b>2017 Total funds</b>	<b>165</b>	<b>—</b>	<b>165</b>	<b>98</b>
2016 Total funds	98	—	98	

## 3. Income from charitable activities

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2017 £'000s	Total 2016 £'000s
Rent and service charges	331	—	331	310
City of Westminster Council				
Supporting People	—	310	310	310
Other grants	—	50	50	50
Department for Work & Pensions	22	—	22	34
Other	55	2	57	30
Client related grants	—	2	2	3
<b>2017 Total funds</b>	<b>408</b>	<b>364</b>	<b>772</b>	<b>737</b>
2016 Total funds	374	363	737	

#### 4a. Expenditure on raising funds

	Direct costs £'000s	Support costs £'000s	Total 2017 £'000s	Total 2016 £'000s
Raising funds				
Donations and legacies	345	56	401	364
Fundraising trading	28	13	41	41
<b>2017 Total</b>	<b>373</b>	<b>69</b>	<b>442</b>	<b>405</b>
2016 Total	344	61	405	

For the year ended 31 March 2016 (comparative information), expenditure on raising funds included:

- Unrestricted expenditure of £364,000 on generating donations and legacies; and
- Unrestricted expenditure of £41,000 on fundraising trading.

#### 4b. Expenditure on charitable activities

	Direct costs £'000s	Support costs £'000s	Total 2017 £'000s	Total 2016 £'000s
Charitable activities				
Housing and residential services	503	514	1,017	1,008
Advice and assessment	487	226	713	602
Learning , employment and family services	281	208	489	629
<b>2017 Total funds</b>	<b>1,271</b>	<b>948</b>	<b>2,219</b>	<b>2,239</b>
2016 Total funds	1,335	904	2,239	

For the year ended 31 March 2016 (comparative information), expenditure from charitable activities included:

- Expenditure of £1,008,000 in relation to housing and residential services of which £527,000 was unrestricted and £481,000 was restricted.
- Expenditure of £602,000 in relation to advice and assessment of which £408,000 was unrestricted and £194,000 was restricted.
- Expenditure of £629,000 on learning, employment and family services of which £466,000 was unrestricted and £163,000 was restricted.

## 5. Support costs

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.

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

	Principal basis of allocation to activities	Total 2017 £'000s	Total 2016 £'000s
Executive management and communications	Pro-rata to staffing costs	162	178
Financial management	Pro-rata to staffing costs	108	109
Human resources	Pro-rata to staffing costs	104	98
Information Systems	Pro-rata to staffing costs	97	74
Premises and facilities	Pro-rata to area used	513	470
Governance costs (see below)	Same ratio as all other support costs	33	36
		<u>1,017</u>	<u>965</u>

Governance costs are made up as follows:

	Total 2017 £'000s	Total 2016 £'000s
Management and administrative staff	19	24
Audit	14	12
	<u>33</u>	<u>36</u>

## 6. Net income and net movement in funds

This is stated after charging:

	2017 £'000s	2016 £'000s
Auditor's remuneration		
Statutory audit services		
Current year	12	10
Irrecoverable VAT	2	2
	<u>14</u>	<u>12</u>
Depreciation	94	101
Lease interest payable	2	2

## 7. Employees and key management personnel

	2017 £'000s	2016 £'000s
Staff costs during the period were as follows:		
Wages and salaries	1,654	1,707
Social security costs	159	167
Pension costs	49	45
	<u>1,862</u>	<u>1,919</u>
Locums, temporary staff and other staff costs	111	93
	<u>1,973</u>	<u>2,012</u>

Pension costs comprise employer's contributions to the Cardinal Hume Centre auto-enrolment pension scheme. Included within creditors falling due within one year is £8,310 (2016: £7,800) in respect of outstanding pension contributions.

The average number of employees analysed by function was:

	2017 Headcount	2016 Headcount	2017 FTE	2016 FTE
Housing and residential services	13	14	13	13
Advice and assessment	13	11	12	10
Learning, employment and family services	10	13	8	11
Fundraising	9	8	8	8
Central services	14	15	12	12
	<u>59</u>	<u>61</u>	<u>53</u>	<u>54</u>

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees, the Chief Executive and the Senior Management Team.

No trustee received any remuneration in respect of their services as trustee (or for any other services to the charity) during the period (2016: none). Trustee expenses reimbursed during the year were £158 (2016: £117) for two trustees (2016: two trustees) in respect of travel costs and subsistence.

The Chief Executive's remuneration was £63,566 (2016: £63,093) excluding employer's pension contributions of £3,814 (2016: £3,786). No other employees' emoluments (including benefits in kind but excluding any employer's pension contributions) in the year amounted to over £60,000 (2016: none).

The total remuneration (including taxable benefits but excluding employer's pension contributions) of the remaining members of the charity's key management personnel for the year was £168,446 (2016: £238,981). This was for an average of 4 staff (2016: 6 staff).

## 8. Tangible fixed assets

	Freehold property £'000s	IT equipment £'000s	Fixtures, equipment and Furniture £'000s	Total £'000s
<b>Cost</b>				
At 1 April 2016	2,716	27	690	3,433
Additions	—	1	24	25
Disposals	—	—	(207)	(207)
At 31 March 2017	2,716	28	507	3,251
<b>Depreciation</b>				
At 1 April 2016	648	7	493	1,148
Charge for period	54	5	34	93
Disposals	—	—	(207)	(207)
At 31 March 2017	702	12	320	1,034
<b>Net book value</b>				
At 31 March 2017	2,014	16	187	2,217
At 31 March 2016	2,068	20	197	2,285

The freehold property is subject to a charge (see note 11).

In order to expand the Centre's 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 from March 2004. 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 Centre and Servite Houses. This grant, together with certain other smaller grants, would become repayable should there be a significant change in use of the property. There is no intention to make any such change.

Included within fixtures, equipment and furniture is a telephone system acquired through a finance lease. The carrying value of the asset at 31 March 2017 was £16,000 (2016: £25,000).

## 9. Debtors

	2017 £'000s	2016 £'000s
Rent and grants receivable	22	17
Tax recoverable	110	41
Other debtors	21	21
Prepayments and accrued income	42	123
	<b>195</b>	<b>202</b>

## 10. Creditors: amounts falling due within one year

	2017 £'000s	2016 £'000s
Expense creditors	34	41
Other creditors	20	24
Obligation under finance lease for telephone system (note 18)	5	5
Tax and social security	43	38
Accruals	49	66
	<b>151</b>	<b>174</b>

## 11. Creditors: amounts falling due after more than one year

	2017 £'000s	2016 £'000s
Loan from Westminster Roman Catholic Diocesan Trust	339	339
Obligation under finance lease for telephone system (note 18)	12	16
	<b>351</b>	<b>355</b>

Westminster Roman Catholic Diocesan Trust has agreed that the 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. The loan is treated as a "basic" financial instrument in the financial statements as the valuation would depend on too many complex factors to be able to arrive at an accurate figure, the corresponding valuation gain is not recognised and any uplift would only be calculated on cessation of the Centre's activities.

## 12. Funds

	At 1 April 2016 £'000s	Income £'000s	Expenditure £'000s	Transfers £'000s	At 31 March 2017 £'000s
<b>UNRESTRICTED FUNDS</b>					
<b>General Fund</b>	686	1,984	(1,803)	68	935
<b>Designated funds</b>					
Fixed assets fund	1,946	—	—	(68)	1,878
Premises Fund	50	—	—	—	50
<b>Total unrestricted funds</b>	<b>2,682</b>	<b>1,984</b>	<b>(1,803)</b>	<b>—</b>	<b>2,863</b>
<b>RESTRICTED FUNDS</b>					
Housing and residential services	—	499	(499)	—	—
Advice and assessment	—	207	(192)	—	15
Learning and development	—	167	(167)	—	—
<b>Total restricted funds</b>	<b>—</b>	<b>873</b>	<b>(858)</b>	<b>—</b>	<b>15</b>
<b>Total funds</b>	<b>2,682</b>	<b>2,857</b>	<b>(2,661)</b>	<b>—</b>	<b>2,878</b>

Designated funds are established for the following purposes:

- The fixed assets 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 Premises fund is set aside for planning and development of the Centre's premises in 2017/2018.

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

The amount of £15k is from an individual donor for an Access to Justice Fund for immigration and housing clients.

## 13. Analysis of net assets between funds

Fund balances at 31 March 2017 are represented by:

	Unrestricted funds			Total 2017 £'000s
	General funds £'000s	Designated funds £'000s	Restricted funds £'000s	
Tangible fixed assets	—	2,217	—	2,217
Net current assets	962	50	—	1,012
Creditors: amounts falling due after one year	(12)	(339)	—	(351)
<b>2017 Total funds</b>	<b>950</b>	<b>1,928</b>	<b>—</b>	<b>2,878</b>
2016 Total funds	686	1,996	—	2,682

#### 14. 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.

#### 15. 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.

#### 16. 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 11). Bishop Nicholas Hudson, a Trustee of the Cardinal Hume Centre, is also a Trustee of the Westminster Roman Catholic Diocesan Trust.

Sarah Teather, a trustee, sits on the Board of the Caritas Social Action Network. The Centre is a member of the network and paid a subscription to it of £3,300 in 2017 (2016: £3,300).

During the year ended 31 March 2017, donations totalling £7,800 (2016: £4,500) were made by the trustees of the charity to the charity.

#### 17. Capital commitments

The Centre was not subject to any capital commitments at 31 March 2017 (2016: nil).

#### 18. Obligation under finance lease

Minimum lease payments at 31 March 2017 in respect to finance leases representing both capital and interest are as follows:

	2017 £'000s	2016 £'000s
Telephone system		
. Within one year	8	8
. Later than one, but not later than five years	15	23
	<u>23</u>	<u>31</u>

Total interest payable of £8,000 is included within the above.

## Organisational Details

### Trustees

Robert Arnott (Chair)  
Andrew Rose (Treasurer)  
Amelia Fitzalan Howard  
Pippa Greenslade  
Bishop Nicholas Hudson  
Caitlin Kennedy  
Patrick Milner  
Heather Petch  
Terry Philpot  
Sarah Teather (*resigned June 2016*)

### Company Members

Cardinal Vincent Nichols  
Mick Buckley  
Nicholas Coulson  
John Darley  
John Gibbs  
Catherine Hickman  
Bishop Nicholas Hudson  
Philip Marsden  
Jocelyn Ridley  
Canon Christopher Tuckwell

### Auditor:

Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

### Bankers:

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

### Solicitors:

Stone King LLP  
13 Queen Square  
Bath  
BA1 2HJ

### Patrons

Cardinal Vincent Nichols  
Cardinal Cormac Murphy O'Connor  
Field Marshal the Lord Guthrie GCB LVO OBE  
DL  
Dom Christopher Jamison OSB  
Baroness Kennedy of the Shaws QC  
Jeremy Paxman  
The Marquess of Lothian PC QC DL  
Lord Browne of Ladyton

### Senior Management Team

Cathy Corcoran OBE (Chief Executive)  
Maureen Boughton (Human Resources)  
Mark Foster (Services)  
Jane Sandeman (Finance and Central Services)  
Anne Shewring (Fundraising)

### Company Secretary

Jane Sandeman FCCA

### Registered office:

3-7 Arneway Street  
Horseferry Road  
London  
SW1P 2BG

Telephone 020 7222 1602

Facsimile 020 7233 2513

[Info@cardinalhumecentre.org.uk](mailto:Info@cardinalhumecentre.org.uk)

[www.cardinalhumecentre.org.uk](http://www.cardinalhumecentre.org.uk)

@CardinalHumeCHC (Twitter)

@CardinalHumeCentre (Facebook)

Company No: 4333875

Charity No: 1090836

## Trusts, companies and partners

### Trusts

*The following trusts contributed £5,000 or more towards the work of the Centre during the year April 2016 – March 2017:*

29th May 1961 Charity  
Albert Hunt Trust  
Ashden Trust  
Bisgood Charitable Trust  
Big Lottery Fund  
Cadogan Charity  
City Bridge Trust  
Craigmyle Charitable Trust  
Drapers' Charitable Trust  
E B M Charitable Trust  
Haramead Trust  
Hyde Park Place Estate Charity  
John Lyon's Charity  
Lyon Family Trust  
Meg Roper Trust  
Mrs L D Rope's Third Charitable Settlement  
Northwick Trust  
Oak Foundation  
Park House Charitable Trust  
Paul Hamlyn Foundation  
Percy Bilton Charitable Trust  
Peter Stebbings Memorial Charity  
Sir Harold Hood's Charitable Trust  
St Giles-in-the-Fields and William Shelton Charity  
Strand Parishes Trust  
StreetSmart  
Streets of London  
Swire Charitable Trust  
The Childhood Trust  
The Sackler Trust  
Westminster Council Ward Budget  
Westminster Foundation  
William Allen Young Charitable Trust

### Companies, Major Supporters and Partners

*The following organisations and individuals gave significant support to the Centre during the year:*

The Abbey Community Centre and Association  
Barbican Insurance  
Benefacto  
Berkeley Group  
BITC  
Briffa Law  
Brook  
CAP (Christians Against Poverty)  
Caritas Westminster  
Catholic Bishops Conference of England and Wales  
Celtic FC Foundation  
Centre for Counselling and Psychotherapy Education  
CEO Sleepout  
Channel 4  
Chestertons  
CityWest Homes  
Coca Cola European Partners  
Connection Crew  
Corinthia Hotel  
Corps Security  
Crown Estates  
Caritas Social Action Network  
Department for Work and Pensions  
DePaul UK  
Do-It Trust  
English for Action  
Etcetera Choir  
Alastair and Lynwen Gibbons  
Good Things Foundation  
Grosvenor Estates  
Holbeck Charitable Trust  
Home Away UK  
Home Instead  
Home-Start Westminster  
Homeless Link  
House of St Barnabas  
Housing Justice  
Hutton Foundation  
Imperial College  
Intuit  
Kevin Reynolds and Ruth McIntosh  
John Lewis Partnership

John O'Connor	Standard Chartered Bank
Joy Family Trust	Stephen Pollard and Margaret Ainscough
Junior League of London	St Gabriel's Pimlico
Land Securities	SVP (St Vincent de Paul)
LHA London	Syder Foundation
London School of Economics	Tate Britain
Marsden Family Trust	Team London
Marylebone Project	The Other Palace Theatre
Mary Ward Legal Centre	Transitions
Metropolitan Police - Safer Neighbourhood Team	Turning Point
Migrants Resource Centre	UCL
Mount Street Jesuit Centre	UCL Academy
Ofgem	Victim Support
One Westminster	Victoria BID
The Passage	Volunteer Centre Lambeth
Praxis	Volunteer Centre Southwark
Pret a Manger	Westminster Abbey (Dean and Chapter)
Principle Cleaning	Westminster CAB
Resco	Westminster Cathedral and Choir School
Ridgeway Partners	Westminster City Council
Royal Academy of Music	Westminster Foodbank
The Royal Household	Westminster Gangs Unit
Salt Yard Group	Westminster IAPT
Scherer Family Trust	Westminster Jobcentre
School of Advanced Study, University of London	Westminster Kingsway
Smartworks	Westminster Libraries
Society of the Sacred Heart	Westminster Mind
Spice – Westminster Time Credits	Wigmore Hall
Springboard	Your Catholic Legacy
St Anthony's School, Hampstead	Z2K