



## Annual Report and Financial Statements

31 March 2016

Company Number 04333875  
Registered Charity Number 1090836

## **Cardinal Hume Centre**

### **Annual Report and Financial Statements For the year ended 31 March 2016**

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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 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.

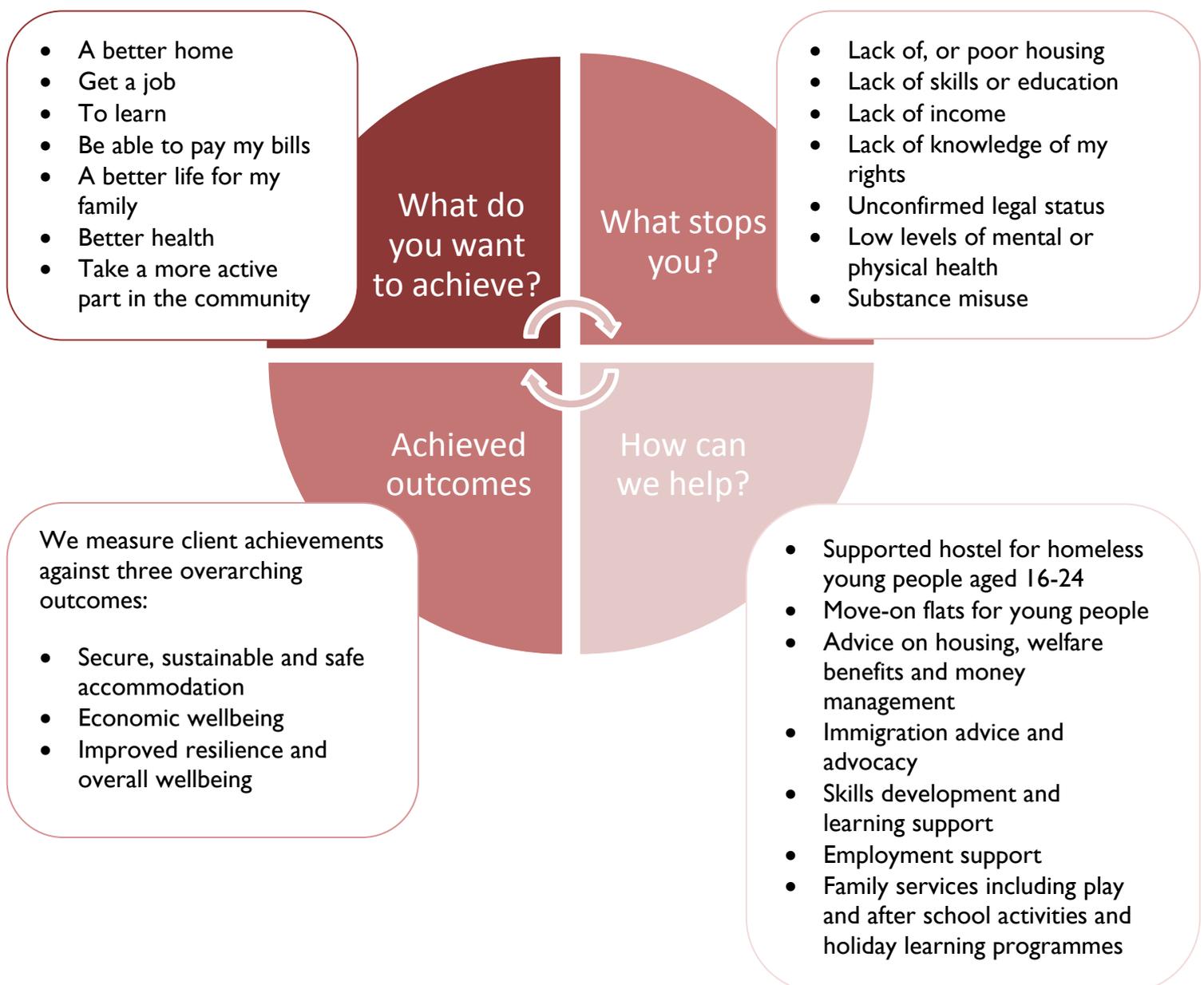
**Compassion:** we demonstrate our care for each individual who comes to the Centre in the quality and consistency of the services we offer to them.

**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.

## Our Approach

Everyone who comes to the Cardinal Hume Centre is treated as an individual and much of our work is done on a one-to-one basis. The first question we ask is 'what do you want to achieve?' By taking this approach we are able to move away from simply categorising someone as homeless, a single parent, unemployed, a migrant or asylum seeker, and tailor our services to meet a person's specific and often complex needs. Our ultimate goal is to help people achieve greater resilience and wellbeing. Our work is targeted at supporting people to overcome the barriers they face in achieving this.



## Khadija's Story

The abuse Khadija suffered as a child has left deep psychological scars and led to periods of severe depression. During one such period Khadija found herself living on the streets. She was alone, unprotected and extremely vulnerable. Although Khadija was eventually placed in temporary accommodation at a women's hostel, her depression worsened. The hostel conditions made it difficult for her to feel safe. Staff would enter her room without any notice and the intrusions left her feeling very afraid. "I'm not ungrateful to the women's hostel. It gave me a place when I didn't have anywhere else; but most of the time I was in my room and depressed," Khadija recalls. "I was drinking a lot, especially at night to help me sleep. It was not because I enjoyed it, but because it helped me to avoid things." Khadija started harming herself and recognised that her situation was getting increasingly severe. She needed to talk to someone, but she didn't feel comfortable talking to her doctor. At the time the only person she had built a trusting relationship with was Jenny Papworth, the welfare rights specialist at the Cardinal Hume Centre. Jenny was working with Khadija, helping her resolve a number of benefits issues which were placing her under significant financial strain. When Jenny first learned about the depth of Khadija's depression, she acted immediately arranging a counselling session at the Centre. Khadija was nervous about attending so Jenny went along with her to introduce her to the counsellor, helping her to feel at ease. From there Khadija agreed to talk to her doctor. Jenny's support had strengthened her resolve to get better and she became determined to confront the demons which had been haunting her for so long. Khadija has made remarkable progress over the space of a few months thanks to the help she has received, moving to a supported living facility where she has life coaching, and she has enrolled on a college course to improve her reading and writing skills. She is working as a carer and recently started volunteering with an organisation that supports people with dementia. "Everyone at the Cardinal Hume Centre has been so caring and it has really meant a lot. Sometimes I think about what would have happened if I hadn't opened my mouth to Jenny. I might not be here. So I don't even know how to say thank you. The 'thank you' I want to say - there are no words for it, I can't describe it."

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

## What people wanted from the Centre during the year

During the year, some 1,120 (2015: 1,214) new clients registered with the Centre and received an initial assessment.

Some of those key outcomes included:

- 54 young people moved on successfully from the Hostel/Basil Hume House to more independent living (2015: 28)
- 78% of the Hostel/Basil Hume House residents were in education, employment or training at any time (2015: 74%)
- 25 persons/families were prevented from being evicted from their homes (2015: 34): difference due to decreased staff capacity because of maternity leave
- 34 people obtained employment (2015: 42): difference due to taking on a new contract which focussed on people further away from the job market
- 50 clients per month on average attended the Jobs Club (2015: 20)
- 13 clients received one to one coaching in IT (2015: 23): difference due to reshaping of

the learning team and service offer

- 205 people were taught ESOL - English for Speakers of Other Languages (2015: 180)
- 14 ESOL students gained their level 3 qualification (2015: 15)
- 118 new immigration advice cases were opened (2015: 185): difference due to stretched capacity in the team
- 77 people secured or extended their right to remain in the UK (2015: 101): difference due to tightening of the system and negative tribunal decisions
- 58 families with a total of 126 children participated in the Christmas, Easter and/or summer programmes of learning and play activities (2015: 43/90)
- 55 families with a total of 96 children have attended After School Club and/or Homework Club: new programme
- 51 families with a total of 92 children have participated in the Family Sessions: 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 2015/16 included:**

- Funding from Westminster Council (WCC) for the residential services was secured until April 2018 giving the Centre a degree of financial security to assure 'business as usual' whilst allowing alternative funding models to be identified
- 5 Grade 'A's (out of 5) achieved in the Quality Assurance Framework undertaken by Westminster City Council on the Hostel for young people which places the Centre in a strong position to influence policy going forward
- Development of a more specific programme of support for the increasing number of UASCs (Unaccompanied Asylum Seeking Children) placed in the Hostel which will enable the Centre to advocate for additional funding and support
- Identified a greater number of move-on options through accessing Private Rented Sector schemes run by other agencies to address the critical decrease in suitable accommodation for young people leaving the hostel system
- Equality and Diversity audit undertaken in the Hostel which provides an action plan to ensure we are both respecting difference and tackling difficult behaviours
- Forging of effective new partnership with City West Homes who refer families who are facing eviction to the Centre's staff working on site at the CWH offices thereby proactively reaching out to people in critical need

### **Specific plans for 2016/17 include:**

- 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
- Drawing up a working model for a fundable package of support for the increasing number of UASC residents in the Hostel and working with local and central government to influence the positive implementation of their policies
- 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

### **Teniola's story**

Teniola's life was severely affected after she suffered from a stroke. It affected her mobility and her eyesight and brought an end to her career as a legal executive and teacher in legal studies. She had been teaching for over 15 years before her illness. Its severity, however, meant she became largely housebound, unable to go out to work. In April 2015 Teniola started volunteering with the Centre's Immigration Advice team. "The staff are wonderful. When I first started they carried out an assessment of my needs and arranged a suitable workspace for me. Each week when I arrive someone helps me into the room and gets me a glass of water; they carry my things and help me get into my taxi on the way home. The Centre has given me a lot of opportunity despite my disability and they have put in a fantastic support system to assist me." Teniola had been looking for a challenge which would help her flex her intellectual muscles again. So when a friend recommended that she get in touch with the Cardinal Hume Centre, a volunteering role in Immigration Advice felt like a perfect fit. So when a friend recommended that she get in touch with the Cardinal Hume Centre, a volunteering role in Immigration Advice felt like a perfect fit. Immigration Advice volunteers with the guidance and supervision of the Immigration Service Manager help people fill in their immigration forms, assist with gathering evidence and do essential research which can support clients' immigration applications. Teniola with the Centre's help she is working towards a Level 1 accreditation in giving immigration advice. "When I fell sick I was always looking for ways to use my mind," she says. "Someone suggested I do volunteering work, as it would give me a chance to use my skills. Coming here it's a change of atmosphere. I'm at home Saturday to Thursday and it's a quiet neighbourhood, the neighbours don't really talk to you. Here I get to talk to people and to use my brain. Just because you're disabled does not mean you should be rendered into a vegetable. My mind is strong but my body is not. At the Cardinal Hume Centre I get a chance to be myself, meet new people, and to exchange ideas."

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

### **Achievements in 2015/16 included:**

- Identification of core funding for the Immigration Advice Service after key grants came to the end of their cycle and scoping the opportunities for further expansion via new partnership arrangements with other charities in order to grow capacity to respond
- Strengthened our expertise in working with clients on Employment Support Allowance (ESA) which led to our working with people furthest away from the job market
- Introduction of a number of new learning approaches in response to the needs of clients including the introduction of RARPA (Recognising and Reporting Progress and Achievement) to enable clients to capture their achievements and have them recognised when not taking an accredited course
- Establishment of a pilot project in Churchill Gardens SW1, to assess need and shape responses in partnership with local churches and the Westminster Chapel Foodbank: initial assistance has focussed on providing housing and welfare benefits advice and food parcels
- Strengthened the Out of School programme for primary school aged children and parents, including forging stronger links with local schools and local council initiatives to support the Homework Club and the re-introduction of a Saturday Club for local families
- Turning the data collected on the usage of each service into a clearer picture of how we are reaching our strategic outcomes as well as providing useful trend analysis on how effective we are at meeting identified client need: this was enhanced by pro bono work with OFGEM economists to support the development of data collection that will enable more effective impact measurement
- Significant improvement in safeguarding practice and risk management which ensures we are providing a safe place for clients to develop skills and address the problems preventing them from progressing, as well as taking appropriate action when potential abuse is suspected
- Review of the assessment and referral procedures and introduction of clearer and tighter criteria which ensures the potential client is able to access the service they need quickly and/or expedites their onward referral
- Establishment of new service level agreements with Mary Ward Legal Centre (money management), the Passage (immigration advice), and JobCentre Plus (on site surgery) to make the Centre's service offer stronger
- Establishment of a Client Inclusion Group comprising staff from across the Centre to kick start a process of greater engagement with clients in service development
- Over 50% of the front line staff have completed the accredited mental health first aid qualification which enables them to identify signs of mental illness and to make appropriate referrals for specialist support

### **Objective not achieved during the year:**

- Identifying a Centre-wide 'quality mark' and establishing whether this will have substantive benefits including improving service delivery and attracting funding

### **Specific plans for 2016/17 include:**

- Establishing new partnerships with other organisations to expand the reach of the Immigration Advice service and to increase its capacity to respond to overwhelming need by at least 100%
- Bringing together all the service teams under one Director of Services including expanding and strengthening the Service Manager team which will streamline and enhance the overall service offer to clients. Implementing the results of the review into strengthening the assessment and referral process ensuring the focus is on priority need, allowing speedier access to services including specialist staff
- Strengthening and developing the advice services by establishing a new post of Manager of Advice which will give greater capacity to scope the external environment and shape new responses to increasing need
- 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
- Reshaping the Learning team and service offer to feed more clearly and tangibly into the work of helping people get into sustainable employment
- 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 and which identifies how best to support the needs of families with children of school age
- Evaluating the success of the outreach pilot scheme in Churchill Gardens SW1 (see above) and identifying sources of funding and support to establish a hub which will provide essential services to the people who need them within their own locality
- Development of new cross-Centre working practices increasing effectiveness to ensure consistent good practice in addressing client need effectively, and to measure the progress clients make in achieving their goals
- Development of 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

### **Leila's story**

Leila is 24 years old. She came to the UK in 2013. Her life as a Palestinian refugee in Syria had become increasingly difficult since the outbreak of fighting in the civil war. She explains, "There was bombing and fighting. It was very dangerous. There was no work, no shops. No money, no food or even water. People were eating rubbish, squeezing the stems of plants to try and get moisture to drink." Leila doesn't want to dwell on the past or re-live the many horrific incidents that took place. She took a chance to flee the country and after a long and frightening journey with someone she hardly knew, she arrived in the UK. Leila's early days in the UK were difficult. As well as having lost a lot of weight and being very weak, she was in a very fragile state emotionally, feeling vulnerable, fearful and completely alone. She was offered NASS (National Asylum Support Service) accommodation but it was in Liverpool and Leila felt too traumatised by all that she had experienced to undertake another journey. So she stayed in London, sometimes sleeping outside in parks or at railway stations. She was befriended by a woman who let Leila stay with her for a while and during that time she enrolled at college to learn English. She was receiving just £35 a week in state support and after buying a weekly travel card to get to college, she had scarcely any money left. Leila was desperate to find work and during a visit to

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

the Job Centre, she was told about the Cardinal Hume Centre. Not only could the Centre help her with skills development and employment support but it was also able to offer her accommodation in its hostel for young people. Finally, Leila had her own space, a room of her own and access to a range of support services. "At first I was shy and didn't speak to anyone. But the staff are so good here, they are not like officials – they are friendly and respect you. I started to feel safe." Leila has been living in the Centre's hostel for three months and staff are hugely impressed with her energy and positive attitude. As well as attending English classes at college, she now has a part-time job and she is working with the Centre's Employment and Learning team to continue developing her skills to access further employment opportunities. She is making friends in the hostel and enjoys cooking meals and sharing recipes with other residents. "Now I'm in this country, and I have the chance to do something. I want to make the most of my chances".

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

#### **Achievements in 2015/16 included:**

- Successful recruitment for two new part-time posts of Public Affairs Officer and Communications Officer with measures introduced to gauge the impact of both these posts going forward
- Active membership of CSAN (Caritas Social Action Network) led to the Centre contributing to policy papers, formal submissions to parliamentary inquiries, as well as information and case studies for several debates in the House of Lords
- Successful intentional 'recruitment' of allies from across the political spectrum resulting in 4 submissions to Select Committee inquiries and 8 visits to the Centre by 6 parliamentarians including meetings with 2 government ministers
- Introduction of a more proactive media strategy to draw attention to the issues facing our clients as well as to increase the Centre's profile, with regular columns in the Catholic Times, press releases covered in all the national Catholic press (print and online), and featured in the Evening Standard alongside a corporate partner, St James Theatre
- Programme established to encourage voter registration for clients, staff and volunteers alongside generation of debate on the importance of engagement in the democratic process in the run up to the General Election in May 2015
- Regular stories from clients, emphasising their 'voice', used in the Centre magazine, online, in fortnightly newsletters to supporters and on the website; such stories have also been key to engaging parliamentarians and civil servants in demonstrating the impact of government policy on individuals
- Undertaking a review of how we communicate with existing and potential clients involving client focus groups, and new service leaflet produced to make our service offer clearer to existing and potential clients
- Introduction of a client inclusion policy and establishment of a client inclusion steering group and a client forum both of which meet on a regular basis
- Clients engaged with supporters at key events including the launch of the Hume Club and Grosvenor Estates events

### **Objective reshaped during the year:**

- Organising a series of events to influence public policy and discourse

### **Specific plans for 2016/17 include:**

- Maximising the opportunity which the 30th Anniversary (June 2016 to June 2017) offers for increasing income and profile, promoting key issues and deepening relationships
- 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
- Encouraging and offering client engagement opportunities related to external events including the London Mayoral Elections and the European Referendum
- Undertaking a light survey of the key issues facing Centre clients which will then inform our public policy and influencing work
- Organising one key public policy and influencing event with other organisations e.g. a think tank, the CSAN network and/or others

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

#### **Achievements in 2015/16 included:**

- Launch of the Hume Club to recruit new major donors. The Business Plan target was to have £300k of major donor *pledged* income a year. In 2015-16 we raised £308k from major donors, of which £136k is pledged
- We have reached the Business Plan target of 1,000 members for the George Basil Hume Foundation (GBHF) - a donors' group for regular committed giving. At the end of 2015-16, we have 1,200 members
- Successful partnership with Grosvenor Estates which yielded £175,000 for the Centre during the two years of the adoption as their charity of the year
- The Business Plan commitment was to establish a corporate business club for local companies. This has become our Foot in the Door (FitD) programme, which includes businesses who are donating, volunteering and/or supporting our client employment programme. In February we held our first FitD anniversary event at Grosvenor attended by 25 companies. Corporate income in 2015-16 was £163k (budget £148k)
- Legacy income in 2015-16 was £98k, against our Business Plan annual target of £100k
- Reshaping the fundraising team to re-distribute management responsibilities and provide a clearer focus on developing key areas of income generation
- Staff Survey undertaken on four themes: the Organisation and Communications, Morale and Work Life Balance, People Management, and Development and Reward with follow up focus groups with staff to further engage in the questions raised. The survey was undertaken by an external organisation to ensure both anonymity as well as enable benchmarking of the Centre's performance with other charities
- Trustee recruitment successfully undertaken including the appointment of a new Treasurer and the replacement of the sub-committee Chairs whose term of office came to an end in December 2015

- Successful introduction of pension auto enrolment and bringing the payroll function in-house leading to a substantive increase in staff take-up on pensions
- Introduction of a pilot scheme in clinical supervision for two of the front line teams to assess the robustness of our working practices Second volunteer survey undertaken and recommendations taken on board to ensure we are on track with regard to attracting and retaining a substantive core of committed and trained volunteers who increase the staff teams' capacity to work with more clients
- Initial plans drawn up to identify how we can secure additional space, in the short and the long term, to provide a user friendly and accessible entry point for clients and to answer our critical shortage of office, meeting and training space
- Board self-evaluation on its effectiveness undertaken to provide an agenda for a programme of development to ensure 'good governance' going forward
- Adoption of a prioritised and more robust approach to implementing a cyclical plan for the development of key and major infrastructural items to mitigate major 'surprises' which would impact negatively on cash flow and/or reserves
- New IT server infrastructure implemented and new IT support contract introduced; and new phone system researched and installed giving the Centre more effective tools to increase efficiency

#### **Partially achieved:**

- The Business Plan states that we will be achieving an annual income of £2.98m by 2016-17. We have forecast £2.47m in the 2016-17 budget
- In the Business Plan we state we will be raising £2m in voluntary income excluding legacies by 2016-17. In 2015-16, we raised £1.7m in voluntary income. Our fundraising plans for 2016-17 should secure at least this much and we have strategies in place to continue to grow voluntary income. However, reaching voluntary income of £2m this year (the final year of the plan) will be a stretch

#### **Specific plans for 2016/17 include:**

- Further investment in the Hume Club, organising two specific events per year to increase the rate of recruitment of major donors and therefore committed income over a three year period
- Acting on the results of the Staff Survey including proposals for a tailored management development programme and improved internal communications to underpin the Centre's approach to attracting and retaining quality staff
- Implementing an architect led initiative to adapt the premises 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
- Undertake an evaluation, including affordability, of the clinical supervision pilot with the intention of rolling it out to all front line teams; this will ensure we have robust and good working practices in place to maximise the support available to clients
- Taking forward the results of the Board self-evaluation into a programme of Trustee development and training to ensure effective governance

## **Aiden's Story**

It has been estimated that some 24% of homeless young people in the UK are from the LGBT (Lesbian, Gay, Bisexual and Transgender) community. Many LGBT young people suffer rejection from their families as well as having to endure bullying at school and exclusion from their larger communities. Unfortunately, this means they are one of the most disenfranchised and marginalised groups in society. Aiden was forced to flee from his family home because of the abuse he had been subjected to at the hands of his father who didn't understand why Aiden identified as a man when he had been born a woman. Aiden spent some time living in a refuge before being moved into a women's only hostel. But in both environments he received very little support. While he was living in the women's only hostel another resident recommended that Aiden get in touch with PACE, an LGBT organisation offering emotional and practical support to young people. Through PACE and their contacts at the Albert Kennedy Trust, Aiden was offered a room in the Centre's hostel. Aiden was surprised at how different the Centre's hostel was in comparison to where he'd been living previously. Living amongst other young people meant he had people he could interact with and he was assigned his own support worker who helped him to sign up with a GP, assisted him with sorting out his employment support allowance and arranged for him to receive counselling. Being free from the hostility Aiden faced at home, meant he was free to start learning about who he is and he has been attending a number of transgender groups since January. The safe and inclusive environment offered at the Centre's hostel has also empowered Aiden to move forward in other areas of his life. At the end of February he completed a six week security training course, earning his SIA badge and the license to work as a qualified door supervisor in both the retail and leisure industries. With a qualification under his belt Aiden can now start looking for work and is hoping to take part in a two week stewarding programme which will give him experience in crowd safety. His goal is to be able to secure a job so that he can move into his own place. He has only lived in the hostel since October 2015, but the difference that has made in his life has been invaluable. "Being at the Cardinal Hume Centre has helped me in so many ways", he says. "I would recommend the Centre to anyone in need. If they need support with anything the first place they should come to is the Centre. I want to thank everyone at the Centre for everything they've done for me. I really wouldn't be where I am, or have achieved the things that I have, without them."

## **Finances**

### **Financial Strategy**

The Centre's financial strategy and reserve policy over the period of the 2014-2017 Business Plan is to ensure that there are sufficient resources and reserves to support the growth and development of the services to respond to need.

We have realised this through strong growth in voluntary income streams following significant investment in fundraising. This has been achieved at a time when we have also had to absorb cuts to statutory income. Although there are still significant risks and challenges in the current environment, our financial outlook has improved over the last four years because our underlying income mix is now more sustainable and resilient.

## Results for the Year

	2016	2015
	£'000s	£'000s
Voluntary income (excluding legacies)	1,746	1,743
Total income	2,678	2,690
Total expenditure	2,644	2,619
Net surplus/(deficit)	34	71

Voluntary income in 2015 included a one off donation of £300,000. If this is excluded from the comparatives, normal voluntary income increased by 21% in 2016. The Oak Foundation committed to supporting the Centre's immigration advice work for three years, starting with £125,000 of funding in Year 1 (2016). We were the Grosvenor Estate's Charity of the Year this year so received money from a number of sponsored events. One of the participants in the 2015/16 CEO Sleepout raised an unprecedented amount of £65,000. If we are to take part in the CEO Sleepout event in 2016/17, this success is unlikely to be repeated with a likely more conservative overall event target of £30,000. Our committed donors generously continued to support our work and we launched the Hume Club, which attracted some large donations which we expect to be repeated in subsequent years.

Total expenditure increased to £2,644,000 (2015: £2,619,000). The Centre invested in two new part time fundraising posts and an administrative post to support the Immigration Advice and Central Services. The Family Services' offer was reviewed during the year and changed from nursery services to supporting primary school children and their families, as there was little provision for extracurricular activity for this age range in South Westminster.

The Centre achieved a surplus of £34,000 (2015: surplus of £71,000). The Centre continues to keep a tight control of its costs but is mindful that the funding environment has become harsher and more competitive. In 2016/17 this may present a challenge financially if the Centre retains its full suite of services.

The Board and Senior Management Team have begun preparation for the 2017-2020 Business Plan which 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), and a small contract from the Department for Work and Pensions for part of the employment team's work.

We are grateful to the many trusts and companies who supported the Centre during the year. These are set out on page 37. 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.

## Reserves

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

The Board seeks to retain adequate reserves measuring such adequacy by (i) reviewing the sustainability of current and projected income as compared with (ii) projected expenditure required to enable the Centre to meet client needs 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 £752,000 (2015: £739,000) representing 3.37 months (2015: 3.1 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 £1,995,000 (2015: £1,959,000).
- A fund of £50,000 (2015: £50,000) has been set aside to meet planning and development of the space in the Centre to improve the client experience. It is expected that this fund will be used by 31 March 2017.

The general fund represents the balance of unrestricted funds. At the year-end the balance on the general fund was £687,000 (2015: £689,000) which represented 4.5 months (2015: 4.1 months) of budgeted unrestricted expenditure for next year. The Trustees' target has been to have between two and four months' 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 2016, 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 (2014: 12), set out on page 36 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 36.

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 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 Director of Advice and Assessment, the Finance Director, the Fundraising Director and the HR Director. The pay range for the Senior Management Team (excluding the Chief Executive) is from £36,142 to £52,609 (FTE). (Please see Page 31 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 is supported and guided by many local and national partnerships and 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 page 37.

### **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 the Senior Management Team.

The three top risks during the year were identified as income, loss of key staff and corporate knowledge, and changes in the external legislative landscape. These risks are further discussed below.

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

There are two risks to income – the Centre's reliance on voluntary income which has grown year on year but can be unpredictable as to when it comes in and the risk of the Supporting People contract ending. This is a contract with Westminster City Council that supports the Hostel. This is due to end after 2017/18. A key element of managing these income risks 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 sub-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 sub-committees.

### ***Loss of key staff and corporate knowledge***

Loss of key staff and corporate knowledge is a risk that has been identified. The Centre is a comparatively small charity in which one member of staff covers a particular area of work and function. This has become a priority for the charity to try and address and the risk is managed by developing core training programmes to give relevant staff the competencies and skills to ensure that there are consistent practices and protocols across the organisation. The Centre has key policies that are covered in all staff inductions. The Centre is committed to supporting staff development and listening to the staff voice, for example a Centre wide staff survey was undertaken in October 2015. Staff succession and staff issues are monitored by the Personnel sub-committee. The Centre continues to make reasonable investment in information support systems to ensure that workflows are consistent and transparent and staff have the right tools to manage their work efficiently

### ***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 and the 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 in the Centre.

## **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 provide a crucially important way in which the capacity and quality of service provision is augmented. At 31 March 2016 there were 97 regular volunteers (2015: 97) including 35 one-to-one coaches in IT, reading, literacy, numeracy and English language (2015: 43). Therefore the Centre benefitted from an average of 343 volunteering hours per week of invaluable and professional expertise (2015: 290 hours) during the year. In addition, corporate partnerships provided 210 volunteers giving a further 623 hours. In the autumn term 2015, Family Services started 'Family Saturdays' and on average 15 volunteers have been recruited each term to help deliver these 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.

## **Trustees' Responsibilities Statement**

The Trustees (who are also directors of the Cardinal Hume Centre for the purposes of company law) are responsible for preparing the annual 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 as at the balance sheet date and of its income and expenditure for the financial year then ended.

In preparing 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 to the United Kingdom and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed subject to any material departures being disclosed and explained in the financial statements; and

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

- 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 which disclose with reasonable accuracy at any time the financial position of the Centre, and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees 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.

The Trustees are responsible for the maintenance and integrity of financial information published on the Charity's website or by other electronic means. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 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.

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



**Robert Arnott  
Chair of the Trustees**

**[14] July 2016**

## 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 2016 which comprise the statement of financial activities, 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 FRS102, the Financial Reporting Standard applicable in the United Kingdom 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 the Trustees and the auditor

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

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

### Scope of the audit of the financial statements

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 charity'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 charity's affairs as at 31 March 2016 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, the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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.

We have nothing to report in respect of these matters.



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

[ 1/8 ] 2016

**Statement of Financial Activities for the year ended 31 March 2016**  
**(Incorporating an Income and Expenditure Account)**

	Notes	Unrestricted Funds £'000s	Restricted Funds £'000s	Total funds 2016 £'000s	Total funds 2015 £'000s
<b>Income from:</b>					
Donations and legacies					
Donations	2a	1,271	475	1,746	1,743
Legacies	2b	98	—	98	90
Total donations and legacies		1,369	475	1,844	1,833
Charitable activities	3	374	363	737	781
Other trading activities					
Sales of donated goods		47	—	47	46
Investments: interest receivable		1	—	1	1
Other		49	—	49	29
<b>Total income</b>		<b>1,840</b>	<b>838</b>	<b>2,678</b>	<b>2,690</b>
<b>Expenditure on:</b>					
Raising funds					
Donations and legacies	4a	364	—	364	379
Fundraising trading	4a	41	—	41	38
		405	—	405	417
Charitable activities					
Housing and residential services	4b	527	481	1,008	1,011
Advice and assessment	4b	408	194	602	486
Learning, employment and family services	4b	466	163	629	705
		1,401	838	2,239	2,202
<b>Total expenditure</b>		<b>1,806</b>	<b>838</b>	<b>2,644</b>	<b>2,619</b>
<b>Net income and net movement in funds</b>	6	<b>34</b>	<b>—</b>	<b>34</b>	<b>71</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 April 2015		2,648	—	2,648	2,577
Total funds carried forward at 31 March 2016		2,682	—	2,682	2,648

Income from other trading activities, investments, and other income 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 2015 (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 2016

	Notes	2016 £'000s	2016 £'000s	2015 £'000s	2015 £'000s
<b>Fixed assets</b>					
Tangible assets	8		2,285		2,248
<b>Current assets</b>					
Investments	9	—		3	
Debtors	10	202		219	
Short-term deposits		115		290	
Cash at bank		609		413	
		<u>926</u>		<u>925</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(174)</u>		<u>(186)</u>	
<b>Net current assets</b>			<u>752</u>		<u>739</u>
<b>Total assets less current liabilities</b>			<u>3,037</u>		<u>2,987</u>
<b>Creditors: amounts falling due after one year</b>	12		<u>(355)</u>		<u>(339)</u>
<b>Total net assets</b>			<u><u>2,682</u></u>		<u><u>2,648</u></u>
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Unrestricted funds					
General fund	13	686		689	
Designated funds	13	<u>1,996</u>		<u>1,959</u>	
					2,648
Restricted funds	13		—		—
			<u>2,682</u>		<u>2,648</u>

Approved by the Trustees  
and signed on their behalf by:



Robert Arnott  
Chair of the Trustees  
[ 14 JULY ] 2016

Charity registration no. 1090836  
Company registration no. 04333875

## Statement of cash flows for the year ended 31 March 2016

	Notes	2016 £'000s	2015 £'000s
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	136	141
<b>Cash flows from investing activities:</b>			
Investment income		1	1
Proceeds from the disposal of current asset investments		3	35
Purchase of tangible fixed assets		(108)	(73)
<b>Net cash used in investing activities</b>		<b>(104)</b>	<b>(37)</b>
<b>Cash flow from financing activities</b>			
Payments towards finance lease (capital and interest)		(11)	—
<b>Change in cash and cash equivalents in the year</b>		<b>21</b>	<b>104</b>
<b>Cash and cash equivalents at 1 April 2015</b>	B	<b>703</b>	<b>599</b>
<b>Cash and cash equivalents at 31 March 2016</b>	B	<b>724</b>	<b>703</b>

### Notes to the statement of cash flows for the year to 31 March 2016.

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

	2016 £'000s	2015 £'000s
<b>Net income (as per the statement of financial activities)</b>	<b>34</b>	<b>71</b>
<b>Adjustments for:</b>		
Depreciation charge	101	82
Bank interest receivable	(1)	(1)
Lease interest payable	2	—
Decrease (increase) in debtors	17	(50)
(Decrease) increase in creditors	(17)	39
<b>Net cash provided by operating activities</b>	<b>136</b>	<b>141</b>

#### B Analysis of cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	609	413
Short term deposits (less than three months)	115	290
<b>Total cash and cash equivalents</b>	<b>724</b>	<b>703</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 2016.

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.

#### Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. Other than presentational adjustments required to reanalyse the expenditure for the year ended 31 March 2015 to accord with the format prescribed in the updated SORP, no further adjustments were required. Specifically, governance costs which were previously reported as a separate line of

expenditure within the statement of financial activities is now included as a component of support costs and allocated to the remaining categories of expenditure as described in the expenditure accounting policy below.

#### 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 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 2016 £'000s	Total 2015 £'000s
Donations				
Trusts	168	446	614	431
Individuals	875	—	875	1,081
Schools & parishes	87	—	87	60
Corporates	134	29	163	164
Other	7	—	7	7
<b>2016 Total funds</b>	<b>1,271</b>	<b>475</b>	<b>1,746</b>	<b>1,743</b>
2015 Total funds	1,343	400	1,743	

## 2b. Income from legacies

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2016 £'000s	Total 2015 £'000s
Legacies	98	—	98	90
<b>2016 Total funds</b>	<b>98</b>	<b>—</b>	<b>98</b>	<b>90</b>
2015 Total funds	90	—	90	

## 3. Income from charitable activities

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2016 £'000s	Total 2015 £'000s
Rent and service charges	310	—	310	303
City of Westminster Council				
Supporting People	—	310	310	310
Other grants	—	50	50	109
Department for Work & Pensions	34	—	34	24
Other	30	—	30	33
Client related grants	—	3	3	2
<b>2016 Total funds</b>	<b>374</b>	<b>363</b>	<b>737</b>	<b>781</b>
2015 Total funds	416	365	781	

#### 4a. Expenditure on raising funds

	Direct costs £'000s	Support costs £'000s	Total 2016 £'000s	Total 2015 £'000s
Raising funds				
Donations and legacies	315	49	364	379
Fundraising trading	29	12	41	38
<b>2016 Total</b>	<b>344</b>	<b>61</b>	<b>405</b>	<b>417</b>
2015 Total	333	84	417	

For the year ended 31 March 2015 (comparative information), expenditure on raising funds included:

- Unrestricted expenditure of £379,000 on generating donations and legacies; and
- Unrestricted expenditure of £38,000 on fundraising trading.

#### 4b. Expenditure on charitable activities

	Direct costs £'000s	Support costs £'000s	Total 2016 £'000s	Total 2015 £'000s
Charitable activities				
Housing and residential services	526	482	1,008	1,011
Advice and assessment	414	188	602	486
Learning , employment and family services	395	234	629	705
<b>2016 Total funds</b>	<b>1,335</b>	<b>904</b>	<b>2,239</b>	<b>2,202</b>
2015 Total funds	1,391	811	2,202	

For the year ended 31 March 2015 (comparative information), expenditure from charitable activities included:

- Expenditure of £1,011,000 in relation to housing and residential services of which £432,000 was unrestricted and £579,000 was restricted.
- Expenditure of £486,000 Advice in relation to advice and assessment of which £324,000 was unrestricted and £162,000 was restricted.

Expenditure of £705,000 on learning, employment and family services of which £544,000 was unrestricted and £161,000 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 2016 £'000s	Total 2015 £'000s
Executive management and communications	Pro-rata to staffing costs	178	101
Financial management	Pro-rata to staffing costs	109	98
Human resources	Pro-rata to staffing costs	98	106
Information Systems	Pro-rata to staffing costs	74	75
Premises and facilities	Pro-rata to area used	470	465
Governance costs (see below)	Same ratio as all other support costs	36	50
		<u>965</u>	<u>895</u>

Governance costs are made up as follows:

	Total 2016 £'000s	Total 2015 £'000s
Management and administrative staff	24	38
Audit	12	12
	<u>36</u>	<u>50</u>

## 6. Net income and net movement in funds

This is stated after charging:

	2016 £'000s	2015 £'000s
Auditor's remuneration		
Statutory audit services		
Current year	10	10
Irrecoverable VAT	2	2
	<u>12</u>	<u>12</u>
Depreciation	101	82
Lease interest payable	2	—
	<u>2</u>	<u>—</u>

## 7. Employees and key management personnel

	2016 £'000s	2015 £'000s
Staff costs during the period were as follows:		
Wages and salaries	1,707	1,605
Social security costs	167	161
Pension costs	45	23
	<u>1,919</u>	<u>1,789</u>
Locums, temporary staff and other staff costs	93	119
	<u>2,012</u>	<u>1,908</u>
Redundancy costs	—	39
	<u>2,012</u>	<u>1,947</u>

Pension costs comprise employer's contributions to the personal pension schemes of individual employees. Included within creditors falling due within one year is £7,800 (2015: £3,000) in respect of outstanding pension contributions.

The average number of employees analysed by function was:

	2016 Headcount	2015 Headcount	2016 FTE	2015 FTE
Housing and residential services	14	13	13	13
Advice and assessment	11	9	10	8
Learning, employment and family services	13	14	11	12
Fundraising	8	7	8	6
Central services	15	13	12	12
	<u>61</u>	<u>56</u>	<u>54</u>	<u>51</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 (2015: none). Trustee expenses reimbursed during the year were £117 (2015: £41) for 2 trustees in respect of travel costs and subsistence.

The Chief Executive's remuneration was £63,093 (2015: £62,843) excluding employer's pension contributions of £3,786 (2015: £3,756). No other employees emoluments (including benefits in kind but excluding any employer's pension contributions) in the year amounted to over £60,000 (2015: 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 £238,981 (2014/15: £248,566). This was for an average of 6 staff (2014/15: 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 2015	2,716	27	552	3,295
Additions	—	—	138	138
At 31 March 2016	2,716	27	690	3,433
<b>Depreciation</b>				
At 1 April 2015	594	2	451	1,047
Charge for period	54	5	42	101
At 31 March 2016	648	7	493	1,148
<b>Net book value</b>				
At 31 March 2016	2,068	20	197	2,285
At 31 March 2015	2,122	25	101	2,248

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 2016 was £25,000.

## 9. Investments

	2016 £'000s	2015 £'000s
Listed investments	—	3

Investments at 31 March 2015 related to the gifts of shares made to the Centre shortly before the end of each financial year which were sold after the year-end. They are included on the balance sheet at market value at the year-end date.

## 10. Debtors

	2016 £'000s	2015 £'000s
Rent and grants receivable	17	32
Tax recoverable	41	50
Other debtors	21	27
Prepayments and accrued income	123	110
	<b>202</b>	<b>219</b>

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

	2016 £'000s	2015 £'000s
Expense creditors	41	48
Other creditors	24	38
Obligation under finance lease for telephone system (note 19)	5	—
Tax and social security	38	46
Accruals	66	54
	<b>174</b>	<b>186</b>

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

	2016 £'000s	2015 £'000s
Loan from Westminster Roman Catholic Diocesan Trust	339	339
Obligation under finance lease for telephone system (note 19)	16	—
	<b>355</b>	<b>339</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.

### 13. Funds

	At 1 April 2015 £'000s	Income £'000s	Expenditure £'000s	Transfers £'000s	At 31 March 2016 £'000s
<b>UNRESTRICTED FUNDS</b>					
<b>General Fund</b>	689	1,840	(1,806)	(37)	686
<b>Designated funds</b>					
Fixed assets fund	1,909	—	—	37	1,946
Premises Fund	50	—	—	—	50
<b>Total unrestricted funds</b>	<b>2,648</b>	<b>1,840</b>	<b>(1,806)</b>	<b>—</b>	<b>2,682</b>
<b>RESTRICTED FUNDS</b>					
Housing and residential services	—	481	(481)	—	—
Advice and assessment	—	194	(194)	—	—
Learning and development	—	163	(163)	—	—
<b>Total restricted funds</b>	<b>—</b>	<b>838</b>	<b>(838)</b>	<b>—</b>	<b>—</b>
<b>Total funds</b>	<b>2,648</b>	<b>2,678</b>	<b>(2,644)</b>	<b>—</b>	<b>2,682</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 2016/2017.

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

### 14. Analysis of net assets between funds

Fund balances at 31 March 2016 are represented by:

	Unrestricted funds			Total 2016 £'000s
	General funds £'000s	Designated funds £'000s	Restricted funds £'000s	
Tangible fixed assets	—	2,285	—	2,285
Net current assets	702	50	—	752
Creditors: amounts falling due after one year	(16)	(339)	—	(355)
<b>2016 Total funds</b>	<b>686</b>	<b>1,996</b>	<b>—</b>	<b>2,682</b>
2015 Total funds	689	1,959	—	

### 15. 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.

### 16. 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.

## 17. 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.

The Chief Executive and Sarah Teather, a trustee, sit 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 2016 (2015: £3,075).

During the year ended 31 March 2016, donations totalling £4,500 (2015: £5,125) were made by the trustees of the charity to the charity.

## 18. Capital commitments

The Centre was not subject to any capital commitments at 31 March 2016 (2015: nil).

## 19. Obligation under finance lease

Minimum lease payments at 31 March 2016 in respect to finance leases representing both capital and interest are as follows:

	2016 £'000s	2015 £'000s
Telephone system		
. Within one year	8	—
. Later than one, but not later than five years	23	—
	<u>31</u>	<u>—</u>

Total interest payable of 10,000 is included within the above.

## TRUSTEES, PATRONS, MEMBERS, SENIOR STAFF AND ADVISERS

### Trustees

Robert Arnott (*Chair: appointed December 2015*)  
Andrew Rose (*Treasurer: appointed December 2015*)  
Charmaine De Souza (*resigned December 2015*)\*  
Amelia Fitzalan Howard  
Bishop Nicholas Hudson  
Veronica Fulton (*resigned December 2015*)\*  
Pippa Greenslade  
Caroline Hattersley (*resigned December 2015*)\*  
Richard Hopper (*resigned December 2015*)\*  
Caitlin Kennedy  
Patrick Milner  
Terry Philpot  
Heather Petch (*appointed December 2015*)  
Sarah Teather  
Michael Walton FCA (*resigned December 2015*)\*

### 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

### Senior Management Team

Cathy Corcoran OBE (*Chief Executive*)  
Maureen Boughton (*Human Resources*)  
Mark Foster (*Services from April 2016*)  
Anne Shewring (*Fundraising*)  
Jane Sandeman (*Finance and Central Services*)  
Andrew Waites (*Services- resigned April 2016*)

### Company Secretary

Jane Sandeman FCCA

*\*Term of office came to an end*

### 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

### 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

### Registered office

3-7 Arneway Street  
Horseferry Road  
London  
SW1P 2BG

Telephone 020 7222 1602  
Facsimile 020 7233 2513  
Info@cardinalhumecentre.org.uk  
Website: cardinalhumecentre.org.uk

**Charity registration no. 1090836**  
**Company registration no. 04333875**

## TRUSTS, COMPANIES AND PARTNERS

### Trusts

The following trusts gave £5,000 or more towards the work of the Centre during the year:

29th May 1961 Charity  
Ashden Trust  
Bernard Sunley Charitable Foundation  
Bisgood Charitable Trust  
Big Lottery Fund  
Craigmyle Charitable Trust  
Drapers' Charitable Trust  
E B M Charitable Trust  
Holbeck Charitable Trust  
Hyde Park Place Estate Charity  
Lyon Family Trust  
Marsden Family Trust  
Meg Roper Trust  
Oak Foundation  
Percy Bilton Charitable Trust  
Porticus UK  
The Sackler Trust  
Sir Harold Hood's Charitable Trust  
Strand Parishes Trust  
StreetSmart  
Swire Charitable Trust  
The Childhood Trust  
Westminster Foundation  
William Allen Young Charitable Trust

### Companies and Partners

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

The Abbey Community Centre and Association  
Barbican Insurance  
Berkeley Group  
BITC  
Briffa Law  
CAP (Christians Against Poverty)  
Caritas Westminster  
Catholic Bishops Conference of England and Wales  
Carers Network Westminster  
Centre for Counselling and Psychotherapy Education  
CEO Sleepout  
Channel 4  
Chestertons  
City of London Corporation  
CityWest Homes  
Civil Service Fast Stream  
Coca-Cola Enterprises  
Connection Crew  
Corinthia Hotel  
Cross River Partnership  
Crown Estates  
CSAN (Caritas Social Action Network)  
Department for Work and Pensions  
DePaul UK  
Desta Consortium  
Do-It Trust  
English for Action  
Etcetera Choir  
Grosvenor Estates  
Home Instead

Home Away UK  
Home Start Westminster  
Homeless Link  
House of St Barnabas  
Housing Justice  
Hutton Collins Partners LLP  
Imperial College  
Intuit  
Jobcentre Plus  
John Lewis Partnership  
Joy Family Trust  
Junior League of London  
Land Securities  
LHA London  
London School of Economics  
Mace  
Marylebone Project  
Mary Ward Legal Centre  
Metropolitan Police - Safer Neighbourhood Team  
Migrants Resource Centre  
Mount Street Jesuit Centre  
Ofgem  
One Westminster  
Open Age  
The Passage  
Peabody Trust  
Praxis  
Pret a Manger  
Resco  
Ridgeway Partners  
Royal Academy  
The Royal Household  
Salt Yard Group  
Society of the Sacred Heart  
Spice – Westminster Time Credits  
St Anthony's School, Hampstead  
St Gabriel's Pimlico  
St James Theatre  
SVP (St Vincent de Paul)  
Standard Chartered Bank  
Tate Britain  
UCL Academy  
UCLA  
UCL School of Advanced Studies  
Victim Support  
Victoria BID  
Volunteer Centre Lambeth  
Volunteer Centre Southwark  
WAVE  
Westminster Abbey (Dean and Chapter)  
Westminster CAB  
Westminster Cathedral and Choir School  
Westminster City Council  
Westminster Food bank  
Westminster Gangs Unit  
Westminster IAPT  
Westminster Kingsway  
Westminster Libraries  
Wigmore Hall  
Your Catholic Legacy  
Z2K