

**SOUTHSIDE
PARTNERSHIP FANON
CARE**

CHARITY REGISTRATION No: 1010187
COMPANY REGISTRATION No. 3693763

Trustees' Report and Financial Statements
for the year ended 31st March 2006



SOUTHSIDE PARTNERSHIP FANON CARE

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**SOUTHSIDE PARTNERSHIP FANON CARE
REFERENCE AND ADMINISTRATIVE INFORMATION
For the year ended 31st March 2006**

Constitution

Southside Partnership Fanon Care is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity number: 1010187. Company number 3693763.

The Trustees

The Trustees constitute directors of the charity for the purposes of the Companies Act 1985 and trustees of the charity for the purposes of the Charities Act 1993.

The Trustees are elected at the Annual General Meeting and serve for a period of three years. The following members were in office at 31 March 2006 and served throughout the year, except where indicated.

S.G.A. Maingot (Chairman)	
P. Milkins (Treasurer)	
J. Tait OBE	(resigned 17.01.06)
S. Philogene OBE	(resigned 17.01.06)
N. Ishmael	

Secretary

Margaret Malcolm	(resigned 31.08.05)
Andrew Holdaway	(appointed 31.08.05 resigned 12.10.05)
Aisling Duffy	(appointed 12.10.05)

Chief Executive

Margaret Malcolm	(resigned 31.08.05)
Aisling Duffy	(appointed 12.10.05)

Registered Office

31 – 33 Lumiere Court, 209 Balham High Road, Balham, London, SW17 7BQ

Auditors

Chantrey Vellacott DFK LLP, Russell Square House, 10-12 Russell Square, London WC1B 5LF

Bankers

Barclays Bank plc, South West London Group, P.O. Box 385, Onslow Hall, The Little Green, Richmond, Surrey, TW9 1WB

SOUTHSIDE PARTNERSHIP FANON CARE
REPORT OF THE TRUSTEES (incorporating a Directors' Report)
For the year ended 31st March 2006

The trustees submit their annual report and audited financial statements for the year ended 31 March 2006. The report has been prepared for the purposes of section 45 of the Charities Act 1993 and as a directors' report for the purposes of section 234 of the Companies Act 1985. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Southside Partnership Fanon Care is a company limited by guarantee governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission. Southside Partnership Fanon Care is a subsidiary company of Southside Partnership. Southside Partnership Fanon Care provides a range of services to black and minority ethnic communities, in particular people from African and Caribbean communities.

A Board of Trustees of up to 8 members, who met 9 times this year, governs the affairs of the charity. As at 31st March 2006 there were three Trustees. The Trustees have established a sub committee to advise the Board on service development. The Trustees have appointed a co-opted member to the Fanon sub committee.

A Chief Executive is appointed by the Trustees to manage the executive functions of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation found within the charity's standing orders. A new Chief Executive was appointed this year, commencing on 12.10.05.

Appointment of Trustees

Two long serving Trustees resigned at the AGM held 17.01.06. A skills audit was carried out to identify the skills gaps on the Board of Trustees and a recruitment campaign commenced. The services of a consultant were engaged to assist with this recruitment. Trustee role descriptions and commitment requirements were circulated to all candidates prior to interview. All candidates are interviewed by the Chair of the Board of Trustees and the Chief Executive. Prior to any appointment full reference checks and enhanced CRB disclosure checks are carried out. A minimum of three new Trustee appointments are expected in the next financial year.

New Trustees receive an induction which includes a range of formal training regarding their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and the recent financial performance of the charity. Trustees also visit a range of the charity's services. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Related Parties

Southside Fanon Care has well established relationships with a range of BME specialist organisations. In conjunction with its parent body the charity has a close relationship with a variety of voluntary and statutory bodies supporting the delivery of services to vulnerable adults in the areas within which the charity operates.

**SOUTHSIDE PARTNERSHIP FANON CARE
REPORT OF THE TRUSTEES (incorporating a Directors' Report)
For the year ended 31st March 2006**

Risk Management

The trustees have considered and reviewed the risks faced by the organisation.

The risk management strategy, which was reviewed in July 2005, comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to manage those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

OBJECTIVES AND ACTIVITIES

The objects of the charity are:

- the relief of people who are suffering or have suffered from mental and/or physical disability and/or learning difficulties or disabilities, or who are elderly or infirm, and in particular, but not so as to limit the generality of the foregoing, the provision of residential care services.
- to undertake any other charitable purpose.

In practice Southside Partnership Fanon Care provides services for people from African and Caribbean communities affected by mental health needs.

Vision and Strategic Aims

Our vision is to help build a society where African and Caribbean people with mental health needs can participate as equal and active citizens.

Southside Fanon's aims for 2005/6 were:

- To work in partnership with all of our service users to maintain or increase opportunities for independence, choice and social inclusion
- To provide services which meet or exceed the expectations of all of our stakeholders.
- To build a workforce with the talent to achieve Southside Fanon's mission.
- To develop clear outcomes that demonstrate the value of culturally specific services

The main objectives for the current year were:

- To further develop service user activities
- To support service users in developing awareness of and exercising their rights
- To develop more move on opportunities for service users
- To meet regulatory requirements
- To develop new business opportunities

SOUTHSIDE PARTNERSHIP FANON CARE
REPORT OF THE TRUSTEES (incorporating a Directors' Report)
For the year ended 31st March 2006

ACHIEVEMENTS AND PERFORMANCE

This year we continued the programme of improvement both in the models of service provided and in the delivery of support. In August 2005 we opened the new Mental Health Resource Centre at Railton Road in Brixton. This replaced our previous day centre for African and Caribbean men and women with mental health support needs with the capacity to support 50 service users at any given time. The Resource Centre has developed a number of relationships with other services and organisations to promote increased use of the building and effective partnership working. These include initiatives to increase access to "talking therapies," primary healthcare services and educational programmes for service users. The specific service for women has continued to be very well attended.

In response to Lambeth's identified need for high support services for African and Caribbean adults with mental health needs we remodelled the service provided at Fanon House to provide four beds for individuals with significantly higher support needs. We work in close partnership with statutory bodies to deliver person centred, recovery focussed support to these individuals. This reconfiguration was facilitated by the successful move on of three service users from Fanon House to the new training flats established above the Resource Centre. The award winning tenancy sustainment team was increased to enable support to be delivered to the tenants of the training flats and to support further move on for Fanon House tenants.

The Capital Volunteering programme delivered support to 29 volunteers in its first year. Through this programme we are developing initiatives to increase access for service users to volunteering and pathways to work. Volunteering opportunities have included reception work at the Resource Centre, developing a newsletter, developing a befriending scheme, producing and performing music.

Towards the end of the financial year Southside Partnership Fanon Care, in conjunction with its parent, was assessed against and accredited as meeting the Investor in People Standard, which provides a framework for improving business performance through a planned approach to setting and communicating organisational objectives and developing people to meet those objectives. The final report commended the high consultation levels throughout the organisation with views and opinions being actively sought from employees and service users alike.

Volunteers

Volunteers play a very important role in Fanon, through the Capital Volunteering programme described above and we are very grateful for their contribution.

FINANCIAL REVIEW

The outturn for the year was a loss of some £9K. Although much effort went into cost-cutting where possible in the Day Centre operation the impact of staff re-structuring and the set-up costs of the new Mental Health Resource Centre plus the associated removal costs from the previous Day Centre site inevitably meant that costs outstripped income.

The year ahead will also pose a significant challenge as £33,000 of grant funding has been withdrawn.

Reserves Policy

As a small charity operating in a difficult funding environment the Trustees have agreed a reserves policy for the Charity which aims, as a minimum, to maintain the existing level of unrestricted reserves (£42,667 at 31-3-06). The Trustees acknowledge the time and effort of its staff and the contribution they make by aiming to be able to fund a redundancy reserve of between one and two months' salary, in the event of the subsidiary's funding terminating at short notice. The Trustees also seek, where possible, to self-finance or part finance small projects.

SOUTHSIDE PARTNERSHIP FANON CARE
REPORT OF THE TRUSTEES (incorporating a Directors' Report)
For the year ended 31st March 2006

Principal Funding Sources

The principal funding source for Southside Partnership Fanon Care is the London Borough of Lambeth. The trustees welcome the positive relationship with Lambeth in the development of the Fanon services and extend their continued thanks for supporting our work.

PLANS FOR FUTURE PERIODS

Following significant consultation with service users and staff the trustees have adopted a revised vision for 2006 onwards, which is 'Supporting people to lead independent lives'. Fanon has developed a new three year Business Plan 2006—2009, which sets out its objectives towards developing Fanon as a beacon service, offering models of recovery and social inclusion in its work with people from black and minority ethnic communities with complex social and health needs to survive, recover from and prevent crisis.

Lambeth are currently engaged in a Review of Day Services and a Review of Vocational Service Providers and Fanon will keep abreast of opportunities for the Resource Centre from this work. In the year ahead we plan to develop a project in partnership with the Lambeth Drug and Alcohol Action Team to research the mental health needs and substance misuse in the Somali community. This will involve us in employing Somali workers to carry out the research.

In response to a request by Lambeth we plan to employ a Community Development Worker (CDW) in line with the DoH Delivering Race Equality Action Plan. This is a significant achievement for Fanon as this post will have significant strategic influence in the direction of person centred services for BME users across the borough.

Trustees' responsibilities statement

Charity and company law requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing the accounts the Trustees follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The maintenance and integrity of the charity's website is the responsibility of the trustees. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

A resolution will be proposed at the Annual General Meeting that Chantrey Vellacott DFK LLP be re-appointed as auditors to the charity for the ensuing year.

By order of the Board

Trustee

Date:-

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHSIDE PARTNERSHIP FANON CARE

We have audited the financial statements of Southside Partnership Fanon Care for the year ended 31 March 2006, which comprise the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985 and section 43 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Trustees' Responsibilities Statement, the trustees (who are also the directors of Southside Fanon Care for the purposes of company law), are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards, (United Kingdom Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Companies Act 1985.

We report to you whether in our opinion, the information given in the Report of the Trustees is consistent with the financial statements.

We also report to you if, in our opinion if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SOUTHSIDE PARTNERSHIP FANON CARE**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Trustees is consistent with the financial statements.

Chantrey Vellacott DM UP

CHANTREY VELLACOTT DFK LLP

Chartered Accountants
Registered Auditor

LONDON

Date: *18 July 2006* -

SOUTHSIDE PARTNERSHIP FANON CARE
STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
For the year ended 31st March 2006

		Unrestricted Funds	Restricted Funds	Total Funds 2006	Total Funds 2005
	Note	£	£	£	£
Incoming resources					
Incoming resources from charitable activities					
Contract income: care and support for people with mental health needs	1(b)	832,504	-	832,504	756,424
Housing Management	1(c)	(6,607)	-	(6,607)	22,559
Grants receivable	1(d)	-	57,111	57,111	82,852
Other income		5,137	-	5,137	13,819
Total incoming resources		831,034	57,111	888,145	875,654
Resources expended					
Charitable activities					
Care and support for people with mental health needs	4	595,691	-	595,691	612,200
Resource/Day Centres	4	242,101	32,709	274,810	255,298
Capital Volunteers	4	-	23,959	23,959	-
Governance costs	5	2,550	-	2,550	2,473
Total resources expended		840,342	56,668	897,010	869,971
Net incoming/(outgoing) resources for the year, being net income/(expenditure) for the year		(9,308)	443	(8,865)	5,683
Total funds brought forward at 1 April 2005		51,975	-	51,975	46,292
Total funds carried forward at 31st March 2006		42,667	443	43,110	51,975

*All of the company's operations are continuing.
There are no recognised gains or losses other than those stated above.
The notes on pages 10 to 14 form part of these financial statements.*

SOUTHSIDE PARTNERSHIP FANON CARE
BALANCE SHEET
As at 31st March 2006

		2006 £	2005 £
Current assets	Note		
Debtors	6	160,194	184,831
Cash at bank and in hand		714	696
		<hr/>	<hr/>
		160,908	185,527
Creditors: Amounts falling due within one year	7	(117,798)	(133,552)
		<hr/>	<hr/>
Net current assets		43,110	51,975
		<hr/>	<hr/>
Total assets less current liabilities, being net assets		43,110	51,975
		<hr/>	<hr/>
Funds			
Unrestricted funds			
General Reserves		42,667	51,975
Restricted funds	8	443	-
		<hr/>	<hr/>
	9	43,110	51,975
		<hr/>	<hr/>

These financial statements were approved by the directors on 18-7-2006 and signed on their behalf by:

Director:

Director



The notes on pages 10 to 14 form part of these financial statements.

SOUTHSIDE PARTNERSHIP FANON CARE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2006

1. Accounting policies

a) Basis of accounting

The financial statements are prepared in accordance with the Companies Act 1985 and applicable accounting standards under the historical cost convention. The financial statements are prepared in accordance with the Statement of Recommended Practice on Accounting by Charities (SORP 2005) issued by the Charity Commission for England and Wales.

b) Contract income

Contract income comprises contracts with various London boroughs to provide for the care of service users and Supporting People income.

c) Housing Management fees

Management fees represent charges for managing hostels on behalf of housing associations, stated net of voids, and housing management expenses.

d) Grants

Grants of a revenue nature are credited to income in the period to which they relate.

e) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT (VAT is not recoverable).

f) Reserves

General reserves comprise the accumulated surplus on unrestricted funds. They are available for use in furtherance of the general objectives of the charity.

Restricted funds comprise monies where a donor has placed a restriction on their use. These are separately accounted for and described in note 8.

g) Pensions

The charity introduced a defined contribution Group Personal Pension Plan in April 2001 operated by Clerical and Medical. The pension charge shown in note 3 represents contributions paid by the charity into the plan.

h) Operating leases

Costs in relation to operating leases are written off to the SOFA as they are incurred.

i) Support costs

These are the infrastructure costs supporting the organisation's charitable activities and governance. Support costs are allocated on the basis of numbers of staff.

j) Governance costs

These are the costs relating to the governance of the organisation and costs of compliance with statutory requirements, such as external audit as opposed to those costs associated with charitable activities.

SOUTHSIDE PARTNERSHIP FANON CARE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2006

2. Status

The charity is a company registered in England, limited by guarantee and has no share capital. Each member's liability is limited to £1 and at the balance sheet date there were 3 members. It is registered under the Charities Acts 1960 and 1993.

3. Staff costs	2006	2005
	£	£
a)		
Wages and salaries	547,416	514,605
Social security costs	54,788	51,194
Pension costs	4,977	9,343
Agency staff	167,051	192,639
Redundancy / Termination costs	5,923	-
	<u>780,155</u>	<u>767,781</u>

b) The trustees receive no remuneration for their services (2005: £NIL) and their expenses during the year amounted to £Nil (2005: £NIL)

c) The average monthly number of employees during the year was made up as follows: -

	2006	2005
	No.	No.
Central Management	5	5
Care and support	18	17
	<u>23</u>	<u>22</u>

No employee received remuneration above £60,000 (2005: No such employees)

SOUTHSIDE PARTNERSHIP FANON CARE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2006

4. Total Resources Expended

	Direct Activities	Support Costs	2006 Total	2005 Total
	£	£	£	£
Charitable activities				
Care and support of people with mental health needs	526,651	69,040	595,691	612,200
Resource/Day Centres	242,947	31,863	274,810	255,298
Capital Volunteers	22,007	1,952	23,959	-
Governance Costs	-	2,550	2,550	2,473
Total resources expended	<u>791,605</u>	<u>105,405</u>	<u>897,010</u>	<u>869,971</u>

5. Governance Costs

	2006	2005
	£	£
Auditors' remuneration	2,520	2,458
Annual Return	30	15
	<u>2,550</u>	<u>2,473</u>

6. Debtors

	2006	2005
	£	£
Residents' charges	5,761	4,264
Trade debtors	19,407	-
Prepayments	4,784	2,619
Amount owed by parent undertaking	130,242	177,948
	<u>160,194</u>	<u>184,831</u>

7. Creditors: amounts falling due within one year

	2006	2005
	£	£
Trade creditors	30,810	60,266
Other creditors	4,504	3,755
Accruals	40,556	32,164
Deferred income	41,928	37,367
	<u>117,798</u>	<u>133,552</u>

SOUTHSIDE PARTNERSHIP FANON CARE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2006

8. Restricted Funds

	Balance at 1 st April 2005 £	Incoming Resources £	Outgoing Resources £	Balance at 31st March 2006 £
Fanon Day Centre Mental Health Specific Grant	-	32,709	32,709	-
Capital Volunteering Grant	-	24,402	23,959	443
	<hr/>	<hr/>	<hr/>	<hr/>
	-	57,111	56,668	443
	<hr/>	<hr/>	<hr/>	<hr/>

The Fanon Day Centre was funded in part by a mental health specific grant (target fund) from Lambeth Social Services Department, London Borough of Lambeth.

The Fanon volunteering programme is funded by Capital Volunteering to provide opportunities for people with mental health support needs from black and minority ethnic communities to take part in volunteering initiatives which will help to build self-confidence, skills and further interest in employment, training and education

9. Analysis of net assets between funds

	Unrestricted General £	Unrestricted Designated £	Restricted £	Total £
Net Assets	42,667	-	443	43,110
	<hr/>	<hr/>	<hr/>	<hr/>

SOUTHSIDE PARTNERSHIP FANON CARE
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2006

10. Capital commitments

There were no capital commitments at 31st March 2006 (2005: £Nil).

11. Leasing commitments

At 31st March 2006 the company had no commitments under non-cancellable operating leases (2005: £Nil).

12. Taxation

The company is registered as a Charity and as such tax exemption applies to the income arising and expended on charitable activities.

13. Ultimate Holding Company

The company is a wholly owned subsidiary of Southside Partnership Ltd, a company registered in England. The accounts for this company may be obtained from Companies House for England.