

## West London Churches Homeless Concern - Annual Report 2001/2002

### Trustees' Report

The trustees, who are also directors of the company, submit their annual report and the audited accounts for the year to 31 March 2002. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (revised 2000) in preparing the annual report and accounts of the charity.

### Constitution

West London Churches Homeless Concern is a registered charity and a company limited by guarantee and is governed by its memorandum and articles of association. The company was incorporated on 17 March 2000 and registered as a charity on 6 November 2000.

### Trustees

The trustees, who were also directors of the company, for the period under review were:

J.E. Davis	Chairman
Joanna Lawson	Secretary
Catharine Hughes	Treasurer
Patrick Browning	
Lynette Cawthra	
Wendy Deakins	
Clive Furness	
Penelope Jago	
Caroline Kennedy	
Christopher Kevill-Davies	
Bruce Marquart	
Gillian Rogers	
Michael Sawyer	
Graham Watkins	

All the trustees were re-elected on 19 July 2001 at the AGM.

Gillian Rogers resigned on 4 June, 2001.

Caroline Kennedy resigned on 28 August 2001

Wendy Deakins was appointed on 13 September 2001 and resigned on 12 June 2002.

Susan Gray, Catherine McDonald and Amanda Sheppard were appointed on 7 March 2002.

Clive Furness resigned on 5 June 2002.

Josephine Daniels was appointed on 13 June 2002.



## **Trustees' Report (continued)**

### **Trustees' responsibilities**

Company and charity law requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those accounts, the trustees have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepared the financial statements on the going concern basis.

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

### **Organisational Structure**

The charity is run by the trustees, who meet on at least a quarterly basis. In addition a standing committee of five trustees meets as required to attend to any items that need urgent attention.

There are six sub-committees who generally meet at least once between the full trustee meetings. These are:

- Night Shelter;
- Directory and laundry;
- Development and partnerships, including the Interim Property Management Scheme;
- Finance, media and membership;
- Fundraising (formerly included within finance, media and membership); and
- Employment & personnel, health & safety, ethics and legal liability.

Sub-committees have the authority to deal with day-to-day matters concerning the charity, but overall strategy remains the responsibility of the trustees.

Key staff members and volunteer workers also regularly attend the trustee and relevant sub-committee meetings.

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### Trustees' Report (continued)

#### Objective

The principal objective of the charity is the relief of poverty among homeless people in the Royal Borough of Kensington and Chelsea and the London Borough of Hammersmith and Fulham and the surrounding area by the provision of accommodation, advice and assistance.

#### Business review and future developments

Details of the charity's works during the year are set out in the reports on pages 4-12. The charity remains dependent upon the donation of facilities and volunteers from churches across the area. An average of 12 people were employed each week on a part-time basis during the period of operation of the night shelter. On average 80-90 people volunteered each week in order to run the night shelter.

The charity plans to continue with the night shelter, laundry and directory projects, subject to satisfactory funding arrangements. The plans for development and the Interim Property Management Scheme remain under review.

#### Financial review

The attached accounts show the current state of the finances. Total incoming resources for the year were £70,403 (2001 - £76,270). Net incoming resources for the year amounted to £31,568 (2001 - £6,701). Total funds available at 31 March 2002 were £38,268 (2001 - £6,701) of which £4,156 (2001 - £3,445) has to be expended on restricted projects and £34,112 (2001 - £3,256) was the amount attributable to general reserves.

#### Reserves Policy

The funds carried forward at the end of the year were £38,268 (2001: £6,701). This is a considerable improvement on last year and goes some way to meeting the Trustees' objectives which, in the case of the Night Shelter, are to have two thirds of the funds required for the Night Shelter in hand before the Night Shelter opens in November. The laundry reserve is being built up to pay for new washing machines, expected to be in about two years time. There are currently no funds restricted to The Interim Management Property Scheme but it is possible that some fundraising during the current year may be for this purpose as soon as a suitable project has been identified.

The Trustees recognise that in order to establish reserves needed to carry out the charity's work it is important to look for repeatable income as this gives a better assurance that funds will be available when required.

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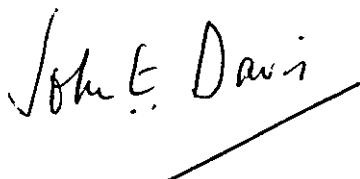
### Trustees' Report (continued)

#### Risk review

The trustees have been in the process of conducting a detailed review of the major risks to which the charity is exposed. Systems have been established during the period to mitigate known risks, including financial controls (particularly over the payment of wages and cash expenditure), employment procedures and volunteer training, including the provision of handbooks. All procedures are under review to ensure they continue to meet the needs of the charity.

**This report was approved by the Trustees on 13 June 2002 and signed on its behalf**

by:

A handwritten signature in black ink that reads "John E. Davis". The signature is written in a cursive style and is underlined with a single horizontal stroke.

J.E. Davis  
Director

Registered Office:  
Chelsea Methodist Church  
155a King's Road  
London  
SW3 5TX

## Auditors Report

### To the Members of West London Churches Homeless Concern

We have audited the financial statements on pages 18 to 23 which have been prepared on the basis of the accounting policies set out on page 20.

### Respective responsibilities of the management committee and auditors.

As described on pages 13 to 16 of the Trustees' Report, the members of the management committee, who are directors for the purpose of company law and trustees for the purpose of charity law, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 management committee in the preparation of 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 information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 2002 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ridley Marreco & Co.*

RIDLEY MARRECO & CO  
Chartered Accountants  
Registered Auditors

Dove House  
Mill Lane  
Barford St Michael  
Oxfordshire

*10 July*.....2002

West London Churches Homeless Concern - Annual Report 2001/2002

**Statement of Financial Activities** (including Income and Expenditure Account)  
for the year ended 31 March 2002

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2002 £	Total Funds 2001 £
<b>Incoming Resources</b>					
General Donations		60,186	18,904	79,090	75,535
Rental		-	120	120	465
Interest		193	-	193	270
<b>Total Incoming Resources</b>		<u>60,379</u>	<u>19,024</u>	<u>79,403</u>	<u>76,270</u>
<b>Resources Expended</b>					
<i>Costs of generating funds</i>					
Fund Raising & Publicity		830	-	830	674
<i>Charitable expenditure</i>					
Night Shelter		-	41,258	41,258	64,574
Laundry		-	932	932	418
Interim Property Management		-	1,355	1,355	1,442
<i>Management &amp; administration</i>		3,461	-	3,461	2,461
<b>Total Resources Expended</b>	<b>2</b>	<u>4,291</u>	<u>43,545</u>	<u>47,836</u>	<u>69,569</u>
<b>Net Incoming Resources</b>					
- Net Income for the year	<b>3</b>	56,088	(24,521)	31,567	6,701
<b>Gross Transfers between Funds</b>		(25,232)	25,232	-	-
<b>Net Movement in Funds</b>		<u>30,856</u>	<u>711</u>	<u>31,567</u>	<u>6,701</u>
<b>Total Funds at 31 March 2001</b>		<u>3,256</u>	<u>3,445</u>	<u>6,701</u>	
<b>Total Funds at 31 March 2002</b>	<b>10</b>	<u><u>34,112</u></u>	<u><u>4,156</u></u>	<u><u>38,268</u></u>	<u><u>6,701</u></u>

Movements in funds are disclosed in Note 10 to the financial statements.

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## Balance Sheet

as at 31 March 2002

	Notes	2002 £	2001 £
<b>Fixed Assets</b>			
Tangible assets	6	-	550
<b>Current Assets</b>			
Cash at Bank and in Hand		38,760	11,942
Sundry Debtors	7	3,293	-
		<u>42,053</u>	<u>11,942</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>3,785</u>	<u>5,791</u>
<b>Net Current Assets</b>		38,268	6,151
<b>Net Assets</b>	9	<u>38,268</u>	<u>6,701</u>
<b>Unrestricted Funds</b>		34,112	3,256
<b>Restricted Funds</b>		4,156	3,445
<b>Total Funds</b>	10	<u>38,268</u>	<u>6,701</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

The accounts were approved by the board on 13 June 2002 and signed on its behalf by:

*Catharine Hughes*

C. Hughes  
Treasurer

## Notes to the Accounts

for the year ended 31 March 2002

### 1. Accounting Policies

(a) The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), the Companies Act 1985 and follow the recommendations in *Accounting and Reporting by Charities: Statement of Recommended Practice* issued in October 2000.

(b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

(c) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

(d) Resources expended are allocated to the particular activity where the cost relates directly to that activity.

(e) Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. Items of equipment are capitalised where the purchase price exceeds £250. Capital equipment purchased during the year ended 31 March 2002 amounted to Nil (2001 - £1,100)

(f) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

(g) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

(h) The charity has in place a temporary arrangement with Kensington United Reform Church to provide accommodation for homeless people. Rent is collected by the charity and passed directly to Kensington United Reform Church. This arrangement commenced in June 2000 and rent payments are not expected to be made if the accommodation is vacant.



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## 2. Total Resources Expended

	Fund Raising & Publicity	Night Shelter	Laundry	Interim Property Mgmt	Management and Administration	2002 Total	2001 Total
	£	£	£	£	£	£	£
Staff Costs (Note 4)	-	27,735	-	-	-	27,735	45,271
Recruitment & Training	-	571	-	-	-	571	462
Catering	-	5,435	-	-	-	5,435	9,896
Shelter Equipment	-	3,450	-	-	-	3,450	2,361
Cleaning & Laundry	-	266	932	-	-	1,198	1,547
Communications	-	670	-	-	-	670	443
Rent	-	-	-	120	-	120	475
Premises	-	-	-	1,235	-	1,235	967
Van Expenses	-	1,777	-	-	-	1,777	2,797
Travel Expenses	-	169	-	-	-	169	-
Repairs & Maintenance	-	39	-	-	-	39	143
Volunteer & Guest Expenses	-	187	-	-	-	187	623
Health & Safety	-	42	-	-	-	42	205
Printing, Post & Stationery	830	268	-	-	-	1,098	694
Bookkeeping & Admin	-	-	-	-	2,833	2,833	1,677
Insurances	-	499	-	-	-	499	499
Audit	-	-	-	-	500	500	500
Annual Report	-	-	-	-	-	-	175
Depreciation	-	458	-	-	-	458	550
Bank Charges	-	-	-	-	128	128	284
Gain / Loss on Disposals	-	(308)	-	-	-	(308)	-
	<u>830</u>	<u>41,258</u>	<u>932</u>	<u>1,355</u>	<u>3,461</u>	<u>47,836</u>	<u>69,569</u>

## 3. Net Incoming Resources for the Year

Stated after charging:	2002	2001
	£	£
Depreciation	458	550
Audit Fee	500	500
Accountancy and Other Services	2,833	1,677
	<u></u>	<u></u>
and after crediting:		
Gain on disposal of Fixed Assets	308	-
	<u></u>	<u></u>

## 4. Staff Costs and Numbers

Staff costs were as follows:	2002	2001
	£	£
Salaries and Wages	26,243	42,775
Social Security	1,492	2,496
	<u>27,735</u>	<u>45,271</u>

All staff were employed in the Night Shelter project.

The average weekly number employees was twelve for the fourteen week period.

No employee received emoluments in excess of £50,000

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### 5. Taxation

The charitable company is exempt from corporation tax on its charitable activities

### 6. Tangible Fixed Assets

	2002 Motor Vehicles £	2001 Total £
<b>Costs</b>		
At 1 April 2001	1,100	-
Additions/ Disposals in the year	(1,100)	1,100
At 31 March 2002	-	1,100
<b>Depreciation</b>		
At 1 April 2001	550	550
Charge for the year	458	550
Written Back Charge on Disposal	(1,008)	
At 31 March 2002	-	1,100
<b>Net Book Value</b>		
At 1 April 2001	550	550
At 31 March 2002	-	-

### 7. Debtors

	2002 £	2001 £
Income Tax recoverable on Gift Aided donations	3,293	-

### 8. Creditors: Amounts falling due within one year

	2002 £	2001 £
Taxation and Social Security	1,775	2,884
Other Creditors and Accruals	2,010	2,907
	3,785	5,791

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### 9. Analysis of Net Assets between funds

			2002	2001
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	-	-	-	550
Current Assets	37,896	4,157	42,053	11,942
Current Liabilities	(975)	(2,810)	(3,785)	(5,791)
	<u>36,921</u>	<u>1,347</u>	<u>38,268</u>	<u>6,701</u>

### 10. Movement in Funds

	1 April 2001	Incoming Resources	Outgoing Resources	Transfers	31 March 2002
	£	£	£	£	
<b>Restricted Funds</b>					
Night Shelter	-	17,238	(41,258)	24,020	-
Laundry	3,422	1,666	(932)	-	4,156
Phase 2	23	120	(1,355)	1,212	-
<b>Total Restricted Fund</b>	<u>3,445</u>	<u>19,024</u>	<u>(43,545)</u>	<u>25,232</u>	<u>4,156</u>
<b>Unrestricted Funds</b>					
General Fund	3,256	60,379	(4,291)	(25,232)	34,112
	<u>6,701</u>	<u>79,403</u>	<u>(47,836)</u>	<u>-</u>	<u>38,268</u>

During the year, the Trustees made transfers from the General Fund to the Restricted Funds, as detailed above. These transfers were made in order to prevent the relevant Restricted Funds going into deficit.

### 11. Remuneration and Expenses of Trustees

During the period under review:

- (a) Neither the trustees nor any person connected with them received remuneration of any kind
- (b) No expenses were paid to any of the trustees