

**Report of the Directors and
Financial Statements
for the Year Ended 31 December 2003
for
St Martin's Centre for Health and
Healing**



**Contents of the Financial Statements
for the Year Ended 31 December 2003**

	Page
Company and Charity Information	1
Report of the Trustees	2
Report of the Independent Auditors	5
Statement of Financial activities	6
Balance Sheet	7
Notes to the Financial Statements	8

**Company Information
for the Year Ended 31 December 2003**

DIRECTORS AND TRUSTEES: L A Cox
V G Dickens
B Foster
Revd I D Gow
L Gow
J Graham
J M Greenwood
Dr Q Harris
Revd Canon F Longbottom
T J Marks
C M Marshall
Very Revd G Mursell
Dr Christine Parkinson
Dr P R W Turner
M J Woodward

SECRETARY: B Foster

REGISTERED OFFICE: St Martin's in the Bull Ring
Birmingham
B5 5BB

REGISTERED NUMBER: 4421138 (England and Wales)

AUDITORS: William H Parker & Co
90 Edgbaston Road
Smethwick
West Midlands
B66 4LB

SOLICITORS: Lee Crowder
39 Newhall Street
Birmingham
B3 3DY

**Report of the Directors
for the Year Ended 31 December 2003**

The directors present their report with the financial statements of the company for the year ended 31 December 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of promoting for the benefit of the public good physical, mental, spiritual and emotional health in accordance with Christian principles.

DIRECTORS

The directors during the year under review were:

L A Cox
V G Dickens
B Foster
Revd I D Gow
L Gow
J Graham (Resigned 9 May 2003)
J M Greenwood
Dr Q Harris
Revd Canon F Longbottom
T J Marks
C M Marshall
Very Revd G Mursell (Resigned 7 November 2003)
Dr Christine Parkinson (Appointed 4 July 2003)
Dr P R W Turner
M J Woodward

The directors of the company are trustees for the purposes of charity law.

As set out in the Articles of Association the body of trustees comprises five trustees appointed by the Parochial Church Council of St. Martin's in the Bull Ring and up to ten persons co-opted for a fixed period of two years by the trustees for the time being. The chair of trustees is nominated by the Rector of St. Martin's.

**RELATIONSHIP WITH ST MARTINS PAROCHIAL CHURCH COUNCIL AND THE
ST MARTIN'S CENTRE**

The charity works closely with the PCC and the St Martin's Centre on all matters relating to the operation of its services.

Transactions with related parties are disclosed in the notes to the accounts.

ACCOUNTS

The accounts comply with the requirements of the financial reporting standards for smaller entities and the requirements of the Statement of Recommended Practice for Accounting and Reporting by Charities.

REVIEW OF THE ACTIVITIES OF THE CHARITY

The early part of 2003 was taken up with recruiting posts to the Centre following a significant grant allocation from The Community Fund. Whilst this was taking place the Centre maintained its Help Desk service at St Martin's and developed its counselling service offsite at the nearby Rotunda. The Rotunda also served as the temporary administrative and office base for the Centre. To maintain and develop services against a backdrop of building work and disruption within the Bull Ring and at St Martin's itself was a major achievement. After considerable planning and preparation the Centre moved into its purpose built facilities at the end of July 2003, ready for the reopening of the Bull Ring at the start of September. Since then the Centre has consolidated its services and begun to provide a greater range of opportunities for those in need. It has secured further funding from a variety of sources to enable it to continue its work. The level of demand for help has considerably increased since the Bull Ring's reopening and also as a result of the higher profile now experienced by the Centre.

**Report of the Directors
for the Year Ended 31 December 2003**

The Board policy for holding reserves is up to 3 months of average expenditure.

The Board ensures that the Centre continues to adhere to the wide range of policies and procedures adopted by the three organisations that are based within St Martin's and the St Martin's Centre.

During the last year a number of the policies such as the Child Protection, Recruitment Health and Safety and volunteer policies have been reviewed and updated. There is a comprehensive programme in place to review and update all policies and procedures in light of the new structures and working practices in place at St Martin's.

Health & Safety – the Charity has adopted the PCC policy for addressing the main requirements for the health and safety of visitors, staff, clients and volunteers.

Building and contents are insured with an insurance company that specialise in churches and charities insurance.

Public Liability – the Charity insures its obligations and liabilities with an insurance company that specialise in churches and charities insurance.

Employer's Liability – the Charity is insured with an insurance company that specialises in churches and charities insurance.

Consequential Loss – the Charity is insured with an insurance company that specialises in churches and charities insurance.

Professional indemnity for counsellors is insured with an insurance company that specialises in counselling insurance.

Staff and volunteers – the Board consult with the Personnel Committee (a delegated committee of the PCC) on all personnel matters. The Director of the Centre and two Board Members serve on this committee. A staff handbook is issued to all staff setting out policies and procedures. Policies include - Alcohol Policy, Drugs Policy, Food & Drink Policy, Management of Violence and Aggression and Smoking Policy. Volunteers are issued with appropriate volunteer policies covering their specific areas of work.

Policies and procedures are regularly reviewed on behalf of the Board, church officers, committees and the PCC.

Budgets – the Board approve budgets and monitors progress on a regular basis.

Service level agreements for services provided between the Centre, The St Martin's Centre and St Martin's Church are agreed annually and may be varied by mutual agreement.

Preparation of final accounts – a duly appointed auditor conducts an audit in accordance with auditing standards issued by the auditing practises board

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

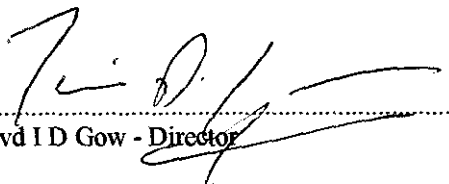
**Report of the Directors
for the Year Ended 31 December 2003**

AUDITORS

The auditors, William H Parker & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



.....
Revd I D Gow - Director

Date: 21 May 2004

**Report of the Independent Auditors to the Members of
St Martin's Centre for Health and
Healing**

We have audited the financial statements of St Martin's Centre for Health and Healing for the year ended 31 December 2003 on pages six to thirteen. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on pages two and three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

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 the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the 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 company is not disclosed.

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

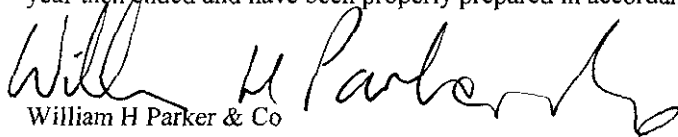
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 state of charity's affairs at 31 December 2003 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.


William H Parker & Co
90 Edgbaston Road
Smethwick
West Midlands
B66 4LB

Date: 21 May 2004

St Martin's Centre for Health and Healing

Statement of Financial Activities (Including Income and Expenditure Account)
for the Year Ended 31 December 2003

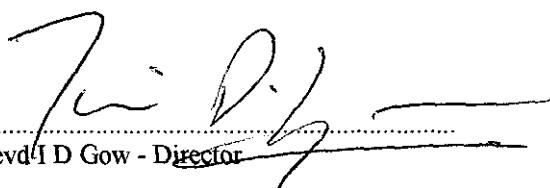
				Year Ended 31.12.03	Period 19.4.02 To 31.12.02
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	£
INCOMING RESOURCES	3	83,999	120,898	204,897	-
TOTAL INCOMING RESOURCES		83,999	120,898	204,897	-
RESOURCES USED	4	20,625	124,559	145,184	-
TOTAL RESOURCES USED		20,625	124,559	145,184	-
NET INCOME FOR THE YEAR		63,374	(3,661)	59,713	-

Balance Sheet
31 December 2003

	Notes	31.12.03 £	£	31.12.02 £	£
FIXED ASSETS					
Tangible assets	7		7,617		-
CURRENT ASSETS					
Debtors	8	60,913		-	
CREDITORS					
Amounts falling due within one year	9	<u>8,817</u>		<u>-</u>	
NET CURRENT ASSETS			<u>52,096</u>		<u>-</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>59,713</u>		<u>-</u>
RESERVES					
Unrestricted funds	10		63,374		-
Restricted funds	10		<u>(3,661)</u>		<u>-</u>
			<u>59,713</u>		<u>-</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:


.....
Revd I D Gow - Director

Approved by the Board on 21 May 2004

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective June 2002) and the requirements of the Statement of Recommended Practice for Accounting and Reporting by Charities.

Grants and donations

Income from donations and grants is included in incoming resources when these are receivable.

Tangible fixed assets

Furniture and equipment taken over from St Martin's PCC on the transfer of the activities to this charity have not been incorporated into these accounts. Other assets are stated at cost less depreciation which has been provided at 15 % per annum on the reducing balance so as to write the cost of those assets over their anticipated useful lives.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

2. STAFF COSTS

	Year Ended 31.12.03	Period 19.4.02 to 31.12.02
Wages and Salaries	97,245	-
Social Security Costs	8,671	-
Other Pension Costs	1,245	-
	<hr/>	<hr/>
	£107,161	-
	<hr/>	<hr/>

None of the employees was paid more than £50,000.

Notes to the Financial Statements

	Unrestricted Funds	Restricted Funds	2003
3. INCOME			
Bank interest	1,472	-	1,472
Tax recoverable	1160	-	1160
Counselling – individuals	4,693	-	4,693
Counselling – supervision	725	-	725
Donations:			
Friends of CHH	6859	-	6,859
Meal vouchers	321	-	321
Organisations	541	-	541
Fees	2550	-	2,550
Fundraising	851	-	851
Grants:			
Community fund	-	46,028	46,028
Church Urban Fund	3,500	-	3,500
Other Trusts	13,470	-	13,470
Statutory Grant Funding	-	12,000	12,000
The Joseph Rank Trust	-	36,000	36,000
Help Desk Fee - BPC	-	4,663	4,663
Investment income	8	-	8
PCWiC:			
Project Management	-	1,577	1,577
Salaries - Advisors	-	14,441	14,440
Salaries - Sessional Workers	-	2,346	2,346
Supervision	-	1,241	1,241
Training	-	540	540
Allocations from church	47,849	2,062	49,911
	<hr/>	<hr/>	<hr/>
	83,999	120,898	204,897
	<hr/>	<hr/>	<hr/>

Notes to the Financial Statements

	Unrestricted Funds £	Restricted Funds £	2003 £
4. EXPENDITURE			
Advisory Council	300	-	300
Bank charges	40	-	40
Community Fund Expenditure:			
CRB & insurance	-	450	450
IT	-	2,820	2,820
Office costs	-	3,384	3,384
Recruitment	-	2,000	2,000
Salary	-	40,815	40,815
Training	-	1,900	1,900
Overheads:			
Management fees	-	3,000	3,000
Promotion	-	1,500	1,500
Rent	-	3,206	3,206
Service resources	-	1,000	1,000
Volunteers expenses	926	-	926
Contingency	575	-	575
Counselling - supervision	862	-	862
Electricity	685	-	685
Fire & Security	94	-	94
Gas	215	-	215
HD Counselling	143	-	143
Information Technology	234	-	234
Insurance	1,007	-	1,007
Legal Fees	421	-	421
Management Fees & Audit	3,998	-	3,998
Miscellaneous	449	-	449
PCWiC			
Project management	-	157	157
Salaries - Advisors	-	13,103	13,103
Salaries - Sessional Workers	-	1,308	1,308
Postage	271	-	271
Rent & Utilities	1,794	-	1,794
Printing & Stationery	1,509	-	1,509
Promotion & Publicity	16	-	16
Recruitment	2,448	-	2,448
Salaries	2,019	49,916	51,935
Service Resources	184	-	184
Staff Expenses	179	-	179
Telephone	880	-	880
Training	33	-	33
Depreciation	1,343	-	1,343
	<hr/>	<hr/>	<hr/>
	20,625	124,559	145,184
	<hr/>	<hr/>	<hr/>

Notes to the Financial Statements

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	Year Ended 31.12.03 £	Period 19.4.02 to 31.12.02 £
Depreciation - owned assets	<u>1,343</u>	<u>-</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

6. **TAXATION**

The company's charitable income is exempt from corporation tax.

7. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
Additions	<u>8,960</u>
At 31 December 2003	<u>8,960</u>
DEPRECIATION	
Charge for year	<u>1,343</u>
At 31 December 2003	<u>1,343</u>
NET BOOK VALUE	
At 31 December 2003	<u>7,617</u>

Notes to the Financial Statements

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.03	31.12.02
	£	£
Amounts owed by associated undertakings	55,473	-
Other debtors	<u>5,440</u>	<u>-</u>
	<u>60,913</u>	<u>-</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.03	31.12.02
	£	£
Amounts owed to associated undertakings	850	-
Taxation and social security	2,719	-
Other creditors	<u>5,248</u>	<u>-</u>
	<u>8,817</u>	<u>-</u>

10. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	Total
Fixed assets	7,617	-	7,617
Current assets	58,166	2,747	60,913
Current liabilities	(2,409)	(6,408)	(8,817)
	<u>63,374</u>	<u>(3,661)</u>	<u>59,173</u>

Notes to the Financial Statements

11. FUND DETAILS

	Incoming Resources £	Outgoings £	Balance at 31/12/03 £
Unrestricted Funds	83,999	(20,625)	63,374
Restricted Funds:			
Community Fund	46,028	(60,075)	(14,047)
Statutory Grant Funding	12,000	(12,000)	-
The Joseph Rank Trust	36,000	(36,000)	-
Help Desk	4,663	(1,916)	2,747
Primary Care Walk-in Centre (PCWiC)	22,207	(14,568)	7,639
	120,898	(124,559)	(3,661)
Total Funds	204,897	(145,184)	(59,713)
	=====	=====	=====

12. RESTRICTED FUNDS

The Community Fund is a restricted fund in respect of the help desk co-ordinator, the counselling co-ordinator and other administration and office costs.

The Statutory Grant Funding is a restricted fund in respect of the help desk supervisor's salary.

The Joseph Rank Trust has been granted to the centre in respect of the director's salary.

The PCWiC fund relates to the NHS Walk in Centre at Boots.

13. ASSOCIATED UNDERTAKINGS

The charity is associated with St. Martin's Parochial Church Council by reason of that council's ability to appoint members.

During the year the transactions of the charity have gone through a separate bank account maintained in the name of St. Martin's Parochial Church Council although all transactions have been controlled by the charity. The account has now been transferred into the name of the charity.