

HACKNEY MIGRANT CENTRE
(A company limited by guarantee)

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**

FOR THE YEAR ENDED 31ST MARCH 2011



Company No: 06426744
Charity No: 1122363

HACKNEY MIGRANT CENTRE

REPORT AND ACCOUNTS

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HACKNEY MIGRANT CENTRE

LEGAL AND ADMINISTRATIVE DETAILS

Directors and Trustees	Rayah Feldman	- Chair
	Michael Zeitlin	- Treasurer
	Dorothy Lewis	
	Wendy Pettifer	
	Christina Soper	
	Mark Palframan	
	Ali Aksoy	
	Neguse Dhaba	

The Directors of the charitable company (the Charity) are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees

Secretary	Dorothy Lewis
Registered Office	St Mary's Church Spensley Walk Stoke Newington Church Street London N16 9ES
Registered Number	06426744
Charity Number	1122363
Independent Examiner	D Terry – Chartered Accountant Ramon Lee & Partners Chartered Accountants Kemp House 152-160 City Road London EC1V 2DW
Bankers	Unity Trust Bank Plc 9 Brindley Place Birmingham B1 2HB

HACKNEY MIGRANT CENTRE
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2011

The Trustees are pleased to present their report including the financial statements of the company for the financial year ended 31st March 2011

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 14th November 2007 and registered as a charity on 17th January 2008. The company's operations are governed by its Memorandum and Articles of Association dated 14th November 2007.

Appointment of Directors/Trustees

The Directors of the Company are also charity Trustees for the purposes of charity law.

The number of Directors shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The Directors have no beneficial interest in the company other than as members and all guarantees to contribute up to £10 in the event of winding up.

As set out in the Articles of Association, one – third of the Directors shall retire by rotation at each Annual General meeting.

No paid employee is eligible to serve as a Director/Trustee.

Trustee induction and training

New Trustees are initially provided with copies of the Memorandum and Articles of Association, together with the most recent Annual Directors' and Trustees' Report.

All Trustees continue to maintain a good working knowledge of Charity and Company Law and Best Practice by studying Charity Commission newsletters, together with attendance at appropriate external courses.

The Management Committee intend to recruit further Trustees in order to establish a broad spectrum of specialised abilities and experience, thus enhancing the ongoing successful operation of the organisation.

Organisation

The Trustees are responsible for the development and operation of a drop-in centre based in church rooms in which advice on immigration, health and welfare issues is provided by professionals on a first come-first served basis.

A co-ordinator, appointed by and responsible to the trustees, co-ordinates all activities in the Centre, including the provision of this advice and of a cooked meal and atmosphere welcoming to all Centre users and volunteers.

The Centre relies heavily on the contribution of volunteers and recruitment, training, participation and supervision of volunteers are also the responsibility of the co-ordinator. The co-ordinator reports regularly to the trustees and works with the Chair to solve any difficulties.

Related parties

The Charity has no related parties.

Public Benefit statement

The Trustees consider that they have complied with Section 4 of the Charities Act 2006 with regard to the guidance on public benefit published by the Charity Commission.

HACKNEY MIGRANT CENTRE

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2011

Risk and financial controls

The Trustees have overall responsibility for ensuring that the Company has appropriate systems of financial controls for the organisation. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements follow best practice. They are also responsible for safeguarding assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Internal control processes include:

- All purchases in excess of one hundred pounds are required to be authorised by the appropriate Trustee
- All suppliers' invoices are required to be authorised for payment by the Co-ordinator
- All income and expenditure is fully recorded on a day-to-day basis and each month a detailed income and expenditure cash flow spreadsheet is produced for the Trustees, in order to compare monthly actual-to-budgeted income and expenditure, together with a cumulative year-to-date analysis, indicating any variances that may require appropriate action to be implemented
- Annual reviews are undertaken and any additional procedures that may have become necessary are implemented

Objectives and activities

The objects for which the company is established, as stated in the Memorandum and Articles of Association, are:

- to advance education and relieve financial hardship amongst migrants, especially those seeking asylum and those granted refugee status, particularly by the provision of legal and other advice
- To preserve and protect the physical and mental health of migrants, especially those seeking asylum and their dependents
- To advance the education of the public in general about the issues relating to migrants, especially refugees and those seeking asylum
- The provision of facilities for recreation or other leisure-time occupations with the object of improving the conditions of life of those persons who have need of such facilities by reason of their immigration status and their social and economic circumstances
- The relief of unemployment of those granted refugee status and those seeking asylum in the United Kingdom and in particular in East London, by provision of vocational and skills training, advice and support

Achievements and performance

In the year 2010-2011 HMC continued to provide a weekly drop-in service, offering immigration, welfare and health advice, social support and food to refugees and other migrants in need. 512 people visited the drop-in of whom 375 came for the first time. There were total of over 1200 visits. Approximately 25 people accessed the service each week.

HMC's visitors come from all boroughs in London. In 2010-11, approximately a third were living in Hackney and Haringey and over 10% of visitors say they have no fixed abode. 1% of our visitors said they lived outside of London but came to HMC as there was no alternative service in their local area. Visitors came from 72 different countries of origin. 22% were from Eritrea and 11% from the Democratic Republic of Congo. 70% of all visitors are from sub-Saharan Africa. Approximately a quarter of were refused asylum seekers and a further 10% were currently seeking asylum or had made a fresh claim for asylum. About 7% of visitors were undocumented and another were visa overstayers. About 25% had refugee status or indefinite leave to remain.

HMC is now widely recognised in the local community, and were awarded the Adiaha Antigha Community Achievement Award for services to new communities for the second year running. As part of its corporate giving programme International House Language School began to provide a free ESOL class in 2010, which was extended to two classes per week in 2011.

HACKNEY MIGRANT CENTRE

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2011

Future Activities

HMC plans to continue to run a weekly drop-in service and the trustees are considering how to respond to a continuous increase in the demand for our services following the closure of two major immigration advice agencies. We are expecting this increase to continue as it becomes increasingly difficult for migrants to obtain legally aided immigration advice. HMC is working to develop partnership arrangements with similar organisations in order to cope with growing demand for our services.

Financial Review

During the year the Charity's income amounted to £50,514 (2010 - £27,298). The Statement of Financial Activities showed net surplus of £9,652 (2010 - deficit £12,649) for the year and reserves stand at £11,783 (2010 - £2,131).

Reserves policy

The Director and Trustees have reviewed the reserves of the organisation, and various measures are being put in place to build up them up to a satisfactory level.

Charitable and political donations

During the year the company made no political or charitable donations.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of the Hackney Migrant Centre for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

APPROVED BY THE BOARD OF DIRECTORS AND SIGNED ON ITS BEHALF BY:



RAYAH FELDMAN - CHAIR

24 November 2011

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HACKNEY MIGRANT CENTRE

I report on the accounts of the company for the year ended 31st March 2011, which are set out on pages 7 to 14

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and under Part 16 of the Companies Act 2006 and that an independent examination is needed

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under section 43 of the 1993 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act, and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below

Independent examiner's statement

In connection with my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice. Accounting and Reporting by Charities have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



**DAVID TERRY – CHARTERED ACCOUNTANT
KEMP HOUSE
152/160 CITY ROAD
LONDON EC1V 2DW**

24 November 2011

HACKNEY MIGRANT CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2011
SUMMARY INCOME AND EXPENDITURE ACCOUNT

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2011</u> £	<u>Total 2010</u> £
INCOMING RESOURCES					
<i>Incoming resources from generating funds</i>					
Voluntary income					
Voluntary income	2	12,239	-	12,239	4,850
Voluntary income					
Voluntary income	3	-	38,275	38,275	22,448
TOTAL INCOMING RESOURCES		<u>12,239</u>	<u>38,275</u>	<u>50,514</u>	<u>27,298</u>
RESOURCES EXPENDED					
Charitable activities		(192)	38,247	38,055	39,124
Governance costs		887	-	887	823
TOTAL RESOURCES EXPENDED	4	<u>695</u>	<u>38,247</u>	<u>38,942</u>	<u>39,947</u>
NET MOVEMENT IN FUNDS		11,544	28	11,572	(12,649)
Total funds, brought forward		(493)	2,624	2,131	14,780
Total funds, carried forward		<u>11,051</u>	<u>2,652</u>	<u>13,703</u>	<u>2,131</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above financial year

TOTAL RECOGNISED GAINS AND LOSSES

The charity has no recognised gains or losses other than the above movement in funds for the above financial year

HACKNEY MIGRANT CENTRE

BALANCE SHEET AS AT 31st MARCH 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		£	£
FIXED ASSETS			
Tangible assets	8	352	469
CURRENT ASSETS			
Debtors	9	-	2,250
Cash at bank and in hand		18,542	7,173
		<u>18,542</u>	<u>9,423</u>
CREDITORS amounts falling due within one year	10	<u>5,191</u>	<u>7,761</u>
NET CURRENT ASSETS		13,351	1,662
		<u>13,703</u>	<u>2,131</u>
INCOME FUNDS			
Unrestricted funds	11	11,051	(493)
Restricted funds	11	2,652	2,624
NET ASSETS		<u>13,703</u>	<u>2,131</u>

In preparing these financial statements

For the financial year ended 31st March 2011 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standards for Smaller Entities (effective April 2008).

These accounts were approved and authorised for issue by the Board of Directors and Trustees on 24 November 2011 and were signed on its behalf by



RAYAH FELDMAN – CHAIR

Company Registration Number 06426744

The notes on pages 9 to 14 form part of these accounts

HACKNEY MIGRANT CENTRE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2011

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

1.1 Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Fund accounting

- (a) Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- (b) Restricted funds are subjected to restrictions on the expenditure imposed by the donor.

1.3 Incoming resources

All incoming resources are included in the statement of financial activities when the Company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to categories of income:

- (a) Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the company, are recognised when the company becomes unconditionally entitled to the grant.
- (b) Investment income is included when receivable.
- (c) Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the company earns the right to consideration by its performance.

1.4 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT, which cannot be recovered, and is reported as part of the expenditure to which it relates.

- (a) Charitable expenditure comprises those costs incurred by the company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- (b) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company and include the audit fees and costs linked to the strategic management of the company.

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Others are apportioned on an appropriate basis, e.g. floor areas per capita or estimated usage.

1.5 Tangible Fixed Assets And Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Furniture, fixtures & equipment

- 25% of the net book value

1.6 Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

HACKNEY MIGRANT CENTRE

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2011

2. VOLUNTARY INCOME

	Unrestricted Funds	Total 2011	Total 2010
	£	£	£
City Parochial Foundation	1,250	1,250	-
CDAS	1,500	1,500	-
Garden Court	1,000	1,000	1,000
Green Lanes Methodist Church	160	160	-
Irene Breugel	2,000	2,000	-
Trust for London	-	-	3,750
North London PJC	480	480	-
Stoke Newington Relief in Need	1,500	1,500	-
Other Donations	4,349	4,349	100
	<u>12,239</u>	<u>12,239</u>	<u>4,850</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds	Total 2011	Total 2010
	£	£	£
Coutts & Co	-	-	500
Grassroots	-	-	5,000
Hilden	5,000	5,000	-
International House	750	750	-
Irene Breugel Memorial Funds	-	-	10,000
London Catalyst - hardship	750	750	-
Mercers' Company	2,000	2,000	-
St John Southworth	2,500	2,500	-
Trust for London	17,250	17,250	-
West Hackney Parochial Charity	5,000	5,000	5,250
Yapp	3,000	3,000	-
Other Donations - hardship	2,025	2,025	1,698
	<u>38,275</u>	<u>38,275</u>	<u>22,448</u>

HACKNEY MIGRANT CENTRE

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2011

4. RESOURCES EXPENDED

	<u>Basis of allocation</u>	<u>Drop in centre</u> £	<u>Governance</u> £	<u>2011</u> £	<u>2010</u> £
Costs directly allocated to activities					
Staff costs	Direct	14,314	-	14,314	12,584
Staff training	Direct	-	-	-	99
Food	Direct	1,822	-	1,822	1,757
Interpreting and other direct costs	Direct	3,962	-	3,962	3,563
Volunteer expenses	Direct	1,285	-	1,285	420
Legal advice	Direct	6,832	-	6,832	12,596
Independent examiner's fee	Direct	-	840	840	823
Support costs allocated to activities					
Premises costs	Usage	7,395	-	7,395	5,833
Insurance	Usage	291	-	291	291
Communications & computer costs	Usage	1,982	47	2,029	1,754
Depreciation	Usage	117	-	117	156
Miscellaneous expenses	Transactions	55	-	55	71
		<u>38,055</u>	<u>887</u>	<u>38,942</u>	<u>39,947</u>

5. NET MOVEMENT IN FUNDS

	<u>2011</u> £	<u>2010</u> £
Net movement in funds is shown after charging		
Depreciation	<u>117</u>	<u>156</u>

6. DIRECTORS AND EMPLOYEES

STAFF COSTS	<u>2011</u> £	<u>2010</u> £
Salaries	13,338	11,804
Social security	976	780
	<u>14,314</u>	<u>12,584</u>

No employee received remuneration in excess of £60,000 during the year and no director received any remuneration in the year

The average weekly number of staff employed by the charity during the year was as follows

Direct charitable work	1	1
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No Trustee was awarded any remuneration or paid expenses during the year

HACKNEY MIGRANT CENTRE

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2011

7. TAXATION

The company is a registered charity and is not liable to taxation on income derived from its charitable activities. Income derived from non-charitable activities may be subject to taxation. The company is not registered for VAT and all amounts in the accounts include VAT where relevant.

8. TANGIBLE FIXED ASSETS

NET BOOK VALUES

	<u>2011</u> £	<u>2010</u> £
Fixtures, fittings and equipment	352	469
	<u>352</u>	<u>469</u>

MOVEMENTS IN YEAR

Cost

	<u>Opening Balances</u> £	<u>Additions</u> £	<u>Disposals</u> £	<u>Closing Balances</u> £
Fixtures, fittings and equipment	834	-	-	834
	<u>834</u>	<u>-</u>	<u>-</u>	<u>834</u>

Depreciation

	<u>Opening Balances</u> £	<u>Charge For Year</u> £	<u>Disposals</u> £	<u>Closing Balances</u> £
Fixtures, fittings and equipment	- 365	117	-	482
	<u>365</u>	<u>117</u>	<u>-</u>	<u>482</u>

9. DEBTORS

	<u>2011</u> £	<u>2010</u> £
Grants and donations awarded yet to be received	-	2,250
	<u>-</u>	<u>2,250</u>

10. CREDITORS: amounts falling due within one year

	<u>2011</u> £	<u>2010</u> £
Social security and other taxes	1,048	1,922
Creditors & accrued expenses	4,143	5,839
	<u>5,191</u>	<u>7,761</u>

HACKNEY MIGRANT CENTRE

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2011

11. MOVEMENT IN FUNDS

	<u>Opening Balance</u> £	<u>Incoming Resources</u> £	<u>Resources Expended</u> £	<u>Closing Balances</u> £
Restricted funds:				
Hilden	-	5,000	5,000	-
International House	-	750	750	-
Irene Breugel - hardship	1,265	-	1,265	-
London Catalyst - hardship	-	750	750	-
Mercers' Company		2,000	2,000	-
St John Southworth		2,500	1,387	1,113
Trust for London		17,250	17,250	-
West Hackney Parochial Charity		5,000	5,000	-
Yapp		3,000	3,000	-
Other Donations - hardship		2,025	486	1,539
Other Donations - drop in centre	1,359	-	1,359	-
Total restricted funds	<u>2,624</u>	<u>38,275</u>	<u>38,247</u>	<u>2,652</u>
General funds				
Unrestricted funds	(493)	12,239	695	11,051
Total funds	<u>2,131</u>	<u>50,514</u>	<u>38,942</u>	<u>13,703</u>

Purposes of Restricted Funds

Hilden – A grant received for running of the centre

International House – A grant received towards rent to ESol classes

Irene Breugel – hardship – A grant received for hardship payments and emergencies

London Catalyst – hardship – A grant received for hardship payments and emergencies

Mercers' Company – A grant received towards the running of the Drop-in service

St John Southworth – This grant is towards running the Drop-in service and any shortfall in the project

Trust for London – Grant received towards a co-ordinator salary and running cost of the centre

West Hackney Parochial Charity – This grant is towards running the Drop-in service and any shortfall in the project

Yapp – A grant received for running of the centre

Other Donations – hardship – Donations received for hardship payments and emergencies

Other Donations – Donations towards the running of the Drop in services

HACKNEY MIGRANT CENTRE
NOTES TO THE ACCOUNTS (Cont'd)
FOR THE YEAR ENDED 31ST MARCH 2011

12. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
	£	£	£
Tangible fixed assets	352	-	352
Net current assets	10,699	2,652	13,351
	<u>11,051</u>	<u>2,652</u>	<u>13,703</u>