



The Connection at St Martin-in-the-Fields

helping homeless people
seven days a week

FINANCIAL STATEMENTS

**for the year ending
31st March 2011**

**A company without share capital limited by guarantee, registered in
England & Wales**

Company No: 3852519

Charity No: 1078201

THE CONNECTION AT ST MARTIN IN THE FIELDS

Company Information

Board of Directors	Rod Beadles (joined July 2010) Dame Diana Brittan (Chair) Peter Brown (joined October 2010) Jeff Claxton Rev Nicholas Holtam (resigned July 2011) Councillor Louise Hyams Jean Innes (resigned September 2010) Gay Longworth Jonathan Martyr David Obrart (resigned September 2011) Lady Jane Reid (Vice Chair) Ian Watson (Treasurer) Jenny Williams Canon Robert Wright (resigned January 2011)
Chief Executive and Secretary	Colin Glover
Company Number	3852519 (England and Wales)
Charity Number	1078201
Registered Office	12 Adelaide Street London WC2N 4HW
Principal Bankers	Coutts & Co 440 Strand London WC2R 0QS
Auditors	Aspens Ltd Suite G4 Waterside Centre North Street Lewes East Sussex BN7 2PE

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Report of the Board of Directors for the year ended 31st March 2011

The Board of Directors present their report and financial statements for the year ended 31 March 2011.

OBJECTS OF THE CHARITY, PRINCIPAL ACTIVITIES AND ORGANISATION OF OUR WORK

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. The company has opted under Section 60-62 Companies Act 2006 not to use the word "Limited" in its name. For day-to-day purposes the company is known as The Connection at St Martin's ("CSTM").

The objects of the charity are the relief of poor persons and the furthering of any similar charitable purpose or supporting any charitable institution established for similar purposes.

In promotion of its objects the charity has a wide range of powers. These include the provision of services for homeless people, including day centres, a night centre, welfare, medical, advice, re-settlement and housing services and the power to acquire or dispose of property in order to promote housing.

MEMBERSHIP, BOARD OF DIRECTORS AND COMMITTEES

The Directors constitute its membership.

The Board of Directors consists of ten members. Of these, the Vicar of St Martin-in-the-Fields, someone nominated by the Parochial Church Council of St Martin-in-the-Fields and a Councillor of the City of Westminster are ex-officio members. The remaining Directors are appointed following nomination and election by the membership. One third of the elected Directors retire at each AGM, in order of length of service. All retiring Directors are eligible for re-election. The maximum size of the Board of Directors is 14.

The Chair, Vice-Chair and Treasurer are elected by the Directors at the AGM.

The Board of Directors usually meets 9 times a year, including an annual strategic planning day. The purpose of the meetings is to monitor and develop the strategic direction of the charity; to review its operational management and to make such executive decisions as it believes are necessary.

The Board is aided in its work by the Finance and Fundraising Committee, which monitors and reports on the financial position of the charity with any relevant recommendations. The Committee consists of 3 Directors: Ian Watson (Treasurer), Jonathan Martyr and Jenny Williams. Meetings are also attended by the Chair of the Board, the Chief Executive and the Directors of Finance and Fundraising.

New members of the Board are identified and appointed with reference to an assessment of skills made by the Board. Prior to appointment, the prospective member meets with the CEO and Chair to discuss the brief, see the charity in action, as well as being provided with written details about the organisation.

There have been a number of changes to membership of the Board since the last report; these are noted on the preceding page. The Board currently numbers 10 including ex-officio members.

OPERATIONAL MANAGEMENT

Operational management of the charity is delegated by the Board to the Chief Executive Officer, Colin Glover. He, in turn, is supported by a Senior Management Team, each of whom is responsible for a particular area of work. The other members of the Senior Management Team are Mick Baker (Director of Services and Deputy Chief Executive), Hugo Lane (Director of Finance), Kath Lee (Director of Fundraising and PR) and Julia Porter (Director of Human Resources and Administration).

PUBLIC BENEFIT STATEMENT

We confirm that, under the terms of section 4 of The Charities Act 2006, we have complied with our duty to have due regard to the public benefit guidance as published by The Charity Commission. All our charitable activities, highlighted in the report below, are undertaken in furtherance of our charitable objects and for the public benefit.

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OBJECTIVES FOR THE YEAR

The main objectives for the year were:

- To maintain key services for homeless people despite a budgeted reduction in our income. In particular:
 - continuing to meet all targets, including further progress on reducing rough sleeping and to prioritise services which help meet those targets.
 - ensuring that, even in times of reducing income, CSTM remains creative and positive.
- To meet fundraising targets and ensure the long term viability of our organisation.
- To consult on and develop a three-year strategic plan for our work in 2012-2014.
- To continue further development of user participation and involvement in our activities.
- To improve management information, to maintain the standard of the building and to continue to progress our organisational HR improvement.
- To prioritise internal and external communication including the use of social media as a tool to develop our external profile and to improve client access.

Our strategic approach to achieving these objectives included:

- A structured and open approach to reducing costs, including staffing.
- To continue to improve the systems for the monitoring of outcomes.
- To work in partnership with other service providers and with major stakeholders in the homelessness sector to deliver the best possible services and value for money.
- To continue to pursue diversity in our funding base, although recognising the constraints that many funders face in the current economic climate.
- To develop a Board-down consultation process to set out strategic direction for the coming years.
- To continue to identify, and respond to, the specific needs and ideas raised by clients themselves.

ACHIEVEMENTS AND PERFORMANCE

In summary, we achieved the vast majority of our targets, both in terms of service delivery and central services. The table below summarises this. In headline terms, we were busy throughout the year, with an average of 200 contacts every 24 hours. We have continued to improve our ability to direct people away from central London to more appropriate local services, with the result that we are not adding significantly to overall client numbers using our services on a long-term basis.

Total number of Day Centre visits	79,000
Total number of Day Centre users	5,000
Total number of Night Centre visits	13,500
Total number of Night Centre users	950
Average daily Day Centre visitor numbers	200
Total number of young people (up to 25)	759
Total number of people aged 26+	4,150
Total number of new people seen	2,955
Number of days / nights open	360
Number of meals served	29,200
Number of people seen by Outreach Team on streets	1,540
Numbers of people accessing specialist services: (housing advice, welfare & benefits, mental health, substance misuse & rough sleeper support)	2,225
Health and social services actions: (inc referrals to statutory mental health provision)	176
Number of people referred to hostels / housing (inc Night Centre)	1,225
Numbers of people accessing training / employment support	800
Number of people into jobs	116
Number of people into in-house training (IT, English, employability)	134
Number of people gaining qualifications	72
Number of people referred to external training or advice	465
Number of people undertaking careers development (CV preparation, jobsearch)	670
Number of people into placements / voluntary work / job trials	15

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SERVICE DELIVERY

The people we help include:

- Entrenched rough sleepers with a long history of sleeping on the streets
- People in housing crisis and those in temporary or insecure accommodation
- Homeless ex-offenders or those with a repeated pattern of offending
- Homeless people who have mental health issues and or drug/alcohol misuse problems
- Minority groups within the homeless population, including women, gay and lesbian people, BAME (Black, Asian and Minority Ethnic) people, elderly homeless people and refugees
- Young and adult care leavers who have been failed by the system
- Ex-services men and women who find the transition to civilian life difficult
- Unemployed people at risk of homelessness who want to develop their skills or find a job

Through our range of services, we aim to address and resolve the various forms of exclusion faced by homeless people, empowering our clients to rebuild their lives away from the streets and, ultimately, to move towards independence.

We seek to reduce the incidence and impact of homelessness in a way which is beneficial to the local community and to homeless people themselves. We carry this out through the provision of outreach with rough sleepers, practical and specialist services delivered from our day centre and by helping homeless people to reconnect to their home areas.

Day and Night Centres

The Day Centre is open 7 days a week from 9am to 1pm and twice weekly from 4.30-7.30pm. Day centre staff provide the first point of contact for newly arrived clients. They offer a welcome, initial assessment and signposting service to make sure they access the services they need. Over 79,000 visits were made to the day centre during the year, with an average of 200 people seen each day, of whom 20% were young people aged 16 to 25. At weekends, attendance averaged 170.

The Day Centre offers support, advice and befriending, as well as a café providing nutritious and low cost food. There are also practical services such as showers, laundry, lockers and mail. Health services are available on weekdays and users can have access to a GP, nurse, podiatrist and alternative health therapies. The Day Centre also has an activities area with a computer drop-in and a library where people can use the Internet, read, or talk to staff.

There is a separate Day Centre area for younger clients. A team of youthworkers provide befriending support and run specialist groupwork, as well as referring young clients on to appropriate services provided by The Connection (e.g., welfare advice, hostel referrals, specialist support).

The Day Centre team also runs groupwork and activities programmes, which provide leisure, social and skills training opportunities. These include groups for women, BAME (Black, Asian and Minority Ethnic) homeless people, rough sleepers who are not engaging with other services, drugs & alcohol awareness, a young people's web development project, and a spiritual group. The art room is open every day and CSTM runs regular collaborations with outside arts organisations to give clients opportunities to participate in music and drama.

During the year we developed a new Digital Media group. This has the aim of giving homeless people access to the opportunities afforded through new media, internet, digital recording equipment to both develop their creative and IT skills and also to communicate with the world more widely, reducing their isolation and exclusion. It also provided us with material to use in our general publicity and gives clients the opportunity to be more fully included in the way we represent ourselves.

The Night Centre is open between 10.00pm and 7.30am, all year round. It is a unique crisis intervention service offering short-term overnight support every night of the week to rough sleepers in the Westminster area. It provides temporary respite for the most vulnerable, chaotic and entrenched rough sleepers. The Night Centre is an invaluable resource for our outreach workers as it is free, can be accessed almost immediately and provides an alternative to more formal accommodation, which may be too daunting for long-term homeless people to access. People can spend the night here, in a camp bed or chair, get a hot meal, use the showers and laundry and talk to staff. The Night Centre has capacity for up to 40 people a night and extends to become a cold weather shelter under the Severe Weather Emergency Protocol Scheme (SWEPS) when needed. Over 1,100

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individuals used the Night Centre at least once this year and up to 100 during the very cold weather under SWEPS.

Outreach and Building Based Services

The role of the Outreach Team is to make contact with rough sleepers in our immediate area and refer them on to appropriate services either within The Connection at St Martin's building or elsewhere. It also formally identifies and records rough sleepers and rough sleeping in the locality to inform the wider picture on street homelessness. The service is commissioned by Westminster Council to cover a defined area which includes the Charing Cross locale, Covent Garden, Soho and Fitzrovia.

The service operates from within the day and night centres. It provides a point of contact for each rough sleeper, together with an assessment of their immediate and longer term needs. Access to the services is through referral by external agencies, including other day centres and similar organisations, as well as community police, traffic wardens and the public at large. A small amount of outreach work continues on an ad-hoc basis. For example, where there is a significant concentration of rough sleepers in a particular locality, or where there are particularly vulnerable individuals. The team has a caseload of around 150 people at any one time and over 1,500 people were seen on the streets during the year.

The Outreach Team saw important changes to service delivery over the year with the introduction of the Westminster wide and pan-London "No Second Night Out" (NSNO) Pilots. Having shifted focus the previous year onto the "Westminster 168" (homeless people who had experienced significant periods of rough sleeping for over 5 years), the Westminster partnership now wanted people new to the streets specifically targeted to ensure they didn't have to spend another single night out. The Westminster NSNO pilot began at the beginning of 2011; by monitoring new rough sleepers arriving on the streets of Westminster the Outreach Team were able to offer them a time limited stay in our Night Centre whilst a period of assessment was carried out by the Advice and Housing Team and a subsequent suitable offer of housing or support was given to them to ensure a return to the streets was avoided.

The Westminster NSNO pilot development coincided with the introduction of the CSTM Client Eligibility Criteria, a protocol designed over the last year by the CSTM Service Delivery Managers which looked at the assessment pathway within CSTM and the potential gaps or failings within this pathway. Most significantly, CSTM acknowledged that when a rough sleeper has been assessed and found to have a significant connection or social capital in another area to which they are able to return, a reconnection to this area is the only offer CSTM are able to make and further access to our service would undermine this assessment outcome. Despite the increase of rough sleepers coming into Westminster, this significant change in service delivery has assisted the outreach team to maintain a reduction in per-night rough sleeping numbers of over 20%.

Advice & Housing Team

The Advice and Housing Team offers a specialised and targeted service helping people who are newly homeless, in temporary or insecure accommodation and to people who are 'hidden homeless' (for example people who are squatting, in overcrowded accommodation or people at risk of eviction). The team's approach is based on prevention of street homelessness, helping individuals to access local services away from central London, and providing assessments and referrals to specialist services. Sometimes, despite their efforts, Advice Team clients do become rough sleepers, so they also work with a small number of street homeless people.

There are significantly fewer hostel spaces in Westminster and in central London in general than in previous years. This, coupled with a new emphasis on proving an existing local contact in order to qualify for hostel accommodation anywhere, has led to the team being more creative about helping people to get housing. We have increasingly used the private rental sector and rent guarantee schemes to help people who have low level support needs to move into accommodation.

The team provides general, welfare and benefits advice, help with legal problems, family relationships, accommodation referrals and ongoing casework to help people move forward. The team includes specialists who provide ongoing support to address substance misuse, mental health and other problems which impede many people's progress.

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Services are delivered on a drop-in basis for crisis intervention, immediate issues, new arrivals and follow-up, with around 50 one-to-one sessions every week.

Employment, Training & Education

The Workspace programme provides vocational and careers advice to homeless and socially excluded people who want to continue their education, participate in training courses or enter employment. A drop-in service helps clients to find out about the latest job opportunities and get advice and help with CVs, job applications and interview skills. Guidance workers help clients to explore their options and plan their next steps in terms of further education or career goals.

Through Workspace, we help vulnerable people find dignified, well-paid work, develop both the vocational and 'soft' skills that are so vital to being able to survive in the workplace, and offer ongoing one-to-one guidance and advice to help people enter training, employment, and during the first months of work.

Workspace runs accredited and in-house courses in IT, financial literacy and employability to help this client group, an IT drop-in for people to access computers and the Internet, and referrals to training courses and colleges. They also provide direct links to a wide range of local companies, who provide corporate mentoring and work placements, which are a vital stepping stone to onward progression.

During the year over 800 people engaged and attended the Workspace programme. Positive outcomes were achieved for the majority of clients, ranging from developing IT skills and looking forward to the future to getting a job or entering college. We are delighted that 116 people entered employment – all jobs sustained for a minimum of three months.

Workspace holds MATRIX, the Institute of Advice and Guidance quality kite mark for Guidance Workers. It is also working towards the OFSTED standard for training provision.

Resettlement

St. Martin's House is an intermediate stage 16 bed supported housing scheme for former rough sleepers, providing a step between rough sleeping and permanent accommodation. Seven tenants left during the year, of whom six moved into permanent accommodation. Two former residents also gained employment. The average length of stay was well within our target of 2 years.

Outcomes and Impact

We have continued to make progress on monitoring the difference our work makes to the lives of homeless people. During the year we changed our client recording database and are now working on Chain, which is pan-London and is the industry standard among the homelessness sector. This will greatly improve our ability to monitor our activities and impact in the future as it offers a more sophisticated reporting ability than we have previously had.

Governance

We initiated a new three year plan during the year, which will address issues of Governance, of succession planning, of measuring our Social return on Investment. We strive to become a better employer and crucially to ensure that volunteers (including current users of our services) remain at the heart of the organisation.

Volunteers

This has been a year of change and adjustment for our volunteer program. We are still providing excellent support to our clients by enlisting the help of a strong and committed volunteer workforce and we are continuing to provide a worthwhile volunteer experience to the hundreds of people who donate their time and expertise throughout the year.

There has been growing interest in volunteering both from individuals and from companies who want to donate staff time and skills through their Corporate Social Responsibility schemes. Individuals may be looking for transferrable skills gained through volunteering to help them in their search for employment and companies are

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seeking tangible ways for their employees to make a hands-on contribution to back up any charitable donation or financial support they are offering the Connection.

Overall we have maintained large numbers of volunteers supporting the charity - over 500 individuals, and we retain our volunteers much longer than the national average. We take pride in the fact that word of mouth is what drives most volunteers or companies to contact us and this year we will receive over 2000 enquiries from potential volunteers. This extensive resource of personnel greatly benefits our clients who can draw upon the wealth of experience and expertise from this diverse group of individuals. Having a large corporate supporter base assists through client/corporate outings, workplace visits and work experience, and by garnering good will amongst employers in the borough of Westminster. The growth in the digital media and our Workspace program has generated new opportunities for volunteers and we hope to continue these trends through the development of future volunteer roles.

Our greatest appreciation and heartfelt thanks goes to all those individuals and companies who have provided so much time, care and understanding to our clients in 2011. We look to the future with optimism that our volunteer workforce will continue to work with The Connection at St Martin's in adapting to the changing circumstances of the charitable homeless sector.

We appreciate the great benefit received from the many companies and individuals who work with us. However we have not set a monetary value on such generosity as it is not practical to do so given the diversity of its nature.

FUTURE PLANS

CSTM is entering an exciting but challenging period. Rough sleeping is going up, and all the indicators are pointing to a further increase. Despite this, the target of reducing or eliminating rough sleeping remains in place. Westminster, where The Connection is based, is also under particular scrutiny as services are under pressure to deliver value for money and to reduce the possibility of people using central London services out of choice rather than necessity.

Despite these pressures there is creativity and innovation within the sector. The existing rough sleeping population is being divided into three groups:

- a) new people
- b) the long term entrenched
- c) those who are neither new nor entrenched.

We are, both as individual organisations and as a sector, developing different approaches for each group. Our aim is to prevent new arrivals from becoming one of the second two groups, while helping the latter to move off the streets. This will result in a continuing and permanent reduction in the number of street homeless people in central London.

Our Strategic Plan 2012-2014 will be launched in January 2012. This will clarify who we work with, what services we provide and what we are attempting to achieve. It will do this by:

- Developing new ways of working with our various client groups
- Underlining that we are here to help people move forward, to connect with other services and not to help people sustain their street lifestyle or to avoid engaging with services
- Clarifying our role in the matrix of services for homeless people in London
- Outlining a strategy for ensuring that we manage the tension between being in, and funded by Westminster, while less than 10% of our users have any historical connection with this part of London.
- Identifying areas for growth in terms of our mental health services, and in the use of digital media to engage and train our users.

Finally we will work with St Martin-in-the-Fields to address our long term relationship with the church together with the issue of our lease and payment for the use of our building.

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Partnerships

As in previous years, we aim to maintain and develop public, private, voluntary and community sector partnerships that enhance service delivery and bring added value to the organisation and its work.

FINANCIAL REVIEW

The Statement of Financial Activities shows net incoming resources on unrestricted activities of £1,563,215 before transfers. Net shortfall on restricted activities is £(1,189,680) before transfers.

The net effect of this is a surplus on the Income and Expenditure account of £373,535; this was, in large measure, due to the receipt of several legacies. Over £267,000 of this surplus was transferred to designated reserves, in line with the board's policy (see Note 8 to the Accounts below). The overall funding for the year is 7% more than the previous year, whilst costs were 94% of the previous year's level.

The remaining unrestricted funds total £1,449,519. This is adequate to support the continuation of activities of the charity for the foreseeable future and surpasses in the short term the organisation's revised reserves policy target of the equivalent of two months' running costs. Unrestricted reserves are held to cover short-term fluctuations in income as well as unforeseen or irregular expenses.

Principal funding sources

The Connection at St Martin's received funding from a variety of sources during the year. The five main funding streams were:

- 1) City of Westminster. A total of £1,630,334 was received towards the Building Based Services project; the two day centres and night centre and the Advice and Housing service
- 2) The St Martin-in-the-Fields Christmas Appeal Charity contributed £430,000 to general funds
- 3) London Councils grant aid of £231,526 was received during the year (see note 16)
- 4) Wandsworth Council's Supporting People grant contributed £122,824 towards support costs of our hostel, St Martin's House
- 5) The Friends of the Connection at St Martin-in-the-Fields raised £100,269 towards our core costs.

We continue to rely on voluntary income for approximately 29% of our funding. Thanks go to all our supporters, individuals and trusts as well as companies, who have supported us through this year – some for many years. We are especially grateful to all those who donated to the St Martin-in-the-Fields Christmas Appeal Charity and also to the Friends of The Connection at St Martin's. We wish to extend our thanks to all the individuals who took part in events to raise money for our work including: the Flora London Marathon 2010; the Asics British 10K run, the St Martin's Annual Pilgrimage and the Queen Eleanor Cycle Ride 2010. We would also like to thank The Connection at St Martin's staff, volunteers and our fellow Trustees for their hard work and commitment.

Risk management

The Board of Directors is currently undertaking to review its approach to risk and to develop a new risk management strategy. The aim is to initiate a risk register identifying the organisation's level of exposure to any risks and improve the systems and procedures which will mitigate them. This register will be overseen by one appointed member of the Senior Management Team and will be reviewed regularly, reporting to the Board via the Finance Committee.

The Connection at St Martin's already has a register of risks relating to our staff's work with potentially violent clients. The main financial risk, as in previous years, is uncertainty over current and future funding; and to this end the Fundraising and PR team continue to develop new unrestricted income-streams.

Current uncertainties surrounding the global banking sector have led to The Connection at St Martin's increasing the number of accounts in which its cash is deposited in order to minimise the risk of loss of funds.

STATEMENT OF RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Company law requires the Board of 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 its results for that year. In preparing those financial statements, the Board is required to:-

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- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable it to ensure that the financial statements comply with the Companies Act 2006. It is 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.

APPROVAL

This report was approved by the Board of Directors and signed on its behalf.



For the Board of Directors

Date 1/11/11