



Growing Together



The Connection
at St Martin-in-the-Fields

Annual Report 2017-2018

Registered charity number: 1078201
Company number: 3852519

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Tim Jones	Chair
Philippa Langton	Vice Chair
Ian Watson	Treasurer
Jeff Claxton	
Revd Dr Sam Wells	
Bally Sappal	
Octavia Williams	
Lucy McNulty	
Rod Beadles	<i>Resigned: 15/05/18</i>
Gail Elkington	<i>Resigned: 31/03/17</i>
Chandra McGowan	<i>Appointed: 17/07/18</i>
Joanne Owen	<i>Appointed: 17/07/18</i>
Simon Rawson	<i>Appointed: 17/07/18</i>
Keith Starling	<i>Appointed: 17/07/18</i>
Peter Warren	<i>Appointed: 17/07/18</i>

Key management personnel

Colin Glover	Chief Executive - <i>Retired: 31/05/17</i>
Pam Orchard	Chief Executive - <i>Appointed: 18/04/17</i>
Mick Baker	Deputy Chief Executive and Director of Services - <i>Retired: 31/07/17</i>
Charlotte Talbott	Director of Service Development - <i>Appointed: 04/09/17</i>
Kath Lee	Director of Fundraising
Philip Blandford	Head of Finance, Premises and IT
Maggie Newell	Head of HR, Admin and Catering - <i>Resigned: 31/10/17</i>

Statutory Information

Company number: 3852519

Registered charity number: 1078201

Cover Image: *Growing Together*, by Ken Wood, a user of the Art Room.

About us

The Connection at St Martin-in-the-Fields is central London's homelessness charity. Every year we work with approximately 4,000 people who are living on the edge and outside of mainstream society.

Located next to Trafalgar Square, we work around the clock to provide immediate relief from street homelessness and long-term support leading to housing, work, and independence.

We empower people to achieve positive change. We work with people to address their homelessness and discover their strengths and potential. We involve people in activities and encourage them to help run our services. Activity helps people feel good about themselves, boosts confidence and develops resilience.

Vision

Central London, like many cities across the world, is an exciting and stimulating place. However, for some it is a place to go when things have gone profoundly wrong and there is nowhere else.

When people are on the edge, homeless, isolated and in despair, there must be a place to turn. The Connection is there to be with people as they overcome that isolation, recover, and move on to a meaningful, fulfilling life.

Mission

The Connection at St Martin's empowers those who are on the edges of society to take control of their lives by:

Providing practical support in an active environment designed to help people recognise their own strengths, recover from crisis and move on;

Collaborating with others who share our vision and mission, not just in London, but in other parts of the UK and the world;

Sharing our learning with others, to deepen our own understanding and create a more socially just society for those on the margins.

Activities

Our busy centre provides nutritious food, hot showers, a laundry service and healthcare. Alongside our practical services, we also deliver a wide range of activities and support groups to reduce loneliness, nurture creativity, and increase confidence and other life skills.

Helping someone off the streets quickly is vital for their health and long-term recovery. Every week we go out in pairs to check on people living on the streets. We can help by referring people into our emergency night centre and by linking people to specialist addiction or mental health support.

We also work with people to find more long-term solutions, including referrals to a wide range of housing options. It can be a challenging journey as affordable housing is limited. We advocate for and help people who don't know if they are entitled to benefits and increasingly support migrants facing complex legal situations.

The majority of homeless people want to work, but there is often a gap between a desire to work and being ready to work, in terms of skills and experience. Our in-house education, training and employment service helps people think about where they want to be in the future and how to get there. We deliver IT training, employment work-shops; in-house volunteering placements and much more.

Public benefit statement

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period.

The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Statutory Information:

Company number: 3852519

Charity number: 1078201

Registered office and operational address: 12 Adelaide Street
LONDON WC2N 4HW

Country of registration: England & Wales

Country of incorporation: United Kingdom

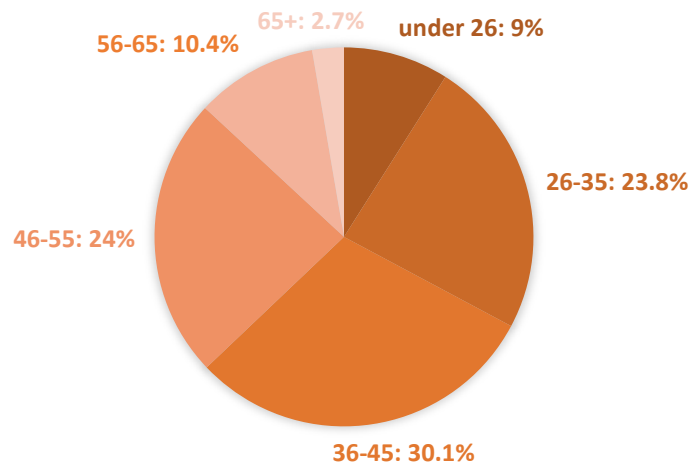
Disclose any other name that the charitable company uses: The Connection at St Martin's

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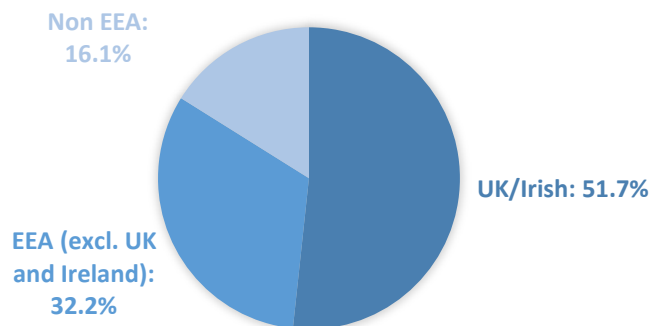
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Who we work with

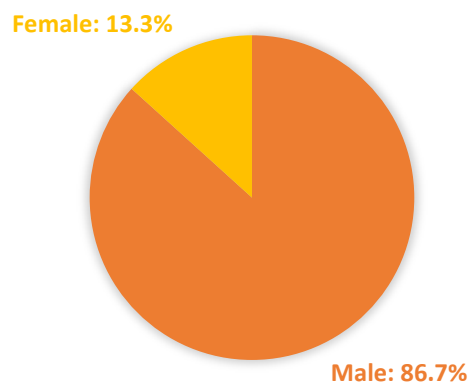
AGE



AREA OF ORIGIN



GENDER



Executive Summary

No matter where you live in the UK, you will have seen first-hand, or become aware through the media, of a significant increase in people sleeping on the streets. In Westminster, where we are based, nearly 25% of England and Wales' rough sleepers can be found. In fact, Westminster is one of Europe's biggest homelessness hot spots.

Our location means that we are working at the sharp end of this homelessness crisis. However, our expertise, resources and extensive experience of homelessness, with our roots going all the way back to World War I, means that we are well equipped to respond effectively and work with people so that they can recover from homelessness.

This report provides a review of the past year (1st April 2017 – 31st March 2018). We have been very busy so this summarises our key developments. We also provide a brief glimpse of our future plans, as we continue to build on the work we have done to reduce homelessness in central London.

Encouraging people to address their homelessness often begins on the streets. Last year the team helped 2,516 rough sleepers find the right support and alternatives to sleeping out. This included 687 people staying in our night centre, while their situation was resolved. Despite a competitive jobs market we also helped 81 people find employment and 23 to begin volunteering in our centre.

In April we welcomed a new Chief Executive, Pam Orchard, who joined us from Providence Row – a homelessness charity in East London. She specialises in organisational change and has over 25 years' experience working in the homelessness sector.

We have been developing a new service model, which has a strong recovery focus with more co-production. This means involving clients to design, run and evaluate our services. We already do this through our Step Up Volunteering programme but will take this philosophy of involvement further so all of our services are shaped and evaluated by clients. We can learn a huge amount from them, and the process of people being involved fosters ownership and boosts confidence.

We are also changing how we work with clients to recognise their strengths and assets, rather than what has gone wrong in their lives. This approach is empowering and will give people a reason to be optimistic about their future.

Next year there will be a strong focus on developing our relationships with a range of partner organisations to pool expertise and maximise what we can do for people. This will include planning our new day time outreach service, which will support people on the street into treatment, housing and recovery.

We'll also be enhancing our service for migrants to help homeless people from outside of the UK. With nearly 50% of our clients from Europe, and other parts of the world, we want to do far more for this group of people so they understand their options, and work creatively to find solutions.

We're building the foundations for an exciting year ahead with new ways of working and reaching our clients. We hope you will find this report interesting and useful.

Introduction, Pam Orchard Chief Executive Officer

2017/18 was a busy year for The Connection at St Martin's. We've helped 3,776 people to start engaging with our services and find the path to recovery.

There was a very noticeable increase in homelessness across the country. Towns, once relatively unaffected, have experienced people in desperate need of help. With austerity measures continuing to bite, it is more important than ever that we work closely with our partners in Westminster and beyond to tackle the growing issues homeless people face.

Alongside our business as usual service provision, our interim strategy for 2017/18 set out our intention to prepare for change, building on the fantastic work of those who came before us. Through consultation across the organisation, we have refreshed our vision, mission and values to guide us. This exercise has also included the creation of a new service model and theory of change, ready for implementation during 2018/19.

In order to meet the needs of a growing number of homeless people, The Connection needs resources. We continue to receive fantastic support from a wide range of partners. Whilst we work strategically with Westminster City Council, we value the independence that our fundraising team brings. We have also been preparing for fundraising growth next year, which includes working more collaboratively with St Martin's Charity.

We have created an ambitious and exciting five-year strategy for the charity, reflecting our plans to meet the challenge of rising homelessness. The strategy sets out our vision for a creative and highly effective organisation working in the heart of London – the most concentrated area of rough sleeping in the UK. We have recruited six new trustees to join our board to help to deliver this strategy.

I have met many clients, staff, volunteers, partners and supporters during the year and have been inspired by the amazing contributions made by everyone. Together, they make The Connection a vibrant, dynamic place. We have a lot to do to tackle homelessness in difficult times. I am looking forward to implementing our plans together in the coming year.

Review of the Year 2017-2018

Over the last 12 months we have been working towards five goals. The progress made is outlined throughout the review.

Goal 1: Help 4,500 homeless and vulnerably housed people each year through our services

Our work with homeless people falls into three main areas. Activity updates are provided below.

INITIAL RELATIONSHIP-BUILDING

Night Centre

687 people stayed in our night centre, spending an average of nine nights before moving into alternative housing or benefitting from reconnection support (goal 750)

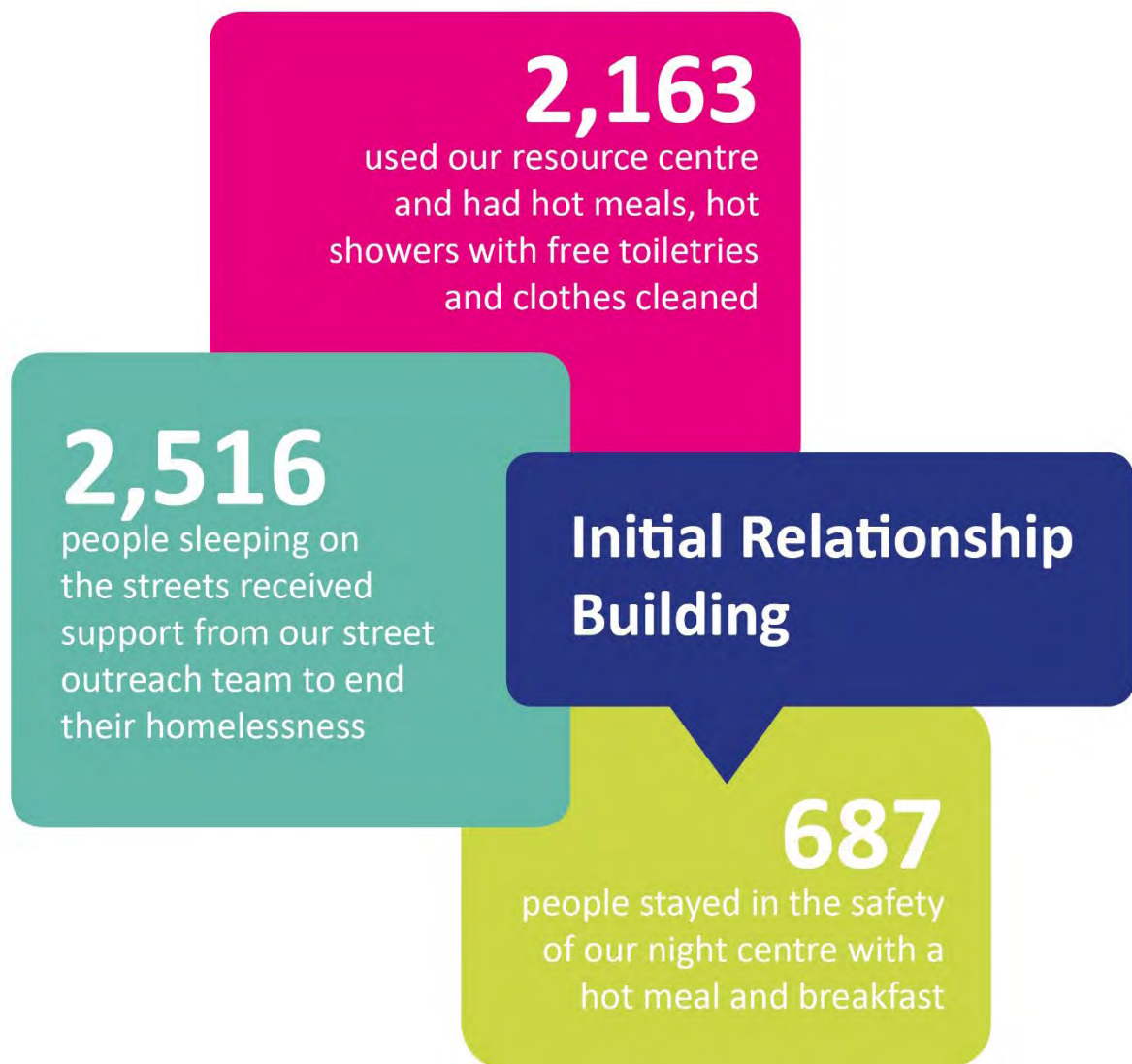
Our night centre remains a vital service to rough sleepers in Westminster. It has continued to prevent up to 45 people a night from sleeping on the streets of London and is often a stepping stone to support people into longer term accommodation.

The average length of stay was nine nights, but on occasion this was extended to 28 nights to allow for more complex situations to be resolved.

How we helped people during the severe weather

In early March, the 'Beast from the East' brought snow, icy winds and plummeting temperatures which put people without a roof over their heads at serious danger of dying on the streets. We responded by setting up a 'Gold Command' unit at our centre, working in partnership with Westminster City Council and other local services to provide warmth and shelter for rough sleepers in Westminster. We stayed open 24/7 for five consecutive days, ensuring people were protected from the harsh weather, whilst providing hot meals, showers and emotional support.

We also increased night centre capacity by 30%, by offering 65+ beds to rough sleepers every night. In total people benefitted from 244 night centre stays, preventing people from dying on the streets.



Resource Centre

2,163 people accessed our practical services (goal 2,500)

Our resource centre was busy during the year. This includes a free laundry service carried out by a staff member; access to showers with free toiletry hand-outs, and a café serving hot and nutritious meals. These practical services provide much needed relief from the immediate crisis of being homeless, and makes a significant difference to how people feel about themselves.

People who use our resource centre are also more likely to access our other more long-term services, such as employment and training, which helps people move along the journey to independence. On an average day our laundry service washed and dried 20 people's clothes and our café served 30 breakfasts, 90 lunches and 40 dinners.

In the coming months we will be exploring the role the resource centre plays in aiding people's recovery and targeting these services to clients who evidence priority need.

Street Outreach

2,516 rough sleepers were contacted by The Connection's street outreach team and encouraged to access relevant support services (goal 2,500)

Respond to the re-tendering of the street outreach contract, creating an organisational tendering process to build the charity's capacity to respond to subsequent tendering situations in the future

The Connection at St Martin's has a long history of providing street outreach services in central London. Every week, outreach workers have carried out multiple shifts on foot and by car, covering the entire borough of Westminster. In total, the outreach team has advised and engaged with 2,516 people bedded down on the streets. This work is largely funded by Westminster City Council and commissioned through a competitive tendering process.

In December 2017, changes were made to the contract which meant that a single service, St Mungo's, is now providing street outreach in the evenings and early mornings.

We are now developing a new and exciting daytime outreach service in partnership with Westminster City Council, several Business Improvement Districts in the borough, and corporate supporters. This new service will provide vital help to people with drug, alcohol and mental health problems during the day. The aim of the service is to help people off the streets through tailored support while working with the local community to reduce anti-social behaviour.

The re-tendering process provided us with a valuable learning experience which we will incorporate into future tenders. The outcome has also given us a chance to evaluate our street outreach service to make sure we are responding to the needs of rough sleepers in Westminster.

Case Study



Meet Dennis

Dennis has been involved in our Step Up volunteering programme for six years and has taken on a variety of placements across our centre and back office departments. He shares his thoughts on the programme and what he's learnt.

Are you volunteering at the moment?

"My current role is being on the client interview panel which as the name suggests means that I get to interview prospective staff from the CEO downwards. Strangely the client panel and the 'professional' panel normally agree on who to appoint despite us having only 15 minutes and three/four questions. It is a role taken seriously as discussions will impact on many people's lives for years to come."

What have you learnt from being part of Step Up?

"When one is homeless you see the world differently and the world you. You start to doubt yourself which impacts on one's self-confidence. This is where programmes like Step Up are so important. It is like it has taken a tray of broken eggs and instead of looking at a disgusting mess, they look to make a meal from it.

"Now through Step Up I am trusted, empowered – a voice that is listened to and the confidence helps other homeless people to the point that some even think of me as a friend/confidante. I can assure you there is no better feeling."

48.3%

of our clients are not from the UK. Our migration team helped people understand their rights and entitlements

547

people received specialist advice and support with their housing, which including reconnections back to their area of origin

Building a Future

188

people took part in our activity programme to improve their well-being and learn new skills

150

people were referred into a range of housing options

Resilience and Recovery

188 people took part in a range of activities and groups designed to build life skills and self-esteem including mindfulness, art, gambling cessation and anger discussion support

Activity promotes recovery and provides purpose. Our activity groups give people the chance to learn new skills and build resilience to live independently. We've been reviewing our activities programme and created a framework to track the journey of change people make from initially feeling 'stuck' through to the end goal of 'self-reliance'.

The new activity timetable has a range of groups with five objectives including therapeutic, training and discussion. These objectives can be tracked against a person's journey of change. This means we will be able to demonstrate how we help empower clients at every stage of the recovery process.

There were four notable developments throughout the year:

Art Exhibitions

We now have quarterly art exhibitions which are co-produced, giving two artists the opportunity to showcase their work to the public. With support, the artists curate their work and are available on the day of the show to talk to guests and sell their art. The exhibitions have celebrated people's talents and boosted confidence.

Gardening

There was significant interest from clients to launch a gardening group. We have since secured funding from the Mayor of London and are in the process of developing the project, with our partners at St Martin-in-the-Fields, who are providing the space for gardening in the courtyard behind the church.

Migration Support

Create a plan to develop our migration response strategically, balancing the interests of key stakeholders.

Nearly half of our clients are not from the UK. While some have the same rights as UK nationals, others have very limited or no entitlement to public funds. We've been working strategically to make the best use of resources available, and share our wider learning with homelessness services to help people off the streets quickly. Key achievements include:

- Developing new external volunteering roles and we now have two people supporting casework and advocating on behalf of clients to progress their situation. We have new language volunteers who are able to translate and communicate with clients who do not speak fluent English.
- Working in partnership with Homeless Link we have shared our expertise and good practice on supporting homeless EEA Nationals. We provided resources which are now available on Homeless Link's website. These provide guidance for individuals and organisations on how best to support EEA Nationals away from the streets.

Advice and Housing

We provided 547 people with specialist advice and support sessions with their housing. This included supporting people to reconnect back to their area of origin and overcome their homelessness

We also referred 150 people into a range of accommodation options including hostels, private rented accommodation and winter shelters

(Goal: 900 for all service outcomes)

We have had a busy year providing advice and helping people access suitable housing. The majority of the people we work with do not have a connection with the borough of Westminster, which means they do not have an entitlement to housing. In these cases we have been reconnecting people back into local authority services where they are from as there are more housing options available.

There continues to be a limited supply of good quality affordable housing. Rooms which fit clients' budgets are in high demand and every room has up to 15 potential tenants viewing.

Fewer housing providers will accept people who are in receipt of Universal Credit which has also made our work challenging. However, working in partnership we have tried to be creative and secured various options for people including supported housing, hostels and hosting schemes.

We have been supporting people with their own search for accommodation within the private rented sector. It can be a difficult process, especially for clients who are unable to secure a deposit or rent in advance. We are looking into piloting a project to assist this client group further, potentially through a bond scheme.

Mental Health

Nearly 2/3 of the people we work with experience mental health problems. We have continued to work closely with the Joint Homelessness Team, a community mental health service which supports rough sleepers who have a mental illness.

A high proportion of these clients have poor physical and mental health and have multiple hospital admissions. We have been working effectively with discharge teams at various hospitals including UCLH, St Mary's and St Thomas' to find housing solutions so clients are prevented from being discharged on to the streets.

We also have a dedicated worker who has provided additional support for clients who have poor mental health helping them reconnect to their area of origin and local communities, solving their homelessness.

Case Study



Vipul

Vipul has been volunteering with The Connection's Step Up programme for six weeks. New to the programme he shares his insights and how he gets other clients excited about the project.

What have you learnt from being a Step Up volunteer?

"I learnt the skill of good customer service, how to respond to the customer when they have questions.

With the customer service I learnt how to give respect, before I didn't have that much respect and politeness in my life but now I learnt that as well."

If you were trying to encourage other clients to become Step Up volunteers, what would you say to them?

"I can tell them that Step Up makes you grow. When you come out from the street and you have nothing to do you have to learn something. If you want to get ahead Step Up is the best role...You can give something to somebody."

How does Step Up help people?

"When we give a Step Up role to someone, when they are broken down with families and social life, we give responsibility. Step Up makes them live again, like a flower that's dead and when you put the water in you make them live."



Education, Training and Employment (ETE)

738 people used our accredited in-house ETE services to improve their employability and job prospects (goal 700)

Being meaningfully occupied is the key to living a fulfilled, happy life, and prevents people from relapsing to a life on the streets.

Our in-house Education, Training and Employment service has careers advisers who help people discover what they want to do, and the steps they need to take to get there.

Throughout the year the team provided 20 employability workshops with corporate partners on topics including how to create a CV, interview practice and confidence-building.

Sector specific workshops

The majority of our clients have little or no current work experience and can be limited in the jobs they can apply for. Certain sectors like catering, hospitality and construction are popular because they advertise a large number of entry level positions. To support this opportunity we piloted a range of specialist workshops to help clients secure jobs in these sectors.

For example, we partnered with a national restaurant chain, and were able to provide invaluable insider advice and tips on how to apply and succeed in interviews for jobs in restaurants. These workshops have been so successful that we are now looking to expand and incorporate new sector specific sessions in the coming year.

Despite a very competitive jobs market we are proud to have supported 93 people into employment and provided them with the finishing touches including suits, shiny shoes and travel. Transitioning into employment can be very stressful for people, so we continue to support people post-employment if they need us.

Did we achieve our targets?

Overall, the number of people accessing our service was slightly lower than anticipated. In particular, our resource centre, night centre and advice and housing services helped on average 10 -20% less people than the preceding year.

These services are predominantly targeted at rough sleepers and it is worth highlighting that while rough sleeping is increasing nationally - in Westminster, where we operate, the numbers of people sleeping rough has decreased.

This means that we are effectively helping reduce homelessness. It is also promising that despite lower numbers of people coming through our red door the outcomes for our street outreach and education, training and employment teams exceeded the targets, which means people are taking meaningful steps to address and resolve their homelessness.

The targets are a useful benchmark for predicting demand and how many people we aim to help throughout the year, but the numbers do fluctuate.

We are currently in the process of reviewing who is able to access the service and we will be altering this criteria. This will see us extend the service to meet the needs of people more effectively.

Case Study

Meet Mark

Mark is an Employment and Support Worker and in this piece he shares how he works with clients, as they prepare for employment and find the right path for themselves.

“The first time I meet a new client, we do a support needs assessment, followed by a careers action plan. Needless to say, the action plan is the part clients like best. No longer are we discussing their obstacles and barriers but now exploring their goals. Speaking for myself, I like it too because I discover loads of interesting things about the life of a fellow human being - a little bit about the course of their life.

If I go on to assist with their CV, I learn a whole lot more. Preparing a CV with someone is a very personal thing and an overwhelmingly positive process. Sure, the chronological nature of a CV usually gets to reveal where things went wrong but because you are exploring how to address the gaps in the best possible light, it's aspirational.

It encourages them to open up and tell you all about their positives: their strengths, their interests and achievements. In partnership with volunteers we run a series of CV workshops. Time and again the comments from volunteers enthuse about the great skills and experience of the client they worked with and the surprises that were revealed. For example, I remember at one of last year's workshops a volunteer was working with a client I had registered earlier that week and called me over to tell me that the client was an accomplished marathon runner (both of them beaming at me as he said it) and I'd had no idea of that hidden talent!

After clients have attended these CV workshops I invariably notice an increase in their confidence, motivation and attendance the following week. To me this is a window of opportunity to be capitalised upon before it wears off and I am sure it's no coincidence that so many clients find work soon after they have attended a workshop.”

Volunteering

Our volunteers continue to provide an essential role in the running of our services.

Across all teams at The Connection volunteers sit alongside staff ensuring that every client receives personal attention.

From direct hands-on client facing volunteering such as serving meals, supporting activities or enabling people to access medical care, volunteers build relationships with clients which support their progress and recovery.

We would not be able to meet the many daily demands on our services without their help and expertise.

Volunteers also play a major role behind the scenes, supporting fundraising, administration and events such as the Pop Up Shop “One Good Thing” and through the Friends of the Connection, who engage with communities across the UK to fundraise for us.

Our corporate volunteering base is growing as companies realise the impact homelessness is having on local businesses and they commit their workforce and resources to supporting The Connection.

The combination of both individual and corporate volunteers ensures that we can provide a valuable volunteer experience that is having a positive impact on clients’ lives daily.

Goal 2: Develop our service model

Engage service staff in the creation of an overarching service model, with shared service outcomes and a draft theory of change ready to develop our monitoring and evaluation in 2018/19.

Continue existing client involvement work, alongside developing a plan for further work to ensure our work reflects its values, co-production and personalisation.

Create a cross-organisational plan to address the antisocial behaviour issues outside our building on Adelaide Street using psychologically informed environment (PIE) principles.

In the first half of the year we created a refreshed vision, mission and values statement in consultation with staff, volunteers, partners and trustees. The next step was to develop a new service model and theory of change. This will affect both what we offer but perhaps more significantly, how we offer our services.

We are adopting two key concepts in the delivery of our work which are considered to be best practice in the homelessness sector:

“Co-production” – including our clients in the design, delivery and evaluation of our services.

We aim to increase the Step Up Programme and the number of client volunteering opportunities on site. We have already introduced a quarterly client forum and will be creating a link to governance. We will be piloting this approach by including two clients in a “co-production group” to guide the changes we are making in the day centre.

A “Strengths-based approach” – recognising the strengths clients bring.

It can be counter-productive to look at our clients through the lens of what has gone wrong. Our clients have strengths, skills and talents and we must see the whole person, not just a list of problems to be solved. To achieve this, we must make changes to how we assess and communicate with clients, our job descriptions and staff training. We will also be speaking about our clients differently by talking about artists, trainees, gardeners and chefs. If we believe in the potential of our clients, maybe they will believe in their potential too.

Step Up Volunteering

As a precursor to embedding co-production into our services, our Client Involvement Co-ordinator is building on our Step Up volunteering programme. Step Up volunteers are offered supported volunteering placements across our services so they can develop skills, confidence and gain work experience. They also provide crucial insights into homelessness and reflect the perspective of clients. The programme will become increasingly important as an activity which engages clients in the design, delivery and evaluation of our services.

During the year, 12 clients volunteered through a variety of placements across the centre, seven of whom were new to the scheme. We created new placements in our digital inclusion group and our strengths based staff working group. Four new clients sat on our interview panels helping inform our recruitment of three new members of staff in March.

Theory of Change

We have been informing our service model through Theory of Change. This methodology helps evaluate and plan our services to promote positive change. The process has involved defining our long term outcomes to indicate the changes we would like to achieve with clients and mapping backwards to understand the required action to achieve these objectives. The 4 outcomes are:

- accessing accommodation;
- resettling and reconnecting;
- overcoming drug, alcohol and mental health problems;
- improving resilience and increase independence.

We are also building our capacity for service innovation and influencing. We are creating a Knowledge and Innovation Team to take forward this work and will be working more closely in partnership with St Martin’s Charity and its BBC Radio 4 Christmas Appeal.

PIE - Cross Organisational Plan

We have set up a cross-organisational working group to address anti-social behaviour outside our building in line with Psychologically Informed Environment principles. Our new day time street outreach service will be working closely to help the people involved. We have started discussions with our neighbours about re-vitalising the area so that the space is more conducive to working effectively with people. More work will be progressed on this in the coming year.

Goal 3: Deliver fundraising income targets in the 2017/18 budget and create a longer term vision

- **Undertake fundraising which secures £2,502,000 during the year.**
- **Work with St Martin's charity to support the delivery of the Christmas Appeal.**
- **The Christmas Appeal to meet the budgeted income target of £1,100,000.**
- **Create a 3-year fundraising strategy for the charity from 2018/19.**

Fundraising performed well during the year and we achieved our target, raising £2.3m through a variety of funding streams including corporates, trusts, events, individual giving and legacies.

Every year we work in partnership with St Martin-in-the-Fields on the Radio 4 Christmas Appeal, which supports our work, and the Vicar's Relief Fund, which provides crisis grants to people across the UK. The associated Radio 4 programme 'Making a Difference' features clients from The Connection and shows how people's donations change homeless people's lives. Last year, the Appeal made a record £3.1m and we received a grant of £1.1m (25% of our income) towards the running costs of our services. This grant remains a vital component of our funding and we are exploring ways to work with St Martin's Charity throughout the year.

We have developed a fundraising framework which will support the organisation's five-year strategic plan. This will include developing fundraising partnerships, promoting our brand and supporting the growth of our sister charity the Friends of The Connection.

Goal 4: Governance: Undertake a governance review, create a refreshed governance policy and risk register, recruit new trustees to the Board and take forward trustee training to support the achievement of our emerging new strategy.

Create a new 3-year strategy ready for April 2018 for the charity including a refreshed vision, mission and values, in consultation with key stakeholders (trustees, St Martin-in-the-Fields, Westminster City Council, partners, Friends of The Connection, staff, clients).

Put in place an organisational planning system linking our strategy with the day to day work of all staff members.

The Board has undertaken a governance review and overseen the creation of a longer term five-year strategy for The Connection. This was created in partnership with key stakeholders and included a refreshed mission, vision and values. The new strategy also links to the Risk Register, which was refreshed during the year.

There are six new strategic aims as follows:

- i. Provide services for 4,500 people a year to help those who are experiencing homelessness recognise their strengths, recover from crisis and move on;
- ii. Grow the quality and impact of our services, working with people to overcome homelessness;
- iii. Establish Social Enterprise and Trading activity to increase income and our training offer to clients, particularly those in recovery;
- iv. Increase our fundraised income from £2 million a year to at least £3 million a year;

- v. Improve our profile and influence through excellent communications and evidence of impact;
- vi. Develop our governance and corporate services infrastructure to ensure we maximise our potential.

Having agreed these aims, the Board recruited new trustees to provide guidance and expertise to reflect the requirements of the strategy. Having advertised the opportunity extensively, we received 38 applications to join the Board and have now appointed six new trustees. Plans are in place for trustees to undergo a full induction into the service over the coming months, so that they are best equipped to inform and support our new strategy.

A planning system, linking strategy to staff management, was piloted during the year. This has gone well and has led to greater focus, team work and accountability. The system will now be rolled out to the rest of the charity during 2018/19.

Goal 5: Develop Core infrastructure

We have been through a period of growth and development which has highlighted the need for additional resources, and the correct infrastructure in our HR and admin, IT and governance and facilities management teams.

This will ensure that we can continue to support and deliver our core services which are the foundation of what we do.

The Connection has grown significantly over the past five years, and it was important to review the finance, facilities and HR capacity to ensure a smooth running, well-supported service team. A new finance team was put in place in the summer of 2017, followed by the introduction of a new Facilities Manager post. At the beginning of 2018 we recruited for two new posts of HR Manager and HR Co-ordinator.

Alongside changes in staffing, the charity invested in a new IT system. This will increase efficiency, flexibility and internal communication and offer opportunities to innovate in the delivery of our services using up to date and mobile IT.

Plans for the Future

Goals 2018 -19

Below we outline our plans for the future which we will report on in next year's annual report.

Goal 1: Provide services for 4,500 people a year to help those who are experiencing homelessness recognise their strengths, recover from crisis and move on

- Assess 2,000 people a year and provide services to help:
 - 750 with emergency accommodation;
 - 750 with housing advice and help to move into accommodation and 15 rough sleepers with supported accommodation at St Martin's House;
 - 150 into drug, alcohol and mental health treatment and remodel the group work programme to support recovery and resilience;
 - 700 people access Education, Training and Employment support, with 50 engaged in Step Up volunteering, 400 in learning, job search and training, and 100 into work;
- Develop our day time street outreach team with support from partners to help rough sleepers into treatment and recovery;
- Develop our services for vulnerable migrants.

Goal 2: Grow the quality and impact of our services, working with people to overcome homelessness

- Implement our new service model and demonstrate the impact of our work;
- Integrate our new values, vision and mission statement in our frontline work through staff training, changes to the way we work with clients and development of our client involvement work;
- Create a new Knowledge and Innovation team to build our practice and identify new opportunities;
- Review the charity's volunteering systems and take forward a refreshed approach;

Goal 3: Establish Social Enterprise and Trading activity to increase income and our training offer to clients, particularly those in recovery

- Create an enterprise to employment model involving group work, training, Step Up volunteering, work experience and work;
- Create a plan for development of social enterprise and trading to increase income;
- Develop core business skills in the management team, including finance, marketing, planning, networking and tendering;
- Work with St Martin's Charity and the Development Trust on the BBC Appeal and business engagement with neighbours.

Goal 4: Create a detailed 5 year fundraising strategy based on our financial projections

- Develop our policies and procedures including fundraising best practice, GDPR and Gifts in Kind;
- Support the Friends of The Connection to raise £150k a year.

Goal 5: Improve our profile and influence through excellent communications and evidence of impact

- Create a communications strategy that reflects our values and builds our reputation to people in positions of influence, including partnership working with larger homelessness charities;
- Improve our partnership work by mapping and building relationships;
- Support the development of Westminster Homeless Action Together (WHAT partnership) to tackle rough sleeping in the borough.

Goal 6: Develop our governance and Corporate Services Infrastructure to ensure we maximise our potential

- Provide support to our Board of Trustees to ensure excellent governance including new Terms of Reference, and Remuneration Committee;
- Put in place a new executive leadership team to take forward services, corporate services and fundraising;
- Create 3-year financial forecasts which link to fundraising, strategy, capital expenditure, organisational development and growth;
- Put in place a new, refreshed intranet system to improve internal communications and ensure staff have access to the right internal information to perform well in their roles;
- Create a 3-year buildings/facilities and IT plan to become a psychologically informed environment.

Financial review

With continuing high levels of demand for our services due to increasing numbers of homeless beneficiaries, the trustees have committed some of the reserves to support services this year. This has been possible due to the strength of our financial position and is exactly the reason why reserves are held.

This year has seen lower deficit in income versus expenditure (£227,921) than last year (£409,067). Within our reserves our restricted reserves fell by £4,613 to £20,356, our general reserve fund has increased by a small amount (£3,098) to £1,706,876 and our designated reserves (mainly a legacies equalisation fund) have reduced by £226,406.

We had budgeted for a £249k deficit in this financial year as part of our ongoing response to the sustained increase in demand for our services. The actual deficit was lower mainly due to increased staff turnover and a few delays in appointing new staff which have not significantly impacted our ability to deliver charitable activities.

We have recognised that the increase in demand for our services is likely to be with us for the foreseeable future and have implemented a new strategy from 2018/19. We have also refocused some of our fundraising activity and improved our back office. These changes are designed to ensure we can provide effective services whilst eliminating our annual deficits by 2020/21. In addition, our use of reserves is increasingly directed towards change that is needed for long term sustainability of higher capacity services, leading to greater impact for beneficiaries.

Principal sources of income

The Connection at St Martin's has a diverse range of income sources, which break down into four broad categories:

- Statutory £1,291k (£1,620k 2017), which includes £360k payable to other charities for joint contract delivery (£361k 2017). The overall reduction was expected and was taken into account in planning.
- St Martin's Charity provided a grant of £1.1m (£1.1m 2017) related to monies raised from the BBC Radio 4 Christmas Appeal. We continue to work closely with St Martin's Charity to use the unique funds raised by them, to support our beneficiaries.
- Individuals and event income £970k (£705k 2017). Included in this figure are legacies which have been very different between years. Excluding legacy income, individual donations have increased by £48k.
- Corporate, trusts and earned income £1,288k (£1,141k 2017). The increase of £147k is mainly due to a single large trust donation and the continued high levels of donation from the Friends of the Connection at St Martin's.

Expenditure

64% of the expenditure at The Connection at St Martin's was on staffing. 7% was paid to partners for their part in delivering contracts and the remaining 29% was on our building, goods and services to support our clients.

Principal risks and uncertainties

The Board of Trustees reviews its exposure to risk and maintains a risk register, identifying the level of exposure to any material risks with a constant view to improve systems and procedures which will mitigate them. This register is overseen by the Head of Finance, who also reports to the Finance and Fundraising Committee. The Connection at St Martin's additionally has a more detailed register of operational risks, which addresses the exposure of our staff and volunteers to risk through work with clients in potentially violent circumstances.

The principal risks identified on the register are:

Risk	Response
At a time of rising homelessness, we fail to meet need and demonstrate impact thus losing credibility with clients, partners and funders.	We are putting more time and energy into client involvement and feedback, drawing current staff together in a good practice unit, and working more collaboratively with partners.
Working with vulnerable individuals with a complex range of problems presents safeguarding issues and incidents are a potential risk.	The organisation has an effective safeguarding policy, a robust policy for managing incidents and a newly reviewed health & safety policy.
Problems with use of the building leading to us losing our base.	Reciprocal agreements are already in place with partners as part of our business continuity plan.
Significant reduction in funds from St Martins Charity, affecting funding, reputation and ability to innovate and develop.	A clear agreement and regular monitoring are in place, together with strong governance links.
Changes to service model and associated restructuring causes tribunals or other labour relations issues.	We have put in place a clear business case for change, strategic HR advice, due diligence in the restructuring process, careful staff consultation, and a realistic timescale.

Fundraising

We are incredibly grateful for the support we received from a wide range of companies, foundations, trusts, groups and individuals who provided us with one-off donations, or longer term support towards our core running costs, service improvements and new projects.

We are members of the Fundraising Regulator and adhere to the Code of Fundraising Practice. During the year we reviewed our data collection and retention procedures to bring us in line with the forthcoming GDPR legislation.

Under our new strategy, we began work to tie fundraising in more closely with service delivery priorities, piloting joint approaches to funders, which involves service delivery staff in fundraising.

Significant funders for the financial year include:

- Berkeley St Edward
- Caesar's Entertainment
- Coutts Foundation
- Cyril and Eve Jumbo Charitable Trust
- The Scotshill Trust
- Shell Group
- Streetsmart
- The Monday Charitable Trust

Individuals and events:

- We held a supporter engagement event 'New Challenges & New Opportunities' in September for our supporters to meet Pam Orchard, our CEO. The event attracted 65 people and was a chance for Pam to talk about the challenges we face as homelessness is increasing but also the opportunities and vision of the charity.
- We held a Winter Exhibition in our building showcasing the donated artwork by Rosa Branson alongside client art. The exhibition was such a success that it was transferred to St Martin-in-the-Fields Crypt for the month of February. Fourteen clients exhibited their work.
- The Connection was nominated for Credit Suisse Charity of the Year, and progressed to the final stages of the process, which will help us in further big Charity of the Year bids.
- Working with St Martin's Charity, we co-organised a very successful Christmas Appeal Carol Service at St Martin-in-the-Fields on the 6 December. This was a popular event which raised over £16k and will be held on an annual basis in December. We also collaborated on a community engagement coffee morning week outside our building during December raising awareness of the BBC Radio 4 Christmas Appeal.
- The fundraising Pilgrimage from London to Canterbury which is held over the first bank holiday weekend in May had another successful year. There were 130 walkers and the event raised £44k.

Reserves policy & going concern

Going concern

This deficit does not affect the charity's ability to continue as a going concern. We have sufficient unrestricted reserves in place for the medium term and the strategy that was agreed by the Board in March 2018 is designed to reduce and then eliminate the deficit over the five years of the strategy whilst meeting forecast demand for services.

The trustees have identified no known material uncertainties that would affect the Going Concern opinion.

Reserves

The Board regularly monitors the level of unrestricted reserves on the charity's balance sheet. This is done in order to ensure the continuation of The Connection's services for the foreseeable future. The Connection's total unrestricted reserves include both the general funds and those funds designated by the Board to develop specific areas of charitable work and to meet potential future obligations.

It is recognised that, in the short to medium term, the charity may be exposed to unexpected increases or decreases of income. Given this factor, and the variations in costs that may arise from

changes in the demand for the charity's services, the Board has a reserves policy that unrestricted funds shall be maintained at between two and six months' running costs. This is to minimise the risk of disruption of the charity's services to homeless people.

The unrestricted funds as at 31 March 2018 were £2,372,690 and equate to approximately 24 weeks of running costs, which is within the policy aim.

Included in the unrestricted funds are the following funds that the Board has designated for specific purposes:

- A legacy reserve (currently £581,314) funded by income generated through legacies is established in order that the benefit from such income (which is, by nature, unpredictable both in timing and quantity) can be spread over several years more evenly. At the present time, we are delivering services to historically high numbers of beneficiaries, whilst at the same time restructuring services with the aim of increasing impact. Due to the operation of the legacy fund, the charity has again been able to fund this work whilst maintaining its general funds.
- A maintenance reserve (currently £50,000) is established to meet the anticipated future costs of maintaining the infrastructure at 12 Adelaide Street which has been in place following the building renewal programme.
- A lease reserve (currently £34,500) is designated from the lease payment received from London & Quadrant Housing Association for St Martin's House. This is being transferred to general reserves over the remaining life of the lease at a rate of £1,500 per annum.

Structure, governance and management

The Connection is a charitable company limited by guarantee, incorporated on 4 October 1999 and registered as a charity on 12 November 1999.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

Appointment of trustees

There is an open recruitment process for new Trustees which takes place on a cyclical basis. A Nominations Committee comprising existing board members selects and proposes new Trustees to the main board.

In the second half of the year, the board ran an open recruitment for trustees to fill identified skills gaps on the board. There was a great response to the adverts and six applicants were chosen following process which included a written application and face to face interview.

Trustee induction & training

The induction process has been reviewed for the new trustees. The trustees came together as a group for a one day programme at The Connection and will be following up with individual meetings with the Leadership Team and other staff.

Related parties and relationships with other organisations

Transactions we have with the St Martin-in-the-Fields organisations include:

- Paying an annual licence fee for use of the building.
- Payments for our share of utilities and other cross-site costs.
- Receiving a grant from St Martin's Charity from the BBC Radio 4 Christmas Appeal.
- A small amount of income from sales of cookies in St Martin's Crypt café.

The related parties who are able to exert influence over these are:

- Sam Wells, Vicar of St Martin's, who has a governance role in each organisation on site, including as a Trustee of The Connection.
- There is a place on The Connection board for a Churchwarden of St Martin's, but that position was vacant during the year.
- Jeff Claxton, licensed Minister at St Martin's Church and Trustee of The Connection.

Other related party transactions:

- Ian Watson is Trustee and Treasurer of The Connection and also a Trustee and Treasurer of Homeless Link, of whom The Connection is a member and purchases training and recruitment.
- Jeff Claxton is Director of a catering business (Impeccable Taste), which The Connection has purchased services from in the previous year.
- Octavia Williams is Corporate Services Director at Dolphin Living Ltd. The Connection made payments to Dolphin Living Ltd totalling £70,910 under lease agreements for five flats that are leased and in turn rented to beneficiaries of The Connection. Octavia Williams is Director of Corporate Services at Dolphin Living. All the leases were taken out before Octavia joined Dolphin Living Ltd.

Remuneration policy for key management personnel

The remuneration of the CEO was set by the Board as part of the CEO recruitment exercise. The pay is set on an NJC related scale, so tied into other staff pay increases.

Pay for other key management personnel are being reviewed by the CEO and Board as positions are changed or become vacant, and all should have been reviewed by March 2019. All are set on NJC related pay scales, so are subject to the same cost of living increases as staff.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Connection at St Martin-in-the-Fields 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 and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping adequate 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2018 was 10 (2017: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 30th October 2018 and signed on their behalf by

Tim Jones

Chair of Trustees

The Connection at St Martin-in-the-Fields

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2018

	Note	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Income from:					
Donations and legacies	3	3,034,721	-	3,034,721	2,266,945
Charitable activities					
Day and Night Centres	4	381,954	105,696	487,650	674,358
Advice and housing	4	10,011	-	10,011	186,578
Outreach services	4	792,000	82,270	874,270	883,344
Employment and training	4	-	118,485	118,485	120,000
Resettlement	4	273,764	-	273,764	279,526
Other trading activities	5	120,385	-	120,385	155,082
Interest receivable		2,391	-	2,391	7,414
Total income		4,615,226	306,451	4,921,677	4,573,247
Expenditure on:					
Raising funds	6	448,829	-	448,829	340,845
Charitable activities					
Day and Night Centres	6	1,858,995	110,309	1,969,304	1,917,923
Advice and housing	6	526,590	-	526,590	573,852
Outreach services	6	1,250,702	82,270	1,332,972	1,266,625
Employment and training	6	418,520	118,485	537,005	504,152
Resettlement	6	334,898	-	334,898	378,917
Total expenditure		4,838,534	311,064	5,149,598	4,982,314
Net expenditure for the year and net movement in funds	7	(223,308)	(4,613)	(227,921)	(409,067)
Reconciliation of funds:					
Total funds brought forward		2,595,998	24,969	2,620,967	3,030,034
Total funds carried forward		2,372,690	20,356	2,393,046	2,620,967

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

	Note	£	2018 £	£	2017 £
Fixed assets:					
Tangible assets	11		186,253		81,971
			186,253		81,971
Current assets:					
Stock		12,355		10,330	
Debtors	12	479,477		555,784	
Cash at bank and in hand		2,096,152		2,310,864	
		2,587,984		2,876,978	
Liabilities:					
Creditors: amounts falling due within one year	13	381,191		337,982	
Net current assets / (liabilities)			2,206,793		2,538,996
Total net assets / (liabilities)			2,393,046		2,620,967
The funds of the charity:	18				
Restricted income funds			20,356		24,969
Unrestricted income funds:					
Designated funds		665,814		892,220	
General funds		1,706,876		1,703,778	
Total unrestricted funds			2,372,690		2,595,998
Total charity funds			2,393,046		2,620,967

Approved by the trustees on 30th October 2018 and signed on their behalf by

Mr Tim Jones
Chair of Trustees

The Connection at St Martin-in-the-Fields
Statement of cash flows

For the year ended 31 March 2018

	Note	2018 £	£	2017 £	£
Cash flows from operating activities	19				
Net cash provided by / (used in) operating activities			(8,031)		(416,649)
Cash flows from investing activities:					
Dividends, interest and rents from investments		2,391		7,414	
Purchase of fixed assets		(209,072)		(10,801)	
Net cash provided by / (used in) investing activities			(206,681)		(3,387)
Change in cash and cash equivalents in the year			(214,712)		(420,036)
Cash and cash equivalents at the beginning of the year			2,310,864		2,730,900
Cash and cash equivalents at the end of the year			2,096,152		2,310,864

1 Accounting policies

a) Statutory information

The Connection at St Martin-in-the-Fields is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 12 Adelaide Street, London, WC2N 4HW.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

1 Accounting policies (continued)

g) Donations of gifts, services and facilities (continued)

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

h) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each service delivery activity, comprising salary and overhead costs, is apportioned on the basis of budgeted staff working time equivalent. The costs of the building and its running are apportioned based on floor area occupied by each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

	Staff	Floor Area
• Day and Night Centres	45%	60%
• Advice and housing	14%	9%
• Outreach services	25%	9%
• Employment and training	11%	19%
• Resettlement	5%	0%
• Raising Funds	0%	3%

1 Accounting policies (continued)

j) Allocation of support costs (continued)

Support and governance costs are re-allocated to each of the activities on the basis of staff time or budget.

	Staff	Expenditure
• Day and Night Centres	40%	41%
• Advice and housing	13%	11%
• Outreach services	22%	21%
• Employment and training	10%	11%
• Resettlement	4%	7%
• Raising Funds	11%	9%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Fixtures, fittings and equipment	5 years
• IT hardware	3 years

In all cases depreciation is calculated using the straight line method. The freehold property is not depreciated. See note 11 for depreciation of the leasehold property.

m) Stocks

Stocks are stated at the lower of cost and net realisable value. Stock consists of travel cards, high street store vouchers, Christmas cards and café food supplies.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (continued)

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Pensions

Contributions to the Connection at St Martin's money purchase pension schemes are recognised when the liability is due to be paid to the pension provider.

2 Detailed comparatives from the previous year for the statement of financial activities

	Unrestricted £	Restricted £	2017 Total £
Income from:			
Donations and legacies	2,266,945	-	2,266,945
Activities for generating funds	155,082	-	155,082
Charitable activities	1,648,506	495,300	2,143,806
Interest	7,414	-	7,414
Total income	4,077,947	495,300	4,573,247
Expenditure on:			
Raising funds	340,845	-	340,845
Charitable activities	4,136,169	505,300	4,641,469
Total expenditure	4,477,014	505,300	4,982,314
Net (expenditure) / income and net movement in funds	(399,067)	(10,000)	(409,067)
Total funds carried forward	2,595,998	24,969	2,620,967

For the year ended 31 March 2018

3 Income from donations and legacies

	Unrestricted	Restricted	2018 Total	2017 Total
	£	£	£	£
Corporate	227,156	-	227,156	63,448
Individuals	849,699	-	849,699	549,865
Trusts	572,824	-	572,824	285,651
BBC Radio 4 Christmas Appeal	1,100,000	-	1,100,000	1,100,000
Friends of The Connection at St Martin's	274,286	-	274,286	267,981
Donations in Kind	10,756	-	10,756	-
	3,034,721	-	3,034,721	2,266,945

4 Income from charitable activities

	Unrestricted	Restricted	2018 Total	2017 Total
	£	£	£	£
Day and Night Centres				
Corporate	-	55,496	55,496	30,048
Earned	23,631	-	23,631	23,338
Government	358,323	31,000	389,323	558,672
Individuals	-	30	30	300
Friends of The Connection at St Martin's	-	2,000	2,000	-
Trusts	-	17,170	17,170	62,000
Sub-total for Day and Night Centres	381,954	105,696	487,650	674,358
Advice and housing				
Government	10,011	-	10,011	186,578
Sub-total for advice and housing	10,011	-	10,011	186,578
Outreach services				
Corporate	-	24,198	24,198	20,248
Government	792,000	-	792,000	792,000
Trusts	-	58,072	58,072	71,096
Sub-total for outreach services	792,000	82,270	874,270	883,344
Employment and training				
Corporate	-	102,000	102,000	117,500
Trusts	-	16,485	16,485	2,500
Sub-total for employment and training	-	118,485	118,485	120,000
Resettlement				
Charges to residents	190,948	-	190,948	196,710
Government	82,816	-	82,816	82,816
Sub-total for resettlement	273,764	-	273,764	279,526
Total income from charitable activities	1,457,729	306,451	1,764,180	2,143,806

4A Irish Government: Department of Foreign Affairs and Trade; Emigrant Support Programme

During the year ended 31 March 2018 The Connection at St Martin's received a grant of £16,000 (2017: £16,000) from the Department of Foreign Affairs and Trade; Emigrant Support Programme. The grant covers the period running to 30 June 2018 and partially funded staffing and running costs for a project worker to work with clients of Irish origin.

4B Breakdown of Government income sources

Amount (£)	Source	Nature
720,000	Westminster City Council	Westminster Outreach Contract
359,828	Westminster City Council	Day Centre Support
82,816	Wandsworth Council	Supporting People Contract
72,000	Westminster City Council via St Mungo	Westminster Hotspot Contract
16,000	DION Irish Government	Emigrant Support
15,000	Greater London Authority	Gardening
16,561	NHS	Support Health Services
16,144	Other Government funding	Reconnection & Cold Weather Support
1,298,349		

5 Income from other trading activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Events (including card sales)	75,749	-	75,749	107,046
St Martin's annual pilgrimage	44,636	-	44,636	48,036
	120,385	-	120,385	155,082

6 Analysis of expenditure

	Charitable activities							2018 Total £	2017 Total £
	Raising funds £	Day and Night Centres £	Advice and housing £	Outreach services £	Employment and training £	Resettlement £	Governance costs £	Support costs £	
Staff costs (Note 8)	243,700	1,223,209	377,881	678,269	333,962	113,319	-	326,770	3,321,916
Non pay costs	124,579	101,807	10,408	104,704	16,336	199,908	22,812	239,528	434,592
Premises costs	18,059	407,538	60,197	60,197	126,415	-	-	-	857,012
Sub contract payments	-	-	-	360,000	-	-	-	-	368,794
	386,338	1,732,554	448,486	1,203,170	476,713	313,227	22,812	566,298	4,982,314
Support costs	59,983	227,624	75,138	124,783	58,011	20,759	-	(566,298)	-
Governance costs	2,508	9,126	2,966	5,019	2,281	912	(22,812)	-	-
Total expenditure 2018	448,829	1,969,304	526,590	1,332,972	537,005	334,898	-	-	5,149,598
Total expenditure 2017	340,845	1,917,923	573,852	1,266,625	504,152	378,917	-	-	4,982,314

Of the total expenditure, £4,838,534 was unrestricted (2017: £4,477,014) and £311,064 was restricted (2017: £505,300).

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2018 £	2017 £
Depreciation	87,151	25,812
Operating lease rentals:		
Property*	258,843	254,440
Other	8,954	13,160
Auditors' remuneration (excluding VAT):		
Audit	8,600	8,470
	<u>87,151</u>	<u>25,812</u>

* The licence fee paid to St Martin's Church is £105,000. St Martin's Church is regarded as a related party since two of the St Martin's Church Trustees are also Trustees of The Connection at St Martin's.

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	2,766,004	2,804,074
Redundancy and termination costs	58,090	21,220
Social security costs	256,965	279,306
Employer's contribution to defined contribution pension schemes	159,450	170,907
Agency staff (sickness and holiday cover and third party)	56,601	46,409
	<u>3,297,110</u>	<u>3,321,916</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2018 No.	2017 No.
£60,000 - £69,999	1	-
£70,000 - £79,999	-	1
	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £341,116 (2017: £332,906).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £355 (2017: £97) incurred by 1 (2017: 1) members relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 110 (2017: 107.7). The wte for the year was 82 (2017: 84).

Staff are split across the activities of the charitable company as follows, based on wte:

	2018 No.	2017 No.
Raising funds	7.6	7.4
Day and Night Centres and café	28.8	30.0
Advice	9.5	9.0
Outreach services	15.8	17.5
Employment and training	7.4	7.4
Housing and resettlement	2.6	3.0
Support staff	9.9	9.7
	81.6	84.0

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Freehold property & improvements £	Leasehold property £	Fixtures, fittings & equipment £	IT hardware £	Total £
Cost or valuation					
At the start of the year	87,595	1	337,232	142,718	567,546
Additions in year	-	-	19,471	189,601	209,072
Disposals in year	-	-	(260,255)	(91,838)	(352,093)
At the end of the year	87,595	1	96,448	240,481	424,525
Depreciation					
At the start of the year	40,382	-	317,841	127,352	485,575
Charge for the year	-	-	10,435	76,716	87,151
Disposals in year	-	-	(256,137)	(78,317)	(334,454)
At the end of the year	40,382	-	72,139	125,751	238,272
Net book value					
At the end of the year	47,213	1	24,309	114,730	186,253
At the start of the year	47,213	1	19,391	15,366	81,971

Property with a value of £87,595 (2017: £87,595) is included in freehold property and no longer depreciated because the directors are confident that the market value exceeds the net book value. The Connection at St Martin's owns the freehold on St Martin's House, which is on a long lease at a peppercorn rent to L&Q Housing. L&Q refurbished and manage the property and lease it back to The Connection at St Martin's.

11 Tangible fixed assets (continued)

The Board of Trustees consider that due to restrictive covenants placed on the use of 12 Adelaide Street, the leasehold property has no commercial value, and a nominal amount of £1 is included in the financial statements.

All of the above assets are used for charitable purposes.

12 Debtors

	2018 £	2017 £
Trade debtors	237,430	430,897
Other debtors	14,409	9,926
Prepayments	59,159	50,631
Accrued income	168,479	64,330
	479,477	555,784

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	216,691	220,239
Taxation and social security	88,931	18,174
Accruals	55,852	67,451
Deferred income (note 14)	19,717	32,118
	381,191	337,982

14 Deferred income

Deferred income of £19,717 represents grants and donations received in advance of the year end for intended application after 31 March 2018 (2017: £32,118). No income was deferred for more than one year (2017: Nil)

	2018 £	2017 £
Balance at the beginning of the year	32,118	17,145
Amount released to income in the year	(32,118)	(17,145)
Amount deferred in the year	19,717	32,118
Balance at the end of the year	19,717	32,118

15 Creditors: amounts falling due after one year

The charity has no liabilities falling due after one year.

16 Pension scheme

The company operates a defined contribution purchase pension scheme for qualifying employees. There are defined contribution schemes not open to new staff. Contributions were made to a defined benefit scheme for a single member of staff, which has ceased on 31 July 2017. The schemes are:

- Peoples Pension (DC). Members at year end date: 56
- Scottish Widows Pension (DC). Members at year end date: 32
- Aviva; Friends Life#1 & #2; Standard Life#1; Engage Mutual. One member each at year end date in these DC schemes (Total 5)
- Teachers Pension Scheme (DB). One member who retired on 31 July 2017. The pension provider has confirmed that there is no outstanding liability.

17a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	186,253	-	-	186,253
Net current assets	1,520,623	665,814	20,356	2,206,793
Net assets at 31 March 2018	1,706,876	665,814	20,356	2,393,046

17b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	81,971	-	-	81,971
Net current assets	1,621,807	892,220	24,969	2,538,996
Net assets at 31 March 2017	1,703,778	892,220	24,969	2,620,967

18a Movements in funds (current year)

	At 1 April 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2018 £
Restricted funds:					
Day and Night Centres	24,969	105,696	(110,309)	-	20,356
Outreach services	-	82,270	(82,270)	-	-
Employment and training	-	118,485	(118,485)	-	-
Total restricted funds	24,969	306,451	(311,064)	-	20,356
Unrestricted funds:					
Designated funds:					
Lease fund	36,000	-	-	(1,500)	34,500
Legacies equalisation fund	806,220	220,329	-	(445,235)	581,314
Capital replacement fund	50,000	-	-	-	50,000
Total designated funds	892,220	220,329	-	(446,735)	665,814
General funds	1,703,778	4,394,897	(4,838,534)	446,735	1,706,876
Total unrestricted funds	2,595,998	4,615,226	(4,838,534)	-	2,372,690
Total funds	2,620,967	4,921,677	(5,149,598)	-	2,393,046

The narrative to explain the purpose of each fund is given at the foot of the note below.

18b Movements in funds (prior year)

	At 1 April 2016 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2017 £
Restricted funds:					
Day and Night Centres	34,969	238,021	(248,021)	-	24,969
Advice	-	97,031	(97,031)	-	-
Outreach services	-	40,248	(40,248)	-	-
Employment and training	-	120,000	(120,000)	-	-
Total restricted funds	34,969	495,300	(505,300)	-	24,969
Unrestricted funds:					
Designated funds:					
Lease fund	37,500	-	-	(1,500)	36,000
Legacies equalisation fund	1,177,234	59,377	-	(430,391)	806,220
Capital replacement fund	50,000	-	-	-	50,000
Total designated funds	1,264,734	59,377	-	(431,891)	892,220
General funds	1,730,331	4,018,570	(4,477,014)	431,891	1,703,778
Total unrestricted funds	2,995,065	4,077,947	(4,477,014)	-	2,595,998
Total funds	3,030,034	4,573,247	(4,982,314)	-	2,620,967

Purposes of restricted funds

Day and Night Centres

Various funders donate to either: the café provision; the Night Centre; or the Day Centre activities programme.

The funds carried forward are £9,969 for the horticulture project from the Big Give and £10,387 from the GLA for the horticulture project. There is a member of staff in post and planters in St Martin's churchyard, so the remaining funds will be used in 2018/19.

Outreach services

A number of Corporate and Trust funders donate specifically to the outreach service and all the funds were spent in the year.

Employment and training

The funding was received from a range of non-statutory bodies and individuals. A condition of this funding is that it is applied wholly to the activities of the Workspace Team.

18b Movements in funds (continued)

Purposes of designated funds

Lease fund

This reserve is designated from the lease payment received from London & Quadrant Housing Association for St Martin's House. This is being transferred to general reserves over the remaining life of the lease at a rate of £1,500 per annum.

Legacies equalisation fund

This is funded by income generated through legacies. The Fund was established to recognise the income (which is, by nature, unpredictable both in timing and quantity) over several years to match the long term impact that our legators would have expected.

Capital replacement fund

This was established to meet costs in the short to middle-term of maintaining the infrastructure at 12 Adelaide St. It has now been 8 years since our return in 2008 following the building renewal programme and the likelihood of wear-and-tear increases with time.

19 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net (expenditure) for the reporting period (as per the statement of financial activities)	(227,921)	(409,067)
Depreciation charges	87,151	25,812
Dividends, interest and rent from investments	(2,391)	(7,414)
Loss of disposal of fixed assets	17,639	-
(Increase)/decrease in stocks	(2,025)	291
(Increase) in debtors	76,307	(53,937)
Increase/(decrease) in creditors	43,209	27,666
Net cash (used in) operating activities	(8,031)	(416,649)

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Land and buildings		Equipment	
	2018 £	2017 £	2018 £	2017 £
Less than one year	206,566	250,484	9,695	9,695
One to five years	763,219	781,852	21,740	31,435
Over five years	2,984,868	3,067,802	-	-
	3,954,653	4,100,138	31,435	41,130

21 Capital commitments

At the balance sheet date, the charity had committed to £nil (2017: £nil) capital commitments.

22 Contingent assets or liabilities

The charity has a legacy that is expected, but is a residual legacy and has been subject to a legal process such that the solicitors have been unable to produce any estate accounts at the year end date. The value is expected to be over £300,000.

23 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.

24 Related parties

During the year, the charitable company made payments to Homeless Link in the year totalling £4,985 for membership, training and recruitment (2017: £4,878). Ian Watson, Director and Treasurer of The Connection at St Martin's is also a Trustee and Treasurer of Homeless Link.

During the year, the charitable company made payments to Dolphin Living Ltd totalling £70,910 (2017: £75,400) under lease agreements for five flats that are leased and in turn rented to the companies beneficiaries. Octavia Williams is Director of Corporate Services at Dolphon Living. All the leases were taken out before Octavia joined Dolphin Living Ltd.

As the vicar of St Martin's Church, Sam Wells is able to directly influence the Parochial Church Council and the St Martin's group of organisations. Gail Elkington is a member of the Parochial Church Council of St Martin's Church. Jeff Claxton is a licensed Minister at St Martin's Church. The Connection at St Martin's makes annual licence fee payments to St Martin's Church (see Note 7), made payments of £139,787 (2017: £143,850) reimbursing St Martin's Ltd and St Martin's PCC for shared costs, as well as receiving revenue from the St Martin's Charity from the Christmas Appeal (see Note 3).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Independent auditor's report to the members of The Connection at St Martin-in-the-Fields.

Opinion

We have audited the financial statements of The Connection at St Martin-in-the-Fields (the 'charitable company') for the year ended 31 March 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in

preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

30 November 2018

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL



The Connection at St Martin-in-the-Fields
12 Adelaide Street, London, WC2N 4HW

www.connection-at-stmartins.org.uk

Email: info@cstm.org.uk

Telephone: 020 7766 5544

Registered charity Number 1078201

Company Registration Number 3852519