

**LONDON INTER-DIOCESAN COUNCIL
OF THE APOSTLESHIP OF THE SEA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

Registered Charity Number 253669

**LONDON INTER-DIOCESAN COUNCIL
OF THE APOSTLESHIP OF THE SEA**

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LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2007

The trustees present their report and accounts for the year ended 31st December 2007.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document deed, the Charities Act 1993 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

Reference and Administrative Information

Constitution

London Inter-Diocesan Council of the Apostleship Of The Sea was established under a trust deed dated 31st August 1967.

Charity Number

253669

Trustees

Right Reverend Cormac Murphy-O'Connor STL Phl
Most Reverend Kevin McDonald
Right Reverend Thomas McMahan

Principal Address

Secretary to the Trustees Mr Gerald P Curran Cathedral House Ingrave Road Brentwood Essex CM15 8AT

Auditors

haysmacintyre Fairfax House 15 Fulwood Place London WC1V 6AY

Solicitors

IBB Solicitors 23 High Street Ingatestone Essex CM4 9DU

Bankers

AIB Group (UK) Plc City Branch 9-10 Angel Court London EC2R 7AB

Structure Governance & Management

We are a registered charity No. 253669 and our Committee of Management meets on a quarterly basis. The skill sets of the Committee include Financial Management, Business Planning, Human Resources and Diversity, Risk Management, Social Care and Community Involvement.

We have a resident involvement system whereby the view of our service users are heard at the fortnightly resident representative meetings and every quarter a wider general meeting is held. We were one of the first hostels to use the Hostels Review Kit produced by the ODPM.

We are an accredited supplier of housing and support services for the North East London Boroughs.

We have appointed a new management team led by our Director Keith Fernett and they have extensive experience in housing, change management and business process re-engineering.

LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA

TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2007

Objectives & Activities

"When I was homeless you gave me shelter"

Our objective is to give homeless and vulnerable people the opportunity to improve their quality of life by providing a caring, stable and supportive environment which enables greater independence.

Anchor House aspires to be the outstanding centre for homeless people in London.

It is our intention to provide high quality and strategically planned accommodation, to provide life skills for all of our residents and for the wider community in Canning Town. We will work with partner agencies so that we are the partner of choice known for our ethos of quality, civility and respect regardless of race, creed or religion.

We will seek to break the cycle of homelessness and unemployment by providing training, education and job sourcing opportunities for our residents and the wider community.

Achievements, Performance and Financial Review

2007 was a year of consolidation of a considerable number of issues for Anchor House.

Whilst we had major parts of our buildings being refurbished we managed to maintain a full range of services, thanks to the co-operation of the staff, residents and partners

The key elements of our long term strategy are:

- a) To increase our revenue base and improve our cost effectiveness
- b) To develop Partnership working
- c) To develop an external funding strategy
- d) To redevelop the Anchor House complex as a centre of excellence
- e) To increase the community involvement of the homeless
- f) To ensure that our non judgemental ethos flourishes
and most importantly
- g) To increase the life chances of our customers through our Aspirations Programme of Personal Development
- h) To develop quality business systems

Our Committee of Management regularly reviews the progress of the organisation and the main objectives which were achieved this year to meet our long term strategy were:

- An increase in our revenue base
- The development of a non statutory funding stream
- An initial fundraising initiative
- The development of a range of training initiatives
- Developed our Aspirations Programme as a leader
- Prepared our planning application for the redevelopment of Anchor House
- Agreed a new staffing structure
- Increased our community involvement
- Continued with our Award winning Resident Involvement Model
- Undertook research by Tribal Consulting about our long term service model
- The winning of the Michael Whippman Award, for the second time in a row , for Community involvement

LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLES OF THE SEA

TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2007

Achievements, Performance and Financial Review

The main objectives for next year are:

- The continued development of our residents
- To recruit to the new staffing structure
- To successfully receive planning permission for the redevelopment of Anchor House
- To achieve capital funding through the Hostels Capital Improvement Programme
- To bring our investment in technology alive
- To strengthen our partnership working

In total we had over 50 residents volunteer or take positions of responsibility

Our Partnership Working Achievements

Anchor House has developed a full range of partners that enable us to take a holistic approach to the development of our residents

Altogether Construction Personnel

- We run construction Awareness Programmes with them

CLASS

- We run construction, computing and literacy programmes with them, that are leading to a Construction Industry Safety Certificate Testing and Assessment Centre

City Lit

- We run Literacy, ESOL and dyslexia training with them

Newham Primary Care Trust

- We have a nurses surgery and one off special events eg TB screening
- The services of a Psychologist

Volunteers

- Homeopathic Services
- Acupuncture
- Therapeutic Counselling
- Literacy
- Financial AND DEBT MANAGEMENT
- Activities Evenings
- Salsa Dancing
- Latin Appreciation Evening

Drug Action Team

- The provision of a base line survey of our residents that will form the basis of reinventing our services

East London Business Alliance

- The provision of job brokerage services
- The provision of speakers about employment issues

Careers Management Futures

- Job Brokerage Services

Job Centre Plus Homeless Team

- Job Brokerage Services

LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA

TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2007

Achievements, Performance and Financial Review

City and East London Mental Health Trust

- Services for their outreach rehab team

Drugs and Alcohol Services London

- Provision of Substance Misuse Services

INVOLVE

- Provision of Substance Misuse Services

Alcoholics Anonymous

- Group Sessions

Street League

- Provision of fitness training and football competitions

Cardboard Citizens

- Provision of drama and samba drumming classes and attendance at cultural events

Access to Music

- Provision of music courses

Building Crafts College and East Potential

- Construction Training on site

Our residents

- Painted the restaurant
- Painted the lounge
- Painted many flats
- Escorted fellow residents to the job centre, hospitals and appointments
- Prepared the food at a wedding celebration
- Volunteered in the restaurant
- Volunteered in the maintenance section
- Volunteered in A COMMUNITY CENTRE
- Volunteered as our reception security

Our residential facility

Anchor House consists of 118 rooms, the vast majority with ensuite facilities.

We have improved 52 of our rooms with modern interactive technology so that each room is an Individual Learning Zone

We had a room utilisation rate of 98% and we have allied our referrals system to the Aspirations Programme where our residents and ourselves have agreed a programme of room allocations that is related to attitude, personal development and community involvement. This approach is based on the fact that residents are expected to try and attain employment or make the best of the skills and intelligence they are blessed with.

We managed to assist 100% of our residents requests for employment advice, through 56 job brokerage sessions

27 of our residents obtained employment and we rehoused 47 residents

We have a waiting list of referrals, our referral agencies are primarily the Local Authority, with links to the Prison Service, Substance Misuse Agencies, NHS and other homeless agencies.

LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA

TRUSTEES' ANNUAL REPORT (continued)

YEAR ENDED 31 DECEMBER 2007

Achievements, Performance and Financial Review

Supporting People

We work with the Local Authority Supporting People Team, we chair the Single, Specialist and Small BME Provider Group, the Borough Provider Forum and are members of the Substance Misuse Provider Forum, the Supporting People Core Strategy Group and the Brentwood Diocese Social Justice and Responsibility Commission

We have worked with Tribal Consulting to produce a baseline survey of our residents needs and have adopted the London Housing Foundation Outcome Star measurement tool which measures the stage of development of our residents and then their progress.

The Staff Group

The commitment and dedication of the staff group has enabled our customers to at times achieve the unthinkable, we respect our residents, we provide them with a platform for their development and our staff are at the heart of this. We are at the Heart of Homelessness.

Financial review

The Committee of Management is conscious to the need for adequate resources so that the work of the charity can continue without the fear of fluctuating income so that we can consistently maintain our services to our customers.

Unrestricted undesignated funds stand at £3,533,826 (2006: £53,766).

Anchor House receives substantial funding from statutory services which are prone to review and can be time limited.

To ensure that the services can be maintained in the short run the Committee of Management has set aside a designated fund for contingencies and to cover any statutory redundancy costs to reductions of service should they occur of £550,000, which represents six months running costs

The Committee of Management has designated a Technology and Capital Equipment reserve of £50,000 to meet any upgrades to the array of technology introduced in the refurbishment of Anchor House

During the last year we have undertaken major refurbishment to Anchor House and to do this we have liquidated our land assets and designated the proceeds to reflect this.

RISK MANAGEMENT

The Trustees have examined the financial and operational risks which the charity faces and confirm that systems, controls and review procedures have been established to mitigate exposure to these risks.

INVESTMENT POLICY

The charity's investment powers are governed by the Trustee Act 2000. The trustees meet with the Investment Advisors at regular intervals to review the portfolio performance. The trustees pursue an ethical investment policy in line with the objectives of the Charity. The strategy is to maximise total return within acceptable levels of risk.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE
LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA**

We have audited the financial statements of the London Inter-Diocesan Council of the Apostleship of the Sea for the year ended 31 December 2007 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with the regulations made under the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities the charity's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit. We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

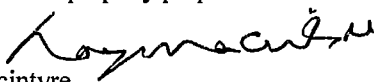
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 December 2007 and of its incoming resources and application of resources in the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.


haymacintyre
Chartered Accountants
Registered Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

18th March 2008

**LONDON INTER-DIOCESAN COUNCIL
OF THE APOSTLESHIP OF THE SEA**

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	Unrestricted 2007 £	Restricted 2007 £	Total 2007 £	Total 2006 £
INCOMING RESOURCES					
Income from charitable activities:					
Anchor House	2	1,030,564	-	1,030,564	809,483
Incoming resources from generated funds:					
Investment income		88,993	-	88,993	21,761
Rent receivable		35,785	-	35,785	15,937
Voluntary income		73,265	-	73,265	3,780
Other income					
Gain on disposal of land		2,511,730	-	2,511,730	-
TOTAL INCOMING RESOURCES		<u>3,740,347</u>	<u>-</u>	<u>3,740,347</u>	<u>850,961</u>
RESOURCES EXPENDED					
Charitable activities:					
Anchor House	3	1,200,263	-	1,200,263	837,110
Governance Costs	4	18,920	-	18,920	18,136
TOTAL RESOURCES EXPENDED	3	<u>1,219,183</u>	<u>-</u>	<u>1,219,183</u>	<u>855,246</u>
Net incoming/(outgoing) resources before other recognised gains and losses		2,521,164	-	2,521,164	(4,285)
Other recognised gains and losses:					
Unrealised (loss)/gain on investments		(19,597)		(19,597)	30,757
NET MOVEMENT IN FUNDS		<u>2,501,567</u>	<u>-</u>	<u>2,501,567</u>	<u>26,472</u>
TOTAL FUNDS BROUGHT FORWARD		<u>2,057,372</u>	<u>-</u>	<u>2,057,372</u>	<u>2,030,900</u>
TOTAL FUNDS CARRIED FORWARD		<u>4,558,939</u>	<u>-</u>	<u>4,558,939</u>	<u>2,057,372</u>

The notes on pages 7 to 10 form part of these accounts.

**LONDON INTER-DIOCESAN COUNCIL
OF THE APOSTLESHIP OF THE SEA**

BALANCE SHEET

AS AT 31 DECEMBER 2007

	Notes	2007		2006	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	5		3,362,230		1,415,434
Investments at market value	6		1,175,615		599,530
			<u>4,537,845</u>		<u>2,014,964</u>
CURRENT ASSETS					
Stocks	7	11,853		11,530	
Debtors	8	369,855		58,258	
Cash at bank and on deposit		1,012,692		55,035	
		<u>1,394,400</u>		<u>124,823</u>	
CREDITORS: amounts falling due within one year	9	(1,373,306)		82,415	
NET CURRENT ASSETS			21,094		42,408
NET ASSETS			<u>4,558,939</u>		<u>2,057,372</u>
REPRESENTED BY					
Unrestricted Funds	10				
- General			3,633,826		53,766
- Designated			925,113		2,003,606
			<u>4,558,939</u>		<u>2,057,372</u>

The financial statements were approved and authorised for issue by the Trustees on *18 March* 2008 and were signed below on its behalf by:

+ T. Mc McDon.
.....
Trustee

The notes on pages 7 to 10 form part of these accounts.

LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable Accounting Standards, the provisions of the Charity's governing document deed, the Charities Act 1993 and the Statement of Recommended Practice : Accounting and Reporting by Charities 2005.

(b) Income

Donations and legacies are accounted for when received by the charity. Other income is accounted for on an accruals basis as far as it is prudent to do so.

(c) Grants

Revenue grants are credited to the statement of financial activities as received, unless they are to be spent in a later period, when they are deferred.

(d) Interest Receivable

Interest receivable is accounted for gross.

(e) Anchor House

Income from Anchor House represent receipts from residential accommodation, meals, bar and shop sales, excluding Value Added Tax.

(f) Tangible Fixed Assets

The property is freehold, being situated at Anchor House, 81 Barking Road, London E16 4HB, and is included at cost.

Other tangible fixed assets are stated at cost net of depreciation. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land over their estimated economic lives: The rates generally applicable are:

Freehold buildings	- 2% straight line
Fixtures, fittings and equipment	- 15% reducing balance basis
Motor vehicles	- 25% straight line

(g) Investments

Investments are stated at their middle market values ruling at the balance sheet date. The realised and unrealised gains and losses on investments are calculated based on the opening market values and are accounted for within the Statement of Financial Activities.

Income arising from these investments is accounted for when it is receivable.

(h) Resources expended

Expenditure is recognised on an accruals basis. Governance costs comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice, and all costs of complying with constitutional and statutory requirements, such as the costs of Trustees meetings and of preparing statutory accounts and satisfying public accountability.

(i) Stocks

Stocks are shown at lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

(j) Taxation

As a registered charity, the London Inter-Diocesan Council of the Apostleship of the Sea benefits from rates relief and is generally exempt from taxation but not from Value Added Tax. Irrecoverable Value Added Tax is included in the cost of those items to which it relates.

(k) Designated fund

The trustees may set aside amounts of unrestricted funds, at their discretion, for specific future purposes. Such funds are shown within unrestricted funds as designated funds. Where the trustees decide that designated funds are no longer required for the purposes specified, these are released from designated funds.

LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

2. INCOME FROM ANCHOR HOUSE	2007 £	2006 £
Housing benefit grant	574,686	457,596
Other	455,878	351,887
	<u>1,030,564</u>	<u>809,483</u>
3. DIRECT CHARITABLE EXPENDITURE	2007 £	2006 £
Staff costs:		
Salaries	513,494	450,827
Social security costs	44,391	39,961
Pension	34,693	37,138
	<u>592,578</u>	<u>527,926</u>
Depreciation	19,937	17,564
Other costs	587,748	291,620
	<u>1,200,263</u>	<u>837,110</u>

There were 22 full time and 3 part time members of staff during the year (2006: 24 full time and 4 part time). No employee earned more than £60,000 during the year. The trustees received no remuneration or reimbursed expenses in this or the previous year.

4. GOVERNANCE COSTS	2007 £	2006 £
Legal and professional fees	18,920	18,136

5. TANGIBLE FIXED ASSETS	Freehold land and Buildings £	Motor Vehicles £	Furniture & Equipment £	2007 Total £
COST				
As at 1 January 2007	1,528,000	21,636	66,318	1,615,954
Additions	1,963,587	-	3,146	1,966,733
Disposals	-	(15,000)	-	15,000
	<u>3,491,587</u>	<u>6,636</u>	<u>69,464</u>	<u>3,567,687</u>
DEPRECIATION				
As at 1 January 2007	123,920	21,636	54,964	200,520
Charge for the year	17,762	-	2,175	19,937
Eliminated on disposal	-	(15,000)	-	(15,000)
	<u>141,682</u>	<u>6,636</u>	<u>57,139</u>	<u>205,457</u>
NET BOOK VALUE				
As at 31 December 2007	<u>3,349,905</u>	<u>-</u>	<u>12,325</u>	<u>3,362,230</u>
As at 31 December 2006	<u>1,404,080</u>	<u>-</u>	<u>11,354</u>	<u>1,415,434</u>

LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

6. INVESTMENTS

Investments are revalued by reference to market values as at 31 December 2007.

Investments (held as fixed assets) comprise the following:

	2007 £	2006 £
Market value as at 1 January 2007	383,943	253,186
Additions/(Disposals)	-	100,000
Realised/Unrealised gain during the year	(19,597)	30,757
	<u>364,346</u>	<u>383,943</u>
Cash held in long term deposit account	811,269	215,587
Market value as at 31 December 2007	<u>1,175,615</u>	<u>599,530</u>

7. STOCKS

	2007 £	2006 £
Consumables	10,653	10,374
Goods for resale	1,200	1,156
	<u>11,853</u>	<u>11,530</u>

8. DEBTORS

	2007 £	2006 £
Trade debtors	48,764	35,926
Prepayments	19,901	8,176
Rent deposits	6,067	6,067
Rent receivable	-	8,089
VAT	295,123	-
	<u>369,855</u>	<u>58,258</u>

9. CREDITORS

	2007 £	2006 £
Accruals	1,347,793	54,769
Other creditors	6,710	244
Union fees	662	54
PAYE/NIC	12,776	12,144
VAT	-	9,715
Pension fund	5,365	5,489
	<u>1,373,306</u>	<u>82,415</u>

LONDON INTER-DIOCESAN COUNCIL OF THE APOSTLESHIP OF THE SEA

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2007

10. UNRESTRICTED FUNDS

	Balances at 1 January 2007 £	Income £	Resources Expended/ Transfers £	Unrealised (losses)/gains £	Balances at 31 December 2007 £
General fund	53,766	2,632,697	966,960	(19,597)	3,633,826
Designated funds:-					
Development Fund	1,404,080	1,107,650	(2,186,617)	-	325,113
Contingency Fund	599,526	-	(49,526)	-	550,000
Technology Investment Fund	-	-	50,000	-	50,000
	<u>2,057,372</u>	<u>3,740,347</u>	<u>(1,219,183)</u>	<u>(19,597)</u>	<u>4,558,939</u>

The Development Fund, formerly The Fixed Assets Designated Fund, comprises money from the sale of land and has been set aside by the trustees for development of the complex.

The Contingency Fund, formerly Investment Designated Fund, is as described in the trustees annual report.

The Technology Investment Fund represents money set aside for essential upgrade work in respect of computers and equipment needed within the next few years.

