

**Report of the Trustees and
Audited Financial Statements For The Year Ended 31st March 2010
for
Worthing Churches Homeless Projects**

Sheen Stickland LLP
Chartered Accountants
Registered Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

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**Report of the Trustees
for the Year Ended 31st March 2010**

The Trustees of Worthing Churches Homeless Projects (WCHP), who are also directors of the charity for the purposes of the Companies Act 2006, are delighted to present their annual report and the audited financial statements for the year ended 31 March 2010. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

2708334

Registered Charity number

1027832

Registered office

St Clare's Day Centre
6-8 Marine Place
Worthing
West Sussex
BN11 3DN

Trustees

Mrs S A R Roff	
P Delamere	Chair
Reverend J K T Eldridge	
J Harker	
K Hobbs	
A M Ledger	
Mrs R Jepson	- resigned 27.7.09
Ms A Maggs	
Mrs B McCurdie	- appointed 27.7.09
Reverend N C O'Dwyer	
Miss J Saunders	
M Webber	
T Wolstenholme	Vice Chair

Company Secretary

P Delamere

Auditors

Sheen Stickland LLP
Chartered Accountants
Registered Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

**Report of the Trustees
for the Year Ended 31st March 2010**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

HSBC
16 Goring Road
Worthing
West Sussex
BN12 4AW

Senior Management Team

Mrs C Lucey	Chief Executive
Mrs P Ivers	Finance Manager
Mrs S Stevens	PR/Fundraising Manager
Mr M Gisbey	Service Manager

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment, appointment, induction and training of new Trustees

The number of trustees on the Board is currently 12, but can rise to 15. Trustees must be Members paying at least £1 membership fee annually. In addition there are 5 non-trustee members; who are long term supporters of the organisation.

The trustees run the charity and meet bi-monthly, with additional meetings as needed. Trustees are selected to reflect the community and on the basis of personal competences and specialist skills as required by WCHP subject to local availability. Trustees must be elected by at least 75% of the Members to serve for a three year term. They can then stand again for an unlimited number of times until they reach the age of 80 years old. They can then stay on if a majority of the trustee Board agree. They must attend meetings regularly and be part of the decision making process at Board meetings. They are expected to undertake voluntary tasks suited to their skills in support of the Board or the staff. Trustees should comply with the National Operating Standards for Trustees and undertake training as required. Trustees all receive a copy of 'Governance' magazine 6 times a year to keep up-to-date with relevant charity sector issues.

Staff, volunteers, clients or members, according to their particular skills and the skills gaps on the Board of Trustees, may identify potential trustees. Prior to co-option or election all potential trustees are required to attend a meeting with the Chair of Trustees or their representative, undertake basic volunteer induction, obtain enhanced disclosure records from the Criminal Records Bureau and attend a Board Meeting as an Observer.

New trustees are provided with induction and training programmes appropriate to their experience and knowledge of WCHP and to their expected role. Training is made available to all serving trustees. The trustees have appointed: Internal Audit, Finance, HR, Property and Local Fund-Raising sub-committees of the board, on which a minimum of two trustees sit with other co-opted individuals with relevant skills. These sub-committees operate under specific terms of reference and they report back at the trustees' meetings.

The Chair of Trustees meets at least monthly for supervision purposes with the Chief Executive.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Reserves and risk management

The trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. The trustees will continue to review the financial affairs of the charity with the aim of increasing income, cutting costs and improving overall control of the operations. The trustees consider that the present level of funding will be adequate to support the continuation of the charity and for it to fulfil its obligations.

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets, 'free reserves,' held by the charity should be between 3 to 6 months of core running costs. Budgeted running costs for 2010/11 are £1.25m and therefore the target is £312k - £625k in unrestricted funds. At 31st March 2010 the actual free reserves were £382,777 which equates to 3.6 months running costs compared to 3.1 last year. The trustees consider this to be satisfactory at the present time but will work to improve the position over the next twelve months.

The trustees review the financial status of the charity to identify any risk to that status on a monthly basis. In addition, they have a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and the likelihood of occurrence and identifying means of mitigating risks. As part of this process, the trustees review the adequacy of the charity's internal controls. Risk assessments are carried out before fundraising events as a matter of course. The Property Committee or relevant skilled professionals assess property risks. New contingency procedures have been drawn up in the event of a major emergency e.g. fire or flood happening in one of our projects. The Finance Committee review the financial risk register at every meeting.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of WCHP are the relief of poverty by the provision of emergency and other accommodation, advice and assistance for persons who are deemed homeless and/or in need of such accommodation, advice or assistance.

Whilst WCHP reassesses its current strategy, the vision and mission driving and guiding the organisation remain constant.

Vision -

Our vision for the Worthing area is a community where no local person needs to sleep out and everyone has the opportunity to fulfil their potential.

Mission -

WCHP was founded by Christians joining together to help homeless people in Worthing. It continues to be based on Christian values. WCHP works with the whole community to provide for homeless people:

- a non judgemental approach;
- an environment where everyone is known and valued as an individual;
- practical help and emotional support;
- opportunities and challenges that enable homeless people to take responsibility and fulfil their potential.

Public benefit statement

The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission for England & Wales (the Commission) in determining the activities undertaken. Our object is the relief of poverty through the provision of accommodation and advice to those who find themselves homeless or at risk of homelessness.

Although we are a charity with a strong Christian background and ethos we provide our services to any adult member of the general public regardless of whether they have a personal faith in any religion or denomination or have none. The services are provided in the Worthing and surrounding areas in West Sussex. This geographical area is limited by some of our current funding streams and the work being done by similar charities in neighbouring districts.

Historically we only accommodate single homeless people but we do offer advice and support to couples and families as and when required. The opportunity to provide accommodation for couples and families is kept under review by the Trustees.

Worthing Churches Homeless Projects asks for no membership or other fees from individuals in order to benefit from our assistance.

St Clare's Day Centre

The Community Link Team is a multi disciplinary team that works out of St Clare's Day Centre (opened 2002). The Team provides information, assistance and specialist support services according to the range of challenges facing the local homeless population including resettlement, mental health and substance misuse. The Team works with individuals across WCHP and in the wider community (including on the street, in private accommodation and in social housing). The St Clare's Day Centre service provides morning drop-in services and hot and cold breakfasts seven days a week. People having cooked meals and using the laundry facilities are invited to make a financial contribution. Hot showers and new and second-hand clothes are freely available. A Needle Exchange is also on site. Counselling, chiropody, haircuts, benefit advice, access to medical services, general advice and information and signposting are provided as part of an integrated approach to working in partnership with key local stakeholders. The waiting lists for two of WCHP's hostels are kept at St Clare's. A programme of afternoon activities is delivered including adult education classes in computing, cooking on a budget, general life skills, board games, art & crafts and music.

The Outreach Project Worker also runs a drop in Café every Monday afternoon in a local hall for clients who have moved into independent accommodation to provide a networking opportunity.

OBJECTIVES AND ACTIVITIES

Objectives and aims

During an average year the Team engages with approximately 450 individuals who include all those who visit St Clare's, the clients of the Outreach Project Worker and also some of those in our residential projects. Based on the statistics gathered over the past year, from the initial assessment of new clients accessing St Clare's Day Centre (based on their own perception of their situation):-

- 94% have presented with accommodation issues
- 34% have presented with alcohol issues
- 23% have presented with drug issues
- 27% have presented with mental health issues
- 16% have presented with physical health issues
- 11% have presented while on Probation
- 30% have presented with finance/budgeting issues
- 14% have presented with relationship issues
- 24% have presented with training/employment issues

The Henry Smith Charitable Trust funded the Community Link Team's specialist work with substance misusing service users up to March 2010.

The Direct Access Hostel

The Direct Access Hostel (opened 1993) is located at Rupert Bacon House. It has 14 beds and provides clients with a place of safety, security and an opportunity to take stock of their situation. The optimum length of residency is around 6 to 8 weeks. All meals are provided and an assigned staff member works with each client to help them set and achieve realistic goals towards the return to an independent life. During the year 2009-10, 47 men and 11 women stayed at Rupert Bacon House accounting for a total of 68 residencies: 19 went on to WCHP's Cornerstone House; 15 moved out to other accommodation; and the remainder left for unknown destinations. 19% of residencies were terminated because the clients breached their contractual terms and conditions, a significant decrease on the previous year (31%).

The Stepping Stones Project

The Stepping Stones Project (opened 1998) is located at Cornerstone House. It accommodates up to 13 people at a time. Residencies can last up to 2 years depending upon each client's individual needs. Clients with sufficiently high and/or complex needs are referred to the Project from the Direct Access Hostel and the Recovery Project. As is the case across WCHP, clients work with staff members in the setting and fulfilment of individual support plans to achieve their goals. In 2009-10, 24 residents left the Stepping Stones Project: 13 moved out to independent accommodation; 8 moved out to other accommodation types including the Move On Project; and 3 left for unknown destinations. The average length of stay was 200 days.

The Recovery Project

The Recovery Project (opened 2006) is located at Delaney House. It is a residential project for clients with current issues of alcohol and/or drug misuse. Referrals are made through WCHP's Community Link Team. Would-be residents must demonstrate a commitment to managing their use of substances in a way that minimises risk and maximises their chances of building fulfilling and independent lives through the completion of mutually agreed support plans. Once clients move into the Recovery Project, they continue to receive structured and specialist support through their key worker and additional 24 hour a day staff support. Individual and group work is delivered by the staff team to assist residents in building positive coping strategies and other life skills based on residents' strengths and development areas. Residents are supported through the process of accessing drug and/or alcohol related treatment as well as opportunities such as cultural activities, physical exercise, training, volunteering and employment in the wider community.

During 2009/10 the Recovery Project helped 51 people, 41 men and 10 women.

During the early months of 2009, one of the boilers at the Recovery Project broke down. It proved quite difficult to source the parts as the boiler was so old. Hence the decision was made to try and fundraise for replacement boilers in time for the following winter. The work was booked for October 2009 and at that point £12k had been received in donations towards the final bill of £21k. The new boilers are expected to be far more efficient than the old ones and initial measurements show a decrease on utility bills of at least 15%.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Move On project

This is a leased property on a peppercorn rent from St Andrew's Church. The property provides accommodation for five individuals on a low level support basis and is an interim step for clients who have progressed through the hostels, before moving into the community.

Congregational Houses

These houses transferred in March 2009 from Worthing & Goring Congregational Housing Societies (a non profit making housing trust) set up in 1960 to provide accommodation for working spinsters at the time of their retirement. There are five properties (four in Worthing and one in Goring) totalling 25 flatlets especially for use by vulnerable people. Each tenant has an assured short hold tenancy agreement. Three properties in Grafton Road are overseen by a part time Warden who carries out cleaning of the public ways and offers low level assistance to tenants.

The cash reserves transferred from the Worthing and Goring Congregational Housing Societies amounted to £87k and they are shown as a donation under voluntary income in the accounts.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Fundraising and Publicity

As in previous years, we have secured regular publicity for events, appeals and newsworthy articles. We have issued three newsletters and a Christmas Catalogue, each used as a vehicle to communicate the work that we do and the help given to clients. During the year 82 talks were delivered to schools, groups and organisations, explaining how easy it is to become homeless, the effects this has on the people concerned, promoting our work and the need for the local community to support us. Worthing Churches Homeless Projects rely heavily on the support of local people in many ways including financially, volunteering and by donation of items. Without their continued support we would be unable to continue to provide the service to the level it is currently.

Sadly with the economic climate, it was a struggle to secure support for many of our Fundraising Activities and many had to be cancelled. The highlight was the jewellery recycling scheme which brought in over £7,000.

The Trust Fundraising applications were particularly successful (despite the fact that funds became harder to obtain), with money secured to cover the shortfall which we expected to experience for the Recovery Project as well as smaller pots of money for other Projects. We secured funding from Comic Relief for the post of Service User Involvement Coordinator for a two year period.

In December we opened our first ever Charity Shop in Central Worthing. It has taken time to secure regular donations and fill the volunteer roles needed to open the shop on a daily basis. The shop has provided us with a much needed presence in the town as well as some additional income.

The PR & Fundraising Team continue to seek new and inventive ways in which to reach out to the local community. We undertake many networking opportunities with local businesses and contacts. At the forefront of our work is the necessity to secure the necessary funding to enable Worthing Churches Homeless Projects to continue to provide the services that we need, at the same time enabling us to develop them to better suit the needs of our clients.

Service User Involvement

Service User involvement is a priority focus in WCHP's strategy. As a result, Comic Relief agreed to pay the salary costs of a Service User Involvement Coordinator for 2 years and this position started in January 2010. The work of this role will be to motivate, liaise with and generally support our Service Users in activities and engaging with others. WCHP works with Service Users in the continuous improvement of existing, and development of future, services including recruitment.

Staff

Staff costs increased during the year, from £858,220 to £979,178 due in part to the new retail shop manager and assistant and the warden for the 5 additional properties, also there was the introduction of a new sleep in allowance for project staff. These costs should at least be matched by the additional income these projects will generate. However the total number of full-time equivalent staff reduced as four positions were no longer required as a result of a reduction in support hours funded by 'Supporting People'.

During 2009 changes to the shift rota at the Direct Access Hostel and the Stepping Stones projects were carried out; the reason being that more staff members would be on shift when clients and agencies needed them. This overall meant a reduction in staff costs at Stepping Stones but an increase in staff costs at the Direct Access Hostel. The staff involved are happy with the new arrangements and are working well.

The staff at WCHP enjoyed two away days in 2010. The first was at Lodge Hill in Pulborough where many outdoor activities were offered for staff to participate in. The second was at the Worthing Rugby Club where Shake, Rattle 'n' Roll, (a samba drumming workshop) ensured everyone had a very noisy day. These days are a rare occasion for staff to meet other members of the WCHP staff team that they do not normally meet and have a chance to discuss issues that affect WCHP as a whole. A recognition award was also given to the member of staff who the senior managers considered had carried out an outstanding job in the previous twelve months and this was awarded to WCHP's housekeeper.

With the increasing employment legislation and the increasing complexity of the roles WCHP employ, it was felt that a specialist HR Manager was required for the needs of the organisation. This two day a week appointment was made in January 2010 and has already made significant improvements to the processes and procedures that WCHP need to work by, as well as offering sound HR advice to our staff and managers.

ACHIEVEMENT AND PERFORMANCE

Volunteers

Volunteers continue to do a crucial role in the work we do at Worthing Churches Homeless Projects. Due to the number of unplaced volunteers at the end of last year, a decision was made to put a hold on recruitment. Despite that, and the lack of advertising for volunteers, we have processed 83 new applications including some for the new Retail Shop. We currently have vacancies across the roles so have recommenced advertising.

Over the year volunteers contributed 6,270 hours to the charity across all of our projects which we calculate (average of £7.00 per hour) give us a monetary value of £43,890. The roles they fulfilled included food preparation, cooking, cleaning, gardening, food collection, hairdressing, office help, shop assistant and much more!

In October 2009 a Thanksgiving Day was held at Offington Park Methodist Church for the work of WCHP. The opportunity was taken to issue volunteers with their long service badges and to reflect on the work of the Charity as a whole. The Rev James Bamber gave the address and the whole evening was enjoyed by all those who attended.

We receive food donations from

Sainsbury's - six days a week

Muldoon's, Goring - three times a week

Wrights, Warwick Street - seven days a week

Because the amount of food varies from retailer to retailer and from day to day we have given a ball park figure of £50 per day, 7 days a week giving a value of £18,150. We collect approximately 6 trays of eggs from Arundel every two weeks, this comes out at a value of 6 trays at £6 a tray x 25 weeks = £900. 24 sandwiches are donated daily to St Clare's estimated value £3,504. This gives a total value of food donated £22,554. Items donated for the Harvest totalled £18,000, this gives a total of food donated of £40,554.

**Report of the Trustees
for the Year Ended 31st March 2010**

FINANCIAL REVIEW

Total incoming resources for the year were £1,479,231 (2009 £1,047,765) with expenditure of £1,452,163 (2009 £1,187,282). Overall, there was a surplus for the year of £27,068 (2009 deficit £139,517). Unrestricted funds were £2,788,118 (2009 £2,762,304) and restricted funds were £4,274 (2009 £3,020).

The increase in income from the previous year is mainly due to the success of the additional grant income for the Recovery Project, especially £40,000 from the Pilgrim Trust and £108,942 from the Hardship Fund. Also the charitable reserves from the Worthing and Goring Congregational Housing Societies represented an additional £87,198 income.

During the end of 2008, a professional advisor came in to assist the correlation between our expenditure on our properties and the housing benefit received in order to meet these costs. The exercise showed that we needed to increase the housing benefit charged from April 2009 and in agreement with Worthing Borough Council this led to an increase of £70,000 across our four accommodation projects. The one-off commission fee of £25,038 for this advice was all paid in 2009.

Investment income reduced during the year quite significantly from £23,660 to £9,576 due to the lower interest rates paid by our banks. As a result our non-working capital cash reserves were invested in 12 month business bonds to ensure we maximised our income from investments. Despite this the interest rates still decreased from about 5.5% to 2.5% during the year.

The designated £10,000 for new project development was put towards the setting up costs of our first charity shop in December 2009. It is hoped that this will provide a future unrestricted income stream that is long term and not dependent on government grants, which could be harder to obtain in future years due to the economic climate. It is the plan to open more charity shops in the future depending upon finding the right location at the right level of rent.

There were three main areas where expenditure exceeded budget. Firstly the new boilers at the Recovery Project, despite fundraising £12,200 towards this work, WCHP still needed to contribute £10,000 to the final figure. Also the new sleep-in allowance for project staff represented an additional £15,000 across the organisation in salary costs. Finally as a result of the 5 new properties gained at the start of the year, our depreciation costs increased by £22,275.

In summary the year was a good one for WCHP and a large budgeted deficit was turned round to a surplus of £27,068. As the economic climate changes in the country it seems that statutory and voluntary income will be harder to come by. WCHP will therefore need to work on those income streams that will produce a greater return and keep expenditure very much in check.

PLANS FOR THE FUTURE

As ever our overriding objective is to secure reliable and ongoing funding streams. Frustration with concerns surrounding funding have dominated discussions at all levels of the organisation and proved to be an unwelcome distraction from the primary focus of our work. Funding this year has been hindered through a decision by our major funder (Supporting People) resulting in 45% less funding for year 2010/11. However, we are blessed in our ability to adapt to ever changing criteria. With God's help we were able to embrace the changes through instigating a reorganisation and were able to secure funding; albeit with a modified service. However, these measures have not been without casualties and the reorganisation finally resulted in one compulsory redundancy, one voluntary redundancy, the redeployment of one member of staff and 3 members of staff returning to substantive roles. Obviously this can have a very unsettling effect on staff and the impact of the reorganisation on the remaining staff has not been overlooked.

The parameters initiated by our reduced funding provided an opportunity to evaluate our approach. As a result, our Direct Access Hostel has become a Short Term Assessment Hostel (STAH) which primarily adjusts our zero tolerance approach. Changes to the delivery of service at Stepping Stones has encouraged residents to become more self sufficient. The staff at both houses, now form one Team covering shifts across both Projects. This changed circumstances, coupled with the deferred annual salary review, mean appropriate measures to address staff retention will be high on our list of priorities.

During the past year we moved forward in Faith to open a Charity Shop. The success to date has inspired a vision to extend our high street presence by embarking on a similar venture, potentially with a view to incorporating social enterprise. This income opportunity has been a dream for many years and we attribute the early success to God's intervention and timing and we pray for His continued guidance in this regard.

Amongst other initiatives in the coming year we plan to explore on a previously untapped resource in areas such as developing WCHP Legacy and Corporate (local business) strategy.

It is in no small part due to the flexibility and resilience of Trustees, Staff and Volunteers that we are able to modify our approach in order to maintain a useful and effective service for our Clients. With God's unending love and direction underpinning our work we can look to the coming year with confidence knowing He will provide.

**Report of the Trustees
for the Year Ended 31st March 2010**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Worthing Churches Homeless Projects for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and 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 those financial statements, the trustees are required to

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

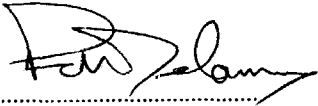
So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Sheen Stickland LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

ON BEHALF OF THE BOARD:



.....
P Delamere -Trustee

Date: 29/06/10

We have audited the financial statements of Worthing Churches Homeless Projects for the year ended 31st March 2010 on pages fourteen to twenty five. The financial statements have been prepared under the accounting policies set out therein.

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 trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company'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

The trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out on page ten.

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, are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and are prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion the information given in the Report of the Trustees is consistent with those financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Report of the Trustees 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 charitable company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31st March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Report of the Trustees is consistent with the financial statements.

PEH
P E H Wright ACA (Senior Statutory Auditor)
for and on behalf of Sheen Stickland LLP
Chartered Accountants
Registered Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date: *25/6/10*

Worthing Churches Homeless Projects

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st March 2010**

	Notes	Unrestricted funds £	Restricted funds £	2010 Total funds £	2009 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	341,332	55,137	396,469	360,281
Activities for generating funds	3	17,356	-	17,356	-
Investment income	4	9,576	-	9,576	23,660
Incoming resources from charitable activities					
Direct access hostel		303,115	-	303,115	272,651
Stepping stones project		244,991	-	244,991	219,225
St Clare's day centre		19,747	-	19,747	46,265
Recovery project		261,946	108,942	370,888	124,671
Move-on project		13,724	-	13,724	1,012
Congregational Houses		103,365	-	103,365	-
Total incoming resources		<u>1,315,152</u>	<u>164,079</u>	<u>1,479,231</u>	<u>1,047,765</u>
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	6	88,052	-	88,052	87,534
Fundraising trading: cost of goods sold and other costs	7	29,052	-	29,052	-
Charitable activities					
Direct access hostel	8	266,502	-	266,502	225,352
Stepping stones project		225,234	-	225,234	230,225
St Clare's day centre		216,568	39,647	256,215	228,044
Recovery project		323,433	119,625	443,058	390,977
Move-on project		17,614	-	17,614	14,196
Service User Involvement		593	3,553	4,146	-
Congregational Houses		113,038	-	113,038	-
Governance costs	9	<u>9,252</u>	<u>-</u>	<u>9,252</u>	<u>10,954</u>
Total resources expended		<u>1,289,338</u>	<u>162,825</u>	<u>1,452,163</u>	<u>1,187,282</u>
NET INCOMING RESOURCES		25,814	1,254	27,068	(139,517)
OTHER RECOGNISED GAINS					
Assets transferred from Worthing & Goring (Sussex) Congregational Housing Societies		-	-	-	1,485,000
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>2,762,304</u>	<u>3,020</u>	<u>2,765,324</u>	<u>1,419,841</u>
TOTAL FUNDS CARRIED FORWARD		<u>2,788,118</u>	<u>4,274</u>	<u>2,792,392</u>	<u>2,765,324</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

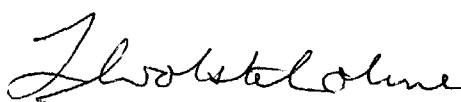
The notes form part of these financial statements

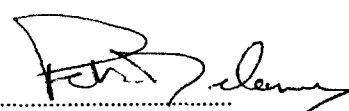
Balance Sheet
At 31st March 2010

	Notes	Unrestricted funds £	Restricted funds £	2010 Total funds £	2009 Total funds £
FIXED ASSETS					
Tangible assets	13	2,726,933	-	2,726,933	2,771,450
CURRENT ASSETS					
Debtors: amounts falling due within one year	14	58,341	-	58,341	45,159
Cash at bank and in hand		<u>481,827</u>	<u>4,274</u>	<u>486,101</u>	<u>376,764</u>
		540,168	4,274	544,442	421,923
CREDITORS					
Amounts falling due within one year	15	(157,391)	-	(157,391)	(88,669)
NET CURRENT ASSETS					
		<u>382,777</u>	<u>4,274</u>	<u>387,051</u>	<u>333,254</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		3,109,710	4,274	3,113,984	3,104,704
CREDITORS					
Amounts falling due after more than one year	16	(321,592)	-	(321,592)	(339,380)
NET ASSETS					
		<u>2,788,118</u>	<u>4,274</u>	<u>2,792,392</u>	<u>2,765,324</u>
FUNDS					
Unrestricted funds	19			2,788,118	2,762,304
Restricted funds				<u>4,274</u>	<u>3,020</u>
TOTAL FUNDS					
				<u>2,792,392</u>	<u>2,765,324</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 29th June 2010 and were signed on its behalf by:


T Wolstenholme -Trustee


P Delamere -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Cashflow Exemption

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

Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity on receipt where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of Financial Activities in the year in which they are receivable.

Income from investments is included in the the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that the payment will be made or property transferred and the amount involved can be quantified.

Resources expended

Resources expended are recognised in the year in which they are incurred.

Fundraising costs are those incurred in seeking grants and voluntary contributions.

Governance costs

Governance costs are those incurred in connection with the strategic management of the charity, and compliance with constitutional and statutory requirements and public accountability.

Allocation and apportionment of costs

Central office costs are apportioned on an equal basis across the five main charitable activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-2% on cost
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The building cost is estimated at 75% of the acquisition costs of land and buildings. The cost of the land, which is not depreciated, is estimated at 25%.

Taxation

The charity is exempt from corporation tax on its charitable activities. The majority of WCHP activities are classified as exempt or non-business activities for the purposes of VAT. The charity is therefore unable to reclaim any VAT which it suffers on its purchases.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2010

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. VOLUNTARY INCOME

	2010 £	2009 £
Cash assets transferred from Worthing & Goring (Sussex) Congregational Housing Societies	87,198	-
Donations	136,679	114,682
Events	22,572	44,659
Gift aid	14,844	12,620
Legacies	12,550	11,686
Grants	112,626	166,634
Church Urban Fund	10,000	10,000
	<u>396,469</u>	<u>360,281</u>

Grants received, included in the above, are as follows:

	2010 £	2009 £
Fisherbeck Charitable Trust	32,000	32,000
Lottery grant	-	82,171
The Henry Smith Charity	24,900	23,500
Garfield Weston Foundation	-	10,000
Comic Relief	3,553	-
Pilgrims Trust Grant	40,000	-
Other grants	12,173	18,963
	<u>112,626</u>	<u>166,634</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2010 £	2009 £
Sales of goods donated	<u>17,356</u>	<u>-</u>

4. INVESTMENT INCOME

	2010 £	2009 £
Deposit account interest	<u>9,576</u>	<u>23,660</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2010

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Activity	2010 £	2009 £
Housing Benefit	Direct access hostel	79,811	55,335
Supporting People	Direct access hostel	208,358	204,697
Client and other rents	Direct access hostel	13,110	9,379
Other income	Direct access hostel	516	640
Student Social Worker placement	Direct access hostel	1,320	2,600
		<u>303,115</u>	<u>272,651</u>
Housing Benefit	Stepping stones project	74,730	50,142
Supporting People	Stepping stones project	154,866	152,013
Client and other rents	Stepping stones project	11,504	16,790
Other income	Stepping stones project	1,291	280
Student Social Worker placement	Stepping stones project	2,600	-
		<u>244,991</u>	<u>219,225</u>
Client and other rents	St Clare's day centre	866	721
Breakfasts	St Clare's day centre	865	721
Grants	St Clare's day centre	8,494	35,240
Office rental	St Clare's day centre	5,999	5,620
Other income	St Clare's day centre	923	1,363
Student Social Worker placement	St Clare's day centre	2,600	2,600
		<u>19,747</u>	<u>46,265</u>
Housing Benefit	Recovery project	136,363	87,992
Client and other rents	Recovery project	21,444	18,205
Grants	Recovery project	208,942	15,000
Other income	Recovery project	1,539	874
Student Social Worker placement	Recovery project	2,600	2,600
		<u>370,888</u>	<u>124,671</u>
Housing Benefit	Move-on project	12,134	899
Client and other rents	Move-on project	1,588	113
Other income	Move-on project	2	-
		<u>13,724</u>	<u>1,012</u>
Housing Benefit	Congregational Houses	19,711	-
Client and other rents	Congregational Houses	80,368	-
Other income	Congregational Houses	3,286	-
		<u>103,365</u>	<u>-</u>
		<u>1,055,830</u>	<u>663,824</u>

Grants received, included in the above, are as follows:

	2010 £	2009 £
West Sussex DAAT	100,000	-
Hardship Fund	108,942	-
Other grants	8,494	50,240
	<u>217,436</u>	<u>50,240</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2010

6. COSTS OF GENERATING VOLUNTARY INCOME

	2010	2009
	£	£
Staff costs	61,859	60,456
Hire of plant and machinery	575	1,147
Insurance	680	680
Light and heat	1,030	1,000
Telephone	1,020	594
Postage and stationery	7,217	6,546
Sundries	2,958	3,520
Staff training	1,453	1,417
Staff travel	774	659
Office equipment	31	499
Agency staff	40	-
Printing and copying	<u>10,415</u>	<u>11,016</u>
	<u>88,052</u>	<u>87,534</u>

7. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	2010	2009
	£	£
Staff costs	8,436	-
Agency staff	220	-
Recruitment	1,566	-
Insurance	140	-
Legal and professional fees	1,507	-
Telephone	368	-
Stationery	200	-
Office equipment	1,016	-
Utility costs	281	-
Rates and water	707	-
Cleaning	23	-
Food & provisions	31	-
Refuse collection	90	-
Repairs and maintenance	14,124	-
Equipment rental	65	-
Bank charges	<u>278</u>	<u>-</u>
	<u>29,052</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2010**8. CHARITABLE ACTIVITIES COSTS**

	Direct costs £	Support costs £	Totals £
Direct access hostel	253,833	12,669	260,864
Stepping stones project	214,272	10,962	219,596
St Clare's day centre	248,607	7,608	250,576
Recovery project	427,391	15,667	437,419
Move-on project	17,160	454	17,614
Service User Involvement	3,583	563	4,146
Congregational Houses	112,211	827	113,038
	<u>1,277,057</u>	<u>48,750</u>	<u>1,325,807</u>

9. GOVERNANCE COSTS

	2010 £	2009 £
Legal fees	4,224	6,077
General expenses	446	270
Auditors' remuneration	<u>4,582</u>	<u>4,607</u>
	<u>9,252</u>	<u>10,954</u>

10. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2010 £	2009 £
Auditors' remuneration	4,582	4,607
Depreciation - owned assets	44,517	22,242
Hire of plant and machinery	<u>6,842</u>	<u>6,639</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2010

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits or expenses for the year ended 31st March 2010 nor for the year ended 31st March 2009.

12. STAFF COSTS

	2010 £	2009 £
Wages and salaries	893,286	785,269
Social security costs	78,310	70,429
Other pension costs	<u>7,582</u>	<u>2,522</u>
	<u>979,178</u>	<u>858,220</u>

The average monthly number of employees during the year was as follows:

	2010	2009
Full time staff	<u>31</u>	<u>35</u>

No employees received remuneration of over £60,000 during the year.

Over 150 individuals volunteer their services to WCHP on a regular basis.

13. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1st April 2009 and 31st March 2010	<u>2,909,511</u>
DEPRECIATION	
At 1st April 2009	138,061
Charge for year	<u>44,517</u>
At 31st March 2010	<u>182,578</u>
NET BOOK VALUE	
At 31st March 2010	<u>2,726,933</u>
At 31st March 2009	<u>2,771,450</u>

Included in cost or valuation of land and buildings is freehold land of £683,696 (2009 - £683,696)

The Trustees valued the freehold land and buildings as at 31st March 2010 and considered the open market value to be £3,675,000.

This is made up as Direct Access Hostel £595,000, Stepping Stones Project £550,000, Recovery Project £750,000, St Clare's Day Centre £295,000 and the five properties transferred to WCHP from Worthing Congregational Housing Society £1,485,000.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2010**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010	2009
	£	£
Trade debtors	44,749	33,103
Gift aid recoverable	3,573	2,344
Prepayments and accrued income	<u>10,019</u>	<u>9,712</u>
	<u>58,341</u>	<u>45,159</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Bank loans and overdrafts (see note 18)	22,224	24,765
Trade creditors	10,337	10,000
Grants received in advance	64,875	6,667
Supporting People grants in advance	17,914	18,646
PAYE control account	21,515	18,921
Other creditors	2,409	728
Accruals and deferred income	<u>18,117</u>	<u>8,942</u>
	<u>157,391</u>	<u>88,669</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010	2009
	£	£
Bank loans (see note 17)	<u>321,592</u>	<u>339,380</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2010

17. LOANS

An analysis of the maturity of loans is given below:

	2010 £	2009 £
Amounts falling due within one year on demand:		
Bank overdraft	-	2,541
Mortgage	<u>22,224</u>	<u>22,224</u>
	<u>22,224</u>	<u>24,765</u>
Amounts falling between one and two years:		
Mortgage due after more than one year	<u>22,224</u>	<u>22,224</u>
Amounts falling due between two and five years:		
Mortgage due 2-5 years	<u>66,672</u>	<u>66,672</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Mortgage due over 5 years	<u>232,696</u>	<u>250,484</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2010 £	2009 £
Bank loans	<u>343,816</u>	<u>361,604</u>

There is a fixed charge on 14-16 Selden Road, Worthing in respect of the commercial mortgage.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2010

19. MOVEMENT IN FUNDS

	At 1.4.09 £	Net movement in funds £	Transfers between funds £	At 31.3.10 £
Unrestricted funds				
General fund	2,750,584	25,814	10,000	2,786,398
Designated fund - Bond scheme	1,720	-	-	1,720
Designated fund - Project Development	10,000	-	(10,000)	-
	<u>2,762,304</u>	<u>25,814</u>	<u>-</u>	<u>2,788,118</u>
Restricted funds				
Lady of Mercy Millenium Fund	2,048	(242)	-	1,806
Rotary Clubs - Emergency fund	695	(361)	-	334
Client employment fund	277	(209)	-	68
WSCC Community Funding - Client Activities	-	972	-	972
Legacy	-	1,094	-	1,094
	<u>3,020</u>	<u>1,254</u>	<u>-</u>	<u>4,274</u>
TOTAL FUNDS	<u>2,765,324</u>	<u>27,068</u>	<u>-</u>	<u>2,792,392</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,315,152	(1,289,338)	25,814
Restricted funds			
Rotary Clubs - Emergency fund	1	(362)	(361)
Client employment fund	-	(209)	(209)
Henry Smith Charitable Trust	24,900	(24,900)	-
WSCC Community Funding - Client Activities	1,000	(28)	972
Comic Relief fund	3,553	(3,553)	-
Paul Getty fund	5,683	(5,683)	-
Church Urban fund	10,000	(10,000)	-
Legacy	10,000	(8,906)	1,094
Hardship fund	108,942	(108,942)	-
Lady of Mercy Millennium Fund	-	(242)	(242)
	<u>164,079</u>	<u>(162,825)</u>	<u>1,254</u>
TOTAL FUNDS	<u>1,479,231</u>	<u>(1,452,163)</u>	<u>27,068</u>

19. MOVEMENT IN FUNDS - continued

Designated funds

- The WCHP Trustees have designated £2,000 to be used as a bond scheme for clients moving into their own rented accommodation.
- The WCHP Trustees designated £10,000 in the event of a new project/initiative requiring set up costs. These funds were utilised in the year.

Restricted funds

- The Lady of Mercy Millennium fund is to be used specifically for vulnerable women.
- The Rotary Clubs Emergency fund is for the provision of urgent accommodation for clients.
- The Client employment fund is for the provision of employment related costs for clients.
- The Henry Smith Charitable Trust pays towards the salary costs of the Substance Misuse Worker based at the St Clare's Day Centre.
- The Comic Relief Fund is specifically for the salary costs of the Service User Involvement Co-ordinator.
- The Paul Getty Fund is specifically for the salary costs of the Recovery Project Staff.
- The Church Urban Fund pays towards the Manager's salary costs at St Clare's and the Recovery Project.
- The Hardship Fund pays towards the salaries and running costs of the Recovery Project.
- The legacy is specifically for the improvement of the shower facilities available at St Clare's day centre.

20. CONTINGENT LIABILITIES

In previous years grants were received by the charity in connection with the purchase of certain freehold properties. Attached to a number of these grants were conditions relating to a potential claw back of monies donated if the properties were to be disposed of within a stipulated time period. The trustees are of the opinion that none of the properties affected will be sold within these time periods and therefore no provision is considered necessary in the financial statements.

21. WORTHING CONGREGATIONAL HOUSING SOCIETY

On 27th March 2009 the legal title of the 5 properties held by Worthing and Goring Congregational Housing Societies were transferred to WCHP at open market value of £1,485,000.

The following information is included in the financial statements of WCHP relating to the transfer of activities from Worthing and Goring Congregational Housing Societies.

Cash assets transferred	£87,198
Income for charitable activities	£103,365
Expenditure for charitable activities	£113,038

The FSA have confirmed the transfer.

