PASSAGE 2000

England & Wales · Charity number 1079764

Details

Other names	THE PASSAGE
Status	Registered
Legal form	Charitable company
Company number	03885593
Registered	2000-03-09
Register	View on the Charity Commission register

Contact

Address	The Passage St Vincent's Centre Carlisle Place London SW1P 1NL
Phone	020 7592 1850
Email	media@passage.org.uk
Website	www.passage.org.uk

Activities

Objects: TO PROMOTE THE RELIEF OF POVERTY BY:1) THE PROVISION OF TEMPORARY AND PERMANENT ACCOMMODATION FOR PERSONS IN NEED AND THE PROVISION OF ADVICE AND ASSISTANCE TO THOSE AT RISK OF BECOMING HOMELESS TO ENABLE THEM TO REMAIN IN THEIR HOMES2) THE PROVISION OF FOOD, CLOTHING AND COUNSELLING (INCLUDING LEGAL ADVICE AND WELFARE BENEFITS ADVICE) TO PERSONS IN NEED;3) THE PROVISION OF MEDICAL ADVICE AND TREATMENT FOR PERSONS IN NEED, INCLUDING THOSE SUFFERING FROM ALCOHOL OR DRUG ABUSE; AND4) THE PROVISION OF EDUCATION, TRAINING AND ASSISTANCE TO PERSONS IN NEED TO ENABLE THEM TO GAIN EMPLOYMENT AND SHELTERED EMPLOYMENT

Activities: The Passage is based in the heart of Westminster, providing practical support and a wide range of services to help transform the lives of people who are, or are at risk of, street homelessness. We run a modern Resource Centre in Victoria, four accommodation projects, outreach and health services, homelessness prevention schemes and a pioneering modern slavery referral programme.

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing, Arts/culture/heritage/science, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity, Recreation, Other Charitable Purposes
- **Who:** Other Defined Groups

Geography

- Brighton And Hove
- City Of Westminster

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£11,084,277	£9,799,126	£27,769,525	147
2024-03-31	£7,516,410	£9,315,942	£26,504,107	144
2023-03-31	£12,325,654	£8,856,958	£28,334,912	128
2022-03-31	£9,592,817	£7,308,670	£24,869,741	128
2021-03-31	£7,477,328	£6,862,689	£22,543,447	121

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Trustees

Name	Role	Appointed
MICHAEL JOHN KELLY	Chair	
Alexandra Bella Godwin-Brown		2023-03-14
Alexandra Rosemary Hannaby		2025-06-17
CHRISTOPHER WILLIAMS		
Calvin Ton Yu Lau		2023-03-14
Claire Winter-Reynolds		2024-03-12
Dr IRAM SATTAR		
Joanna Hindley		2023-03-14
Karen Dennehy		2024-03-12
Kevin Hyland		2019-09-24
Michael Broom		2023-03-14
Roisin Murphy		2017-06-26
Sr Margaret Barrett		2024-06-18
Steven Haynes		2024-09-24

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PASSAGE 2000

England & Wales - Charity number 1079764

Accounts

Trustees' Report and Accounts

2024 - 2025

The Passage

Everyone deserves a place to call home

The Passage

Everyone deserves a place to call home

Trustees' Report and Accounts 2024 – 2025

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The trustees present their report and the audited financial statements for the year ended 31 March 2024. Reference and administrative information set out on this page form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' and strategic report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Trustees, Senior Management, and Advisors

Founding Patron: Cardinal Basil Hume | **Royal Patron**: HRH Prince of Wales | **Patron**: Cardinal Vincent Nichols

Chair of Trustees: Michael Kelly FICRS, FRSA

Board of Trustees:

- Michael Kelly FICRS, FRSA (Chair)
- Victoria Bevilacqua-Stephenson
- Kevin Hyland
- Roisin Murphy (Deputy Chair)
- Antonio Orlando – *resigned 24th September 2024*
- Dr Iram Sattar
- Christopher Williams (Treasurer, Chair of Finance Committee)
- Calvin Lau
- Alexandria Godwin-Brown
- Michael Broom (Chair of Risk and Audit Committee)
- Joanna Hindley
- Karen Marie Dennehy (Chair of People, Performance & Culture Committee)
- Claire Wise
- Sr Margaret Barratt – *appointed 18th June 2024*
- Steven Haynes – *appointed 24th September 2024*

Company Secretary:

Jane Sandeman – resigned 21st July 2025
Jennifer Hinton – appointed 21st July 2025

Senior Management Team:

- Michael Clarke (Chief Executive)
- Emma Noble (Director of Income Generation and Communications)
- Jane Sandeman (Chief Operating Officer)
- Jenny Travassos (Director of Housing and Services)

Principal Bankers: HSBC Belgravia Branch, The Peak, 333 Vauxhall Bridge Road, London, SW1V 1EJ |

Solicitors: Pothecary Witham Weld, 84 Eccleston Square, London, SWIV 1PX

Auditors: Sayer Vincent LLP, 110 Golden Lane, London, EC1Y 0TG

Telephone: 020 7592 1850 | **Fax**: 020 7592 1870 | **Email**: info@passage.org.uk

Website: www.passage.org.uk | **Social media:** @PassageCharity

Charity registration number: 1079764 | **Company number**: 03885593

Address: The Passage, St Vincent's Centre, Carlisle Place, London, SWIP 1NL

The trustees present their report and the audited financial statements for the year ended 31 March 2024. Reference and administrative information set out on this page form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' and strategic report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Chief Executive and Chair's Statement

The Passage's vision is of a society where homelessness no longer exists and where everyone has a place to call home.

In March 2025, we completed our current 3-year strategy, No Going Back. All key objectives have been met and an overview of some of the achievements from the last 12 months can be found on pages 10 - 14. So much has been achieved, however, the demand for our services continues to rise; over 4,600 people were sleeping rough in central London during the winter months - a 5% increase on the previous year. Almost half were homeless for the very first time and nearly 70% had complex support needs. As a result, The Passage has seen an increase of 22% in the number of people visiting our Resource Centre in the last year.

In April 2025, we launched our new 3-year strategy, The Art of The Possible, with a focus on prevention, convening and sustaining, built around the principle of collaboration.

We achieve so much more when we work together. Over the last 12 months, there has been significant progress in our commitment to co-production; building on the work of our Experts by Experience group, whose insights help us to improve day to day operations at The Passage and establishing our Lived Experience Assembly to help inform the decisions we make at a strategic and governance level. Particular achievements include the establishment of our Client Volunteering programme and the national launch in partnership with Expert Link of our co-produced toolkit providing practical guidance for other day centres and frontline services.

A real highlight of the last 12 months has been the growth of our innovative No Night Out scheme, preventing hundreds of people from spending even one night on our streets with over 90% sustaining their tenancies. We are extremely grateful to Westminster Abbey and The Julia Rausing Trust for their support, which has also enabled us to share our learnings nationally – the model has been highlighted as an example of best practice in the Mayor of London's new Rough Sleeping Strategy.

Our pioneering work to evidence the links between modern slavery and homelessness continues to bring about systemic change and we are now sharing our learnings and best practice with partners internationally. During the year, we launched reports in Dublin and New York City. We have also been commissioned by the Independent Anti-Slavery Commissioner to produce a UK wide report and recommendations with regard to the prevention of modern slavery and homelessness, and the Modern Slavery Human Rights Policy and Evidence Centre have commissioned The Passage to produce research on the housing challenges faced by survivors of modern slavery in England.

The work of The Passage would not be possible without our dedicated staff and volunteers, who are the inspiration for 'the art of the possible'. It has been immensely pleasing to continue to see the real and tangible outcomes in our commitment to equity, diversity and inclusion and quality standards throughout the organisation.

Furthermore, our supporters and funders, both voluntary and statutory, are critical to all we do; without their support we simply could not run our vital frontline services and we thank them sincerely.

In the last year, we were fortunate to be notified of an exceptional legacy gift. This has been recorded as accrued income in the year. Payment was received after the year end. Previously, when similar circumstances have occurred such as in 2016, we undertook a comprehensive building refurbishment of St Vincent's Centre, and again in 2023, we refurbished Passage House and created 20 new units of social housing in our Bentley House scheme. We will therefore use this funding to create more housing options with a focus on securing new accommodation units for those who have experienced homelessness and are now entering the world of employment.

Having a safe and affordable home during the first months of employment will help to create stability and the right environment for progression into longer term accommodation.

We know what needs to be done to end homelessness; we see it in our services each and every day and we witness the hope that this brings to so many individuals. As a society, we need to move away from viewing homelessness as something that is inevitable to something that is actively prevented from happening in the first place.

We are proud that The Passage is leading the way in showing how this can be done.

So, please join us in our work to end homelessness and ensure everyone has a place to call home.

Michael Kelly, Chair of Trustees

Mick Clarke, Chief Executive

Our vision, mission, ethos and values

Our vision is of a society where homelessness no longer exists, and everyone has a place to call home.

Our mission is threefold:

- Prevent homelessness by intervening quickly before people reach crisis point.
- End homelessness by providing innovative and tailor-made services that act with compassion and urgency.
- Advocate for and with those who feel they are not heard, by amplifying their voice to bring about real systemic change.

Our ethos comes from the teachings and example of St. Vincent De Paul, a Christian and social reformer who co-founded the Daughters of Charity in 1633. Vincent believed in action rather than words and in hands-on service to vulnerable people.

As a Vincentian organisation, The Passage strives to be inclusive, encompassing a diverse and rich culture from within our members, clients, volunteers and staff.

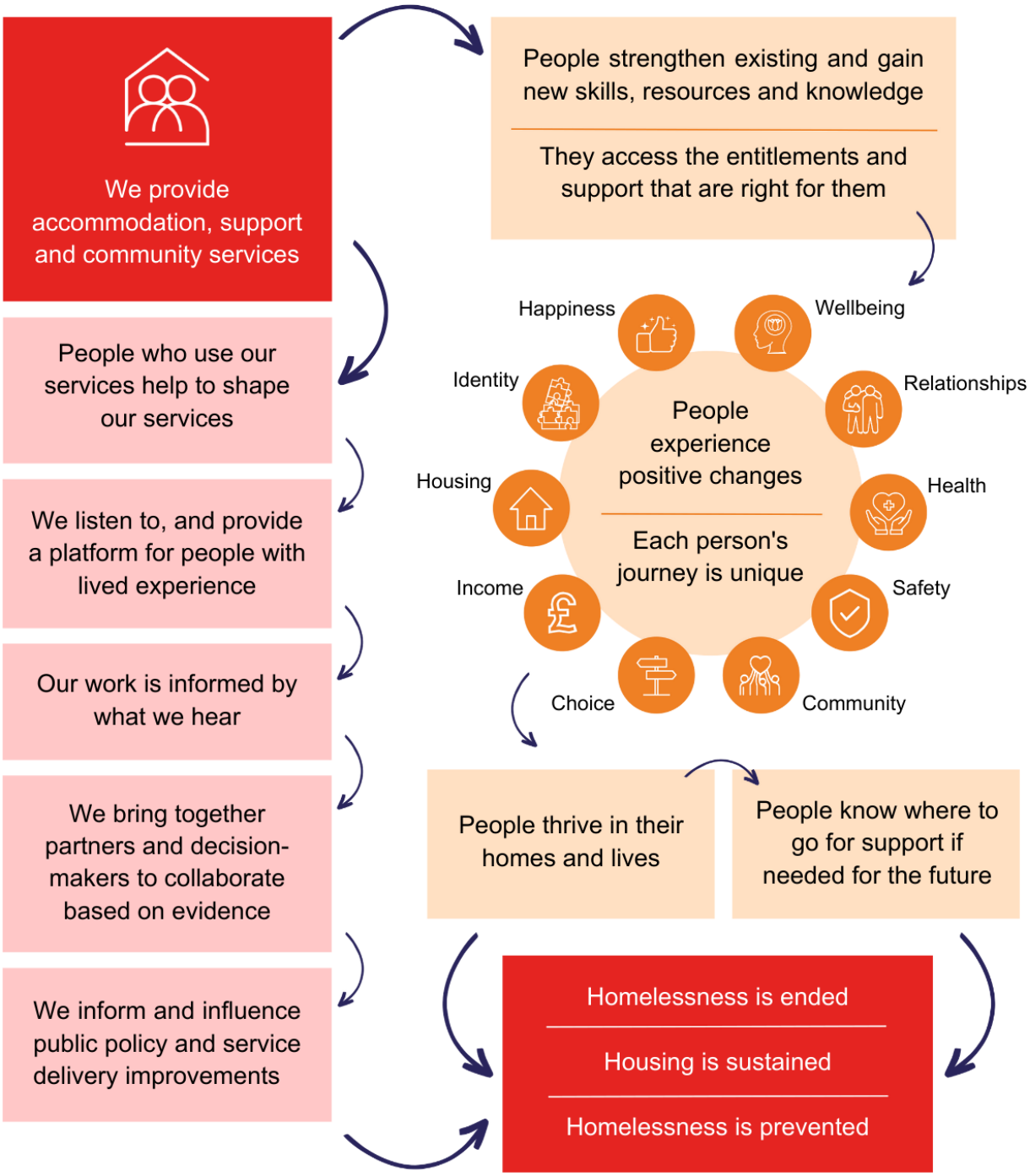
Actively working with others across all aspects of society, seeking to have influence and be an advocate for people who are homeless, The Passage seeks to be a place of hope, aspiration, change and innovation, underpinned by values that reach back over four hundred years.

Our values:

- We assist people who have experienced homelessness to realise their own potential, to transform their lives.
- We act with compassion and kindness.
- We are a voice for change and justice.
- We build relationships based on trust.
- We respect each other.
- We are straightforward in all our dealings.
- We believe in practical hands-on hard work.
- We collaborate across all sectors of society.

Theory of change model

The Passage is based in the heart of Westminster, providing practical support and a wide range of services to help transform the lives of people who are at risk of, or experiencing homelessness, and those who are victims of modern slavery.



Our impact in 2024/25

3,007 people who were experiencing or at risk of homelessness, were supported across the organisation.

2,261 people were prevented from homelessness and helped to find and keep a home.

46,266 meals were served to residents of Passage House, and visitors of our Resource Centre.

503 people were helped into accommodation.

906 people were helped to gain financial independence, security and stability

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Demographic data for those who supported

This data is representative of those who we supported, who disclosed this information.

Age:

- 18-24: 459 (14.2%)
- 26-35: 956 (29.5%)
- 36-59: 1,512 (46.7%)
- 60+: 311 (9.6%)

Gender:

- Male: 1,638 (72.4%)
- Female: 621 (27.5%)
- Non-binary: 3 (0.1%)

Ethnicity:

- Black, Black British, Caribbean or African: 487 (30.7%)
- Asian or Asian British (%): 131 (8.3%)
- Mixed or multiple ethnic groups (%): 65 (4.1%)
- White (%): 738 (46.6%)
- Other (%): 164 (10.3%)

Review of volunteering

Between 1st April 2024 and 31st March 2025, volunteers at The Passage contributed a total of 16,238 hours. This represents an increase of 16.08% compared to the previous financial year. Our volunteers are involved in various roles, including:

- Kitchen Volunteers
- Receptionist Volunteers
- Fundraising Volunteers
- Finance Volunteers
- Employment Volunteers
- Clothing and Laundry Volunteers
- Health and Engagement Volunteers
- Walking Group Volunteers
- Barber/ Hairdresser Volunteers
- Complementary Therapy Volunteers
- Interpreter Volunteers
- Driver Volunteers

This year, **we received 143 applications, compared to 125 applications in the previous year.** Majority of our applicants discovered volunteering opportunities at The Passage through their own web searches. The second most common source of information was referrals from current or former staff members and volunteers, indicating a positive experience among those individuals. This year, we observed a 12.59% increase compared to the previous year.

There has also been a noticeable change in the age demographics of our volunteers. The number of **volunteers in the range aged 18 to 29 has significantly increased, thanks to outreach efforts through social media** platforms like Instagram and partnerships with universities. This younger demographic brings fresh energy and perspectives to The Passage, contributing to our mission in new and dynamic ways.

In the past year, The Passage organised two major volunteer celebration events: the Summer Volunteer Party in June and the Christmas Volunteer Party in December. Both events were well-attended, with approximately 80 guests at each celebration, reflecting the strong community spirit and appreciation for volunteer contributions.

The Passage has placed significant importance on volunteer training to ensure high standards and inclusivity. This year, **174 volunteers (54.21%) completed the Equality, Diversity, and Inclusion (EDI) training and 27 volunteers attended the Food & Hygiene Course** (Level 1), enhancing their skills and knowledge in food safety.

The Passage has strengthened its community partnerships by **collaborating with the Community Payback Scheme run by HM Prison and Probation Service.** This partnership has brought volunteers to our Resource Centre Kitchen, with 8 participants starting to volunteer in the kitchen. This initiative has provided valuable support to our kitchen operations and offered meaningful opportunities for the participants.

Efforts have been made to keep the Better Impact system updated with all necessary documents. This year, 62 volunteer profiles were archived, with the most common reasons being resignation due to lack of time, changes in work conditions, and retirement. Maintaining accurate records ensures efficient volunteer management and helps address any emerging trends or issues.

Looking ahead, we aim to leverage these successes to further develop and enrich our volunteer programs, thereby amplifying our community impact.

A message from Richard, Resource Centre Kitchen Volunteer

"Volunteering at The Passage has been one of the most rewarding experiences of my life. I started helping out in the Resource Centre Kitchen a few years ago, not quite knowing what to expect, but from day one, I felt part of something truly meaningful. There's a strong sense of community in the kitchen – among the staff, volunteers, and guests – and that connection has kept me coming back week after week.

What motivates me most is the knowledge that even the smallest acts – like serving a hot meal or offering a kind word – can have a big impact. It's humbling and grounding work. The people who come through our doors each have their own story, and it's a privilege to be part of a team that offers support without judgement.

I've also learned a lot during my time here – not just about kitchen routines or food preparation, but about compassion, resilience, and the importance of dignity. I'd like to think I bring a positive energy and a willingness to pitch in wherever I'm needed. But more than anything, I just feel grateful to be able to contribute to a cause I believe in so deeply.

The Passage does incredible work, and I'm proud to play a small part in it."

A message from Will, Clothing Store Volunteer

"I have been aware of the fantastic work The Passage does ever since I worked in Victoria during the 1990s. Ever since then I have always wanted to volunteer for the charity. In 2020 I sold a business and retired from full time work – a perfect opportunity to volunteer!

I joined as a warm welcome volunteer which involves working in the clothes store and the laundry. This provides the perfect opportunity to understand the daily challenges that our clients face and to get to know them at a more personal level. Even though most of our clients are having to deal with very difficult personal circumstances, I was immediately struck by how positive so many of them are. In addition, I have been humbled by how appreciative they are of the services we provide. The clients will often go out of their way to say thank you to us – when we are just happy to be able to be there to help them. Some of the clients will even come into the clothes store for a chat – whether they need clothes or not!

Since I joined, I have also worked in the kitchen, the CV clinic and with the employment and IT drop-ins. As a volunteer it is great to have the opportunity to work in the different areas of the charity. I have found the whole experience to be a very positive one and really hope that I am making a difference to the lives of our clients.

Coming from the world of business, I have also been struck by the friendly and welcoming attitude of the full-time staff towards volunteers. I enjoy working with all The Passage staff in the different areas I volunteer in. Hopefully I will be able to continue to volunteer at The Passage for many years to come."

Co-production update

The Passage is a community that values learned and lived experience; both play a pivotal role in shaping our organisation. We worked hard over the last year to fully embed Lived Experience voices in our service delivery and we built exciting opportunities for the people we work with to help shape The Passage and inform the work of others locally, and nationally.

Throughout the year our Experts by Experience team has grown and developed, attracting new talent and skills, and helping us to:

- Shape and grow our services through delivering our bi-annual surveys
- Recruit new staff by taking part in interview panels
- Develop in partnership with Expert Link, a set of guidance for homelessness services on how to set up and maintain co-production projects, which we launched at the Passage and is available nationally.
- Deliver, review and mainstream a project of client volunteering, providing opportunities to service users to be a visible presence as part of our service delivery.
- Review policies and procedures

Over the coming year, we will grow our Experts By Experience work will with plans for new co-production panels representing marginalized groups, lived experience representation on our Equity, Diversity and Inclusion working group and a project looking at how we ensure we are a good neighbour and an asset to our local community.

Most excitingly, we have continued to weave the guiding voice of lived experience into our governance through establishing our Lived Experience Assembly (LEA). Working side-by-side with our senior team, the panel has a voice in The Passage's governance structures, including a central role in producing our new 3-year Strategy, The Art of the Possible. The LEA developed two of the strategy's core objectives and they will work closely with us to ensure that we deliver them over the life of the strategy.

We recognise the importance of giving the LEA group autonomy and a meaningful platform to impact change through influencing. The LEA group have a standing piece in our newsletters, presented at a pan-London strategic roundtable, and have met the minister for homelessness; speaking truth to power about the experience of homelessness in 21st century Britain.

A message from Jada, Experts By Experience Member:

"When I came to The Passage, I was so depressed. Being involved in EBE helped bring me out of my shell and rediscover the confidence I had before becoming homeless, particularly through interview panels. Now, I want to work with the employment team to get back to practicing law."

A message from our Lived Experience Assembly:

"Service users of The Passage, like us, have valuable insights that help to improve its services. Our goal is to see The Passage reach more people, helping them find long-term housing solutions and preventing rough sleeping so that no one has to spend time on the streets.

This issue is urgent - it's an emergency that needs immediate attention. By coming together as the LEA, we aim to change how homelessness is viewed and improve public understanding of its complexities. With hope and determination, we're united in our mission to create a future where everyone has a place to call home."

Review of strategic objectives

1) Implement our Excellence for All quality programme across the whole organisation.

The Passage recognises that achieving our vision and providing the best service to those who use our services requires investing in our staff. Our Excellence for All Programme ensures that our staff are motivated and equipped with the skills, knowledge, and support they need to excel. This programme has transformed our organisation through a portfolio of projects that introduce new approaches to supervision, appraisal, and personal development.

At our managers' Bootcamps, senior team members and staff experts delivered bespoke training on diverse topics, from handling difficult conversations and time management to fundraising and using our Competency Framework. Staff now have access to a comprehensive framework of policies, procedures, and training materials, enabling us to deliver innovative and value-led services to our colleagues and service users.

At The Passage, we understand the power of collaboration over siloed work. Our new intranet fosters communication and knowledge sharing, promoting a positive and unified work culture. Our staff recognition scheme celebrates the achievements of Passage staff who go above and beyond.

We believe that investing in staff development and well-being is not only the right thing to do but also essential for our ability to innovate and adapt our services to the ever-changing landscape of homelessness.

2) Build on the success of our homelessness prevention models to ensure we can intervene with urgency to prevent and end homelessness.

The Passage has continued to roll out our No Night Out scheme, preventing hundreds from spending even one night on the streets, with over 90% of those using the scheme sustaining accommodation and not returning to the streets. In addition to this, as well as sharing the learnings from No Night Out with reginal and central government, to inform strategy and policy, we have also continued to develop our Housing Solutions Service and Passage House Assessment Centre models.

3) Explore new housing options to increase pathways off the streets.

The Passage, in partnership with RMG, has set up a new project at Penn House which supplies 45 refurbished studio flats as newly commissioned in-borough temporary accommodation for Westminster City Council this financial year. The staff team was recruited and in place by January and the booking in of tenants commenced at the beginning of February.

This year we also commissioned and completed a financial options paper via Passage Housing Services to explore investment in future housing.

4) Continue to develop our co-production work and opportunities to embed co-production within our governance structures.

Over the past financial year, *Experts by Experience* has embedded lived experience voices more deeply into The Passage's strategy, governance, and service delivery.

Establishing the Lived Experience Assembly (LEA):
For the first time, people with lived experience are influencing The Passage at a governance level. The LEA now works alongside the Senior Management Group, directly shaping strategic decision-making, including the development of our three-year strategy. This is a significant step toward true partnership between lived and learned experience.

Influencing Policy & Systems Change:
We have empowered people with lived experience to engage at the highest strategic levels. This included participation in the Mayor's roundtable, meetings with Rushanara Ali, and discussions at the House of Lords. Our team contributed to and launched a national guidance document with Expert Link, promoting co-production best practices. Additionally, we supported the independent commissioner for modern slavery in reviewing the NRM system, influencing policy for society's most vulnerable.

Mainstreaming Lived Experience Representation:
We have embedded lived experience across our recruitment processes, ensuring service users sit on all front-line hiring panels.

Service User Volunteering:
Following a successful pilot, we completed a comprehensive review of our *Client Support Volunteer* project. This year, we move forward with mainstreaming service user volunteering into our core service delivery.

Beyond these structural changes, co-production has profoundly impacted individuals.

The impact of *Experts by Experience* extends beyond strategy - it transforms lives.

5) Utilise our data and convening power to demonstrate impact, influence policy and inform/share best practice within the sector, local/central government and the Homewards initiative.

No Night Out has developed an evidence base that demonstrates prevention works and homelessness can be avoided; we have shared this model widely alongside our work on transitioning our organisation to become prevention focused. Our work has been highlighted and commended by London Housing Foundation, Westminster City Council and the Mayor of London as examples of good practice. We continue to work alongside Homewards on their programmes to demonstrate homelessness can be prevented.

6) Share evidence and our experience of best practice in homelessness prevention with all main political parties in the build-up to the General Election, seeking to inform and influence policy direction and manifesto commitments and to address the current crisis in rough sleeping.

We published an election manifesto and shared it widely amongst key stakeholders, including the Greater London Authority and Ministry for Housing, Communities and Local Government. We are delighted to see that working towards evidence-based solutions, such as those The Passage have implemented, are an integral part of the wider conversation alongside the Mayor of London including The Passage in his Plan of Action to end rough sleeping in the capital by 2030.

7) Implement our IT Transformation programme.

Following an external consultant's review of IT systems in the first half of 2023, the Senior Leadership Team (SLT) appointed a part-time Head of IT to implement the recommended improvements. Two were completed in the previous period:

- CCTV upgrade in January 2024 and
- Engaging an outsourced support desk in February 2024.

During the period of March 2025 – April 2025, the IT team successfully delivered:

- Telephony modernisation: upgraded across all sites to cloud-based technology, offering secure remote access, enhanced functionality, and eliminating a legacy server (completed June 2024).
- Microsoft Office migration: moved essential server functions from on-premises infrastructure to the cloud (completed February 2025).
- Expanded IT team.

Significant cybersecurity improvements were also made:

- Simulated phishing campaigns conducted with all staff (initiated April 2024).
- Multifactor authentication rolled out across major systems (completed January 2025).
- Implementation of Microsoft recommendations, boosting the secure score from 42 to 60 (completed February 2025).
- Comprehensive review of the cybersecurity position, including progressing towards Cyber Essentials accreditation.
- Penetration testing of firewalls and websites.
- Evaluation of enhanced antivirus solutions (EDR). A decision being made in March 2025, with rollout planned for June 2025.
- Cybersecurity insurance review to ensure its suitability.

These initiatives have substantially reduced hardware-related single points of failure and strengthened operational resilience.

All significant procurement is now governed by a robust process involving senior staff in decision-making. This process was instrumental in selecting an intranet platform which was rolled out in June 2025.

In October 2024, an IT Forum was established to review The Passage's IT strategy. This forum has convened three times to date, with participation from senior IT professionals, frontline staff, and individuals with lived experience.

The IT team rapidly installed networking, CCTV, and Wi-Fi equipment at The Passage's newest accommodation project, Penn House, in December 2024.

8) Pilot a services and policy consultancy work stream, to further develop our influencing and convening work, inform possible avenues for our next 3-year strategy, and diversify income streams.

Our consultancy work goes from strength to strength with work being undertaken to capacity build a new organisation in Guernsey, research completed with New York City, training provided to New York State and research in Dublin, Ireland.

9) Continue to develop our work identifying the link between human trafficking and homelessness to generate tangible systemic change.

In addition to delivering our Navigator Scheme at an operational level in Westminster, The Passage has also carried out pieces of research for the Office of the Independent Anti-Slavery Commissioner, and the Modern Slavery and Human Rights Policy and Evidence Centre, as well as publishing reports on the intersection between homelessness and modern slavery in both Dublin and New York City, to inform and influence systemic change at an international level.

10) Develop and enhance our digital platforms to further raise brand awareness, amplify client voices and engage existing and new supporters.

Over the last 12 months, we have continued to develop the ways in which we communicate key messages, campaigns and moments of importance to help reach and engage a broad audience. Some examples of this work include:

- Announcing Dara O'Briain as a new celebrity ambassador for The Passage to mark World Homelessness Day in October. This included coverage and interviews with Dara volunteering in The Passage Resource Centre, shared on all social platforms and our website.
- Further developed and improved our social media strategy, including specific plans tailored to each platform to shape content and optimise engagement with a focus on breaking the stigma of homelessness and highlighting the impact of our work. We have also put in place a reporting and tracking systems for key metrics, such as increasing our social media reach.
- Developed and launched a successful campaign in response to the General Election with a clear call to action and strapline of '#makethisthecoversation'. The campaign identified three key asks – 1) Invest in what works 2) Leadership and accountability 3) A radical approach to social housing. The campaign included writing to the Shadow Cabinet, extensive coverage on social media and communication to our warm supporters.
- Undertook our first ever brand awareness survey to measure unprompted and promoted awareness of The Passage from a sample of 500 people, to help inform future brand awareness and marketing activity

- The Passage was featured in an exclusive documentary featuring our Royal Patron, Prince William, which was broadcast on ITV, ITVX and Disney+ which generated extensive press and media coverage, including multiple mentions of The Passage resulting in a significant increase of visitors to our website, increased engagement across our social media channels and increased donations.
- The promotion and marketing of our Big Give Christmas Campaign is exclusively digital. The campaign not only exceeded financial target, but also engaged almost 200 new supporters who have opted in to receive regular communications.
- We piloted our first cold fundraising appeal to c.200,000 households in the Greater London area which resulted in the recruitment of new supporters, donations and increased brand awareness.

Strategic objectives for 2025/26

1) Complete the implementation of our Excellence for All quality programme.

2) Fully establish our Lived Experience Assembly and continue to incorporate co-production in every aspect of our work.

3) Further develop our work to address the links between modern slavery and homelessness and our consultancy services that specialise in this field.

4) Further develop our data and evidence-led approach, ensuring we capture the impact of our services to inform our work, the wider sector and government strategy.

5) Complete and fully establish our IT Transformation programme.

6) Work with local, regional, and central government to shape and develop strategies to end homelessness.

7) Grow and diversify our funding and further increase our brand awareness.

8) Deliver year 1 of new 3-year strategy.

Passage Housing Services update

Passage Housing Services (PHS), a private company limited by guarantee without share capital, was incorporated on December 2, 2014 (Company No. 09337431). It operates as a wholly owned subsidiary of Passage 2000, a charity and company limited by guarantee dedicated to ending street homelessness. Passage 2000 is a registered charity (No. 1161696) and PHS is a Registered Social Landlord (RP Number: 4842) and registered charity (charity number: 11616696).

Objectives and Strategies
With the acquisition of the lease of Montfort House, PHS now oversees 73 individual accommodation units. Following refurbishment, the units at Passage House became operational in August 2022, and Bentley House units were available from December 2022, with 10 units occupied by March 31, 2023. Montfort House units were taken on with residents in situ.

PHS's three-year strategy (2025-28) aligns with the strategic priorities of Passage 2000.

The principal income for the year was derived from core rents for the three properties, collected by Passage 2000 on behalf of PHS.

The entity held reserves of £370k at year-end (2024: £266k). Passage 2000 will continue to support PHS in its activities

Passage Trading Services update

Passage Trading Services Limited (PTS) is a company limited by shares and was incorporated in November 2015 (company number 09874011). It is a wholly-owned subsidiary of Passage 2000. PTS is governed by an independent Board of Directors including a trustee of Passage 2000.

Passage Trading Service's core business is the operation of Cathedral View conference venue, located on the 5th floor of The Passage's St Vicent's Centre. The venue generates income through room hire, roof garden hire and catering. This year, Passage Trading Services also launched a series of Supper Club events, also held in Cathedral View. The first event was hosted by food specialist, Ash Juggessur (Cheffing with Ash), and the second with self-taught cook and influencer, Calum Harris. PTS also generates income through the sale of *A Taste of Home*, a cookbook launched in 2020 to mark The Passage's 40th anniversary.

The Passage Trading Services business plan adheres to the Charity Commission (CC35) definitions of trading as follows:

Primary Purpose Trading: Contributes directly to the objects of a charity
To achieve this, PTS aims to create training or employment opportunities for people that have been supported by The Passage and other partner organisations. This year The Passage has worked closely with Hotel School, and a graduate of Hotel School is now part of the PTS team.

Ancillary Trading: Contributes indirectly to the furtherance of the purpose of the charity.
To achieve this, PTS aims to raise awareness of The Passage by introducing Cathedral View, Supper Club, and other PTS customers to the work of The Passage. This year PTS has hosted 5,500 customers in the conference venue and hosted 57 guests at Supper Clubs.

Non-primary Purpose Trading: Trading to raise funds for the charity – involving 'no significant risk' to charity assets. To achieve this, all profit for PTS are donated back to The Passage under gift aid. This year PTS generated over £265,000 in income and will contribute approximately £40,000 back to The Passage. PTS also paid The Passage £45k of loan interest.

Thank yous

The Passage is very fortunate to be supported by many corporate businesses, trusts, foundations and individuals. We are hugely grateful to them all.

The funders listed below have been mentioned due to the size of their donation, or as a special condition of their support.

- Alta Advisers Limited
- Baker Street Quarter
- Baringa Partners LLP
- Garden House School Parents' Association
- Nelsons Homeopathic Pharmacy
- PIMCO Foundation
- Findlay Park Partners LLP
- Landsec
- Lloyd's of London Foundation
- Qube Research and Technology
- Manchester Square Partners
- Javelin Global Commodities Services Ltd
- BlackRock
- The Caledonia Investments Charitable Foundation
- Harbour Energy PLC
- London Heritage Quarter

We would also like to take this opportunity to thank everyone within The Passage community. To all our funders, donors, volunteers, to our staff, events participants, and those raising awareness and changing the narrative that surrounds homelessness - we hugely appreciate your support.

Financial Review

Financial results for the year ended 31st March 2025

The financial results for the year ended 31st March 2025 show a surplus of £1,265k (2024: £1,678k deficit).

The surplus includes exceptional unrestricted legacy gifts of £1,786k.

If we exclude this, the result for the year is a deficit of £521k. This deficit arises from depreciation in restricted expenditure, whereby we are setting depreciation against £20m of capital funding donated in past years for the refurbishment of St. Vincent's Centre, Passage House and Bentley House.

The surplus in the unrestricted fund, if the exceptional legacy income is excluded, is £245k (2024: £533k deficit).

In the last year, we were fortunate to receive an exceptional legacy gift. Previously, when similar circumstances have occurred such as in 2016, we undertook a comprehensive building refurbishment of St Vincent's Centre, and again in 2023, we refurbished Passage House and created 20 new units of social housing in our Bentley House scheme. We will therefore use this funding to create more housing options with a focus on securing new accommodation units for those who have experienced homelessness and are now entering the world of employment. Having a safe and affordable home during the first months of employment will help to create stability and the right environment for progression into longer term accommodation.

A designated asset management fund will also be created to safeguard the future of our existing properties.

Income from charitable activities – Statutory bodies' grants

Statutory income was £3,084k (2024: £2,324k). £402k. of this year's income relates to a new grant from Westminster City Council to run an additional accommodation project, Penn House. An analysis of this income and its uses is in notes 19a and 19b.

Statutory income forms 28% (2024: 30%) of the total income of The Passage.

Expenditure

Employment costs made up 61% of total expenditure in the year (2024: 64%).

Details of expenditure to deliver our services are given in note 5 of the financial statements.

Details of all restricted and unrestricted funds are given in note 19.

Fundraising donations and legacies

The Passage relies on the generosity of our supporters to help us achieve our vision of a society where homelessness no longer exists, and everyone has a place to call home. Our supporters are at the heart of so much of what we do, and we are truly grateful to the many individuals, companies, trusts and foundations, churches, schools and community groups whose donations make our work possible.

Donations (excluding legacies) in the year were £4,005k (2024: £3,219k).

Legacy income in the year was £1,886k (2024: £163k). This includes two exceptional legacy gifts totalling £1,786k referred to above.

The cost of raising donations and legacies was £1,314k (£2024: £1,164k). After deducting Passage Trading Services expenditure this is £1,153k (2024: £1,016k). These costs include our communications and marketing activities, which provides support to the whole organisation including a key focus on our policy and influencing work.

Passage Trading Services is responsible for operating our Cathedral View Conference Venue which generates revenue from commercial hire, with the profits donated to Passage 2000 under gift aid.

Balance Sheet

The Balance Sheet continues to show a healthy financial position with total net assets of £27.8m (2024: £26.5m).

The cash balance has remained steady with a balance at the end of the year of £2.3m (2024: 2.0m). Debtors have increased from £870k in 2024 to £2,492k in 2025 due to accrued legacy income of £1,815k in 2025 (2024: £153k). £1,791k of the accrued legacy income has been received and the remaining balance is expected to be received by the end of the 2026 financial year.

Designated funds and reserves

The Board is aware of the need to maintain adequate reserves to fund working capital, ensure that adequate resources are available to avoid disruption to the services for the charity's clients and ensure that the charity's work can be continued into the future.

The Board has taken a risk-based approach to develop an appropriate level of undesignated free reserves. This has been focused on the key risks identified on The Charity's risk register.

Income risk:

The Charity has varied and reliable sources of funding. However, the challenging economic environment continues to place significant strain on charities who are helping a growing number of people in need, but with less funding available and higher costs to cover. Voluntary income has therefore been identified as a potential area of risk. This review has produced a figure of £630k to be held in free reserves.

Unplanned expenditure:

The Board wants to ensure that The Charity can react effectively and be resilient in the face of an un-expected event or need affecting our clients. An amount of £500k has been decided upon to meet this risk.

Adaptability:

Faced with potentially changing funding streams, The Charity must have the ability to adapt, re-align and potentially re-structure at short notice, and with minimal impact on its clients, in order to then continue effectively within a new model. An amount of £268k has been decided upon to meet this risk.

Information Technology:

The Board wants to ensure continuous investment in IT infrastructure as well as protect against the risk of a cyber breach. An assessment of these risks has produced a figure of £240k.

Maintenance:

The charity owns property that needs constant maintenance and periodic refurbishment. As such, the trustees are undertaking a review of the future financial commitment required to ensure that the properties remain in good condition and fit for purpose. In addition to this a reserve of £250k has been decided upon to meet any urgent unexpected facilities needs to ensure the health and safety of The Charity's clients, staff and volunteers.

Targeted reserves figure:

	£'000
Income risk	630
Unplanned expenditure	500
Adaptability	268
IT	240
Maintenance	250
Total:	**1,887**

Based on the above The Board believes undesignated free reserves in the range of £1.9m to £2.1m should be held. There are currently undesignated free reserves (after excluding long-term liabilities) of £2,140k. This is within the targeted range.

Designated funds are set aside to enable the Trustees to develop specific areas of charitable work. The Board has designated £2.5m of unrestricted reserves to develop our housing options provision and £360k to ensure the long-term maintenance of our buildings as well as funds for depreciation of fixed assets

Going concern

Going concern is a fundamental accounting concept which underpins the preparation of all UK companies' financial statements. Under this concept, it is assumed that a company will continue in operation and will have sufficient funds to continue in operation meeting liabilities as they fall due for at least the 12 months from the date the accounts are approved.

The trustees have set aside a level of reserves to enable us to continue to operate effectively in a changing landscape as well as to continue to develop and grow the organisation.

The capital project completed in the 2022-23 has future-proofed key parts of our infrastructure and designated funds have been put aside to continue to cement our long-term resilience.

The trustees are confident that we can continue to operate and meet our obligations for the foreseeable future.

Governance and management structure

Passage 2000 ("The Passage") is incorporated in England as a company limited by guarantee, company number 3885593. The company is registered with the Charity Commission, registered charity number 1079764. For Companies Act purposes, the members of the Board of Trustees are the directors of the company.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Board of Trustees and Committees

Under the Articles of Association, the election of the Board is in the power of the members of the company at the Annual General Meeting. The Sister Provincial of the Daughters of Charity of St Vincent de Paul ("the Provincial") and the Administrator of Westminster Cathedral ("the Administrator") are ex officio company members. They each have the right to serve on the Board of Trustees and each to appoint a second member of the Board of Trustees.

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the year ended 31 March 2024. The company has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its Board of Trustees, employees and agents and to indemnify the Board or other officers against the consequences of any neglect or default on their part.

Four committees advise the Board on:

- Finance
- Risk and Audit
- People, Performance and Culture.
- Digital Marketing and Communications

They also assist the Board in monitoring the work of the company in these areas.

The Board has adopted a formal code of good governance – Good Governance - A Code for the Voluntary and Community Sector which can be downloaded from the Code Steering Group website: https://www.charitygovernancecode.org/en/pdf.

Selection and training of new Board members

In line with The Passage's Equity, Diversity and Inclusion policy and procedure, new Board members are recruited with appropriate skills and backgrounds following a regular assessment of the experience of current Board members and the areas in which additional expertise is required.

New members of the Board and its Committees see all aspects of the work of The Passage at first hand and have one-to-one meetings with senior employees. All Trustees are encouraged to undertake training, where necessary, to enable them to discharge their responsibilities more effectively.

Other Information

Public benefit statement

The Trustees confirm that they have complied with their duty under sections 4 & 17(5) of The Charities Act 2011 to have regard to the public benefit guidance published by The Charity Commission. This report includes a detailed description of the activities undertaken by the charity during the year to further its charitable purposes for the public benefit.

The Board has referred to the Charity Commission's guidance on public benefit when reviewing its strategy and objectives, and in planning The Passage's future activities.

The assistance given to people who are homeless is proportionate to their needs. All members of the Board, Committees and senior employees complete an annual conflict of interest declaration. The Board has referred to the Charity Commission's guidance on public benefit and has planned The Passage's activities to avoid the granting of any private benefit other than one that is purely incidental to carrying out The Passage's objectives. The Board believes it has followed the Charity Commission's guidance in this area.

Related parties

The subsidiary companies Passage Housing Services and Passage Trading Services are both related parties.

The Administrator of Westminster Cathedral and the Sister Provincial of the Sisters of Charity of St Vincent de Paul, by virtue of their right to board membership and to each appoint a board member are also both related parties of the company. Full details of transactions and balances with these related parties are shown in note 9.

Pay policy for senior employees

The Board of Trustees delegate responsibility for the day-to-day operations of the charity to the Chief Executive and Senior Leadership Team (SLT). The pay of SLT is reviewed annually The Passage 2000 Board benchmark against pay levels in other similar charities.

Trustees and Committee members give their time freely and none have received remuneration or reimbursement of expenses in the past year.

Safeguarding of vulnerable adults

The Passage has a safeguarding policy regarding vulnerable adults. The organisation takes responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. If clients believe that they are subject to abuse of any kind, they are encouraged to speak to a member of staff or volunteer at the project, or to an external advocate. Risk assessments, needs assessments and support plans are implemented and agreed with clients, are reviewed on a regular basis, and are recorded and kept on file at the project. In addition, risk assessments that relate to all forms of abuse that may occur, detail potential risks to staff and volunteers, and to clients who use the service.

The Passage's recruitment and selection process aims to ensure that those short-listed and selected for job vacancies have the skills and experience that are relevant to the posts. Suitability is tested by means of an application form, and a formal interview with a panel of at least two senior members of staff. The Passage obtains Disclosure and Barring Service (DBS) checks on all staff members or volunteers who may be working with clients in unsupervised contexts.

Living wage

The Passage is an accredited London Living Wage Employer under a scheme organised by the Living Wage Foundation.

Fundraising Regulator

The Passage is registered with the Fundraising Regulator and the Chartered Institute of Fundraising. We follow the Code of Fundraising Practice guidelines on best practice and are compliant with current data protection legislation. The safety and appropriate use of supporters' data is important to us and we will never share or sell personal details to another organisation for their own use. We have not received any formal fundraising complaints in the past financial year and there have been no fundraising compliance issues.

All our fundraising activities are carried out in-house by a team that is employed directly by The Passage – for some activities such as direct mail appeals, we may work with a specialist direct mail agency on an ad-hoc basis. We do not use professional fundraisers or commercial participators to fundraise on our behalf. Our staff and any agencies or consultants that we use are expected to follow the standards in the Code of Fundraising Practice which forms part of their induction programme as well as monthly reviews. We are fortunate to receive support from volunteers who assist with public collections or collections at Passage events and they follow the required standards with regard to handling supporter data and donations.

We follow the Code of Practice guidelines in relation to the fair treatment of all donors to ensure that they can make an informed decision about their support. We take into account the needs of any possible donor who may be in vulnerable circumstances. Our policy, as per the Code, is to return any donations to a supporter that may not have the capacity to make an informed decision. This practice is also in line with The Passage's own values.

From time to time, we may purchase places in sports and challenge events, giving our supporters the opportunity and choice to raise money for The Passage.

Principal risks and uncertainties

The Board of Trustees regularly assesses the major risks to which the company is exposed. The systems established to mitigate those risks are periodically reviewed to ensure that they continue to meet the needs of the company.

The Risk and Audit Committee meets regularly and reviews in greater detail the risks to which The Passage is exposed and the approach of the senior management team to mitigate such risks. A risk register highlighting high, medium and low risks is maintained and regularly reviewed; this is a vital tool in risk management. A risk-based internal audit approach is in operation.

Key risks identified on the risk register are:

Risk	Description	Mitigations
Income	The risk of voluntary income not meeting budgeted levels.	Offering new products, running new campaigns and events to engage supporters. Diversifying income streams. Developing a new social media strategy.
Cyber Security	A breach in cyber security	Implementing a new cyber-security strategy.
Health & Safety	Risk of health and safety issue linked to our facilities	Updated health & safety policy, annual review points followed up and reviewed by the Risk & Audit committee. Staff training.
Confidential Information	Not meeting GDPR requirements	Having a strong GDPR policy in place which is regularly reviewed. Staff trained on how to handle such data.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Passage 2000 for the purposes of company law) are responsible for preparing the Trustees' report, including the Strategic Report, and 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 that give a true and fair view of the state of affairs of the charitable company and group, and of the incoming resources and application of resources, including the income and expenditure of the charitable company and group 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 applicable Statement of Recommended Practice (Accounting and Reporting by Charities) (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 proper and 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, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information, and to establish that the charity's 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 31.3.2024 was 13 (2023:13). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Signed on behalf of the Board

Michael Kelly, Chair of Trustees

Approved by the Board on 23rd September 2025

Independent Auditor's report

Independent auditor's report to the members of Passage 2000

Opinion

We have audited the financial statements of Passage 2000 (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's and parent charitable company's 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 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Passage 2000's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.

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 parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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

21 November 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, Lane, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities

	Note	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Income from:							
Donations and legacies	2	4,802,140	1,088,381	**5,890,521**	2,795,559	586,217	3,381,776
Charitable activities	3						
Grants from statutory bodies		–	3,083,730	**3,083,730**	–	2,323,988	2,323,988
Accommodation and prevention projects		1,366,282	–	**1,366,282**	1,129,529	–	1,129,529
Other income		130,898	28,185	**159,083**	186,831	–	186,831
Other trading activities	4	542,587	–	**542,587**	457,725	–	457,725
Investments		42,074	–	**42,074**	36,561	–	36,561
Total income		6,883,981	4,200,296	**11,084,277**	4,606,205	2,910,205	7,516,410
Expenditure on:							
Raising funds	5	1,282,612	–	**1,282,612**	1,164,367	–	1,164,367
Charitable activities	5						
Passage Resource Centre		2,428,312	788,333	**3,216,645**	2,665,578	586,748	3,252,326
Accommodation and prevention projects		1,011,913	3,091,480	**4,103,393**	1,324,051	2,404,794	3,728,846
Depreciation		110,201	1,086,275	**1,196,476**	106,497	1,063,907	1,170,404
Total expenditure		4,833,038	4,966,088	**9,799,126**	5,260,493	4,055,449	9,315,942
Net income / (expenditure) for the year	6	2,050,943	(765,792)	**1,285,152**	(654,288)	(1,145,244)	**(1,799,531)**
Transfers between funds		–	–	**–**	–	–	–
Net income / (expenditure) before other recognised gains and losses		2,050,943	(765,792)	**1,285,152**	(654,288)	(1,145,244)	(1,799,531)
Other gains / (losses)		(19,733)	–	**(19,733)**	121,194	–	121,194
Net movement in funds	19	2,031,210	(765,792)	**1,265,418**	(533,094)	(1,145,244)	(1,678,338)
Reconciliation of funds:							
Total funds brought forward		5,736,568	20,767,539	**26,504,107**	6,269,661	21,912,783	28,182,444
Total funds carried forward		7,767,779	20,001,746	**27,769,525**	5,736,568	20,767,539	26,504,107

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 19a to the financial statements.

£758k of prior year unrestricted expenditure has been reallocated from Accommodation and Prevention Projects to Passage Resource Centre to reflect the current allocation of project expenditure in these categories.

Balance sheet

Company number: 03885593 | Charity number: 1079764

	Note	The group 2025 £	The group 2024 £	The charity 2025	The charity 2024 £
Fixed assets:					
Tangible assets	11	**22,641,275**	23,597,684	**21,330,164**	22,248,787
Investments	12	**1,189,289**	1,162,413	**1,189,389**	1,162,513
		23,830,563	24,760,097	**22,519,553**	23,411,300
Current assets:					
Debtors	15	**2,491,651**	870,093	**2,492,629**	863,939
Cash at bank and in hand		**2,332,135**	1,957,365	**2,233,939**	1,876,852
		4,823,786	2,827,458	**4,726,567**	2,740,791
Liabilities:					
Creditors: amounts falling due within one year	16	**(622,825)**	(755,948)	**(545,643)**	(660,886)
Net current assets		**4,200,962**	2,071,510	**4,180,925**	2,079,906
Total assets less current liabilities		**28,031,525**	26,831,607	**26,700,477**	25,491,205
Loans to Subsidiaries	15	**–**	–	**699,275**	722,288
Creditors: amounts falling due after more than one year	16	**(262,000)**	(327,500)	**–**	–
Total net assets		**27,769,525**	26,504,107	**27,399,752**	26,213,493
Funds:	19a				
Restricted income funds:					
Capital funds		**19,611,667**	20,566,581	**19,611,667**	20,566,581
Other funds		**390,079**	200,958	**390,079**	200,958
Total restricted funds		**20,001,746**	20,767,539	**20,001,746**	20,767,539
Unrestricted income funds:					
Designated funds		**5,889,607**	4,031,102	**5,889,607**	4,031,102
General funds		**1,878,172**	1,705,466	**1,508,399**	1,414,852
Total unrestricted funds		**7,767,779**	5,736,568	**7,398,006**	5,445,954
Total funds		**27,769,525**	26,504,107	**27,399,752**	26,213,493

Approved by the trustees on 23rd September 2025 and signed on their behalf by

Michael Kelly, Chair of Trustees

Consolidated statement of cash flows

	Note	2025 £	£	2024 £	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		**1,285,152**		(1,799,531)	
Depreciation charges		**1,196,476**		1,170,404	
Interest income		**(42,074)**		(36,561)	
(Increase)/decrease in debtors		**(1,618,169)**		293,469	
(Decrease) / increase in creditors		**(198,623)**		38,160	
Net cash provided by / (used in) operating activities			**622,761**		(334,060)
Cash flows from investing activities:					
Dividends, interest and rents from investments		**42,074**		36,561	
Purchase of fixed assets		**(240,066)**		(249,870)	
Purchase of investments		**(50,000)**		(300,000)	
Net cash (used in) investing activities			**(247,992)**		(513,309)
Change in cash and cash equivalents in the year			**374,770**		(847,369)
Cash and cash equivalents at the beginning of the year			**1,957,365**		2,804,734
Cash and cash equivalents at the end of the year			**2,332,135**		1,957,365

Analysis of cash and cash equivalents and of net debt

	At 1 March 2024 £	Cash flows £	Other non-cash changes £	**At 31 March 2025 £**
Cash at bank and in hand	1,957,365	374,770	–	**2,332,135**
a **Total cash and cash equivalents**	1,957,365	374,770	–	**2,332,135**

Notes to the financial statement

1) Accounting policies

a) Statutory information

Passage 2000 is a charitable company limited by guarantee and is incorporated in England. Passage 2000 operates as The Passage.

The registered office address is at St Vincent's Centre, Carlisle Place, London SW1P 1NL. The Passage provides resources which encourage, inspire and challenge homeless people to transform their lives.

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiaries Passage Trading Services Limited and Passage Housing Services on a line by line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the parent charity and its subsidiaries entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of 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.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Reserves have been set at a level to enable the charity to continue to operate effectively in a changing landscape as well as to continue to develop and grow the organisation. The Capital Refurbishment Project completed in 2022-23 has future-proofed key parts of the charity's infrastructure and designated funds have been put aside to continue to cement the charity's long-term resilience.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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) 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.

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.

g) 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.

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. Revenue funding from statutory bodies is normally spent in its entirety during the year. Individual balances on the restricted funds relating to revenue expenditure funded by statutory bodies is not material and no further analysis is therefore given.

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 charity 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 direct staff and support costs.
- Other expenditure represents those items not falling into any other heading.

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 activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Basis of allocation		Raising funds	PRC	Acc & Prevention
Management and planning	Use	14%	43%	43%
Finance	Use	25%	25%	50%
Information resources	Staff nos	7%	41%	51%
Human resources	Staff nos	7%	41%	51%
Facilities management	Use	1%	60%	39%
Governance		0%	50%	50%
Depreciation	Use	0%	70%	30%

Facilities management costs are recharged on the basis of the use of the services, taking floor areas occupied, and the intensity of their use. Information resources and Human resources overheads are charged on the basis of the number of staff engaged in each activity.

Governance costs are the costs associated with the governance arrangements of the charity.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £5,000. 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:

- Land | Not depreciated
- Fixtures and fittings | 5 - 20 years
- Equipment | 3 - 15 years

Freehold buildings are split between structural and other major components which require periodic replacement. Each such major component is capitalised at cost, and then depreciated over an estimated useful life, which has been set taking into account internal and external professional sources. Major components are treated as separable assets and depreciated over their expected useful economic lives, or the lives of the structure to which they relate (if shorter) at the following rates:

- Freehold building components
    - External structural | 50 years
    - Internal structural | 25 years
    - Mechanical, electrical, plumbing | 20 years
    - Internal doors, partitions and finishes | 5 years

l) 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.

m) 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.

n) 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.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity has arranged a group personal pension plan, which is a defined contribution scheme, for staff, the costs of which are charged to the Statement of Financial Activities in the year in which the contributions are payable. The charity has no liability for the ultimate benefits paid.

q) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

2) Income from donations and legacies

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Legacies	1,885,952	–	**1,885,952**	163,141	–	163,141
Individuals	1,400,441	50,000	**1,450,441**	1,213,724	–	1,213,724
Westminster Cathedral	217	–	**217**	195	–	195
Church and voluntary groups	277,984	–	**277,984**	186,636	–	186,636
Grants	446,549	734,392	**1,180,941**	317,248	373,210	690,458
Corporate donations	790,997	303,989	**1,094,986**	914,615	213,007	1,127,622
	4,802,140	1,088,381	**5,890,521**	2,795,559	586,217	3,381,776

3) Income from charitable activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Westminster City Council Non-Capital Grants	–	2,980,789	**2,980,789**	–	2,085,799	2,085,799
Government of Ireland: Emigrant Support Programme	–	35,000	**35,000**	–	35,000	35,000
Greater London Authority Non-Capital Grants	–	67,942	**67,942**	–	203,189	203,189
Sub-total for Grants from statutory bodies	–	3,083,730	**3,083,730**	–	2,323,988	2,323,988
Rent from Residential Services	1,366,282	–	**1,366,282**	1,129,529	–	1,129,529
Other Income	130,898	28,185	**159,083**	186,831	–	186,831
Accommodation and prevention projects	1,497,180	28,185	**1,525,365**	1,316,360	–	1,316,360

The total grant for the Government of Ireland: Emigrant Support Programme for the period 1 July 2024 to 30 June 2025 was £35,000 (2024: £35,000); £25,764 was applied in the financial year 2024-25 (2023-24: £29,260) under the following headings:

Staff costs: £24,956 (2024: £27,036) | Client costs: £808 (2024: £2,116) | Volunteers: £nil (2024: £108)

4) Income from other trading activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Hire of meeting rooms and conference facilities	261,253	–	**261,253**	243,555	–	243,555
A Taste of Home (The Passage cookbook)	3,089	–	**3,089**	1,657	–	1,657
Fundraising events	278,244	–	**278,244**	212,513	–	212,513
	542,587	–	**542,587**	457,725	–	457,725

5a) Analysis of expenditure (current year)

		Charitable activities					
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	2025 Total £	2024 Total £
Staff costs (Note 7)	757,325	1,957,368	2,283,554	19,184	991,365	**6,008,797**	5,976,562
Other direct costs	336,881	726,498	1,217,088	–	–	**2,280,468**	1,903,202
Management and planning	–	–	–	–	17,277	**17,277**	25,319
Finance	–	–	–	–	36,071	**36,071**	43,946
Information resources	–	–	–	–	159,564	**159,564**	105,855
Human resources	–	–	–	–	24,573	**24,573**	25,800
Facilities management	–	–	–	–	75,899	**75,899**	64,856
Depreciation	31,237	–	798,957	–	366,282	**1,196,476**	1,170,404
	1,125,443	2,683,867	4,299,599	19,184	1,671,032	**9,799,126**	9,315,944
Support costs	188,405	779,584	703,043	–	(1,671,032)	–	–
Governance costs	–	9,592	9,592	(19,184)		–	–
Total expenditure 2025	**1,313,848**	**3,473,043**	**5,012,234**	**–**	**–**	**9,799,126**	9,315,944
Total expenditure 2024	1,164,367	3,626,720	4,524,857	–	–		9,315,944

Passage Trading costs included in Raising funds: £160,721 (2024: £147,898)

5b) Analysis of expenditure (prior year)

	Charitable activities					
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	**2024 Total £**
Staff costs (Note 7)	709,592	2,066,606	2,215,519	18,869	965,976	**5,976,562**
Other direct costs	275,234	804,214	823,754	–	–	**1,903,202**
Management and planning	–	–	–	–	25,319	**25,319**
Finance	–	–	–	–	43,946	**43,946**
Information resources	–	–	–	–	105,855	**105,855**
Human resources	–	–	–	–	25,800	**25,800**
Facilities management	–	–	–	–	64,856	**64,856**
Depreciation	30,694	–	784,389	–	355,321	**1,170,404**
	1,015,519	2,870,820	3,823,662	18,869	1,587,073	**9,315,944**
Support costs	148,847	746,466	691,760		(1,587,073)	–
Governance costs	–	9,434	9,435	(18,869)		–
Total expenditure 2024	**1,164,367**	**3,626,720**	**4,524,857**	**–**	**–**	**9,315,944**

Passage Trading costs included in Raising funds: £147,898 (2023: £147,976)

6) Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2025 £	2024 £
Depreciation	**1,196,476**	1,170,404
Auditor's remuneration:		
Audit	**24,000**	22,800
Audit fees for subsidiaries	**8,200**	7,900

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

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	**4,847,592**	4,681,865
Social security costs	**503,655**	478,292
Employer's contribution to defined contribution pension schemes	**237,922**	231,089
Other staff costs (including agency costs)	**264,302**	380,732
Training and recruitment	**65,919**	102,901
Redundancy payments	**10,101**	14,165
Other costs	**79,306**	87,518
	6,008,797	5,976,562

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

	2025 No.	2024 No.
£80,000 – £89,999	**–**	**3**
£90,000 – £99,999	**3**	**–**
£100,000 – £109,999	**1**	**1**

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £816,963 (2024: £734,459).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2024: £nil) incurred by no (2024: nil) members relating to attendance at meetings of the trustees.

8) Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 147 (2024: 144).

Staff are split across the activities of the charity as follows:

	2025 No.	2024 No.
Raising funds	**16**	15
Passage Resource Centre	**48**	41
Prevention and accommodation	**57**	62
Support	**26**	26
	147	144

9) Related party transactions

The board of trustees ("The Board") manages the charitable activities of the company.

Passage Housing Services, Passage Trading Services, the Daughters of Charity of St Vincent de Paul ("The Sisters") and Westminster Cathedral are related parties.

Transactions with the Sisters

- The Passage recharged service charges of £29,095 (2024: £25,362) to The Sisters.

Transactions with Westminster Cathedral

- Westminster Cathedral collected donations on behalf of The Passage amounting to £217 (2024: £195).
- No charge was made for the facilities provided by the cathedral for the collection of money to assist the work of The Passage.

Transactions with Passage Trading Services

- The Passage received repayment of £67,775 (2024: £41,621) from Passage Trading Services in loans and advances.
- The Passage made payment of £750 (2024: £4,902) to Passage Trading Services for room hire and cookbooks.
- The Passage recharged catering and salary costs of £16,727 (2024: 11,749)
- Passage Trading Services made a donation of £40,094 (2024: £42,663) to The Passage.

Transactions with Passage Housing Services

- The Passage recharged salary costs of £202,730 (2024: £172,944) to Passage Housing Services.
- The Passage recharged maintenance and insurance costs of £140,546 (2024: £87,373) to Passage Housing Services.
- The Passage collected £481,456 (2024: £322,903) of rent and paid it over to Passage Housing Services.

Transactions with Director of Passage Trading Services

- The Passage paid subscription fees of £3,204 (2024: £2,330) to a company of which a director of Passage Trading Services is also a director. These transactions occurred at arm's length under normal market conditions.

10) Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary, Passage Trading Services Limited, has made a distribution under Gift Aid of available profits of £40,094 (2024: 42,663) to the parent charity. No corporation tax charge has arisen in the current year (2024: £nil).

11) Tangible fixed assets

The group

	Freehold property £	Equipment fixtures and fittings £	Total £
Cost			
At the start of the year	27,868,343	1,699,039	**29,567,382**
Additions in year	8,976	231,090	**240,066**
Disposals in year	–	(60,090)	**(60,090)**
At the end of the year	27,877,319	1,870,039	**29,747,358**
Depreciation			
At the start of the year	4,909,093	1,060,605	**5,969,698**
Charge for the year	968,738	227,738	**1,196,476**
Eliminated on disposal	–	(60,090)	**(60,090)**
At the end of the year	5,877,831	1,228,253	**7,106,084**
Net book value			
At the end of the year	21,999,488	641,787	**22,641,275**
At the start of the year	22,959,250	638,435	23,597,685

All of the above assets are used for charitable purposes.

Westminster City Council hold a 30 year charge on Bentley House (part of St. Vincent's Centre) from 6th February 2023.

	Freehold property £	Equipment fixtures and fittings £	Total £
The charity			
Cost			
At the start of the year	26,353,155	1,632,738	**27,985,893**
Additions in year	8,976	231,090	**240,066**
Disposals in year	–	(60,090)	**(60,090)**
At the end of the year	26,362,131	1,803,738	**28,165,869**
Depreciation			
At the start of the year	4,695,550	1,041,556	**5,737,106**
Charge for the year	944,211	214,478	**1,158,689**
Eliminated on disposal	–	(60,090)	**(60,090)**
At the end of the year	5,639,761	1,195,944	**6,835,705**
Net book value			
At the end of the year	20,722,370	607,794	**21,330,164**
At the start of the year	21,657,605	591,182	22,248,787

All of the above assets are used for charitable purposes.

12) Listed investment

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Fair value at the start of the year	**1,162,413**	741,219	**1,162,513**	741,319
Additions at cost	**50,000**	300,000	**50,000**	300,000
Net (loss) / gain on change in fair value	**(23,124)**	121,194	**(23,124)**	121,194
Fair value at the end of the year	**1,189,289**	1,162,413	**1,189,389**	1,162,513

Investments comprise:

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
UK Common investment funds	**1,189,289**	1,162,413	**1,189,289**	1,162,413
Investments in subsidiary undertakings	**–**	–	**100**	100
	1,189,289	1,162,413	**1,189,389**	1,162,513

13) Subsidiary undertakings

The charity owns the funds of Passage Housing Services, a company registered in England and a Registered Social Landlord. The company number is 09874011 and the RSL number is 4842. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

This entity is used for residential services that, per their lease, need to be run by a registered social housing provider. However, all activity is considered primary purpose. All activities have been consolidated on a line-by-line basis in the statement of financial activities.

A summary of the results is shown below:

	2025	2024
	£	£
Income	**481,456**	322,903
Expenditure	**(369,563)**	(275,308)
Net income for the year	**111,892**	**47,595**
Funds brought forward	**265,607**	218,012
Total funds carried forward	**377,500**	**265,607**
The aggregate of the assets, liabilities and reserves was:		
Assets	**710,801**	692,338
Liabilities	**(333,302)**	(426,731)
Reserves	**377,499**	**265,607**

The charity owns the whole of the issued ordinary share capital of Passage Trading Services Limited, a company registered in England. The company number is 09874011. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line-by-line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results is shown below:

	2025 £	2024 £
Turnover	**265,093**	250,114
Expenditure	**(185,970)**	(165,306)
Gross profit	**79,123**	84,808
Interest on loan payable to parent undertaking	**(44,762)**	(45,455)
Profit on ordinary activities before taxation	**34,361**	39,354
Taxation on profit on ordinary activities	**–**	**3,309**
Profit for the financial year	**34,361**	42,663
Retained earnings		
Total retained earnings brought forward	**5,733**	5,733
Profit for the financial year	**34,361**	42,663
Distribution under Gift Aid to parent charity	**(40,094)**	(42,663)
Total retained earnings carried forward		5,733
The aggregate of the assets, liabilities and reserves was:		
Assets	**–**	779,365
Liabilities	**–**	(773,532)
Reserves	**–**	5,833

Amounts owed to the parent undertaking are shown in note 15.

14) Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2025 £	2024 £
Gross income	**10,791,860**	7,412,749
Result for the year	**(23,124)**	(1,745,207)

15) Debtors

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	**36,054**	33,439	**–**	–
Other debtors	**312,987**	284,570	**312,987**	284,570
Amounts due from subsidiary undertakings	**–**	–	**46,342**	–
Prepayments	**243,854**	212,632	**237,937**	207,166
Accrued income	**1,841,987**	280,998	**1,841,985**	280,998
Sundry Debtors	**56,768**	58,454	**53,377**	91,205
Debtors over one year:				
Funding advance to Passage Trading Services Limited	**–**	–	**699,275**	722,288
	2,491,651	870,093	**3,191,903**	1,586,227

The funding loan to Passage Trading Services Limited, a wholly owned subsidiary, represents funds advanced to enable the subsidiary company to renovate the conference space area which it now hires out. The loan has flexible repayment terms and carries a commercial rate of interest.

16) Creditors: amounts falling due within one year

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	129,023	127,313	127,184	125,391
Taxation and social security	145,866	155,826	126,418	142,439
Pension contributions	37,108	41,342	37,108	41,055
Other creditors	78,451	70,985	12,951	5,485
Amounts due to subsidiary undertakings	–	–	34,940	–
Accruals	211,073	355,240	200,019	346,516
Deferred income (note 17)	21,303	5,241	7,022	–
	622,825	755,948	545,643	660,886

Creditors greater than one year comprises amounts due for the buyback of the lease on Bentley House of £262,000 (2024: £327,500) and is repayable over 9 years (until 2030) in equal instalments each year.

The value of one annual payment, £65,500, is included in Current Creditors (2024: £65,500).

17) Deferred income

Deferred income comprises funds in advance from Housing benefits, room hire paid in advance and an insurance payout for which costs have not yet been paid.

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Balance at the beginning of the year	5,241	4,674	–	3,001
Amount released to income in the year	(5,241)	(4,674)	–	(3,001)
Amount deferred in the year	21,303	5,241	7,022	–
Balance at the end of the year	21,303	5,241	7,022	–

18a) Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	–	3,029,607	19,611,667	22,641,275
Investments	1,189,289	–	–	1,189,289
Net current assets	950,883	2,860,000	390,079	4,200,962
Long term liabilities	(262,000)	–	–	(262,000)
Net assets at 31 March 2025	1,878,171	5,889,607	20,001,746	27,769,525

18b) Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	–	3,031,102	20,566,582	23,597,684
Investments	1,162,413	–	–	1,162,413
Net current assets	870,552	1,000,000	200,957	2,071,509
Long term liabilities	(327,499)	–	–	(327,499)
Net assets at 31 March 2024	1,705,466	4,031,102	20,767,539	26,504,107

19a) Movements in funds (current year)

	At 1 April 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2025 £
Restricted funds:					
Advice & Advocacy	20,001	95,010	(111,598)	–	**3,413**
Health & Wellbeing	1,830	23,000	(24,830)	–	**–**
Prime Services	1,000	300,875	(159,326)	–	**142,549**
Private Rented Sector	50,000	118,000	(158,241)	–	**9,759**
Home for Good	2,847	23,492	(26,338)	–	
No Night Out	–	95,000	(60,165)	–	**34,835**
Passage House	27,000	–	(3,317)	–	**23,683**
Montfort House	4,484	–	(3,294)	–	**1,190**
Penn House	–	107,664	(11,195)	–	**96,468**
Modern Slavery	–	–	–	–	**–**
Employment and training	72,086	148,189	(175,052)	–	**45,223**
Resettlement	–	–	–	–	**–**
Community Intervention Team	–	–	–	–	**–**
Prevention and partnership	1,010	313,000	(204,010)	–	**110,000**
Other statutory grants	17,151	–	(3,041)	–	**14,110**
Other restricted funds	3,549	2,976,067	(2,950,616)	–	**29,000**
Building fund:					
St Vincent's refurbishment	8,748,323	–	(271,914)	–	**8,476,408**
Passage House and Bentley House ref	6,109,571	–	(757,570)	–	**5,352,001**
St Vincent's Centre	3,922,516	–	(17,977)	–	**3,904,539**
General Building development fund	914,253	–	(6,550)	–	**907,703**
Passage House	832,869	–	(13,545)	–	**819,324**
Passage Resource Centre	39,049	–	(7,509)	–	**31,540**
Total restricted funds	20,767,538	4,200,296	(4,966,088)	–	**20,001,746**
Unrestricted funds:					
Designated funds:					
Equipment	58,812	–	(17,369)	–	**41,443**
Housing Options Development	1,000,000	–	–	1,500,000	**2,500,000**
Infrastructure Development	147,451	–	(23,520)	–	**123,931**
Asset Management	–	–	–	360,000	**360,000**
Fixed Assets	2,824,839	–	(69,313)	108,706	**2,864,232**
Total designated funds	4,031,102	–	(110,201)	1,968,706	**5,889,607**
General funds	1,705,466	6,883,981	(4,742,570)	(1,968,706)	**1,878,172**
Total unrestricted funds	5,736,568	6,883,981	(4,852,771)	–	**7,767,779**
Total funds	26,504,107	11,084,277	(9,818,859)	–	**27,769,525**

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

19b) Movements in funds (prior year)

	At 1 April 2023	Income & gains	Expenditure & losses	Transfers	Restated At 31 March 2024
	£	£	£	£	£
Restricted funds:					
Advice & Advocacy	50,000	67,000	(96,999)	–	**20,001**
Health & Wellbeing	76,373	–	(74,543)	–	**1,830**
Prime Services	21,490	122,694	(143,184)	–	**1,000**
Private Rented Sector	30,000	50,000	(30,000)	–	**50,000**
Home for Good	9,790	46,523	(53,466)	–	**2,847**
No Night Out	–	10,000	(10,000)	–	**–**
Co-Production	–	30,000	(30,000)	–	**–**
Rough Sleeping Team	–	–	–	–	**–**
Passage House	–	27,000	–	–	**27,000**
Montfort House	–	5,000	(516)	–	**4,484**
Modern Slavery	–	–	–	–	**–**
Westminster Housing Project	8,568	–	(8,568)	–	
Employment and training	5,841	158,000	(91,755)	–	**72,086**
Resettlement	–	–	–	–	**–**
Community Intervention Team	3,225	–	(3,225)	–	**–**
Prevention and partnership	74,098	66,500	(139,588)	–	**1,010**
Other statutory grants	–	2,323,988	(2,306,837)	–	**17,151**
Other restricted funds	2,911	3,500	(2,862)	–	**3,549**
Building fund:					
St Vincent's refurbishment	9,020,205	–	(271,882)	–	**8,748,323**
Passage House and Bentley House ref	6,867,141	–	(757,570)	–	**6,109,571**
St Vincent's Centre	3,940,493	–	(17,977)	–	**3,922,516**
General Building development fund	914,253	–	–	–	**914,253**
Passage House	846,414	–	(13,545)	–	**832,869**
Passage Resource Centre	41,982	–	(2,933)	–	**39,049**
Total restricted funds	21,912,783	2,910,205	(4,055,450)	–	**20,767,539**
Unrestricted funds:					
Designated funds:					
Equipment	156,382	–	(17,570)	(80,000)	**58,812**
Housing Options Development	1,800,000	–	–	(800,000)	**1,000,000**
Infrastructure Development	244,000	–	(3,849)	(92,700)	**147,451**
Fixed Assets	–	–	(85,079)	2,909,918	**2,824,839**
Total designated funds	2,200,382	–	(106,498)	1,937,218	**4,031,102**
General funds	4,069,279	4,606,205	(5,032,800)	(1,937,218)	**1,705,466**
Total unrestricted funds	6,269,661	4,606,205	(5,139,298)	–	**5,736,568**
Total funds	28,182,444	7,516,410	(9,194,748)	–	**26,504,107**

Purposes of restricted funds:

- The St Vincent's Refurbishment Fund - Represents payments contributed by developers to The Passage for the refurbishment of St Vincent's Centre, plus interest earned on this fund.
- The Passage House and Bentley House Refurbishment Fund - Represents donations made specifically for the refurbishment of Passage House and Bentley House
- The St Vincent's Centre Building Fund - Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.
- The General Development Fund - Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.
- The Passage House Fund - Consists of the historical cost of Passage House to The Passage Trust, less accumulated depreciation and loss on disposals to 31 March 2023 (including the Lily Ann & William Wiggins Fund of £146,045, which the donor agreed could be used for this purpose), and grants payable to the company to develop Passage House.

- The Passage Resource Centre Fund - Represents a legacy received by The Passage Trust for use in the Resource Centre, given to Passage 2000 for the development and maintenance of the Resource Centre.

All other restricted fund balances represent donations and grants received or receivable during the year to support the running of specific projects, which have not been entirely spent by the end of the year.

Restricted funding includes the following grants:

Westminster City Council:

- Passage House Grant - Funding to provide specialist triage, assessment and resettlement housing related support for people who were identified as new to rough sleeping in Westminster.
- Montfort House Grant – Funding to provide specialist housing related support for people with a history of rough sleeping in Westminster.
- Bentley House Grant – Funding to provide specialist housing related support for people with a history of rough sleeping or acute mental health issues in Westminster.
- Newman Street Grant - Funding to provide on site support to residents in temporary accommodation.
- Penn House Grant - Funding to provide on site support to residents in temporary accommodation.
- Private Rented Sector Advice Grant - Grant to employ a staff team giving advice and assistance to homeless people to access private rented accommodation and related resettlement costs.
- No Night Out Grant – Funding to provide prevention of homelessness advice, support and resettlement.
- Modern Slavery Grant – Funding towards a service to identify and support people who are homeless and survivors of modern slavery and trafficking.
- Housing Solutions Service Grant – Funding for prevention activity, advice and assistance for people at risk of or who are currently homeless.

Irish Government

- Department of Foreign Affairs - Funding to employ a worker to co-ordinate the Resource Centre's services to Irish clients and to research their needs.

Purposes of designated funds:

- Equipment Fund - Represents the net book value of equipment, apart from equipment funded as part of the St Vincent's refurbishment project.
- Housing Options Development Fund – Designated for future developments to the housing options that we can offer to ensure that decent housing is available for our client group as part of our 2022-2025 strategy.
- Infrastructure Development Fund – These funds represent the net book value of unrestricted fixed assets purchased as part of the project to improve our processes and systems to ensure that we are meeting the needs of clients with quality solutions and agility.
- Asset Management Fund - These funds are designated to support they charity's asset management strategy to ensure the long-term maintenance of buildings and fittings.
- Fixed Assets Fund – These funds represent the net book value of unrestricted fixed assets which are not included in either the Equipment Fund or Infrastructure Development Fund.

20) Financial commitments

	2025 £	2024 £
Equipment:		
Obligations due within 1 year	16,605	16,605
Obligations due in 2-5 years	4,151	27,676
Total commitments	**20,757**	**44,281**

Total operating lease commitments paid between April 2024 and March 2025 were £16,605 (2024: £16,605).

The Passage

Everyone deserves a place to call home

Trustees' Report and Accounts

2024 - 2025

www.passage.org.uk
media@passage.org.uk
020 7592 1850

Charity Number 1079764
St Vincent's Centre, Carlisle Place, London, SW1P 1NL

Registered with FUNDRAISING REGULATOR

PASSAGE 2000

England & Wales - Charity number 1079764

Accounts

Trustees' Report and Accounts

2023 - 2024

The Passage

Everyone deserves a place to call home

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Trustees, Senior Management, and Advisors

Founding Patron: Cardinal Basil Hume | **Royal Patron:** HRH Prince of Wales | **Patron:** Cardinal Vincent Nichols

Chair of Trustees: Michael Kelly FICRS, FRSA

Board of Trustees:

Michael Kelly FICRS, FRSA (Chair)

Victoria Bevilacqua-Stephenson

Sr Eileen Glancy - *resigned 24 January 2024*

Kevin Hyland

Christopher Morris (Chair of Risk and Audit Committee) - *resigned 12 December 2023*

Roisin Murphy (Deputy Chair)

Antonio Orlando

Dr Iram Sattar

Christopher Williams (Treasurer, Chair of Finance Committee)

Calvin Lau

Alexandria Godwin-Brown

Michael Broom (Chair of Risk and Audit Committee)

Joanna Hindley

Karen Marie Dennehy – *appointed 12 March 2024*

Claire Wise – *appointed 12 March 2024*

Sr Margaret Barratt – *appointed 18 June 2024*

Company Secretary: Jane Sandeman

Senior Management Team:

Michael Clarke (Chief Executive)

Emma Noble (Director of Income Generation and Communications)

Jane Sandeman (Chief Operating Officer)

Jenny Travassos (Director of Housing and Services)

Principal Bankers: HSBC Belgravia Branch, The Peak, 333 Vauxhall Bridge Road, London, SW1V 1EJ

Solicitors: Pothecary Witham Weld, 84 Eccleston Square, London, SWIV 1PX

Auditors: Sayer Vincent LLP, Invicta House, 108 – 114 Golden Lane, London, EC1Y 0TL

Telephone: 020 7592 1850 | **Fax:** 020 7592 1870 | **Website:** www.passage.org.uk | **Email:** info@passage.org.uk

Charity registration number: 1079764 | **Company number:** 03885593

Address: The Passage, St Vincent's Centre, Carlisle Place, London SWIP 1NL

The trustees present their report and the audited financial statements for the year ended 31 March 2024. Reference and administrative information set out on this page forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' and strategic report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Chief Executive and Chair's Statement: Directors' and Strategic Report

The Passage's vision is of a society where street homelessness no longer exists and where everyone has a place to call home.

We have now completed year 2 of our 3-year business plan No Going Back. The strategy was informed by our learnings from the pandemic, ensuring that our client-facing services are implemented with a sense of urgency and focusing in particular on solutions to prevent homelessness.

The Passage has continued to develop innovative and creative services that help to prevent and end homelessness for those who come to our doors. This has taken place at a time when we are seeing the highest number of people who are street homeless in over a decade, which is both deeply disappointing and deeply concerning, especially as over half are reported as sleeping out for the first time.

Despite this unprecedented rise, The Passage has **prevented 844 people from becoming street homeless through our Housing Solutions and No Night Out schemes. This is 326 more people that we have helped than in the previous 12-month period.**

In our other projects, we have also achieved incredible outcomes, for example, providing routes off the street and into sustainable employment. Each service and indeed every aspect of our work across the organisation is aligned to our values, this ensures that everyone using our services experiences the dignity and respect they deserve.

Our pioneering work to evidence the links between modern slavery and homelessness continues to bring about systemic change and we are now sharing our learnings and best practice with partners internationally. It has also been immensely pleasing to see the real and tangible outcomes in our commitment to Equity, Diversity and Inclusion and quality standards throughout the organisation with the launch of our Excellence for All quality programme.

The people who use our services inspire us every day with their courage and resilience. In the last year, our Experts by Experience panel - who help to ensure that our service delivery, strategic direction and influencing work are delivered with those we support, not to those we support – has gone from strength to strength, and we look forward to further developing these projects over the next 12 months, particularly in the area of governance.

The work of The Passage would not be possible without our dedicated staff and volunteers, who are committed to the art of the possible; being as creative as they possibly can to help those using our services to achieve positive outcomes. Furthermore, our supporters and funders, both voluntary and statutory, are critical to all we do; without their support we simply could not run our services and we thank them sincerely.

As we said earlier, we have seen a significant and rapid increase in the number of people using our services during the last year. In one project alone, we supported over 850 unique individuals in the space of just one month; tangible evidence of the housing crisis that is taking place on our streets. Unsurprisingly these pressures are reflected in our year-end financial position, with costs exceeding income.

Despite these challenges, we remain determined to continue providing services that bring hope to those who need hope the most. The final year of our 3-year business plan coincides with the general election and we will press all the more for a radical and evidence-based strategy in England to end homelessness; promoting and scaling-up prevention projects and schemes that make a real and lasting impact. As a society we find ourselves at a crossroad; either do more of the same or seize the opportunity for radical change. We choose change.

The Passage is not a political organisation, but we are confident in challenging those in power - be it regional or central government - to show real leadership and accountability to drive forward programmes to end homelessness. And we will seek to work collaboratively with them at a strategic and operational level.

The Beveridge Report, published in December 1942, recommended a radical shift in social policy and a more collaborative approach to address the pressing needs of the time. From this came the welfare state and the NHS. We truly need another 'Beveridge Report moment' in social housing, that lifts aspirations above party politics and seeks to work together to deliver a new social housing programme in our country.

We know what needs to be done to end homelessness; we see it in our services each and every day and we witness the hope that this brings to so many individuals. It is this sense of hope that, despite the crisis on our streets, shows us how homelessness can be both prevented and ended.

If you believe this too, please join us in our work to end homelessness and ensure everyone has a place to call home.

Michael Kelly, Chair of Trustees | **Mick Clarke**, Chief Executive

Our vision, mission, ethos and values

Our vision is of a society where street homelessness no longer exists, and everyone has a place to call home.

Our mission is threefold:

1) Prevent street homelessness by intervening quickly before people reach crisis point.

2) End street homelessness by providing innovative and tailor-made services that act with compassion and urgency.

3) Advocate for those who feel they are not heard by amplifying their voice to bring about real systemic change.

Our ethos comes from the teachings and example of St. Vincent De Paul, a Christian and social reformer, who co-founded the Daughters of Charity in 1633. Vincent believed in action rather than words and in hands-on service to vulnerable people.

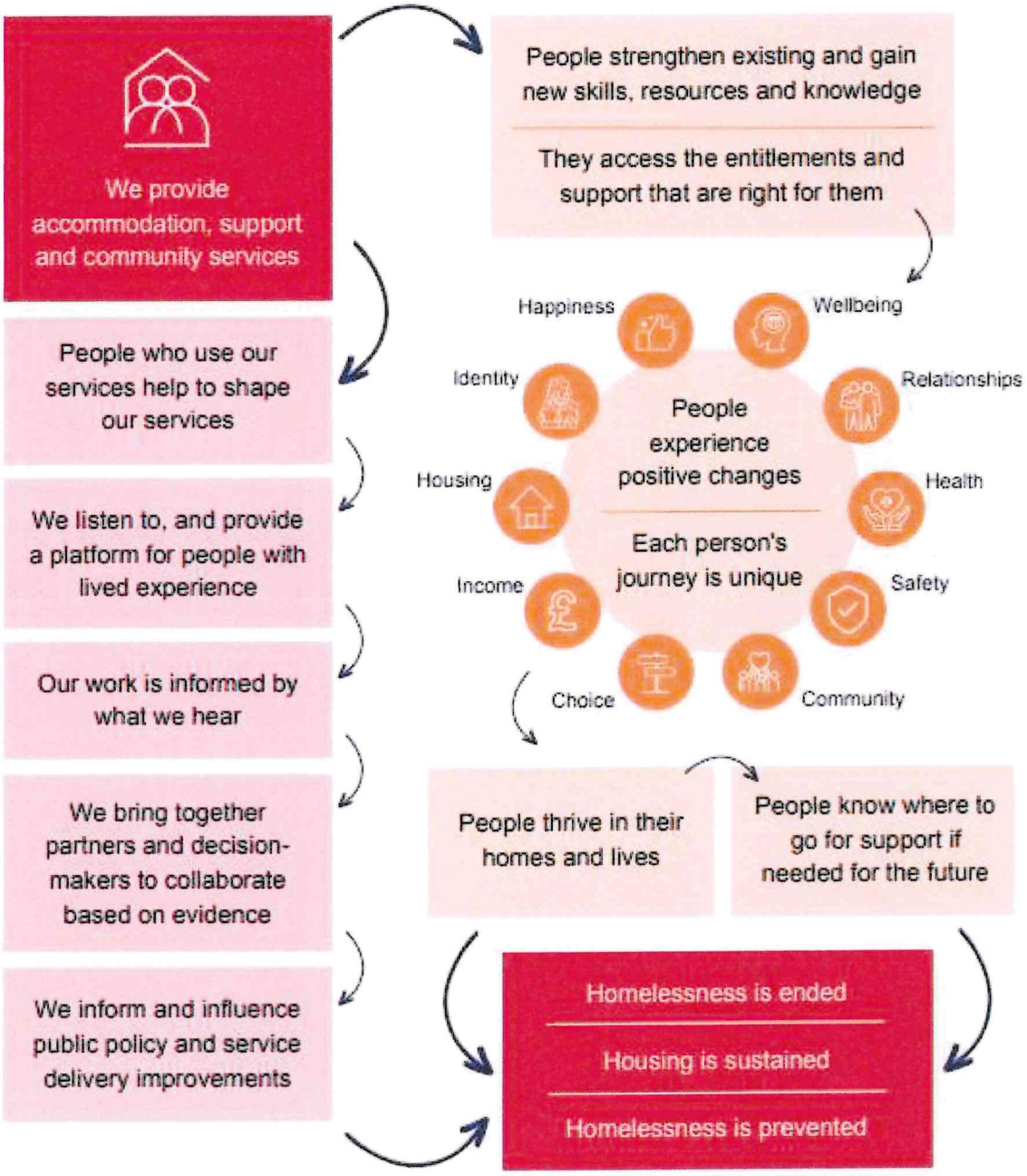
As a Vincentian organisation, The Passage strives to be inclusive, encompassing a diverse and rich culture from within our members, clients, volunteers and staff. Actively working with others across all aspects of society, seeking to have influence and be an advocate for people who are homeless, The Passage seeks to be a place of hope, aspiration, change and innovation, underpinned by values that reach back over four hundred years.

Our values:

- We assist people who have experienced homelessness to realise their own potential to transform their lives.
- We act with compassion and kindness.
- We are a voice for change and justice.
- We build relationships based on trust.
- We respect each other.
- We are straightforward in all our dealings.
- We believe in practical hands-on hard work.
- We collaborate across all sectors of society.

Theory of change model

The Passage is based in the heart of Westminster, providing practical support and a wide range of services to help transform the lives of people who are at risk of street homelessness, who are homeless and those who are victims of modern slavery.



Our impact in 2023/24

We supported 2,146 people who were experiencing or at risk of homelessness in London.

Prevention:

- 844 people were prevented from becoming homeless across the organisation.

Accommodation:

- 325 people were helped to move into accommodation.
  - 217 people helped into long-term accommodation.
  - 56 people helped into emergency accommodation.
  - 94 people helped into temporary accommodation.

Please note: some individuals may fall into more than one accommodation category

Advice and advocacy:

- 23 people with no eligibility for public funds were helped away from the street.
- 43 immigration cases were resolved.
- 46 survivors of modern slavery were supported by our Modern Slavery Team.
- **84 people were helped to access benefits and reduce their debts.**

Engagement and outreach:

- 501 Outreach sessions completed by our Community Intervention Team.
- 343 people were received support from our Health and Outreach teams.

Education and employment:

- 329 people were supported by this service across 2,870 interventions.
- 47 people were helped to secure a job.
- 106 clients accessed training with 65 people receiving digital support.
- 23 clients were supported to access volunteering.
- 54 groups sessions were delivered supporting 144 clients.
- 32 Roma clients were supported to access work or training.
- 31 people were supported to retain employment across 151 interventions.

Demographics data for those who supported

Below is the demographic data of those we supported in 2023/24, representing those who disclosed this information*.

Age:

- 18-24: 295 (8.99%)
- 25-35: 987 (30.09%)
- 36-59: 1624 (49.51%)
- 60+: 374 (11.28%)

Gender:

- Male: 1844 (74%)
- Female: 653 (26%)
- Non-binary / transgender: 3 (0.12%)

Ethnicity:

- Asian or Asian British: 204 (15.04%)
- Black, Black British, Caribbean, or African: 380 (28.02%)
- Mixed or multiple ethnic groups: 71 (5.24%)
- White: 651 (48.01%)
- Other: 50 (3.69%)

Please note, this information will be grouped as 2021 census.

**This data is representative of those who disclosed their age, gender, or ethnicity with our teams.*

A message from our Experts By Experience Team

The Experts By Experience team is a group of individuals with a lived experience of homelessness, who work with us over the course of a calendar year across a range of different projects.

As we move into the new financial year, it presents an opportunity to reflect on the achievements of the Experts By Experience (EBE) Project and set out the upcoming direction of co-production work within The Passage.

The 2023 EBE team have made a unique contribution to The Passage, supported in progressing the project, and have worked with us to develop and deliver several exciting projects. Many of these were informed through consultation with other service users, through peer research.

At the conclusion of the calendar year, and following the successful advertising, recruitment, and training of a new EBE 2024 group, a number of the 2023 tranche are stepping into further employment or training:

JG has secured a full-time paid role as a Community Health & Wellbeing Worker at The Abbey Centre.

EB has secured a paid consultancy role on a project with the Westminster Homeless Partnership.

JW is volunteering as a Peer Coordinator role with Groundswell.

DH is studying at the Mayor's Academy on a Digital programme via the Employment Team.

"Being a client of the Passage, it is easy to be tunnel-visioned into believing that all you have to look forward to, are the services given every day (food, shower etc).

My inclusion into the Experts by Experience (EBE) team, came at a time when I was still looking for a place to stay. At times it felt like there was a conflict of interests by attending the sessions. 'Why am I helping someone else if I haven't been able to sort out my own situation?' However, as time progressed, my EBE involvement broke that tunnelled perspective on life and gave me a sense of purpose which I can proudly evidence on my CV.

It has also led to me currently work with a private consultant to tackle issues surrounding homelessness in Westminster. This is not, nor has it ever been a 'not for profit' exercise. I come away with my EBE cohort from the Passage, in the knowledge that I have new forward-thinking friends to rely on and a lasting feel-good factor that cannot be bought."

- The Passage 2023 EBE Cohort

The group remain in touch with the project on a consultancy basis and have supported the recruitment and embedding of the 2024 team, which have worked to solidify as a team and begun co-producing with us.

So far, the new EBE 2024 group have:

- Completed our Terms Of Reference
- Delivered staff training on organisation skills.
- Consulted on the Competencies Framework
- Delivered Peer Research, speaking to over 40 clients & developing an action plan for managers.
- Helped develop the staff supervision template.

We will continue to work together over the course of the year to help guide and steer our delivery and continue to embed the voice of lived experience in everything we do.

Review of volunteering

Between 1st April 2023 – 31st March 2024, 210 people volunteered a total of 13,988.5 hours at The Passage. This shows a 19% increase compared to the financial year ending on 21st March 2023 (with 11,770.5 hours given).

We received an average of 20 applications per month, totalling 245 for the year. Most applicants found out about volunteering at The Passage through their own web search. The second most common way people heard about it is from current or previous staff members or volunteers which indicates the experience has by those people was good.

This year there has been a noticeable increase in the number of people who convert to volunteers compared to 22/23, 62% of those who applied in 23/24 went onto volunteer, which is up from 27% in the previous year.

New roles have been developed, particularly in the Employment Strategy team where volunteers have supported with:

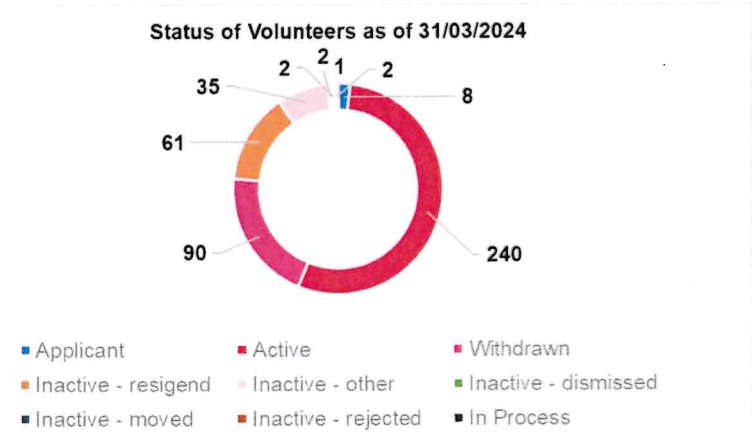
- Fitness classes.
- Digital drop-in sessions.
- In-work support groups.
- CV clinics.
- English conversation sessions.

Two volunteer celebration events were held in June and December, attended by approx. 70 guests each.

November saw the launch of a new Volunteer Management System, Better Impact, which replaces Salesforce. Volunteers can log in and book shifts and update their details anytime they need to. Staff with volunteer supervisory responsibility have been trained in how to use it.

We have also partnered with Community Payback Scheme run by HM Prison and Probation Service to bring volunteers to our Resource Centre Kitchen. Two participants started to volunteer in the kitchen totalling 51 hours in February and March 2024.

We saw the Home for Good Community Partnerships and Sunday Social club come to an end in March 2024.



As shown in the graph above, the 35 volunteers with a status of 'Other' represents former Home for Good Volunteers whose '*tenure*' ended with the closure of Home for Good project.

The number of accepted volunteers as of 21/03/24, is lower than the total number of people who volunteered over the course of the entire year as some volunteers have left. Of the 30 people who haven't volunteered:

- 19 completed the Volunteer Induction in March.
- 9 have been contacted about booking a shift and have replied saying they will.
- 2 have booked a shift in April 2024.

Review of strategic objectives

1) Evaluate our No Night Out and Housing Solutions Service and share our findings and recommendations with the wider sector and central/local government.

We evaluated the first 12 months of operation of our No Night Out programme using the data and evidence gathered and followed up each case to identify whether anyone had been seen sleeping rough since the intervention.

The evidence demonstrated that of the 101 people who were supported through NNO, only 1 has been seen sleeping rough in London after going through the NNO programme.

We have shown the approach works and as we move into our second year of the scheme, we continue to develop the approach to best meet the needs of the people we work with.

The outcomes have been shared with wider local and central government colleagues alongside colleagues in the wider sector of organisations supporting those experiencing homelessness.

2) Ensure that any additional infrastructure required to support the delivery of this plan is in place.

In 2023/2024 we invested in our infrastructure to ensure that we had created resilience to deliver on the current three-year strategy and had capacity for future growth.

We developed full capacity in People's Services- delivering a comprehensive Learning and Development plan throughout the organisation. We started to develop our Business Partnership model- investing in a volunteer database and enhancing our HR database to enable managers to have more control. We conducted an NCVO review of our volunteering offer and have put an action plan in around the recommendations.

We developed the IT department. We appointed a Head of IT, two project managers and contracted with a Managed Service provider. This has enabled us to identify key IT projects to deliver and has meant we do not have the risk of a single point of failure.

We appointed a Financial Controller at the beginning of 2023/2024 to support the Finance function and have developed a Financial Policy and comprehensive financial procedures to underpin that policy.

We increased our Facilities department by an extra post and are continuing to develop how the facilities and maintenance function is proactive rather than reactive.

3) Develop our Steps Home programme, ensuring sustainable routes off the streets for those using Passage services.

Following the comprehensive refurbishment of Passage House and Bentley House, we now have 37 brand new, en-suite rooms in our assessment centre and 20 units of new social housing for people who have long histories of experiencing homelessness.

Following the refurbishment, we were delighted to find the outcomes we have achieved with our residents have improved, which demonstrates that providing high quality housing environments positively impacts people's experiences in services.

As part of this refurbishment, we have further developed Passage Housing Services, our Registered Provider arm, to implement the high standards required of being a registered provider of housing alongside focusing on value for money in managing the accommodation, tenant satisfaction, complaints handling and resident involvement.

4) Continue to develop our quality systems across the organisation (with SMG responsible for the central coordination across teams/departments), to capture the impact of our work, support our staff and reinforce our commitment to EDI in every aspect of The Passage.

Developing our quality systems forms part of our Excellence for All (EfA) Programme. Overseen by the Senior Leadership Team, the programme provides the ownership and co-ordination needed to successfully deliver quality improvements across every part of the organisation.

Each project that makes up EfA aims to improve how we operate so that we are an organisation that continually evaluates, learns and improves. The projects range from updating our Competency Framework to developing a bespoke Intranet. Involving frontline staff, and the people who use our services, we have reviewed and reissued key policies. They provide a robust, values driven framework which provides sufficient guidance to ensure consistently high quality services, whilst still encouraging innovation.

Our commitment to Equity, Diversity and Inclusion (EDI) is mainstreamed throughout the guidance we provide staff and we have refreshed and reissued our EDI Policy. Our staff led EDI Group devised and delivered an EDI staff survey to involve everyone in our ongoing work to develop an EDI strategy and action plan.

We continue to update and refine our Outcomes Framework to ensure that we are able to evidence the impact of our work.

5) Further develop our work on the links between modern slavery and homelessness, including sharing the findings of our international mapping work in this area.

Human trafficking and modern slavery do not respect borders; this is an international issue. Over the course of the last year, in partnership with DePaul Ireland, we have completed research in Dublin which explored the links between human trafficking and homelessness.

This research will be published in April 2025 and has evidenced that there is a link and that there are clear actions that can be taken to increase the number of survivors who are identified and supported. We also began a research project in New York City in partnership with the Mayor's Office to End Domestic Abuse and Gender Based Violence.

We have completed site visits (including taking part in a street count), surveys and interviews with partners and look forward to launching the report in the coming year.

6) Continue to develop our internal communications systems and forums and implement our new external communications and digital marketing strategy.

At the Staff Conference in May 2023, we gathered feedback and ideas for how to improve internal communications and continue building a 'one organisation' culture within The Passage. This was used to inform a number of projects as part of our Excellence for All quality programme, including Internal Communications Content and Updates, Celebration Communications and Staff Networking Events. A key project currently under development and to be rolled out in 2024 is the implementation of a staff intranet.

We established a new Digital Marketing and Communications governance committee, which first met in June 2023 with the purpose of:

- Sharing knowledge and skills that will help to raise the profile of The Passage and attract/retain new supporters.
- Supporting and advising with the creation of a new Digital Content strategy.
- Guiding The Passage to influence decision makers and represent the views of its clients.
- Supporting a recruitment and stewardship programme for celebrity and high-profile ambassadors/patrons.
- Sharing relevant trends, insights and opportunities that could be adopted by The Passage.

Key achievements this year include:

- An audit to capture feedback about our online presence leading to the development of a new social media strategy and improvements to our website content and user experience.
- Reviewing the options for a new Email CMS leading to the launch of a new platform resulting in enhanced database integration, improved automation and audience segmentation ready for rolling out supporter journeys.
- Development of a new Media Consent Pack in consultation with staff and clients, which we will use to gather client stories and case studies with their permission, in order to generate authentic and meaningful content for our digital platforms and campaigns.

Social Media Strategy

We have developed a new social media strategy informed by external benchmarking, expertise from the Digital Marketing and Communications Committee and a comprehensive analysis of our current social media performance and content. During the last 6 months, we have tested a range of different post, calls to action and messages to measure audience engagement.

The strategy has three clear objectives:

1) To raise awareness of The Passage's services and impact.
2) To help educate both warm and cold audiences about our work and wider homelessness issues whilst giving our clients a platform to share their stories and experiences.
3) To engage new supporters through building fruitful relationships with The Passage via our online community.

We've also clearly identified and agreed how each objective will be measured, some of the key metrics being:

- Engagement Rate: gauging audience interaction and measuring content engagement
- Reach and Impressions: monitor the reach and impressions of our content to assess our online visibility
- Follower Growth: indicating the effectiveness of our strategies in attracting new supporters
- Click-Through Rates (CTRs): measure the effectiveness of our call-to-actions
- Conversions: how our social media efforts contribute to specific goals, such as event sign-ups or donations

We will monitor our activity on a monthly, quarterly and yearly basis and share these results with the DM & Comms Committee for feedback and to identify where there may be areas for new opportunities or further improvement.

Finally, we have identified four key audience personas that we will target using social media.

These profiles have been developed based on the people that we know are most likely to be interested and engage with our work, our cause and our sector and they have been reviewed in line with our wider communication objectives for the organisation.

7) Further develop our co-production work, ensuring we deliver our services with those we support, and not to those we support, further developing the influence of those we work with in our everyday work and decision making.

We know that we are stronger and better as an organisation when we involve people with lived experience of homelessness in our decision-making and service delivery. At the core of our Co-production work sits the Experts By Experience (EBE) Group, a team of individuals with lived experience of accessing Passage services. The EBE Group spearheads peer-delivered, co-produced surveys which, alongside our Client Forums, help to ensure we better understand the needs of the people who use our services and that we factor their voices in our organisational development. Highlights include:

- Delivering a project to enable people who currently use our services to volunteer within our Resource Centre
- Co-producing a Welcome Pack for people new to our service, backed by a weekly induction group delivered by our lived experience volunteers.
- Launching an art group that is led by a volunteer with experience of using our services.
- Ensuring that people with lived experience are represented on all frontline worker interview panels
- Co-producing a social media consent pack to ensure that we provide bespoke choices on how images and stories of our clients' lived experience of homelessness are shared online.

We have also supported our EBE members to represent lived experience voices across a variety of external platforms, including:

- Producing training for Network Rail staff on how to engage with people who are street homeless.
- EBE participation in the Westminster Homelessness Partnership co-production steering group.
- Engagement with DLUHC on policy development that impacts vulnerable people.

We are looking to expand our co-production work over the next year. Alongside our current co-production programme, we are focusing on meaningful ways to include lived experience voices in our organisation's governance structures and training provision.

Striving to achieve Excellence for All

The Excellence for All Programme: The No Going Back Strategy sets out a clear vision of the organisation that we want to be and the societal changes we want to achieve.

Our Excellence for All (EfA) Programme supports our staff and volunteers to play a full part in delivering that vision. The programme manages a portfolio of projects that aim to continually improve our working practices. We are building a culture that is supportive, inspiring and resilient.

We focused our last Staff Conference on the theme of Excellence for All to ensure that our programme not only reflects our strategic vision, but features the developments that staff felt that they most needed to perform at their best. It incorporates our Quality Programme through which we have continued to develop policies and procedures that support our staff to deliver innovative services within a clear framework.

The programme also brings together projects ranging from developing new appraisal and competency frameworks to building an Intranet to help connect all our services and teams.

The successful implementation of the EfA programme will ensure that all our staff feel confident in their roles, develop their careers and most importantly deliver amazing services with and for the people who come through our doors.

Co-production: *please see page 8 and page 13 (strategic objective 7).*

Equity, Diversity, and Inclusion (EDI): The Passage started a journey in 2022 to embed EDI across the organisation, seeking to better understand the diversity needs of the service users, staff & volunteers, and to ensure that The Passage provides an inclusive and equitable working environment and service for all.

In the last year, the EDI Working Group, made of staff from across the organisation, focussed on 3 key areas:

1) Policy – As part of the QAF Project, the organisational EDI Policy was reviewed by both the Staff Consultation Group and the EDI Working Group. It was amended following consultation and following recommendations the Working Group developed Best Practise Guides for all 9 of the Protected Characteristics.

   Whist the decision has been reached since that the Best Practise Guides are not needed within the policy itself, they will be available on Share Point for all staff to access, enabling the organisation to be proactive in our work around EDI, rather than reactive.

2) Staff survey – In order to best understand what we are doing well as an organisation and where we need to improve, as well as what staff learning needs are and who our workforce are, the Working Group developed a staff survey.

   The survey was announced at the 2023 staff conference in May and Phase 1, focused on demographic data of the workforce, was run in September 2023. It was a great success, with 73% of staff completing the survey. The data from this survey was collated and reviewed by the Working Group, and feedback was gathered to inform how Phase 2, focused on staff experience and learning needs, would be developed. Phase 2 is due for launch April 2024.

3) Training – The EDI Training Module, previously developed by the EDI Working Group and launched on Training Tracker, is now mandatory training for all staff – ensuring a basic knowledge and understanding of EDI and the Equalities Act.

The Working Group members have also been actively attending and promoting external trainings related to EDI, which has resulted in staff across the organisation attending a range of specialist trainings on topics such as 'Helping to Identify Adults who may have a Learning Disability', 'Anti-Racism Training', 'Roma Prejudices & Realities', 'Supporting LGBTQI Survivors of Modern Slavery' and 'Introduction to Gender and Sexuality Diversity.'

The EDI Working Group, in collaboration with the Learning & Development Manager, will use the findings from Phase 2 of the Staff Survey to identify the key learning needs of the organisation related to EDI, and pull together a programme of relevant trainings to support this.

Other achievements in EDI in 23/24:

- Following guidance from the Board and consultation with the EDI Working Group, the term 'equity' has replaced 'equality' in our EDI work. It has been recognised that this better reflects the goals and objectives of the organisation and what we are trying to create in our work around inclusivity.

- The organisation continues to ensure representation at various EDI Forums and within relevant external networks. In addition to this, the current Chair of the EDI Working Group recently spoke on a panel for Nelsons, one of our corporate funders, for their event on International Women's Day, focused on understanding gender disparity in various sectors, including within homelessness.

- Following the accessibility audit of the Resource Centre carried out last year, the EDI Working Group have successfully managed to secure funding to install a stair lift in the Resource Centre to ensure that the Winter Garden space is fully accessible to all.

- With the size of the group and the scope of the work growing, the EDI Working Group are currently in the process of developing clear Terms of Reference and formalising their role within the organisation.

- The EDI Working Group have completed draft EDI Commitments, based on the organisational values. Once consulted on and finalised, these will be shared and form a key part of the EDI Action Plan for the coming year.

- The EDI Working Group will be focusing on the development of the organisational EDI Action Plan this year, as part of the Excellence for All project. At this early stage the main objectives are yet to be confirmed, but it is expected that some key actions that the plan will include will be around addressing the EDI Data Gap for service users, development of EDI Training for Managers, development of the Multi-Faith spaces and the role of the chaplain within client services, and further development of the recruitment process.

Strategic objectives for 2024/25

The objectives below form the final year (2024-25) of our current 3-year strategy No Going Back. During the next 12 months, we will also develop our new 3-year strategy for the period 2025-28.

1) Implement our Excellence for All quality programme across the whole organisation.

2) Build on the success of our homelessness prevention models to ensure we can intervene with urgency to prevent and end homelessness.

3) Explore new housing options to increase pathways off the streets.

4) Continue to develop our co-production work and opportunities to embed co-production within our governance structures.

5) Utilise our data and convening power to demonstrate impact, influence policy and inform/share best practice within the sector, local/central government and the Homewards initiative.

6) Share evidence and our experience of best practice in homelessness prevention with all main political parties in the build up to the General Election, seeking to inform and influence policy direction and manifesto commitments and to address the current crisis in rough sleeping.

7) Implement our IT Transformation programme.

8) Pilot a services and policy consultancy work stream, to further develop our influencing and convening work, inform possible avenues for our next 3-year strategy, and diversify income streams.

9) Continue to develop our work identifying the link between human trafficking and homelessness to generate tangible systemic change.

10) Develop and enhance our digital platforms to further raise brand awareness, amplify client voices and engage existing and new supporters.

Thank you

The Passage is very fortunate to be supported by many corporate businesses, trusts, foundations and individuals. We are hugely grateful to them all.

The funders listed below have been mentioned due to the size of their donation, or as a special condition of their support.

- 3i Group
- Baker Street Quarter Partnership
- Blackrock
- Chestertons Foundation
- Findlay Park Partners LLP
- Garfield Weston Foundation
- Government of Ireland; Emigrant Support Programme
- Javelin Global Commodities
- Landsec
- Manchester Square Partners
- Nelsons
- Findlay Park Partners LLP
- PIMCO Foundation
- Qube Research and Technologies
- The Dischma Charitable Trust
- The Government's Community Organisations Cost of Living Fund
- **The National Lottery Community Fund**
- The Reed Foundation
- The Story of Christmas Appeal
- The Thompson Family Charitable Trust
- The Tompkins Foundation
- Toby and Regina Wyles Charitable Trust
- TP ICAP, via ICAP Charity Day
- Trust for London
- Tudor UK Foundation
- Victoria Business Improvement District

We would like to take this opportunity to thank everyone within The Passage community.

From our funders, donors, volunteers, to our staff, events participants, and those raising awareness and changing the narrative that surrounds homelessness - we are truly grateful for your support.

Financial review

Financial results for the year ended 31st March 2024

In the current year there was a deficit of £1,678k (2023 restated: £3,313k surplus).

The surplus in the prior year was primarily generated by the inflow of £4.2m of restricted income which was applied to the capital project of refurbishing Bentley House and Passage House.

When examining non-capital, unrestricted income, there was an unrestricted deficit of £533k (2023 restated: £2k).

As seen across the sector, there has been a shift in the demand for our services as a result of the ongoing cost of living crisis. This has also had a knock-on effect on the levels of voluntary income received, with individuals, businesses and trusts and foundations being more mindful of their financial contributions.

Therefore, it has been crucial for us to adapt and evolve our services to meet the needs of those we support and alter our expenditure accordingly. Looking ahead we will continue to strategically review our costs and opportunities to diversify our income.

Income from charitable activities – Statutory bodies' grants

Statutory income was £2,324k (2023: £5,228k). Prior year statutory income included £3.1m of capital grants. An analysis of this income and its uses is in notes 19a and 19b.

Statutory income (excluding capital grants) forms 30% (2023: 26%) of the total income of The Passage.

Expenditure

Employment costs made up 64% of total expenditure in the year (2023: 60%). This was impacted by the high NJC pay award in the year and some restructuring costs that will provide efficiencies for future years.

Details of expenditure to deliver our services are given in note 5 of the financial statements. Details of all restricted and unrestricted funds are given in note 19.

Fundraising donations and legacies

The Passage relies on the generosity of our supporters to help us achieve our vision of a society where street homelessness no longer exists, and everyone has a place to call home. Our supporters are at the heart of so much of what we do, and we are truly grateful to the many individuals, companies, trusts and foundations, churches, schools and community groups whose donations make our work possible.

Donations (excluding legacies) in the year were £3,219k (2023: £4,484k). £1,122k of prior year donations related to capital grants. Legacy income in the year was £163k (2023 restated: £1,062k).

The cost of raising donations and legacies was £1,164k (£2023: £955k). After deducting Passage Trading Services expenditure this is £1,016k (2023: £807k). During FY 23-24 we continued to invest in new staff posts and supporter stewardship to establish a professional team of fundraising and communication specialists that will further diversify and enhance income in a sustainable way.

Designated funds and reserves

The Board is aware of the need to maintain adequate reserves to fund working capital, ensure that adequate resources are available to avoid disruption to the services for the charity's clients and ensure that the charity's work can be continued into the future.

The Board has taken a risk-based approach to develop an appropriate level of undesignated free reserves. This has been focused on the key risks identified on The Charity's risk register.

Income risk:

The charity has varied and reliable sources of funding. However, due to the current cost-of-living crisis and the unpredictability of legacy income, voluntary income has been identified as a potential area of risk. This review has produced a figure of £650k to be held in free reserves.

Unplanned expenditure:

The Board wants to ensure that The Charity can react effectively and be resilient in the face of an un-expected event or need affecting our clients. An amount of £500k has been decided upon to meet this risk.

Adaptability:

Faced with potentially changing funding streams The Charity must have the ability to adapt, re-align and potentially re-structure at short notice, and with minimal impact on its clients, in order to then continue effectively within a new model. An amount of £225k has been decided upon to meet this risk.

Information technology:

The Board wants to ensure continuous investment in IT infrastructure as well as protect against the risk of a cyber breach. An assessment of these risks has produced a figure of £300k.

Maintenance:

The charity owns property that needs constant maintenance and periodic refurbishment. As such, the trustees are undertaking a review of the future financial commitment required to ensure that the properties remain in good condition and fit for purpose. In addition to this a reserve of £250k has been decided upon to meet any urgent unexpected facilities needs to ensure the health and safety of The Charity's clients, staff and volunteers.

Targeted reserves figure:

	£'000
Income risk	650
Unplanned expenditure	500
Adaptability	225
IT	300
Facilities	250
Total:	**1,925**

Based on the above The Board believes undesignated free reserves in the range of £1.9m to £2.1m should be held. There are currently undesignated free reserves (after excluding long-term liabilities) of £2,033k. This is within the targeted range.

Designated funds are set aside to enable the Trustees to develop specific areas of charitable work. The Board has designated £1m of unrestricted reserves to develop our housing options provision.

Going concern

The trustees have set aside a level of reserves to enable us to continue to operate effectively in a changing landscape as well as to continue to develop and grow the organisation.

The unprecedented levels of need for our services and the expenditure challenges due to increased salary costs, restructuring and the Cost-of-Living crisis resulted in a deficit in the year. However, the trustees are confident in achieving the surplus budget approved for next year and the organisation maintains a steady cash balance.

The capital project completed in the prior year has future-proofed key parts of our infrastructure and designated funds have been put aside to continue to cement our resilience.

The trustees are confident that we can continue to operate and meet our obligations for the foreseeable future.

Governance and management structure

Passage 2000 ("The Passage") is incorporated in England as a company limited by guarantee, company number 3885593. The company is registered with the Charity Commission, registered charity number 1079764. For Companies Act purposes, the members of the Board of Trustees are the directors of the company.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Board of Trustees and Committees

Under the Articles of Association, the election of the Board is in the power of the members of the company at the Annual General Meeting. The Sister Provincial of the Daughters of Charity of St Vincent de Paul ("the Provincial") and the Administrator of Westminster Cathedral ("the Administrator") are ex officio company members. They each have the right to serve on the Board of Trustees and each to appoint a second member of the Board of Trustees.

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the year ended 31 March 2024. The company has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its Board of Trustees, employees and agents and to indemnify the Board or other officers against the consequences of any neglect or default on their part.

Five committees advise the Board on:

- Client Services
- Finance
- Risk and Audit
- People, Performance and Culture.
- Digital Marketing and Communications

They also assist the Board in monitoring the work of the company in these areas.

The Board has adopted a formal code of good governance – Good Governance - A Code for the Voluntary and Community Sector which can be downloaded from the Code Steering Group website.

Selection and training of new Board members

In line with The Passage's diversity and equality policy and procedure, new Board members are recruited with appropriate skills and backgrounds following a regular assessment of the experience of current Board members and the areas in which additional expertise is required.

New members of the Board and its Committees see all aspects of the work of The Passage at first hand and have one-to-one meetings with senior employees. All Trustees are encouraged to undertake training, where necessary, to enable them to discharge their responsibilities more effectively.

Subsidiary companies

Passage 2000 has two fully owned subsidiary companies.

Passage Housing Services (PHS) is a company limited by guarantee, company number 9337431, charity number 1161696, and a registered provider of social housing number 4842.

Passage Trading Services (PTS) is a company limited by shares, company number 9874011. PTS commenced trading activities in support of Passage 2000 in 2016/17. The main activity of Passage Trading is the operation of Cathedral View conference venue, located within St Vincent's Centre.

Other information

Public benefit statement

The Trustees confirm that they have complied with their duty under sections 4 & 17(5) of The Charities Act 2011 to have regard to the public benefit guidance published by The Charity Commission. This report includes a detailed description of the activities undertaken by the charity during the year to further its charitable purposes for the public benefit.

The Board has referred to the Charity Commission's guidance on public benefit when reviewing its strategy and objectives, and in planning The Passage's future activities.

The assistance given to people who are homeless is proportionate to their needs. All members of the Board, Committees and senior employees complete an annual conflict of interest declaration. The Board has referred to the Charity Commission's guidance on public benefit and has planned The Passage's activities to avoid the granting of any private benefit other than one that is purely incidental to carrying out The Passage's objectives. The Board believes it has followed the Charity Commission's guidance in this area.

Related parties

The subsidiary companies Passage Housing Services and Passage Trading Services are both related parties.

The Administrator of Westminster Cathedral and the Sister Provincial of the Sisters of Charity of St Vincent de Paul, by virtue of their right to board membership and to each appoint a board member are also both related parties of the company. Full details of transactions and balances with these related parties are shown in note 9.

Pay policy for senior employees

The Board of Trustees delegate responsibility for the day-to-day operations of the charity to the Chief Executive and Senior Management Team. The pay of senior staff is reviewed annually, and any increases are applied in line with the cost of living applied as part of the NJC salary scale. The Directors benchmark against pay levels in other similar charities.

Trustees and Committee members give their time freely and none have received remuneration or reimbursement of expenses in the past year.

Safeguarding of vulnerable adults

The Passage has a safeguarding policy regarding vulnerable adults. The organisation takes responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. If clients believe that they are subject to abuse of any kind, they are encouraged to speak to a member of staff or volunteer at the project, or to an external advocate. Risk assessments, needs assessments and support plans are implemented and agreed with clients, are reviewed on a regular basis, and are recorded and kept on file at the project. In addition, risk assessments that relate to all forms of abuse that may occur, detail potential risks to staff and volunteers, and to clients who use the service.

The Passage's recruitment and selection process aims to ensure that those short-listed and selected for job vacancies have the skills and experience that are relevant to the posts. Suitability is tested by means of an application form, and a formal interview with a panel of at least two senior members of staff. The Passage obtains Disclosure and Barring Service (DBS) checks on all staff members or volunteers who may be working with clients in unsupervised contexts.

Living wage

The Passage is an accredited London Living Wage Employer under a scheme organised by the Living Wage Foundation.

Fundraising Regulator

The Passage is registered with the Fundraising Regulator. We follow the Code of Fundraising Practice guidelines on best practice and are compliant with current data protection legislation. The safety and appropriate use of supporters' data is important to us and we will never share or sell personal details to another organisation for their own use. We have not received any formal fundraising complaints in the past financial year and there have been no fundraising compliance issues.

All our fundraising activities are carried out in-house by a team that is employed directly by The Passage – for some activities such as direct mail appeals we work with a specialist direct mail agency. We do not use professional fundraisers or commercial participators to fundraise on our behalf. Our staff and any agencies or consultants that we use are expected to follow the standards in the Code of Fundraising Practice which forms part of their induction programme as well as monthly reviews. We do receive support from volunteers who assist with public collections or collections at Passage events and they follow the required standards with regard to handling donations.

We follow the Code of Practice guidelines in relation to the fair treatment of all donors to ensure that they can make an informed decision about their support. We take into account the needs of any possible donor who may be in vulnerable circumstances. Our policy, as per the Code, is to return any donations to a supporter that may not have the capacity to make an informed decision. This practice is also in line with The Passage's own values.

Principal risks and uncertainties

The Board of Trustees regularly assesses the major risks to which the company is exposed. The systems established to mitigate those risks are periodically reviewed to ensure that they continue to meet the needs of the company.

The Risk and Audit Committee meets regularly and reviews in greater detail the risks to which The Passage is exposed and the approach of the senior management team to mitigate such risks. A risk register highlighting high, medium and low risks is maintained and regularly reviewed; this is a vital tool in risk management. A risk-based internal audit approach is in operation.

Key risks have been identified and mitigated within the reserves policy. Other mitigations include regular budgeting, forecasting and internal policy reviews.

Another key risk relates to the storing of confidential information. This is mitigated by having a strong GDPR policy in place which is regularly reviewed and ensuring that all staff are trained on how to handle such data.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Passage 2000 for the purposes of company law) are responsible for preparing the Trustees' report, including the Strategic Report, and 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 that give a true and fair view of the state of affairs of the charitable company and group, and of the incoming resources and application of resources, including the income and expenditure of the charitable company and group 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 applicable Statement of Recommended Practice (Accounting and Reporting by Charities) (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 proper and 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, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information, and to establish that the charity's 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 31.3.2024 was 13 (2023:13). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Signed on behalf of the Board

Michael Kelly, Chair of Trustees

Approved by the Board on 24/9/24

Independent Auditor's report

Independent auditor's report to the members of Passage 2000

Opinion

We have audited the financial statements of Passage 2000 (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated ***and parent charitable company*** statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's and parent charitable company's 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 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Passage 2000's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.

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 parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
  - We inspected the minutes of meetings of those charged with governance.
  - We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on **those laws and regulations that had a material effect on the financial statements or that had a fundamental** effect on the operations of the group from our professional and sector experience.
  - We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
  - We reviewed any reports made to regulators.
  - We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
  - We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

23 October 2024

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities

	Note	Unrestricted £	Restricted £	2024 Total £	Restated Unrestricted £	Restricted £	Restated 2023 Total £
Income from:							
Donations and legacies	2	2,795,559	586,217	**3,381,776**	3,702,154	1,843,847	5,546,001
Charitable activities	3						
Grants from statutory bodies		-	2,323,988	**2,323,988**	-	5,228,455	5,228,455
Accommodation and prevention projects		1,129,529	-	**1,129,529**	868,925	-	868,925
Other income		186,831	-	**186,831**	42,251	59,371	101,622
Other trading activities	4	457,725	-	**457,725**	411,552	-	411,552
Investments		36,561	-	**36,561**	16,631	-	16,631
Total income		4,606,205	2,910,205	**7,516,410**	5,041,513	7,131,673	12,173,186
Expenditure on:							
Raising funds	5	1,164,367	-	**1,164,367**	954,504	-	954,504
Charitable activities	5						
Passage Resource Centre		1,908,007	586,748	**2,494,755**	2,054,506	464,083	2,518,590
Accommodation and prevention projects		2,081,621	2,404,794	**4,486,415**	1,896,046	2,470,273	4,366,319
Depreciation		106,497	1,063,907	**1,170,404**	98,822	918,724	1,017,546
Total expenditure		5,260,493	4,055,449	**9,315,942**	5,003,877	3,853,081	8,856,958
Net income / (expenditure) for the year	6	(654,288)	(1,145,244)	**(1,799,531)**	37,636	3,278,592	3,316,228
Transfers between funds		-	-	**-**	(36,000)	36,000	-
Net income / (expenditure) before other recognised gains and losses		(654,288)	(1,145,244)	**(1,799,531)**	1,636	3,314,592	3,316,228
Other gains / (losses)		121,194	-	**121,194**	(3,525)	-	(3,525)
Net movement in funds	19	(533,094)	(1,145,244)	**(1,678,338)**	(1,889)	3,314,592	3,312,703
Reconciliation of funds:							
Total funds brought forward	22	6,269,661	21,912,783	**28,182,444**	6,271,550	18,598,191	24,869,741
Total funds carried forward		5,736,568	20,767,539	**26,504,107**	6,269,661	21,912,783	28,182,444

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 19a to the financial statements.

Balance sheet

Company number: 03885593 | Charity number: 1079764

	Note	The group 2024 £	The group Restated 2023 £	The charity 2024	The charity Restated 2023 £
Fixed assets:					
Tangible assets	11	**23,597,684**	24,518,218	**22,248,787**	23,135,699
Investments	12	**1,162,413**	741,219	**1,162,513**	741,319
		24,760,097	25,259,437	**23,411,300**	23,877,018
Current assets:					
Debtors	15	**870,093**	1,163,559	**863,939**	1,223,313
Cash at bank and in hand		**1,957,365**	2,804,734	**1,876,852**	2,700,704
		2,827,458	3,968,293	**2,740,791**	3,924,017
Liabilities:					
Creditors: amounts falling due within one year	16	**(755,948)**	(652,286)	**(660,886)**	(564,622)
Net current assets		**2,071,510**	3,316,007	**2,079,906**	3,359,395
Total assets less current liabilities		**26,831,607**	28,575,444	**25,491,205**	27,236,413
Loans to Subsidiaries	15	**-**	-	**722,288**	722,288
Creditors: amounts falling due after more than one year	16	**(327,500)**	(393,000)	**-**	-
Total net assets		**26,504,107**	28,182,444	**26,213,493**	27,958,700
Funds:	19a				
Restricted income funds:					
Capital funds		**20,566,581**	21,630,488	**20,566,581**	21,630,488
Other funds		**200,958**	282,295	**200,958**	282,295
Total restricted funds		**20,767,539**	21,912,783	**20,767,539**	21,912,783
Unrestricted income funds:					
Designated funds		**4,031,102**	2,200,382	**4,031,102**	2,200,382
General funds		**1,705,466**	4,069,279	**1,414,852**	3,845,535
Total unrestricted funds		**5,736,568**	6,269,661	**5,445,954**	6,045,917
Total funds		**26,504,107**	28,182,444	**26,213,493**	27,958,700

Approved by the trustees on 24 September 2024 and signed on their behalf by

Michael Kelly, Chair of Trustees

Consolidated statement of cash flows

	Note	2024 £	£	Restated 2023 £	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		**(1,799,531)**		3,316,228	
Depreciation charges		**1,170,404**		761,068	
Loss on disposals of fixed assets		**–**		256,478	
Interest income		**(36,561)**		(16,631)	
(Increase)/decrease in debtors		**293,469**		69,501	
Increase/(decrease) in creditors		**38,160**		(947,199)	
Net cash provided by / (used in) operating activities			**(334,060)**		3,591,914
Cash flows from investing activities:					
Dividends, interest and rents from investments		**36,561**		16,631	
Purchase of fixed assets		**(249,870)**		(5,447,336)	
Purchase of investments		**(300,000)**		(100,000)	
Net cash provided by / (used in) investing activities			**(513,309)**		(5,530,705)
Change in cash and cash equivalents in the year			**(847,369)**		(1,938,791)
Cash and cash equivalents at the beginning of the year			**2,804,734**		4,895,994
Cash and cash equivalents at the end of the year			**1,957,365**		2,804,734

Analysis of cash and cash equivalents and of net debt

	Restated at 1 April 2023 £	Cash flows £	Other non-cash changes £	At 31 March 2024 £
Cash at bank and in hand	2,804,734	(847,369)	–	**1,957,365**
a **Total cash and cash equivalents**	2,804,734	(847,369)	–	**1,957,365**

Notes to the financial statement

1) Accounting policies

a) Statutory information

Passage 2000 is a charitable company limited by guarantee and is incorporated in England. Passage 2000 operates as The Passage.

The registered office address is at St Vincent's Centre, Carlisle Place, London SW1P 1NL. The Passage provides resources which encourage, inspire and challenge homeless people to transform their lives.

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiaries Passage Trading Services Limited and Passage Housing Services on a line by line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the parent charity and its subsidiaries entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of 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.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Reserves have been set at a level to ensure that continued operations in a changing environment (including any impact of the cost of living crisis on utility costs and wage inflation) can be sustained. The Capital Refurbishment Project was completed in 2022-23 and will have no future impact on operating income.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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) 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.

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.

g) 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.

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. Revenue funding from statutory bodies is normally spent in its entirety during the year. Individual balances on the restricted funds relating to revenue expenditure funded by statutory bodies is not material and no further analysis is therefore given.

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 charity 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 direct staff and support costs.
- Other expenditure represents those items not falling into any other heading.

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 activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Basis of allocation		**Raising funds**	**PRC**	**Acc & Prevention**
Management and planning	Use	14%	43%	43%
Finance	Use	25%	25%	50%
Information resources	Staff nos	7%	41%	51%
Human resources	Staff nos	7%	41%	51%
Facilities management	Use	1%	60%	39%
Governance		0%	50%	50%
Depreciation	Use	0%	70%	30%

Facilities management costs are recharged on the basis of the use of the services, taking floor areas occupied, and the intensity of their use. Information resources and Human resources overheads are charged on the basis of the number of staff engaged in each activity.

Governance costs are the costs associated with the governance arrangements of the charity.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £5,000. 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.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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:

- Land | Not depreciated
- Fixtures and fittings | 5 – 20 years
- Equipment | 3 – 15 years

Freehold buildings are split between structural and other major components which require periodic replacement. Each such major component is capitalised at cost, and then depreciated over an estimated useful life, which has been set taking into account internal and external professional sources. Major components are treated as separable assets and depreciated over their expected useful economic lives, or the lives of the structure to which they relate (if shorter) at the following rates.

- Freehold building components:
  - External Structural | 50 years
  - Internal Structural | 25 years
  - Mechanical, Electrical & Plumbing | 20 years
  - Internal doors, partitions and finishes | 5 years

l) 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.

m) 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.

n) 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.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity has arranged a group personal pension plan, which is a defined contribution scheme, for staff, the costs of which are charged to the Statement of Financial Activities in the year in which the contributions are payable. The charity has no liability for the ultimate benefits paid.

q) Investments

During 2022-23 the charity transferred £100k of current cash and short term deposits to a COIF Charities Investment Fund (2022: £300k), which seeks to provide medium to long-term growth and stability within a client-driven ethical investment framework. The investments are valued at bid price as at the balance sheet date.

2) Income from donations and legacies

	Unrestricted £	Restricted £	**2024 Total £**	Unrestricted £	Restricted £	Restated 2023 Total £
Legacies	163,141	-	**163,141**	1,062,014	-	1,062,014
Individuals	1,213,724	-	**1,213,724**	1,255,329	-	1,255,329
Westminster Cathedral	195	-	**195**	279	-	279
Church and voluntary groups	186,636	-	**186,636**	121,167	-	121,167
Grants	317,248	373,210	**690,458**	452,803	1,387,340	1,840,143
Corporate donations	914,615	213,007	**1,127,622**	810,562	456,507	1,267,069
	2,795,559	586,217	**3,381,776**	3,702,154	1,843,847	5,546,001

Grants income includes £nil (2023:£1,122,430) from charitable trusts for the refurbishment of Bentley House and Passage House.

The Charity received notification of legacies totalling £nil (2023: £nil) that did not meet the criteria for recognition as income in 2022-23 but which were expected to be received in 2023-24.

3) Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Westminster City Council						
Capital Grants	-	-	**-**	-	2,100,000	2,100,000
Non-Capital Grants	-	2,085,799	**2,085,799**	-	1,884,818	1,884,818
Government of Ireland: Emigrant Support Programme	-	35,000	**35,000**	-	35,000	35,000
Greater London Authority						
Capital Grants	-	-	**-**	-	1,000,000	1,000,000
Non-Capital Grants	-	203,189	**203,189**	-	192,637	192,637
London Housing Foundation	-	-	**-**	-	16,000	16,000
Sub-total for Grants from statutory bodies	-	2,323,988	**2,323,988**	-	5,228,455	5,228,455
Rent from Residential Services	1,129,529	-	**1,129,529**	868,925	-	868,925
Other Income	186,831	-	**186,831**	42,251	59,371	101,622
Accommodation and prevention projects	1,316,360	-	**1,316,360**	911,176	59,371	970,547

The total grant for the Government of Ireland: Emigrant Support Programme for the period 1 July 2023 to 30 June 2024 was £35,000 (2023: £35,000); £29,260 was applied in the financial year 2023-24 (2022-23: £28,057) under the following headings:

Staff costs: £27,036 (2023: £26,175)

Client costs: £2,116 (2023: £1,814)

Volunteers: £108 (2023: £68)

4) Income from other trading activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Hire of meeting rooms and conference facilities	243,555	-	**243,555**	148,678	-	148,678
A Taste of Home (The Passage cookbook)	1,657	-	**1,657**	1,930	-	1,930
Sundry recharges	-	-	**-**	64,424	-	64,424
Fundraising events	212,513	-	**212,513**	196,520	-	196,520
	457,725	-	**457,725**	411,552	-	411,552

5a) Analysis of expenditure (current year)

	Charitable activities						
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	**2024 Total £**	2023 Total £
Staff costs (Note 7)	709,592	2,066,606	2,215,519	18,869	965,976	**5,976,562**	5,282,505
Other direct costs	275,234	804,214	823,754	-	-	**1,903,202**	2,562,472
Management and planning	-	-	-	-	25,319	**25,319**	37,665
Finance	-	-	-	-	43,946	**43,946**	27,551
Information resources	-	-	-	-	105,855	**105,855**	118,554
Human resources	-	-	-	-	25,800	**25,800**	35,112
Facilities management	-	-	-	-	64,856	**64,856**	32,031
Depreciation	30,694	-	784,389	-	355,321	**1,170,404**	761,068
	1,015,519	2,870,820	3,823,662	18,869	1,587,073	**9,315,944**	8,856,958
Support costs	148,847	746,466	691,760		(1,587,073)	-	-
Governance costs	-	9,434	9,435	(18,869)		-	-
Total expenditure 2024	**1,164,367**	**3,626,720**	**4,524,857**	**-**	**-**	**9,315,944**	
Total expenditure 2023	954,504	3,240,104	4,662,350	-	-		8,856,958

Passage Trading costs included in Raising funds: £147,898 (2023: £147,976)

5b) Analysis of expenditure (prior year)

	Charitable activities						
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	**2023 Total £**	2022 Total £
Staff costs (Note 7)	515,458	1,970,286	2,072,339	17,903	706,519	**5,282,505**	**4,751,612**
Other direct costs	286,736	661,779	1,613,956	-	-	**2,562,472**	**2,000,195**
Management and planning	-	-	-	-	37,665	**37,665**	**37,612**
Finance	-	-	-	-	27,551	**27,551**	**25,637**
Information resources	-	-	-	-	118,554	**118,554**	**66,344**
Human resources	-	-	-	-	35,112	**35,112**	**18,287**
Facilities management	-	-	-	-	32,032	**32,031**	**22,200**
Depreciation	24,308		383,429		353,331	**761,068**	**386,784**
	826,503	2,632,065	4,069,725	17,903	1,310,763	**8,856,958**	7,308,670
Support costs	128,001	599,088	583,674	-	(1,310,763)	-	-
Governance costs	-	8,952	8,952	(17,903)	-	-	-
Total expenditure 2022	**954,504**	**3,240,104**	**4,662,350**	**-**	**-**	**8,856,958**	
Total expenditure 2021	714,282	2,917,048	3,677,341	-	-		7,308,670

Passage Trading costs included in Raising funds: £147,976 (2022: £57,482)

6) Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024 £	2023 £
Depreciation	**1,170,404**	761,068
Loss on disposal of fixed assets	**-**	256,478
Auditor's remuneration (excluding VAT):		
Audit	**22,800**	15,800
Audit fees for subsidiaries	**7,900**	8,140

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

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	**4,681,865**	4,097,017
Social security costs	**478,292**	436,812
Employer's contribution to defined contribution pension schemes	**231,089**	182,333
Other staff costs (including agency costs)	**380,732**	382,258
Training and recruitment	**102,901**	92,991
Redundancy payments	**14,165**	25,009
Other costs	**87,518**	66,085
	5,976,562	5,282,505

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

	2024 No.	2023 No.
£60,000 - £69,999	**-**	-
£70,000 - £79,999	**-**	-
£80,000 - £89,999	**3**	3
£90,000 - £99,999	**-**	1
£100,000 - £109,999	**1**	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £734,459 (2023: £620,851).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2023: £nil) incurred by nil (2023: nil) members relating to attendance at meetings of the trustees.

8) Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 144 (2023: 128).

Staff are split across the activities of the charity as follows:	2024 No.	2023 No.
Raising funds	15	8
Passage Resource Centre	41	45
Prevention and accommodation	62	56
Support	26	19
	144	128

9) Related party transactions

The board of trustees ("The Board") manages the charitable activities of the company.
Passage Housing Services, Passage Trading Services, the Daughters of Charity of St Vincent de Paul ("The Sisters") and Westminster Cathedral are related parties.

- Transactions with the Sisters
  - The Sisters made grants and donations of £nil (2023: £nil) to The Passage.
  - The Passage recharged service charges of £25,362 (2023: £20,606) to The Sisters.

- Transactions with Westminster Cathedral
  - Westminster Cathedral collected donations on behalf of The Passage amounting to £195 (2023: £279).
  - No charge was made for the facilities provided by the cathedral for the collection of money to assist the work of The Passage.

- Transactions with Passage Trading Services
  - The Passage received repayment of £41,621 (2023: £25,666) from Passage Trading Services in loans and advances.
  - The Passage made payment of £4,902 (2023: £3,401) to Passage Trading Services for room hire.
  - The Passage recharged catering and salary costs of £11,749 (2023: 4,580)
  - Passage Trading Services made a donation of £20,000 (2023: £nil) to The Passage.

- Transactions with Passage Housing Services
  - The Passage recharged salary costs of £172,944 (2023: £53,476) to Passage Housing Services.
  - The Passage recharged maintenance and insurance costs of £87,373 (2023: £nil) to Passage Housing Services.
  - The Passage collected £322,903 (2023: £91,324) of rent and paid it over to Passage Housing Services.
  - The Passage made donations of £nil (2023: £65,500) to Passage Housing Services.

- Transactions with Director of Passage Trading Services
  - The Passage paid subscription fees of £2,330 (2023: £1,715) to a company of which a director of Passage Trading Services is also a director. These transactions occurred at arm's length under normal market conditions.

10) Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary, Passage Trading Services Limited, has made a distribution under Gift Aid of available profits of £42,663 (2023: nil) to the parent charity. No corporation tax charge has arisen in the current year (2023: £6,658).

11) Tangible fixed assets

The group

	Freehold property £	Equipment fixtures and fittings £	**Total £**
Cost			
At the start of the year	27,868,343	1,593,924	**29,462,267**
Additions in year	-	249,870	**249,870**
Disposals in year	-	(144,755)	**(144,755)**
At the end of the year	27,868,343	1,699,039	**29,567,382**
Depreciation			
At the start of the year	3,941,061	1,002,988	**4,944,049**
Charge for the year	968,032	202,372	**1,170,404**
Eliminated on disposal	-	(144,755)	**(144,755)**
At the end of the year	4,909,093	1,060,605	**5,969,698**
Net book value			
At the end of the year	22,959,250	638,434	**23,597,684**
At the start of the year	23,927,282	590,936	24,518,218

All of the above assets are used for charitable purposes.

Westminster City Council hold a 30 year charge on Bentley House (part of St. Vincent's Centre) from 6th February 2023.

	Freehold property £	Equipment fixtures and fittings £	**Total £**
The charity			
Cost			
At the start of the year	26,353,155	1,531,245	**27,884,400**
Additions in year	-	246,248	**246,248**
Disposals in year	-	(144,755)	**(144,755)**
At the end of the year	26,353,155	1,632,738	**27,985,893**
Depreciation			
At the start of the year	3,752,044	996,656	**4,748,700**
Charge for the year	943,506	189,655	**1,133,161**
Eliminated on disposal	-	(144,755)	**(144,755)**
At the end of the year	4,695,550	1,041,556	**5,737,106**
Net book value			
At the end of the year	21,657,605	591,182	**22,248,787**
At the start of the year	22,601,110	534,589	23,135,699

All of the above assets are used for charitable purposes.

12) Listed investments

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Fair value at the start of the year	**741,219**	644,744	**741,319**	644,844
Additions at cost	**300,000**	100,000	**300,000**	100,000
Net gain / (loss) on change in fair value	**121,194**	(3,525)	**121,194**	(3,525)
Fair value at the end of the year	**1,162,413**	741,219	**1,162,513**	741,319

Investments comprise:

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
UK Common investment funds	**1,162,413**	741,219	**1,162,413**	741,219
Investments in subsidiary undertakings	**-**	-	**100**	100
	1,162,413	741,219	**1,162,513**	741,319

13) Subsidiary undertakings

The charity owns the funds of Passage Housing Services, a company registered in England and a Registered Social Landlord. The company number is 09874011 and the RSL number is 4842. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

This entity is used for residential services that, per their lease, need to be run by a registered social housing provider. However, all activity is considered primary purpose. All activities have been consolidated on a line by line basis in the statement of financial activities.

A summary of the results is shown below:

	2024	2023
	£	£
Income	**322,903**	156,824
Expenditure	**(275,308)**	(67,088)
Net income/(expenditure) for the year	**47,595**	**89,735**
Funds brought forward	**218,012**	128,277
Total funds carried forward	**265,607**	**218,012**
The aggregate of the assets, liabilities and reserves was:		
Assets	**692,338**	696,706
Liabilities	**(426,731)**	(478,694)
Reserves	**265,607**	**218,012**

The charity owns the whole of the issued ordinary share capital of Passage Trading Services Limited, a company registered in England. The company number is 09874011. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results is shown below:

	2024 £	2023 £
Turnover	**250,114**	150,608
Expenditure	**(165,306)**	(141,318)
Gross profit/(loss)	**84,808**	9,290
Interest on loan payable to parent undertaking	**(45,455)**	(25,666)
Profit / (loss) on ordinary activities before taxation	**39,354**	(16,376)
Taxation on profit on ordinary activities	**3,309**	**(6,658)**
Profit / (loss) for the financial year	**42,663**	(23,034)
Retained earnings		
Total retained earnings brought forward	**5,733**	28,767
Profit / (loss) for the financial year	**42,663**	(23,034)
Distribution under Gift Aid to parent charity	**(42,663)**	-
Total retained earnings carried forward	**5,733**	5,733
The aggregate of the assets, liabilities and reserves was:		
Assets	**779,365**	818,305
Liabilities	**(773,532)**	(812,472)
Reserves	**5,833**	5,833

Amounts owed to the parent undertaking are shown in note 15.

14) Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024 £	Restated 2023 £
Gross income	**7,412,749**	11,956,922
Result for the year	**(1,745,207)**	3,246,003

15) Debtors

	The group		The charity	
	2024 £	Restated 2023 £	2024 £	Restated 2023 £
Trade debtors	**33,439**	22,833	**-**	-
Other debtors	**284,570**	191,986	**284,570**	191,986
Amounts due from subsidiary undertakings		-	**-**	88,215
Prepayments	**212,632**	133,488	**207,166**	127,860
Accrued income	**280,998**	780,157	**280,998**	780,157
Sundry Debtors	**58,454**	35,095	**91,205**	35,095
Debtors over one year:				
Funding advance to Passage Trading Services Limited	**-**	-	**722,288**	722,288
	870,093	1,163,559	**1,586,227**	1,945,601

16) Creditors: amounts falling due within one year

	The group		The charity	
	2024 £	2023 £	2024 £	2023 £
Trade creditors	**127,313**	98,563	**125,391**	96,743
Taxation and social security	**155,826**	119,102	**142,439**	108,936
Pension contributions	**41,342**	32,287	**41,055**	32,346
Other creditors	**70,985**	70,226	**5,485**	4,303
Accruals	**355,240**	327,434	**346,516**	319,294
Deferred income (note 17)	**5,241**	4,674	**-**	3,001
	755,948	652,286	**660,886**	564,622

Creditors greater than one year comprises amounts due for the buyback of the lease on Bentley House of £327,500 (2023: £393,000) and is repayable over 9 years (until 2030) in equal instalments each year.

The value of one annual payment, £65,500, is included in Current Creditors (2023: £65,500).The value of one annual payment, £65,500, is included in Current Creditors (2023: £65,500).

17) Deferred income

Deferred income comprises funds in advance from Housing benefits and room hire paid in advance.

	The group		The charity	
	2024 £	2023 £	2024 £	2023 £
Balance at the beginning of the year	**4,674**	19,051	**3,001**	11,625
Amount released to income in the year	**(4,674)**	(19,051)	**(3,001)**	(11,625)
Amount deferred in the year	**5,241**	4,674	**-**	3,001
Balance at the end of the year	**5,241**	**4,674**	**-**	**3,001**

18a) Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	**Total funds £**
Tangible fixed assets	-	3,031,102	20,566,582	**23,597,684**
Investments	1,162,413	-	-	**1,162,413**
Net current assets	870,552	1,000,000	200,957	**2,071,509**
Long term liabilities	(327,499)	-	-	**(327,499)**
Net assets at 31 March 2024	**1,705,466**	**4,031,102**	**20,767,539**	**26,504,107**

18b) Analysis of group net assets between funds (prior year, restated)

	General unrestricted £	Designated funds £	Restricted funds £	**Total funds £**
Tangible fixed assets	2,731,348	156,382	21,630,488	**24,518,218**
Investments	741,219	-	-	**741,219**
Net current assets	989,712	2,044,000	282,295	**3,316,007**
Long term liabilities	(393,000)	-	-	**(393,000)**
Net assets at 31 March 2023	**4,069,279**	**2,200,382**	**21,912,783**	**28,182,444**

19a) Movements in funds (current year)

	Restated At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Restricted funds:					
Advice & Advocacy	50,000	67,000	(96,999)	-	**20,001**
Health & Wellbeing	76,373	-	(74,543)	-	**1,830**
Prime Services	21,490	122,694	(143,184)	-	**1,000**
Private Rented Sector	30,000	50,000	(30,000)	-	**50,000**
Home for Good	9,790	46,523	(53,466)	-	**2,847**
No Night Out	-	10,000	(10,000)		**-**
Co-Production	-	30,000	(30,000)		**-**
Rough Sleeping Team	-	-	-	-	**-**
Passage House	-	27,000	-	-	**27,000**
Montfort House	-	5,000	(516)	-	**4,484**
Modern Slavery	-	-	-	-	**-**
Westminster Housing Project	8,568	-	(8,568)	-	
Employment and training	5,841	158,000	(91,755)	-	**72,086**
Resettlement	-	-	-	-	**-**
Community Intervention Team	3,225	-	(3,225)	-	**0**
Prevention and partnership	74,098	66,500	(139,588)	-	**1,010**
Other statutory grants	-	2,323,988	(2,306,837)	-	**17,151**
Other restricted funds	2,911	3,500	(2,862)	-	**3,549**
Building fund:	-				**-**
St Vincent's refurbishment	9,020,205	-	(271,882)	-	**8,748,323**
Passage House and Bentley House rel	6,867,141	-	(757,570)	-	**6,109,571**
St Vincent's Centre	3,940,493	-	(17,977)	-	**3,922,516**
General Building development fund	914,253	-	-	-	**914,253**
Passage House	846,414	-	(13,545)	-	**832,869**
Passage Resource Centre	41,982	-	(2,933)	-	**39,049**
Total restricted funds	21,912,783	2,910,205	(4,055,450)	-	**20,767,539**
Unrestricted funds:					
Designated funds:					
Equipment	156,382	-	(17,570)	(80,000)	**58,812**
Housing Options Development	1,800,000	-	-	(800,000)	**1,000,000**
Infrastructure Development	244,000	-	(3,849)	(92,700)	**147,451**
Fixed Assets	-	-	(85,079)	2,909,918	**2,824,839**
Total designated funds	2,200,382	-	(106,498)	1,937,218	**4,031,102**
General funds	4,069,279	4,606,205	(5,032,800)	(1,937,218)	**1,705,466**
Total unrestricted funds	6,269,661	4,606,205	(5,139,298)	-	**5,736,568**
Total funds	28,182,444	7,516,410	(9,194,748)	-	**26,504,107**

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

19b) Movements in funds (prior year)

	At 1 April 2022	Income & gains	Expenditure & losses	Transfers	Restated At 31 March 2023
	£	£	£	£	£
Restricted funds:					
Immigration	719	-	(719)	-	-
Advice & Advocacy	-	57,000	(7,000)	-	**50,000**
Health & Wellbeing	-	77,000	(36,627)	36,000	**76,373**
Prime Services	-	36,363	(14,873)	-	**21,490**
Private Rented Sector	-	30,000	-	-	**30,000**
Home for Good	39,571	45,610	(75,391)	-	**9,790**
Rough Sleeping Team	5,000	-	(5,000)	-	-
Passage House	14,657	-	(14,657)	-	-
Montfort House	-	5,000	(5,000)	-	-
Modern Slavery	-	-	-	-	-
Westminster Housing Project	32,007	17,250	(40,689)	-	**8,568**
Employment and training	50,000	89,650	(133,809)	-	**5,841**
Resettlement	2,009	-	(2,009)	-	-
Move On	-	-	-	-	-
Community Intervention Team	37,080	263,916	(297,771)	-	**3,225**
Prevention and partnership	52,964	170,000	(148,866)	-	**74,098**
Other statutory grants	-	2,112,455	(2,112,455)	-	-
Other restricted funds	37,402	5,000	(39,491)	-	**2,911**
Building fund:					-
St Vincent's refurbishment	9,291,492	-	(271,287)	-	**9,020,205**
Passage House and Bentley House rel	3,001,500	4,222,430	(356,789)	-	**6,867,141**
St Vincent's Centre	3,958,470	-	(17,977)	-	**3,940,493**
General Building development fund	914,253	-	-	-	**914,253**
Passage House	1,119,085	-	(272,671)	-	**846,414**
Passage Resource Centre	41,982	-	-	-	**41,982**
Total restricted funds	18,598,191	7,131,673	(3,853,081)	36,000	**21,912,783**
Unrestricted funds:					
Designated funds:					
Funding Contingency	1,750,000	-	-	(1,750,000)	-
St Vincent's refurbishment	2,012,999	-	(450,672)	(1,562,327)	-
Equipment	171,460	-	-	(15,078)	**156,382**
Strategy investment costs	187,455	-	-	(187,455)	-
Housing Options Development	-	-	-	1,800,000	**1,800,000**
Infrastructure Development	-	-	-	244,000	**244,000**
Total designated funds	4,121,914	-	(450,672)	(1,470,860)	**2,200,382**
General funds	2,149,636	5,041,513	(4,556,730)	1,434,860	**4,069,279**
Total unrestricted funds	6,271,550	5,041,513	(5,007,402)	(36,000)	**6,269,661**
Total funds	24,869,741	12,173,186	(8,860,484)	-	**28,182,444**

Purposes of restricted funds

- The St Vincent's Refurbishment Fund - Represents payments contributed by developers to The Passage for the refurbishment of St Vincent's Centre, plus interest earned on this fund.
- The Passage House and Bentley House Refurbishment Fund - Represents donations made specifically for the refurbishment of Passage House and Bentley House.
- The St Vincent's Centre Building Fund - Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.
- The General Development Fund - Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.
- The Passage House Fund - Consists of the historical cost of Passage House to The Passage Trust, less accumulated depreciation and loss on disposals to 31 March 2023 (including the Lily Ann & William Wiggins Fund of £146,045, which the donor agreed could be used for this purpose), and grants payable to the company to develop Passage House.
- The Passage Resource Centre Fund - Represents a legacy received by The Passage Trust for use in the Resource Centre, given to Passage 2000 for the development and maintenance of the Resource Centre.
- All other restricted fund balances represent donations and grants received or receivable during the year to support the running of specific projects, which have not been entirely spent by the end of the year.

Restricted funding includes the following grants:

- **Westminster City Council**
  - Passage House Grant - Funding to provide specialist triage, assessment and resettlement housing related support for people who were identified as new to rough sleeping in Westminster.
  - Montfort House Grant – Funding to provide specialist housing related support for people with a history of rough sleeping in Westminster.
  - Bentley House Grant – Funding to provide specialist housing related support for people with a history of rough sleeping or acute mental health issues in Westminster.
  - Newman Street Grant - Funding to provide on-site support to residents in temporary accommodation.
  - Private Rented Sector Advice Grant - Grant to employ a staff team giving advice and assistance to homeless people to access private rented accommodation and related resettlement costs.
  - No Night Out Grant – Funding to provide prevention of homelessness advice, support and resettlement.
  - Modern Slavery Grant – Funding towards a service to identify and support people who are homeless and survivors of modern slavery and trafficking.
  - Housing Solutions Service Grant – Funding for prevention activity, advice and assistance for people at risk of or who are currently homeless.
- **Irish Government-Department of Foreign Affairs** - Funding to employ a worker to co-ordinate the Resource Centre's services to Irish clients and to research their needs.

Purposes of designated funds:

- **Funding Contingency Fund -** Ensures that adequate resources would be available to maintain services to beneficiaries in the short-term, having regard to seasonal fluctuations in income and the company's exposure to possible variations in future grant levels from major funders. It was not necessary to draw on this reserve during 2022-23. The trustees have made the decision to transfer this fund to new designated funds and unrestricted reserves.

- **St Vincent's Refurbishment Fund** - Designated for future major cyclical maintenance of St Vincent's Centre and towards any costs of acquiring and refurbishing Bentley House, which cannot be funded through grants and donations. Full refurbishment of Bentley House was completed in 2022-23. The trustees have made the decision to transfer this fund to new designated funds and unrestricted reserves.

- **Equipment Fund** - Represents the net book value of equipment, apart from equipment funded as part of the St Vincent's refurbishment project.

- **Strategy Investment Fund** - Represents funds designated by the Board to develop and implement the 2022-2025 strategy for The Passage. It was not necessary to draw on this fund in 2022-23 and the trustees see no future requirement to draw on the fund. The trustees have mad the decision to transfer this fund to new designated funds and unrestricted reserves.

- **Housing Options Development Fund** – Designated for future developments to the housing options that we can offer to ensure that decent housing is available for our client group as part of our 2022-2025 strategy.

- **Infrastructure Development Fund** – These funds are designated for projects that will improve our processes and systems to ensure that we are meeting the needs of clients with quality solutions and agility.

- **Fixed Assets Fund** – These funds represent the net book value of unrestricted fixed assets which are not included in either the Equipment Fund or Infrastructure Development Fund.

20) Financial commitments

	2024 £	2023 £
Equipment:		
Obligations due within 1 year	16,605	16,605
Obligations due in 2-5 years	27,676	44,281
Total commitments	**44,281**	**60,886**

Total operating lease commitments paid between April 2023 and March 2024 were £ (2023: £16,605).

21) Capital commitments

At the balance sheet date, the group had no commitment to further expenditure relating to the refurbishment of Bentley House and Passage House (2023: £nil).

22) Prior period adjustment

In the year to 31 March 2023, legacy income from two related legacies was recognised. It was subsequently established that the charity had been advised of its entitlement in error. This income is being reversed as a prior period adjustment to ensure that we provide a true and fair view of results for the relevant financial periods.

Group

Reserves position	Unrestricted	Restricted	**Total**
		At 31 March 2023	
	£	£	£
Funds previously reported	6,422,129	21,912,783	**28,334,912**
Adjustments on restatement			
Legacy Income Correction	(152,468)	-	**(152,468)**
Funds restated	6,269,661	21,912,783	**28,182,444**

Impact on income and expenditure	Unrestricted	Restricted	**Total**
		31-Mar-23	
	£	£	£
Net movement in funds as previously reported	150,579	3,314,592	**3,465,171**
Adjustments on restatement			
Legacy Income Correction	(152,468)	-	**(152,468)**
Net movement in funds as restated	(1,889)	3,314,592	**3,312,703**

Charity **Reserves position**	Unrestricted	Restricted	**Total**
		At 31 March 2023	
	£	£	£
Funds previously reported	6,198,386	21,912,783	**28,111,168**
Adjustments on restatement			
Legacy Income Correction	(152,468)	-	**(152,468)**
Funds restated	6,045,918	21,912,783	**27,958,700**

Impact on income and expenditure	Unrestricted	Restricted	**Total**
		31-Mar-23	
	£	£	£
Net movement in funds as previously reported	83,879	3,314,592	**3,398,471**
Adjustments on restatement			
Legacy Income Correction	(152,468)	-	**(152,468)**
Net movement in funds as restated	(68,589)	3,314,592	**3,246,003**

PASSAGE 2000

England & Wales - Charity number 1079764

Accounts

Trustees' Report and Accounts

2022 - 2023

The Passage

Everyone deserves a place to call home

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Trustees, Senior Management and Advisors

Founding Patron: Cardinal Basil Hume

Royal Patron: HRH Prince of Wales

Patron: Cardinal Vincent Nichols

Chair of Trustees: Michael Kelly FICRS, FRSA

Board of Trustees:

- Michael Kelly FICRS, FRSA (Chair)
- Victoria Bevilacqua-Stephenson
- Sr Eileen Glancy
- Kevin Hyland
- Christopher Morris (Chair of Risk and Audit Committee)
- Roisin Murphy (Deputy Chair)
- Antonio Orlando
- Dr Iram Sattar (Chair of Client Services Committee)
- Christopher Williams (Treasurer, Chair of Finance Committee)
- Calvin Lau (appointed 14/3/23)
- Alex Godwin-Brown (appointed 14/3/23)
- Michael Broom (appointed 14/3/23)
- Joanna Hindley (appointed 14/3/23)

Company Secretary: Jane Sandeman

Senior Management Team:

- Michael Clarke (Chief Executive)
- Emma Noble (Director of Income Generation and Communications)
- Jane Sandeman (Chief Operating Officer)
- Jenny Travassos (Director of Housing and Services)

Principle Bankers: HSBC Belgravia Branch, The Peak, 333 Vauxhall Bridge Road, London, SW1V 1EJ

Solicitors: Pothecary Witham Weld, 84 Eccleston Square, London, SWIV 1PX

Auditors: Sayer Vincent LLP, Invicta House, 108 – 114 Golden Lane, London, EC1Y 0TL

Telephone: 020 7592 1850

Fax: 020 7592 1870

Website: www.passage.org.uk

Email: info@passage.org.uk

Charity registration number: 1079764

Company number: 03885593

Address: The Passage, St Vincent's Centre, Carlisle Place, London SWIP 1NL

The trustees present their report and the audited financial statements for the year ended 31 March 2023. Reference and administrative information set out on pages 17 - 50 form part of this report.

The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' and strategic report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Chief Executive and Chair's Statement: Directors' and Strategic Report

The Passage's vision is of a society where street homelessness no longer exists and where everyone has a place to call home.

Despite the ongoing challenges of the cost-of-living crisis over the last 12 months, the outcomes that we have achieved for, with and on behalf of our clients have been outstanding. And it has made us more determined than ever to work collaboratively with others in the sector and beyond to achieve our vision.

We are, however, greatly concerned that the crisis has resulted in a level of deprivation not seen in this country for decades. At the time of writing, interest rates are at a 15-year high coupled with the rise in energy costs and inflation seemingly unable to fall to acceptable levels. In particular, the rise in food prices is now a harsh reality and many households face the daunting prospect of being only one bill away from housing crisis.

Sadly, The Passage is not immune to the impact of these rising costs, which of course affect our dayto-day activities and operations. But our primary concern is for those people that we have supported off the streets and into their own accommodation and those who come to us in housing crisis. In the last year, we have seen a significant upturn of younger people and victims of domestic violence.

This is why our prevention services are so vital; in the last 12 months **The Passage has prevented 518 people from becoming street homeless** through our innovative Housing Solutions Service and No Night Out scheme.

Prevention is always better than cure; we recognise that people may sadly experience a housing crisis, but in 21st century Britain, it is unacceptable that anyone should experience street homelessness.

We are very proud of the outcomes that our amazing staff and volunteers have achieved, often under challenging circumstances. And those who use our services inspire us every day with their courage and resilience. In the last year, our Experts by Experience panel - who help to ensure that our service delivery, strategic direction and influencing work are delivered with those we support, not to those we support – has gone from strength to strength.

Despite the economic challenges, we are immensely proud to have completed a major £9 million capital programme; refurbishing our Passage House Accommodation Centre which provides 37 en-suite bedrooms and creating a brand-new residential project, Bentley House, which provides 20 self-contained flats, offering homes for life for people who have experienced homelessness. Both projects were launched in February 2023 by our Royal Patron, HRH The Prince of Wales, who said: "Both these projects give a vital route out of homelessness, ensuring those accessing these services have a place they can truly call home. Every time I come to The Passage I am always struck by the lasting impact of their work. The work that I have seen first-hand over many years is the reason I know that ending homelessness must be thought of as more than simply a wishful aspiration. Instead, it should be viewed as an achievable goal, one that working together we can and must accomplish."

At a strategic level, we have continued to work with government and others in the voluntary sector, harnessing our convening power to bring together key stakeholders to influence policy and practice. and advocate for systemic change. No single organisation can end homelessness alone, but by collaborating and working in partnership, we believe it can be achieved.

Our pioneering work to bring about systemic change regarding the links between modern slavery and homelessness continues to grow and have a major impact; and we are now sharing our learnings and best practice with partners internationally. It has also been immensely pleasing to see the real and tangible outcomes in our commitment to Equality, Diversity and Inclusion and quality standards throughout the organisation.

Of course, our work would simply not be possible without the support of our loyal donors, funders and volunteers who enable The Passage to continue providing services to those who need us most. We are incredibly grateful for their continuing support.

As we move forward, we are determined to remain bold and innovative in our approach to solving homelessness. In particular, we will focus on the opportunities for creating new housing options. To achieve this, we have allocated resources for this specific purpose, with the goal of providing new and sustainable solutions for those recovering from the trauma of homelessness.

Everything that we do at The Passage is underpinned by our values; they drive us forward, they inspire us and they encourage and challenge us to never accept that homelessness is inevitable.

Day in, day out we see first-hand that homelessness can be both prevented and ended. No one in this country is born on the streets; circumstances put people on the streets.

We believe that everyone deserves to have a place to call home. If you do too, please join us in our work to end homelessness.

Michael Kelly, Chair of Trustees

Mick Clarke, Chief Executive

Our vision, mission, ethos and values

Our vision is of a society where street homelessness no longer exists, and everyone has a place to call home.

Our mission is threefold:

1) Prevent street homelessness by intervening quickly before people reach crisis point.

2) End street homelessness by providing innovative and tailor-made services that act with compassion and urgency.

3) Advocate for those who feel they are not heard by amplifying their voice to bring about real systemic change.

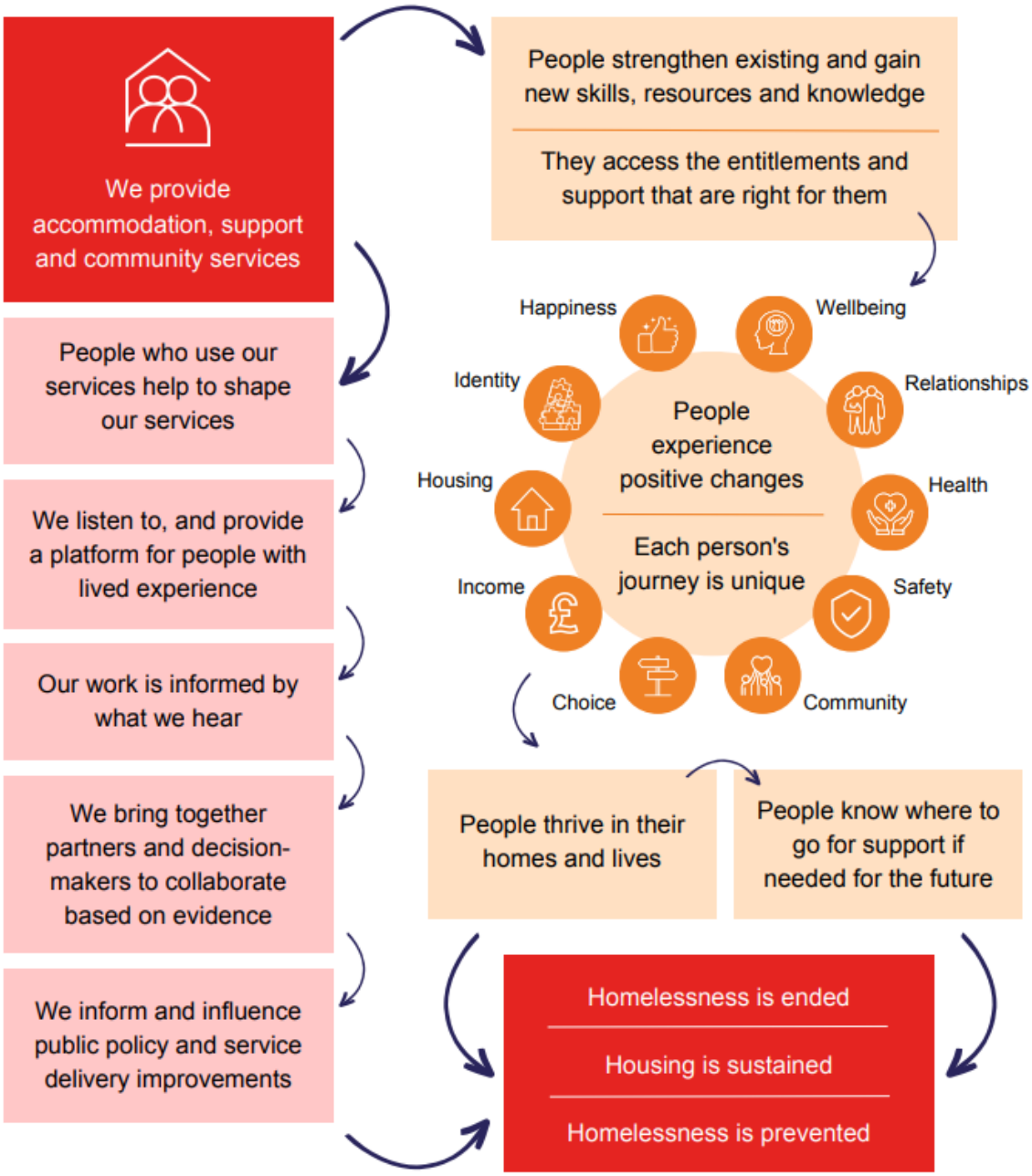
Our ethos comes from the teachings and example of St. Vincent De Paul, a Christian and social reformer, who co-founded the Daughters of Charity in 1633. Vincent believed in action rather than words and in hands-on service to vulnerable people. As a Vincentian organisation, The Passage strives to be inclusive; encompassing a diverse and rich culture from within our members, clients, volunteers and staff. Actively working with others across all aspects of society, seeking to have influence and be an advocate for people who are homeless, The Passage seeks to be a place of hope, aspiration, change and innovation, underpinned by values that reach back over four hundred years.

Our values:

- We assist people who have experienced homelessness to realise their own potential to transform their lives.
- We act with compassion and kindness.
- We are a voice for change and justice.
- We build relationships based on trust.
- We respect each other.
- We are straightforward in all our dealings.
- We believe in practical hands-on hard work.
- We collaborate across all sectors of society.

Theory of change model

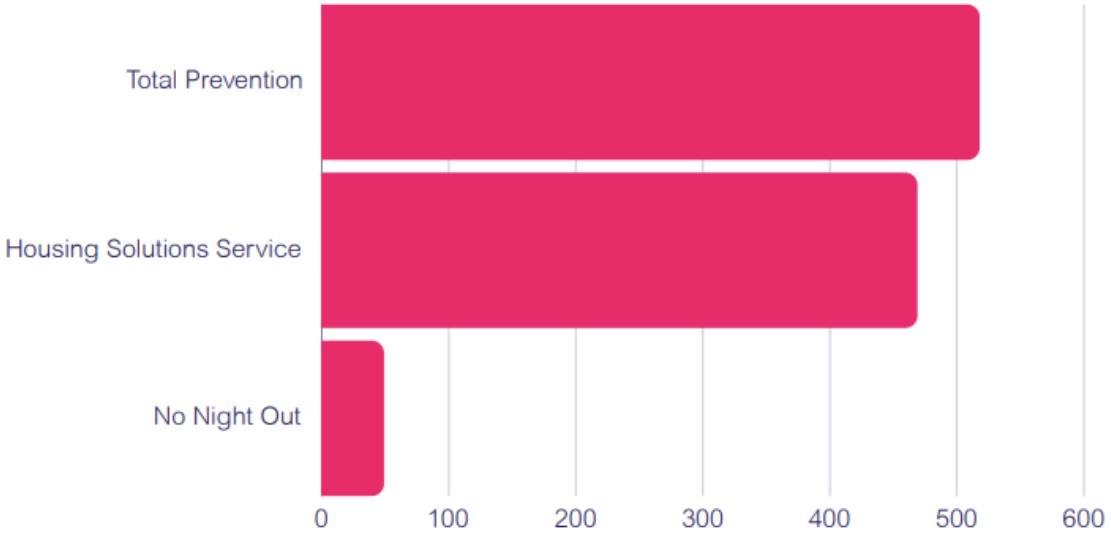
The Passage is based in the heart of Westminster, providing practical support and a wide range of services to help transform the lives of people who are at risk of street homelessness, who are homeless and those who are victims of modern slavery.



Our impact in 2022/23

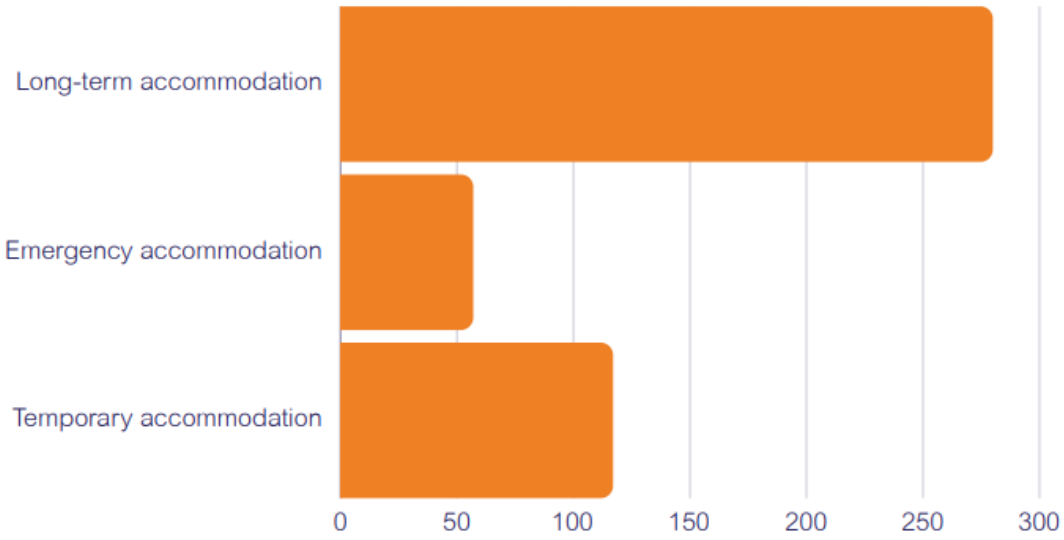
Prevention:

- 518 people were prevented from becoming homeless across the organisation.
  - 469 people were prevented from becoming homeless by our Housing Solutions Service.
  - 49 people were prevented from becoming homeless through our No Night Out scheme.



Accommodation outcomes:

- 280 people helped into long-term accommodation.
- 57 people helped into emergency accommodation.
- 117 people helped into temporary accommodation.



Advice and advocacy:

- 62 people with no eligibility for public funds were helped away from the street.
- 79 immigration cases were resolved.
- 39 survivors of modern slavery were supported by our Modern Slavery Team.
- 125 people were helped to access benefits and reduce their debts.

Health and Community Intervention:

- 554 people were supported by our Health and Outreach teams.
- 305 group sessions ran, including yoga, art and wellbeing walks with a total of 261 attendees.
- 809 Outreach sessions completed by our Community Intervention Team.

Education and Employment:

- 51 people were helped into employment by our Employment and Training Tracks Team.

Community Integration:

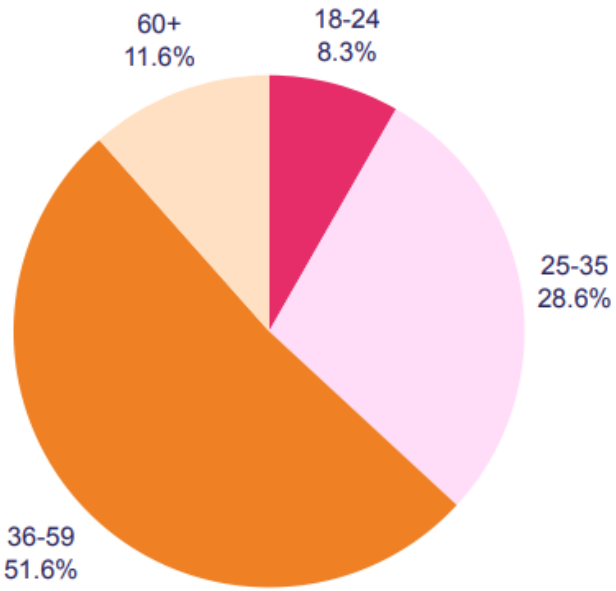
- 35 Home for Good partnerships were formed and maintained.

Demographics of those we supported

Below is the demographic data of those we supported in 2022/23, of those who provided this information.

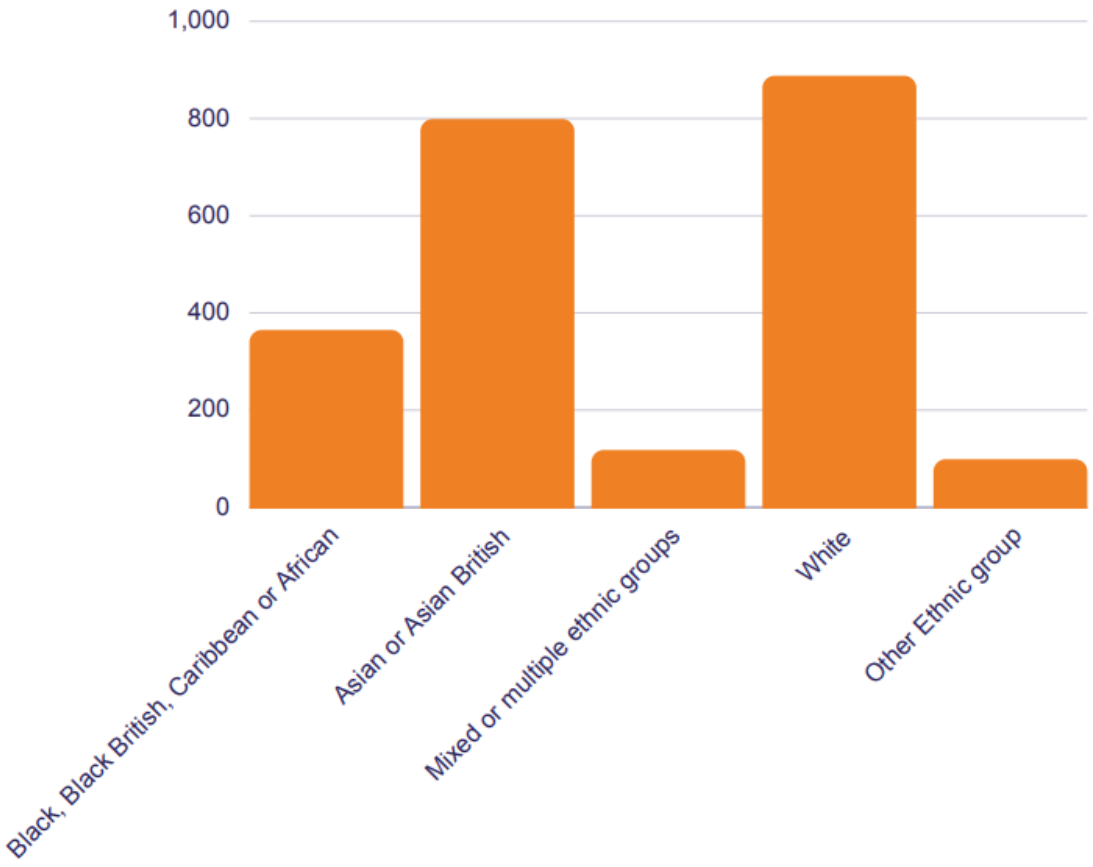
Please note, some categories have been grouped together for ease in displaying this information.

Age range:



Gender:

Ethnic group (as per census 2021 grouping):



Review of volunteering

In the year 2022 - 2023, our volunteer applications rose by 146%, averaging at 20 per month.

Together, 190 individuals volunteered a total of 11,770.5 hours: an increase of 54% on the previous year. The increase in volunteering activity is reflected by the 9 new roles that were created.

1) Church Appeals Coordinator

2) Database Administrator Volunteer

3) ESOL Volunteer

4) Migrant Group Facilitator

5) Passage House Kitchen Support

6) School Speaker Volunteer

7) Service User Experience Researcher

8) Textured Hair Specialist Volunteer

9) Walking Group Facilitator (female)

Skills based roles have proved particularly successful with our ESOL conversation volunteer running weekly classes for service users to improve English language skills. Additionally, we have tapped into the language skills of our volunteers to translate documents into Arabic, Hungarian and French. We also recruited a Database Administrator volunteer who is applying their technical knowledge to enhance our outcomes reporting.

Inclusivity was at the forefront of the creation of the Textured Hair Specialist Volunteer and Walking Group Facilitator Volunteer (female).

Three Kitchen Support Volunteers began at Passage House on weekdays and weekends to support dinner service.

We have increased our schools network and now have a pool of School Speaker Volunteers who are trained to deliver assemblies and our Church Appeals Coordinator was created to increase our community fundraising reach.

We were able to hold a Christmas Party in December 2022, for the first time since 2019.

James Galbraith, a long-standing volunteer at both Passage House and the St Vincent Centre, sadly died in October 2022. James was a former service user and we honoured him with a memorial service led by our Chaplain Father Chinedu.

Review of strategic objectives

1) Explore and establish new service development opportunities to help more people to end their homelessness.

The Passage launched our new Community Services model in the Resource Centre, with a new focus on prevention and acting urgently to support the people we work with to end their homelessness for good. Within this, we now have several new services which include Tracks, the brand-new employment and training service that helped 59 people to achieve employment within 9 months. After piloting No Night Out, we established this as a 3-year commissioned services, which enabled us to prevent more individuals from spending a night on the streets. Bentley House was successfully commissioned by Westminster City Council to provide 20 people with extensive experience of homelessness, a Home for Life.

Our private rented sector service went from strength to strength and due to its outcomes, we were successful in the service being commissioned on a longer-term basis. We also focused on partnerships where we can add value to a wider service and successfully implemented employment and immigration support to the St Mungo's Roma Rough Sleeping Team, partnered with Shelter to provide a Network Rail funded outreach service in Victoria Station and partnered with SHP to provide volunteer led community-based support to people in their own accommodation. Finally, we launched our Registered Provider, Passage Housing Services, to continue to develop additional housing for those who are experiencing homelessness.

Tracks employment and training team

2) Continue to grow and diversify our income.

We have continued to diversify our income portfolio, including the launch of three new fundraising events and our first social media lead generation campaign, in the aim of reaching new, more diverse audiences. We introduced a new plan for our community fundraising, including resources for our school partners and our corporate income has grown by 36% in the last 12 months. The Passage was chosen as a charity partner for the 2022 TP ICAP Charity Day. We have also been generously supported by individual members of our Giving Circle as well as several major grants from a number of trusts and foundations including the Garfield Weston Foundation. 2022/23 has been a particularly 11 successful year for legacies, but this is not a predicable revenue stream, and it has therefore been important to focus on developing sustainable income opportunities across all other areas.

In January 2023, after extensive consultation with clients, volunteers and staff we launched a new brand for The Passage, including a new logo and strapline, tone of voice and key messaging, imagery, fonts and other marketing assets. We launched our website and social media channels with the new branding and updated content to help create a more engaging experience for clients, supporters and prospective donors. Our social media following continues to grow, with a significant increase in the last 12 months: Instagram = 23%, Facebook = 16%, Twitter = 7% (highest number of followers), LinkedIn = 68%.

3) Complete the capital works programme for the refurbishment of Passage House and Bentley House.

We completed a £9m capital refurbishment programme of both Passage House, our 37-bed rapid assessment and resettlement service and Bentley House, 20 refurbished flats, bringing 20 units of social housing back into use. These housing services are high quality places to live for people have experienced homelessness and our Royal Patron, The Prince of Wales, formally opened the buildings on 23rd February and had the opportunity to meet colleagues and residents from Passage House on the visit.

HRH Prince of Wales meeting Mark, Bentley House resident

4) Implement a more accessible and streamlined set of policies and procedures across the organisation.

To achieve this, we recruited a Quality Manager to oversee quite a significant change programme. By taking a listening approach with staff consultation groups from across all areas of the organisation, we successfully re-imagined and developed new policies that are fit for purpose, accessible to all colleagues and are grounded in good practice.

5) Moving out of the pandemic, further develop a 'one organisation' culture by empowering everyone to contribute to improving our internal communication and celebrating our rich diversity.

Coming out of the pandemic, The Passage believed it was important that everyone at The Passage had opportunities to meet with each other and have clear communication channels. We also wanted to have a dialogue in the organisation about how to achieve our 3 year strategy, particularly our "Excellence For All" project which needed to be informed by staff and clients.

To this end we had an all staff conference in May 2023 in which the staff developed key ideas around the Excellence For All project. We had an all staff meeting in which the new Passage branding was introduced. We have had regular all staff newsletters, looking at key initiatives taking part in The Passage. We are encouraging team away days, so that teams have the space to think about the wider issues in their areas. The CEO went to every team meeting in March 2023 and April 2023 to talk about the Annual Plan for 2023.2024 and to get feedback from the staff.

An Equality, Diversity and Inclusivity (EDI) work group was established. This has members from all across The Passage. It is developing initiatives such as ensuring the client areas feel inclusive and welcoming. It is reviewing what training would be effective to continue to develop the EDI culture in The Passage. Members of the group are leading on celebrating our diversity by having a range of activities on occasions such as Refugee week. The EDI Working group will launch an EDI staff survey in Q2 2023.2024 which will capture staff experience and gaps across the organisation. All client services committed to including 3 objectives in their annual plans for 23/24 that focussed on EDI, Co-Production, and internal joint working; a commitment to the concept of being one organisation working together to achieve excellence.

6) Capture and measure our impact in line with our theory of change model, infrastructure requirements and outcomes framework.

Our new services database has been developed and successfully implemented which has enabled us to report on and consistently review evidence to inform service development. In line with demonstrating impact, we developed our Outcomes Framework, enabling the organisation to link all of our activity to a set of outcomes for the people we work with. We also implemented a new housing management module to allow us to track maintenance, rental income and void management.

Striving to achieve excellence for all

Co-production:

The Passage recognises that the people who we work with are a great asset, and to deliver truly exceptional services we need to work with people who have lived experience of homelessness. Coproduction and client involvement is woven through what we do, and we remain committed to working with those who are experts by their own experience to tell us what it is they need and to hold us to account. Our Co-Production programme offers a wide variety of opportunities for our service users to give their feedback and steer us in what we do. From policy consultations & supporting with staff recruitment, through to peer research and volunteering, our service user and Experts by Experience work is embedded at every level of the organisation. This helps to make the Passage a more inclusive, accessible, and friendly place for the people with whom we work.

Our co-production work is spearheaded by our Experts by Experience panel who developed and are committed to delivering their mission statement “to use our experience of homelessness and using services to steer and improve the Passage and be a voice for the people that come here. We will be action focussed and ensure that what we do is led by the client perspective”.

The voice of lived experience has also been represented by the people we work with on several external platforms. Most notably, members of our Experts by Experience group supported the Passage at a multi-agency roundtable chaired by Network Rail, and some members are involved influencing central government on a DLUHC lived experience panel.

The Quality Programme:

Passage staff understand that the quality of the service that we deliver is everybody’s responsibility, an essential part of our “day-job” where we all strive towards ambitious standards and focus on the needs of the people using our services. Our Theory of Change Model, alongside our Outcome Framework is helping us to better understand and report on the relationship between staff activity and an individual’s journey through our services.

Updated policies, both operational and personnel, are being embedded to support staff deliver consistent support, tailored to our service-user’s needs. Our policy refresh has been informed by staff and services users and the process of embedding these new policies is helping us to identify good practice so that we become an organisation that is continually learning and improving. The next stage of our Quality Programme is to formally articulate the delivery standards that we are all striving towards and to give our teams the tools to further improve how they monitor and report their achievements.

Equality, Diversity, and Inclusion (EDI):

EDI is a commitment to self-reflection and change. At The Passage, we are working to create an environment in which learning, and growth are encouraged. In May 2022 we shared our aims to develop an EDI working group at our staff conference, to ensure that The Passage holds a safe and welcoming EDI culture. Since this meeting, The Passage EDI Working Group has been established and now has 18 members from across the organisation actively working towards this goal.

The EDI Working Group have set out 3 key areas for focus in the annual plan for 23/24:

- Staff Survey: In order to best understand what we are doing well as an organisation and where we need to improve, as well as what staff learning needs are and who our workforce are, the Working Group has been working on developing a staff survey. The survey was announced at the 2023 staff conference in May and is currently going through a testing phase with the Working Group, ready to launch in August 2023.

- Training: The Working Group have developed the online EDI Training Module which is mandatory training for all staff, and will also be rolled out to all volunteers. The Working Group members have also been actively seeking out and attending external trainings related to EDI and will use the findings from the Staff Survey to identify the key learning needs and pull together a programme of relevant trainings to support this.
- EDI Policy: As part of the QAF Project, the organisational EDI Policy has been reviewed by both the Staff Consultation Group and the EDI Working Group. It has been amended following this consultation and following recommendations the Working Group are developing Best Practise Guides for all 9 of the Protected Characteristics. This is to support the organisational goal to be proactive in our work around EDI, rather than reactive.

Other achievements in EDI since the Staff Conference 2022:

- Organisational representation at the Diversity & Inclusion Practitioner Network meetings.
- Organisational representation at LDG (London, East & South East Diversity Group) meetings.
- Central EDI Sharepoint site developed for collation of training materials, resources, guidance and for sharing updates.
- Continued inclusion of service users on recruitment panels.
- Development of EDI Noticeboard within the Passage Resource Centre.
- Building accessibility assessments across all Passage sites have commenced.
- Diversity Calendar has been developed and work is underway to share organisationally through Outlook calendar.
- Development of an organisational Women's Strategy is underway.

Strategic objectives: 2023/24

1) Evaluate our No Night Out and Housing Solutions Service and share our findings and recommendations with the wider sector and central/local government.

2) Ensure that any additional infrastructure required to support the delivery of this plan is in place.

3) Develop our Steps Home programme, ensuring sustainable routes off the streets for those using Passage services.

4) Continue to develop our quality systems across the organisation (with SMG responsible for the central coordination across teams/departments), to capture the impact of our work, support our staff and reinforce our commitment to EDI in every aspect of The Passage.

5) Further develop our work on the links between modern slavery and homelessness, including sharing the findings of our international mapping work in this area.

6) Continue to develop our internal communications systems and forums and implement our new external communications and digital marketing strategy.

7) Further develop our co-production work, ensuring we deliver our services with those we support, and not to those we support, further developing the influence of those we work with in our everyday work and decision making.

Financial review

Financial Results for the year ended 31st March 2023

In the current year there was a surplus of £3,465k (2022: £2,326k).

The surplus in both years was primarily generated by the inflow of restricted income which was applied to the capital project of refurbishing Bentley House and Passage House. The capital income in 2023 was £4.2m (2022: £3m). This created 37 refurbished ensuite rooms in Passage House and 20 new social housing units at Bentley House, providing homes for life for those previously sleeping on the streets.

When examining non-capital, unrestricted income, there was an unrestricted surplus of £150k (2022: £135k deficit). This is a very healthy result for the charity in a year when designated unrestricted funds were utilised on the capital project.

In the year £451k (2022: £687k) was spent on providing alternative accommodation during the refurbishment.

Income from charitable activities – Statutory bodies' grants

Statutory income was £5,228k (2022: £2,937k). An analysis of this income and its uses is in notes 19a and 19b.

Statutory income (excluding capital grants) forms 26% (2022: 29%) of the total income of The Passage.

Expenditure

Employment costs made up 60% of total expenditure in the year (2022: 65%).

Details of expenditure to deliver our services are given in note 5 of the financial statements.

Details of all restricted and unrestricted funds are given in note 19.

Fundraising donations and legacies

The Passage relies on the generosity of our supporters to help us achieve our vision of a society where street homelessness no longer exists, and everyone has a place to call home. Our supporters are at the heart of so much of what we do and we are truly grateful to the many individuals, companies, trusts and foundations, churches, schools and community groups whose donations make our work possible.

Donations (excluding legacies) in they year were £4,484k (2022: £5,243k).

£1,122k (2022: £2,001k) were capital grants and £3,632k (2022: £3,242k) related to other donations.

Legacy income in the year was £1,214k (2022: £327k).

The cost of raising donations and legacies was £955k (£2022: £714k). After deducting Passage Trading Services expenditure this is £807k (2022: £653k). We continue to invest in new staff posts, our supporter database and other marketing resources as part of a phased approach to building a professional team of fundraising and communication specialists to ensure that The Passage remains a sustainable organisation.

Designated funds and reserves

The Board is aware of the need to maintain adequate reserves to ensure that the charity's work can be continued. Designated funds are set aside to enable the Trustees to develop specific areas of charitable work and to meet potential future obligations. In addition, the Board has to ensure that adequate resources are available to avoid disruption to the services for people who are homeless or have experience of being homeless.

There are general undesignated funds of £4,222k. After excluding fixed assets and long-term liabilities this is £1,883k which represents three months of core running costs. The Board wishes to reserve between 3-6 months for running costs in the general reserve.

There are three overriding aims in the next two years of our current 3-year strategy:

1) To maintain and improve our current provision.

2) To continue to review housing options to ensure there is decent housing for our client group.

3) To deliver our 3-year strategy which will look at investing The Passage's services, processes and systems to ensure that we are meeting the needs of clients with quality solutions and agility.

The Board have designated £1.8m of unrestricted reserves to develop our housing options provision, with a plan to increase the fund to £2.3m, and £244k of unrestricted reserves for infrastructure development in order to meet these aims.

Going Concern

The trustees have set aside a level of reserves to enable us to continue to operate effectively in a changing landscape as well as to continue to develop and grow the organisation. We also continue to attract increasing amounts of funding, both voluntary and statutory.

The capital project completed in the year has future-proofed key parts of our infrastructure and further designated funds have been put aside to continue to cement our resilience.

Refurbishment programme

Our £9 million project to buy back leases for and refurbish Bentley House and Passage House was successfully completed in the year.

Bentley House now has 20 self-contained flats enabling us to provide a permanent home to those who have a long-term history of street homelessness.

Passage House rapid-response assessment centre focuses on finding sustainable accommodation for our clients as well as providing additional support services. Passage House now has 37 ensuite rooms to provide accommodation for clients accessing these services.

Governance and management structure

Passage 2000 ("The Passage") is incorporated in England as a company limited by guarantee, company number 3885593. The company is registered with the Charity Commission, registered charity number 1079764. For Companies Act purposes, the members of the Board of Trustees are the directors of the company.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Board of Trustees and Committees

Under the Articles of Association, the election of the Board is in the power of the members of the company at the Annual General Meeting. The Sister Provincial of the Daughters of Charity of St Vincent de Paul ("the Provincial") and the Administrator of Westminster Cathedral ("the Administrator") are ex officio company members. They each have the right to serve on the Board of Trustees and each to appoint a second member of the Board of Trustees.

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the year ended 31 March 2023. The company has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its Board of Trustees, employees and agents and to indemnify the Board or other officers against the consequences of any neglect or default on their part.

Four committees advise the Board on:

- Client services
- Finance
- Risk and audit
- People, performance, and culture

They also assist the Board in monitoring the work of the company in these areas.

The Board is now looking at creating a Digital Marketing and Communications committee to support work to raise awareness of our brand and identify and encourage new audiences to support The Passage.

The Board has adopted a formal code of good governance – Good Governance - A Code for the Voluntary and Community Sector which can be downloaded from the Code Steering Group website: https://www.charitygovernancecode.org/en/pdf.

Selection and training of new Board members

In line with The Passage's diversity and equality policy and procedure, new Board members are recruited with appropriate skills and backgrounds following a regular assessment of the experience of current Board members and the areas in which additional expertise is required.

New members of the Board and its Committees see all aspects of the work of The Passage at first hand and have one-to-one meetings with senior employees. All Trustees are encouraged to undertake training, where necessary, to enable them to discharge their responsibilities more effectively.

Subsidiary companies

Passage 2000 has two fully owned subsidiary companies.

Passage Housing Services (PHS) is a company limited by guarantee, company number 9337431, charity number 1161696, and a registered provider of social housing number 4842.

Passage Trading Services (PTS) is a company limited by shares, company number 9874011. PTS commenced trading activities in support of Passage 2000 in 2016/17. The main activity of Passage Trading is the operation of Cathedral View conference venue, located within St Vincent's Centre.

PTS recorded a loss of £23k in 2023. This was due to the on-going impact of the Covid 19 pandemic. We are confident that the entity will be profit making in future years as normal trading activity has resumed.

Other Information

Public benefit statement

The Trustees confirm that they have complied with their duty under sections 4 & 17(5) of The Charities Act 2011 to have regard to the public benefit guidance published by The Charity Commission. This report includes a detailed description of the activities undertaken by the charity during the year to further its charitable purposes for the public benefit.

The Board has referred to the Charity Commission's guidance on public benefit when reviewing its strategy and objectives, and in planning The Passage's future activities.

The assistance given to people who are homeless is proportionate to their needs. All members of the Board, Committees and senior employees complete an annual conflict of interest declaration. The Board has referred to the Charity Commission's guidance on public benefit and has planned The Passage's activities to avoid the granting of any private benefit other than one that is purely incidental to carrying out The Passage's objectives. The Board believes it has followed the Charity Commission's guidance in this area.

Related parties

The subsidiary companies Passage Housing Services and Passage Trading Services are both related parties.

The Administrator of Westminster Cathedral and the Sister Provincial of the Sisters of Charity of St Vincent de Paul, by virtue of their right to board membership and to each appoint a board member are also both related parties of the company. Full details of transactions and balances with these related parties are shown in note 9.

Pay policy for senior employees

The Board of Trustees delegate responsibility for the day-to-day operations of the charity to the Chief Executive and Senior Management Team. The pay of senior staff is reviewed annually, and any increases are applied in line with the cost of living applied as part of the NJC salary scale. The Directors benchmark against pay levels in other similar charities.

Trustees and Committee members give their time freely and none have received remuneration or reimbursement of expenses in the past year.

Safeguarding of vulnerable adults

The Passage has a safeguarding policy regarding vulnerable adults. The organisation takes responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. If clients believe that they are subject to abuse of any kind, they are encouraged to speak to a member of staff or volunteer at the project, or to an external advocate. Risk assessments, needs assessments and support plans are implemented and agreed with clients, are reviewed on a regular basis, and are recorded and kept on file at the project. In addition, risk assessments that relate to all forms of abuse that may occur, detail potential risks to staff and volunteers, and to clients who use the service.

The Passage's recruitment and selection process aims to ensure that those short-listed and selected for job vacancies have the skills and experience that are relevant to the posts. Suitability is tested by means of an application form, and a formal interview with a panel of at least two senior members of staff. The Passage obtains Disclosure and Barring Service (DBS) checks on all staff members or volunteers who may be working with clients in unsupervised contexts.

Living wage

The Passage is an accredited London Living Wage Employer under a scheme organised by the Living Wage Foundation.

Fundraising Regulator

The Passage is registered with the Fundraising Regulator. We follow the Code of Fundraising Practice guidelines on best practice and are compliant with current data protection legislation. The safety and appropriate use of supporters' data is important to us and we will never share or sell personal details to another organisation for their own use. We have not received any formal fundraising complaints in the past financial year and there have been no fundraising compliance issues.

All our fundraising activities are carried out in-house by a team that is employed directly by The Passage and we do not use professional fundraisers or commercial participators to fundraise on our behalf. Our staff are expected to follow the standards in the Code of Fundraising Practice which forms part of their induction programme as well as monthly reviews. We do receive support from volunteers who assist with public collections or collections at Passage events and they follow the required standards with regard to handling donations. A dedicated volunteer committee also supports our annual Night Under the Stars event.

We follow the Code of Practice guidelines in relation to the fair treatment of all donors to ensure that they can make an informed decision about their support. We take into account the needs of any possible donor who may be in vulnerable circumstances. Our policy, as per the Code, is to return any donations to a supporter that may not have the capacity to make an informed decision. This practice is also in line with The Passage's own values.

Principal Risks and Uncertainties

The Board of Trustees regularly assesses the major risks to which the company is exposed. The systems established to mitigate those risks are periodically reviewed to ensure that they continue to meet the needs of the company.

The Risk and Audit Committee meets regularly and reviews in greater detail the risks to which The Passage is exposed and the approach of the senior management team to mitigate such risks. A risk register highlighting high, medium and low risks is maintained and regularly reviewed; this is a vital tool in risk management. A risk-based internal audit approach is in operation.

Risks relating to IT infrastructure have been identified and a new Head of IT has been recruited in 2023-24 who will develop a comprehensive IT strategy. In addition, a designated fund has been allocated for infrastructure development which can be used for IT investment if any IT infrastructure needs are identified.

The Cost of Living crisis may also impact our operational budget. To ensure this does not affect our ability to our deliver services we are regularly reviewing our energy contracts to ensure that we are getting value for money from suppliers. The Board are confident that we have sufficient general reserves to deal with fluctuations in energy prices.

Financial risk management objectives and policies

The Charity uses financial instruments in its operations including deposits with banks, loans, trade debtors and creditors and receivables which provide finance for the Charity's operations. There is a risk arising from the need to maintain sufficient liquidity to meet its liabilities as they fall due, and the movement in cash is analysed in full in the cash flow statement on page 31.

Under the terms of the Memorandum and Articles of Association, The Passage may invest monies not immediately required for application to its charitable objectives in any investments, securities or property, as appropriate. Surplus cash is held in interest-bearing deposits with UK banks and invested in a charitable investment fund.

Credit risk

The Charity's principal financial assets are cash, trade debtors, grants receivable and loans receivable. Bank balances are regarded as low risk due to good cash management and credit rating. The principal credit risk arises, therefore, from its grants receivable, trade debtors and loans receivable. Outstanding balances are reviewed and monitored through effective credit control procedures. Ageing of debtors and recoverability is considered and, where needed, provision is made as appropriate for slow payers. The performance of outputs is monitored to ensure conditions of the grant are fulfilled and that the charity is entitled to the funds.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Passage 2000 for the purposes of company law) are responsible for preparing the Trustees' report, including the Strategic Report, and 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 that give a true and fair view of the state of affairs of the charitable company and group, and of the incoming resources and application of resources, including the income and expenditure of the charitable company and group 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 applicable Statement of Recommended Practice (Accounting and Reporting by Charities) (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 proper and 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, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information, and to establish that the charity's 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 31.3.2023 was 13 (2022:9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Signed on behalf of the Board:

Michael Kelly, Chair of Trustees

Approved by the Board on 26th September 2023

Independent Auditor's report

Opinion

We have audited the financial statements of Passage 2000 (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's and parent charitable company's 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 and the Charities Act 2011.

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 group financial statements section of our report. We are independent of the group and parent 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Passage 2000's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements, or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The trustees' annual report, including the strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.

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 parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures can detect irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, finance, audit and risk committees, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from or professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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

12th October 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor.

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL.

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities

Passage 2000 (operating as The Passage)

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations and legacies	2	3,854,622	1,843,847	**5,698,469**	3,557,985	2,011,500	5,569,485
Charitable activities	3						
Grants from statutory bodies		-	5,228,455	**5,228,455**	-	2,937,823	2,937,823
Rents and charges to residents		-	-	**-**	-	-	-
Accommodation and prevention projects		868,925	-	**868,925**	790,371	-	790,371
Other income		42,251	59,371	**101,622**	78,792	-	78,792
Other trading activities	4	411,552	-	**411,552**	213,537	-	213,537
Investments		16,631	-	**16,631**	2,809	-	2,809
Total income		5,193,981	7,131,673	**12,325,654**	4,643,494	4,949,323	9,592,817
Expenditure on:							
Raising funds	5	954,504	-	**954,504**	714,282	-	714,282
Charitable activities	5						
Passage Resource Centre		2,133,563	1,106,541	**3,240,104**	1,883,734	1,033,313	2,917,048
Accommodation and prevention projects		1,915,810	2,746,540	**4,662,350**	2,222,348	1,454,993	3,677,341
Total expenditure		5,003,877	3,853,081	**8,856,958**	4,820,364	2,488,306	7,308,670
	6						
Net income / (expenditure) for the year		190,104	3,278,592	**3,468,696**	(176,870)	2,461,017	2,284,147
Transfers between funds		(36,000)	36,000	**-**	-	-	-
Net income / (expenditure) before other recognised gains and losses		154,104	3,314,592	**3,468,696**	(176,870)	2,461,017	2,284,147
Other gains / (losses)		(3,525)	-	**(3,525)**	42,147	-	42,147
Net movement in funds	19	150,579	3,314,592	**3,465,171**	(134,723)	2,461,017	2,326,294
Reconciliation of funds:							
Total funds brought forward		6,271,550	18,598,191	**24,869,741**	6,406,273	16,137,174	22,543,447
Total funds carried forward		6,422,129	21,912,783	**28,334,912**	6,271,550	18,598,191	24,869,741

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 19a to the financial statements.

Balance Sheet

Passage 2000 (operating as The Passage)

Balance sheets

For the year ended 31 March 2023

Company number: 03885593

	Note	The group 2023 £	The group 2022 £	The charity 2023	The charity 2022 £
Fixed assets:					
Tangible assets	11	**24,518,218**	20,088,427	**23,135,699**	18,737,729
Investments	12	**741,219**	644,744	**741,319**	644,844
		25,259,437	20,733,171	**23,877,018**	19,382,573
Current assets:					
Debtors	15	**1,316,027**	1,233,061	**1,375,781**	1,244,011
Cash at bank and in hand		**2,804,734**	4,895,994	**2,700,704**	4,803,714
		4,120,761	6,129,054	**4,076,485**	6,047,725
Liabilities:					
Creditors: amounts falling due within one year	16	**(652,286)**	(1,533,984)	**(564,622)**	(1,439,889)
Net current assets		**3,468,475**	4,595,070	**3,511,863**	4,607,836
Total assets less current liabilities		**28,727,912**	25,328,241	**27,388,881**	23,990,409
Loans to Subsidiaries	15	**-**	-	**722,288**	722,288
Creditors: amounts falling due after more than one year	16	**(393,000)**	(458,500)	**-**	-
Total net assets		**28,334,912**	24,869,741	**28,111,168**	24,712,697
Funds:	19a				
Restricted income funds		**21,912,783**	18,598,191	**21,912,783**	18,598,191
Unrestricted income funds:					
Designated funds		**2,200,382**	4,121,914	**2,200,382**	4,121,914
General funds		**4,221,747**	2,149,636	**3,998,003**	1,992,592
Total unrestricted funds		**6,422,129**	6,271,550	**6,198,385**	6,114,506
Total funds		**28,334,912**	24,869,741	**28,111,168**	24,712,697

Approved by the trustees on 26th September 2023 and signed on their behalf by

Michael Kelly, Chair of Trustees

Consolidated statement of cash flows

Passage 2000 (operating as The Passage)

Consolidated statement of cash flows

For the year ended 31 March 2023

	Note	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		**3,468,697**		2,284,147	
Depreciation charges		**761,068**		386,784	
(Gains)/losses on investments					
Loss on disposals of fixed assets		**256,478**		-	
Interest income		**(16,631)**		(2,809)	
(Increase)/decrease in debtors		**(82,967)**		(209,678)	
Increase/(decrease) in creditors		**(947,199)**		924,986	
Net cash provided by / (used in) operating activities			**3,439,446**		3,383,429
Cash flows from investing activities:					
Dividends, interest and rents from investments		**16,631**		2,809	
Proceeds from the sale of fixed assets		**-**		-	
Purchase of fixed assets		**(5,447,336)**		(3,273,335)	
Purchase of investments		**(100,000)**		(300,000)	
Net cash provided by / (used in) investing activities			**(5,530,705)**		(3,570,525)
Change in cash and cash equivalents in the year			**(2,091,259)**		(187,097)
Cash and cash equivalents at the beginning of the year			**4,895,994**		5,083,091
Cash and cash equivalents at the end of the year			**2,804,734**		4,895,994

Analysis of cash and cash equivalents and of net debt

	At 1 April 2022 £	Cash flows £	Other non-cash changes £	**At 31 March 2023 £**
Cash at bank and in hand	4,895,994	(2,091,260)		**2,804,734**
a Total cash and cash equivalents	4,895,994	(2,091,260)		**2,804,734**

Notes to the financial statements

Passage 2000 (operating as The Passage)

Notes to the financial statement

For the year ended 31 March 2023

1) Accounting policies

a) Statutory information

Passage 2000 is a charitable company limited by guarantee and is incorporated in England. Passage 2000 operates as The Passage. The registered office address is at St Vincent's Centre, Carlisle Place, London SW1P 1NL. The Passage provides resources which encourage, inspire and challenge homeless people to transform their lives.

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiaries Passage Trading Services Limited and Passage Housing Services on a line by line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the parent charity and its subsidiaries entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of 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.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Reserves have been set at a level to ensure that continued operations in a changing environment (including any impact of the cost of living crisis on utility costs and wage inflation) can be sustained. The Capital Refurbishment Project was completed in 2022-23 and will have no future impact on operating income.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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) 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.

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.

g) 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.

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. Revenue funding from statutory bodies is normally spent in its entirety during the year. Individual balances on the restricted funds relating to revenue expenditure funded by statutory bodies is not material and no further analysis is therefore given.

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 charity 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 direct staff and support costs.
- Other expenditure represents those items not falling into any other heading.

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 activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Basis of allocation		Raising funds	PRC	Acc & Prevention
Management and planning	Use	14%	43%	43%
Finance	Use	25%	25%	50%
Information resources	Staff nos	7%	41%	51%
Human resources	Staff nos	7%	41%	51%
Facilities management	Use	1%	60%	39%
Governance		0%	50%	50%

Facilities management costs are recharged on the basis of the use of the services, taking floor areas occupied, and the intensity of their use. Information resources and Human resources overheads are charged on the basis of the number of staff engaged in each activity. Governance costs are the costs associated with the governance arrangements of the charity.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £5,000. 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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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:

- Land | Not depreciated
- Freehold building | 20 - 100 years
- Fixtures and fittings | 5 - 20 years
- Equipment | 3 - 15 years

l) 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.

m) 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.

n) 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.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity has arranged a group personal pension plan, which is a defined contribution scheme, for staff, the costs of which are charged to the Statement of Financial Activities in the year in which the contributions are payable. The charity has no liability for the ultimate benefits paid.

q) Investments

During 2022-23 the charity transferred £100k of current cash and short term deposits to a COIF Charities Investment Fund (2022: £300k), which seeks to provide medium to long-term growth and stability within a client-driven ethical investment framework.

The investments are valued at bid price as at the balance sheet date.

2) Income from donations and legacies

	Unrestricted £	Restricted £	**2023 Total £**	Unrestricted £	Restricted £	2022 Total £
Legacies	1,214,482	-	**1,214,482**	316,690	10,000	326,690
Individuals	1,255,329	-	**1,255,329**	1,565,775		1,565,775
Westminster Cathedral	279	-	**279**	6,502	-	6,502
Donations from related parties	-	-	**-**	400	-	400
Church and voluntary groups	121,167	-	**121,167**	117,007	-	117,007
Grants	452,803	1,387,340	**1,840,143**	621,317	2,001,500	2,622,817
Corporate donations	810,562	456,507	**1,267,069**	930,294	-	930,294
	3,854,622	1,843,847	**5,698,469**	3,557,985	2,011,500	5,569,485

Grants income includes £1,122,430 (2022: £2,001,500) from charitable trusts for the refurbishment of Bentley House and Passage House.

The Charity received notification of legacies totalling £nil (2022: £455,681) that did not meet the criteria for recognition as income in 2022-23 but which were expected to be received in 2023-24.

3) Income from charitable activities

	Unrestricted £	Restricted £	**2023 Total £**	Unrestricted £	Restricted £	2022 Total £
Westminster City Council						
Capital Grants	-	2,100,000	**2,100,000**	-	-	-
Non-Capital Grants	-	1,884,818	**1,884,818**	-	1,857,573	1,857,573
Government of Ireland:						
Emigrant Support Programme	-	35,000	**35,000**	-	35,000	35,000
Greater London Authority						
Capital Grants	-	1,000,000	**1,000,000**	-	1,000,000	1,000,000
Non-Capital Grants	-	192,637	**192,637**	-	-	-
London Housing Foundation	-	16,000	**16,000**	-	45,250	45,250
Sub-total for Grants from statutory bodies	-	5,228,455	**5,228,455**	-	2,937,823	2,937,823
Rent from Residential Services	868,925	-	**868,925**	790,371	-	790,371
Other Income	42,251	59,371	**101,622**	78,792	-	78,792
Accommodation and prevention projects	911,176	59,371	**970,547**	869,163	-	869,163

The total grant for the Government of Ireland: Emigrant Support Programme for the period 1 July 2022 to 30 June 2023 was £35,000 (2022: £35,000); £28,057 was applied in the financial year 2022- 23 (2021-22: £39,367) under the following headings:

Staff costs: £26,175 (2022: £34,671)

Client costs: £1,814 (2022: £4,636)

Volunteers: £68 (2022: £60)

4) Income from other trading activities

	Unrestricted £	Restricted £	**2023 Total £**	Unrestricted £	Restricted £	2022 Total £
Hire of meeting rooms and conference facilities	148,678	-	**148,678**	37,674	-	37,674
A Taste of Home (The Passage cookbook)	1,930	-	**1,930**	1,882	-	1,882
Sundry recharges	64,424	-	**64,424**	37,883	-	37,883
Fundraising events	196,520	-	**196,520**	136,098	-	136,098
	411,552	-	**411,552**	213,537	-	213,537

5a) Analysis of expenditure (current year)

		Charitable activities					
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	**2023 Total £**	2022 Total £
Staff costs (Note 7)	515,458	1,970,286	2,072,339	17,903	706,519	**5,282,505**	4,751,612
Other direct costs	311,044	661,779	1,997,385	-	-	**2,970,209**	2,198,401
Management and planning	-	-	-	-	37,665	**37,665**	37,612
Finance	-	-	-	-	27,551	**27,551**	25,637
Information resources	-	-	-	-	118,554	**118,554**	66,344
Human resources	-	-	-	-	35,112	**35,112**	18,287
Facilities management	-	-	-	-	385,362	**385,362**	210,778
	826,503	2,632,065	4,069,725	17,903	1,310,763	**8,856,958**	7,308,670
Support costs	128,001	599,088	583,674	-	(1,310,763)	-	-
Governance costs	-	8,952	8,952	(17,903)	-	-	-
Total expenditure 2023	**954,504**	**3,240,104**	**4,662,350**	**-**	**-**	**8,856,958**	
Total expenditure 2022	714,282	2,917,048	3,677,341	-	-		7,308,670

Passage Trading costs included in Raising funds: £147,976 (2022: £57,482)

5b) Analysis of expenditure (prior year)

		Charitable activities					
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	**2022 Total £**	2021 Total £
Staff costs (Note 7)	367,436	1,763,561	1,862,242	16,652	741,722	**4,751,612**	**4,543,972**
Other direct costs	229,955	636,687	1,331,760	-	-	**2,198,401**	**1,938,364**
Management and planning	-	-	-	-	37,612	**37,612**	**20,645**
Finance	-	-	-	-	25,637	**25,637**	**39,230**
Information resources	-	-	-	-	66,344	**66,344**	**135,550**
Human resources	-	-	-	-	18,287	**18,287**	**5,982**
Facilities management	-	-	-	-	210,778	**210,778**	**178,945**
	597,390	2,400,248	3,194,002	16,652	1,100,378	**7,308,670**	6,862,689
Support costs	116,892	508,474	475,013	-	(1,100,378)	-	-
Governance costs	-	8,326	8,326	(16,652)	-	-	-
Total expenditure 2022	**714,282**	**2,917,048**	**3,677,341**	**-**	**-**	**7,308,670**	
Total expenditure 2021	703,749	3,153,868	3,005,072	-	-		6,862,689

6) Net income / (expenditure) for the year

This is stated after charging / (crediting)

	2023 £	2022 £
Depreciation	**761,068**	386,784
Loss on disposal of fixed assets	**256,478**	-
Auditor's remuneration (excluding VAT):		
Audit	**15,800**	13,400
Audit fees for subsidiaries	**8,140**	6,000

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	**4,097,017**	3,798,441
Social security costs	**436,812**	381,408
Employer's contribution to defined contribution pension schemes	**182,333**	176,799
Other staff costs (including agency costs)	**382,258**	221,982
Training and recruitment	**92,991**	58,886
Redundancy payments	**25,009**	72,352
Other costs	**66,085**	41,744
	5,282,505	4,751,612

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

	2023 No.	2022 No.
£60,000 - £69,999	**-**	**-**
£70,000 - £79,999	**-**	**3**
£80,000 - £89,999	**3**	**-**
£90,000 - £99,999	**1**	**1**

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £620,851 (2022: £531,150).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2022: £nil) incurred by nil (2022: nil) members relating to attendance at meetings of the trustees.

8) Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 128 (2022: 128).

Staff are split across the activities of the charity as follows:

	2023 No.	2022 No.
Raising funds	**8**	7
Passage Resource Centre	**45**	45
Prevention and accommodation	**56**	58
Support	**19**	18
	128	128

9) Related party transactions

The board of trustees ("The Board") manages the charitable activities of the company.

Passage Housing Services, Passage Trading Services, the Daughters of Charity of St Vincent de Paul ("The Sisters") and Westminster Cathedral are related parties.

Transactions with the Sisters

The Sisters made grants and donations of £nil (2022: £400) to The Passage.

The Passage recharged service charges of £20,606 (2022: £15,881) to The Sisters.

Transactions with Westminster Cathedral

Westminster Cathedral made grants and donations, and collected donations on behalf of The Passage amounting to £279 (2022: £6,502). No charge was made for the facilities provided by the cathedral for the collection of money to assist the work of The Passage.

Transactions with Passage Trading Services

During the year The Passage received repayment of £25,666 (2022: £11,198) from Passage Trading Services in loans and advances.

Transactions with Passage Housing Service

The Passage recharged salary costs of £53,476 (2022: £nil) to Passage Housing Services.

Transactions with Director of Passage Trading Services

The Passage paid subscription fees of £1,715 (2022: £1,899) to a company of which a director of Passage Trading Services is also a director. These transactions occurred at arms length under normal market conditions.

Aggregate donations from related parties were £25,945 (2022: £18,100).

10) Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Passage Trading Services Limited distributes under Gift Aid available profits to the parent charity. No distribution was made in 2023 as the entity made a loss. As a result of the recalculation of corporation tax due for the prior years in Passage Trading Services, a charge of £6,658 (2022: nil) has arisen in the current year.

11) Tangible fixed assets

The group	Freehold property	Equipment fixtures and fittings	**Total**
Cost	£	£	**£**
At the start of the year	24,544,493	1,262,017	**25,806,510**
Additions in year	4,978,277	469,059	**5,447,336**
Disposals in year	(1,654,427)	(137,152)	**(1,791,579)**
At the end of the year	27,868,343	1,593,924	**29,462,267**
Depreciation			
At the start of the year	4,733,152	984,930	**5,718,082**
Charge for the year	619,657	141,411	**761,068**
Eliminated on disposal	(1,411,748)	(123,353)	**(1,535,101)**
At the end of the year	3,941,061	1,002,988	**4,944,049**
Net book value			
At the end of the year	23,927,282	590,936	**24,518,218**
At the start of the year	19,811,341	277,087	20,088,428

All of the above assets are used for charitable purposes.

Westminster City Council hold a 30-year charge on Bentley House (part of St. Vincent's Centre) from 6th February 2023.

The charity	Freehold property	Equipment fixtures and fittings	Total
Cost	£	£	£
At the start of the year	23,029,304	1,262,017	**24,291,321**
Additions in year	4,978,277	406,380	**5,384,657**
Disposals in year	(1,654,427)	(137,152)	**(1,791,579)**
At the end of the year	26,353,155	1,531,245	**27,884,399**
Depreciation			
At the start of the year	4,568,662	984,930	**5,553,592**
Charge for the year	595,130	135,080	**730,210**
Eliminated on disposal	(1,411,748)	(123,353)	**(1,535,101)**
At the end of the year	3,752,044	996,656	**4,748,701**
Net book value			
At the end of the year	22,601,110	534,588	**23,135,699**
At the start of the year	18,460,642	277,087	18,737,729

12) Listed investments

	The group		The charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Fair value at the start of the year	**644,744**	302,596	**644,844**	302,696
Additions at cost	**100,000**	300,000	**100,000**	300,000
Disposal proceeds	**-**	-	**-**	-
Net gain / (loss) on change in fair value	**(3,525)**	42,147	**(3,525)**	42,147
Fair value at the end of the year	**741,219**	644,744	**741,319**	644,844

Investments comprise:

	The group		The charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
UK Common investment funds	**741,219**	644,744	**741,219**	644,744
Investments in subsidiary undertakings	**-**	-	**100**	100
	741,219	644,744	**741,319**	644,844

13) Subsidiary undertakings

The charity owns the funds of Passage Housing Services, a company registered in England and a Registered Social Landlord. The company number is 09874011 and the RSL number is 4842. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

This entity is used for residential services that, per their lease, need to be run by a registered social housing provider. However, all activity is considered primary purpose. All activities have been consolidated on a line by line basis in the statement of financial activities.

A summary of the results is shown below:

	2023	2022
	£	£
Income	**156,824**	131,000
Expenditure	**(67,088)**	(21,565)
Net income/(expenditure) for the year	**89,735**	**109,435**
Funds brought forward	**128,277**	18,842
Total funds carried forward	**218,012**	**128,277**
The aggregate of the assets, liabilities and reserves was:		
Assets	**696,706**	673,094
Liabilities	**(478,694)**	(544,817)
Reserves	**218,012**	**128,277**

The charity owns the whole of the issued ordinary share capital of Passage Trading Services Limited, a company registered in England. The company number is 09874011. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results is shown below:

	2023	2022
	£	£
Turnover	**150,608**	77,439
Expenditure	**(141,318)**	(57,482)
Gross profit/(loss)	**9,290**	19,957
Interest on loan payable to parent undertaking	**(25,666)**	(11,198)
Profit / (loss) on ordinary activities before taxation	**(16,376)**	8,760
Taxation on profit on ordinary activities	**(6,658)**	-
Profit / (loss) for the financial year	**(23,034)**	8,760
Retained earnings		
Total retained earnings brought forward	**28,767**	20,007
Profit / (loss) for the financial year	**(23,034)**	8,760
Distribution under Gift Aid to parent charity	**-**	-
Total retained earnings carried forward	**5,733**	28,767
The aggregate of the assets, liabilities and reserves was:		
Assets	**818,305**	806,555
Liabilities	**(812,472)**	(777,688)
Reserves	**5,833**	28,867

Amounts owed to the parent undertaking are shown in note 15.

14) Parent charity

	2023	2022
	£	£
Gross income	**12,109,390**	9,568,723
Result for the year	**3,398,471**	2,208,099

15) Debtors

	The group		The charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade debtors	**22,833**	29,399	**-**	-
Other debtors	**191,986**	207,836	**191,986**	207,836
Amounts due from subsidiary undertakings	**-**	-	**88,215**	47,621
Prepayments	**133,488**	228,611	**127,860**	221,339
Accrued income	**932,625**	652,377	**932,625**	652,377
Sundry Debtors	**35,095**	114,837	**35,095**	114,837
Debtors over one year:				
Funding advance to Passage Trading Services	**-**	-	**722,288**	722,288
	1,316,027	1,233,061	**2,098,069**	1,966,299

The funding loan to Passage Trading Services Limited, a wholly owned subsidiary, represents funds advanced to enable the subsidiary company to renovate the conference space area which it now hires out. The loan has flexible repayment terms and carries a commercial rate of interest.

16) Creditors: amounts falling due within one year

	The group		The charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade creditors	**98,563**	229,335	**96,743**	228,934
Taxation and social security	**119,102**	130,148	**108,936**	122,755
Pension contributions	**32,287**	35,748	**32,346**	35,748
Other creditors	**70,226**	69,189	**4,303**	3,689
Accruals	**327,434**	1,050,514	**319,294**	1,037,139
Deferred income (note 17)	**4,674**	19,051	**3,001**	11,625
	652,286	1,533,984	**564,622**	1,439,889

Creditors greater than one year comprises amounts due for the buyback of the lease on Bentley House of £393,000 (2021: £458,500) and is repayable over 9 years (until 2030) in equal instalments each year.

17) Deferred income

Deferred income comprises funds in advance from Housing benefits and room hire paid in advance.

	The group	The charity	
	2023	**2023**	2022
	£	**£**	£
Balance at the beginning of the year	**19,051**	**11,625**	8,449
Amount released to income in the year	**(19,051)**	**(11,625)**	(8,449)
Amount deferred in the year	**4,674**	**3,001**	11,625
Balance at the end of the year	**4,674**	**3,001**	**11,625**

18a) Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	**Total funds**
	£	£	£	**£**
Tangible fixed assets	2,731,348	156,382	21,630,488	**24,518,218**
Investment properties	-	-	-	**-**
Investments	741,219	-	-	**741,219**
Net current assets	1,142,179	2,044,000	282,296	**3,468,475**
Long term liabilities	(393,000)	-	-	**(393,000)**
Net assets at 31 March 2023	**4,221,746**	**2,200,382**	**21,912,783**	**28,334,912**

18b) Analysis of group net assets between funds (prior year

	General unrestricted	Designated funds	Restricted funds	**Total funds**
	£	£	£	**£**
Tangible fixed assets	1,590,185	171,460	18,326,782	**20,088,427**
Investment properties	-	-	-	**-**
Investments	644,744	-	-	**644,744**
Net current assets	373,207	3,950,454	271,409	**4,595,070**
Long term liabilities	(458,500)	-	-	**(458,500)**
Net assets at 31 March 2022	**2,149,637**	**4,121,914**	**18,598,191**	**24,869,741**

19a) Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
Immigration	719	-	(719)	-	-
Advice & Advocacy	-	57,000	(7,000)	-	**50,000**
Health & Wellbeing	-	77,000	(36,627)	36,000	**76,373**
Prime Services	-	36,363	(14,873)	-	**21,490**
Private Rented Sector	-	30,000	-	-	**30,000**
Home for Good	39,571	45,610	(75,391)	-	**9,790**
Rough Sleeping Team	5,000	-	(5,000)	-	**()**
Passage House	14,657	-	(14,657)	-	-
Montfort House	-	5,000	(5,000)	-	-
Modern Slavery	-	-	-	-	-
Westminster Housing Project	32,007	17,250	(40,689)	-	**8,568**
Employment and training	50,000	89,650	(133,809)	-	**5,841**
Resettlement	2,009	-	(2,009)	-	-
Move On	-	-	-	-	-
Community Intervention Team	37,080	263,916	(297,771)	-	**3,225**
Prevention and partnership	52,964	170,000	(148,866)	-	**74,098**
Other statutory grants	-	2,112,455	(2,112,455)	-	-
Other restricted funds	37,402	5,000	(39,491)	-	**2,911**
Building fund:					-
St Vincent's refurbishment	9,291,492	-	(271,287)	-	**9,020,205**
Passage House and Bentley House refurbishment	3,001,500	4,222,430	(356,789)	-	**6,867,141**
St Vincent's Centre	3,958,470	-	(17,977)	-	**3,940,493**
General Building development fund	914,253	-	-	-	**914,253**
Passage House	1,119,085	-	(272,671)	-	**846,414**
Passage Resource Centre	41,982	-	-	-	**41,982**
Total restricted funds	18,598,191	7,131,673	(3,853,081)	36,000	**21,912,783**
Unrestricted funds:					
Designated funds:					
Funding Contingency	1,750,000	-	-	(1,750,000)	-
St Vincent's refurbishment	2,012,999	-	(450,672)	(1,562,327)	-
Equipment	171,460	-	-	(15,078)	**156,382**
Strategy investment costs	187,455	-	-	(187,455)	-
Housing Options Development	-	-	-	1,800,000	**1,800,000**
Infrastructure Development	-	-	-	244,000	**244,000**
Total designated funds	4,121,914	-	(450,672)	(1,470,860)	**2,200,382**
General funds	2,149,636	5,193,981	(4,556,730)	1,434,860	**4,221,747**
Total unrestricted funds	6,271,550	5,193,981	(5,007,402)	(36,000)	**6,422,129**
Total funds	24,869,741	12,325,654	(8,860,484)	-	**28,334,912**

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

19b) Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Immigration	1,423	30,000	(30,704)	-	**719**
Home for Good	105,116	56,521	(122,066)	-	**39,571**
Rough Sleeping Team	213,075	68,762	(276,837)	-	**5,000**
Passage House	14,657	-	-	-	**14,657**
Modern Slavery	30,000	-	(30,000)	-	**-**
Westminster Housing Project	27,580	45,250	(40,823)	-	**32,007**
Employment and training	8,185	287,592	(245,777)	-	**50,000**
Resettlement	3,557	-	(1,548)	-	**2,009**
Move On	100,000	148,051	(248,051)	-	**-**
Community Intervention Team	-	117,773	(80,693)	-	**37,080**
Covid-19 Food Hub	-	70,000	(17,036)	-	**52,964**
Other statutory grants	-	1,064,140	(1,064,140)	-	**-**
Other restricted funds	1,711	59,735	(24,044)	-	**37,402**
Building fund:					
St Vincent's refurbishment	9,563,406	-	(271,914)	-	**9,291,492**
Passage House and Bentley	-	3,001,500	-	-	**3,001,500**
St Vincent's Centre	3,976,446	-	(17,976)	-	**3,958,470**
General Building development	914,253	-	-	-	**914,253**
Passage House	1,135,783	-	(16,698)	-	**1,119,085**
Passage Resource Centre	41,982	-	-	-	**41,982**
Total restricted funds	16,137,174	4,949,323	(2,488,306)	-	**18,598,191**
Unrestricted funds:					
Designated funds:					
Funding Contingency	1,750,000	-	-	-	**1,750,000**
St Vincent's refurbishment	2,700,000	-	(687,001)	-	**2,012,999**
Equipment	189,021	-	-	(17,561)	**171,460**
Strategy investment costs	301,000	-	-	(113,545)	**187,455**
Total designated funds	4,940,021	-	(687,001)	(131,106)	**4,121,914**
General funds	1,466,252	4,685,642	(4,133,363)	131,106	**2,149,636**
Total unrestricted funds	6,406,273	4,685,642	(4,820,364)	-	**6,271,550**
Total funds	22,543,447	9,634,964	(7,308,670)	-	**24,869,741**

Purposes of restricted funds:

- The St Vincent's Refurbishment Fund: Represents payments contributed by developers to The Passage for the refurbishment of St Vincent's Centre, plus interest earned on this fund.
- The Passage House and Bentley House Refurbishment Fund: Represents donations made specifically for the refurbishment of Passage House and Bentley House.
- The St Vincent's Centre Building Fund: Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.

- The General Development Fund: Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.
- The Passage House Fund: Consists of the historical cost of Passage House to The Passage Trust, less accumulated depreciation and loss on disposals to 31 March 2023 (including the Lily Ann & William Wiggins Fund of £146,045, which the donor agreed could be used for this purpose), and grants payable to the company to develop Passage House.
- The Passage Resource Centre Fund: Represents a legacy received by The Passage Trust for use in the Resource Centre, given to Passage 2000 for the development and maintenance of the Resource Centre.

All other restricted fund balances represent donations and grants received or receivable during the year to support the running of specific projects, which have not been entirely spent by the end of the year.

Restricted funding includes the following grants:

- Westminster City Council
  - Passage House Grant: Funding to provide specialist triage, assessment and resettlement housing related support for people who were identified as new to rough sleeping in Westminster.
  - Montfort House Grant: Funding to provide specialist housing related support for people with a history of rough sleeping in Westminster.
  - Bentley House Grant: Funding to provide specialist housing related support for people with a history of rough sleeping or acute mental health issues in Westminster.
  - Newman Street Grant: Funding to provide on site support to residents in temporary accommodation.
  - Private Rented Sector Advice Grant: Grant to employ a staff team giving advice and assistance to homeless people to access private rented accommodation and related resettlement costs.
  - No Night Out Grant: Funding to provide prevention of homelessness advice, support and resettlement.
  - Modern Slavery Grant: Funding towards a service to identify and support people who are homeless and survivors of modern slavery and trafficking.
  - Housing Solutions Service Grant: Funding for prevention activity, advice and assistance for people at risk of or who are currently homeless.

- Irish Government
  - Department of Foreign Affairs - Funding to employ a worker to co-ordinate the Resource Centre's services to Irish clients and to research their needs.

Purposes of designated funds:

- Funding Contingency Fund: Ensures that adequate resources would be available to maintain services to beneficiaries in the short-term, having regard to seasonal fluctuations in income and the company's exposure to possible variations in future grant levels from major funders. It was not necessary to draw on this reserve during 2022-23. The trustees have made the decision to transfer this fund to new designated funds and unrestricted reserves.
- St Vincent's Refurbishment Fund: Designated for future major cyclical maintenance of St Vincent's Centre and towards any costs of acquiring and refurbishing Bentley House, which cannot be funded through grants and donations. Full refurbishment of Bentley House was completed in 2022-23. The trustees have made the decision to transfer this fund to new designated funds and unrestricted reserves.
- Equipment Fund: Represents the net book value of equipment, apart from equipment funded as part of the St Vincent's refurbishment project.
- Strategy Investment Fund: Represents funds designated by the Board to develop and implement the 2022-2025 strategy for The Passage. It was not necessary to draw on this fund in 2022-23 and the trustees see no future requirement to draw on the fund. The trustees have made the decision to transfer this fund to new designated funds and unrestricted reserves.

- Housing Options Development Fund: Designated for future developments to the housing options that we can offer to ensure that decent housing is available for our client group as part of our 2022-2025 strategy.
- Infrastructure Development Fund - These funds are designated for projects that will improve our processes and systems to ensure that we are meeting the needs of clients with quality solutions and agility.

20) Financial commitments

	2023	2022
	£	£
Equipment:		
Obligations due within 1 year	16,605	16,605
Obligations due in 2-5 years	44,281	49,816
Total commitments	**60,886**	**66,421**

21) Capital commitments

At the balance sheet date, the group had no commitment to further expenditure relating to the refurbishment of Bentley House and Passage House (2022: £5.1m).

PASSAGE 2000

England & Wales - Charity number 1079764

Accounts

Company number: 03885593
Charity number: 1079764

THE PASSAGE
to ending homelessness

Passage 2000 (operating as The Passage)

Trustees' Report and Accounts
year ended 31 March 2022

Celebrating 40 Years of The Passage

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The trustees present their report and the audited financial statements for the year ended 31 March 2022. Reference and administrative information set out on pages 19 - 50 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

List of Trustees, Senior Management and Advisors

Founding Patron

Cardinal Basil Hume

Royal Patron

HRH The Duke of Cambridge

Patron

Cardinal Vincent Nichols

Chair of Trustees

Michael Kelly FICRS, FRSA

Board of Trustees

Victoria Bevilacqua-Stephenson

Sr Eileen Glancy

Kevin Hyland

Christopher Morris (Chair of Risk and Audit Committee)

Roisin Murphy (Deputy Chair)

Antonio Orlando

Dr Iram Sattar (Chair of Client Services Committee)

Christopher Williams (Treasurer, Chair of Finance Committee)

Company Secretary

Jane Sandeman

Senior Management Team

Michael Clarke - Chief Executive

Emma Noble - Director of Income Generation and Communications

Jane Sandeman - Chief Operating Officer

Jenny Travassos - Director of Services and New Developments

Principal Bankers

HSBC Belgravia Branch

The Peak

333 Vauxhall Bridge Road

London SWIV 1EJ

Solicitors

Pothecary Witham Weld

84 Eccleston Square

London SW1V 1PX

Auditors

Sayer Vincent LLP

Invicta House

108-114 Golden Lane

London EC1Y 0TL

Address of charity and registered office

The Passage

St Vincent's Centre, Carlisle Place

London SWIP 1NL

Telephone 020 7592 1850 | Fax 020 7592 1870

Email info@passage.org.uk | Website www.passage.org.uk

Charity registration number 1079764 | Company number 03885593

About The Passage

Vision

Our vision is of a society where street homelessness no longer exists, and everyone has a place to call home.

Mission

Our mission is three-fold:

1) Preventing street homelessness by intervening quickly before people reach crisis point.

2) Ending street homelessness by providing innovative and tailor-made services that act with both compassion and urgency.

3) Advocating for those who feel they are not heard by amplifying their voice to bring about real systemic change

Ethos

The Passage takes its values and ethos from the teachings and example of St. Vincent De Paul, a Christian and social reformer who co-founded the Daughters of Charity in 1633. Vincent believed in action rather than words and in hands-on service to vulnerable people.
As a Vincentian organisation, The Passage strives to be inclusive, encompassing a diverse and rich culture from our clients, volunteers, staff, supporters and partners. We seek to be a place of hope, aspiration, change and innovation, underpinned by values that reach back over 400 years.

Values

- We assist people who have experienced homelessness to realise their own potential to transform their lives.
- We act with compassion and kindness.
- We are a voice for change and justice.
- We build relationships based on trust.
- We respect each other.
- We are straightforward in all our dealings.
- We believe in practical hands-on hard work.
- We collaborate across all sectors of society.

Chief Executive and Chair's Statement

The Passage's vision is of a society where street homelessness no longer exists and where everyone has a place to call home.

During the pandemic, we saw that when society truly comes together to tackle an issue - such as with the Everyone In scheme - our vision is in fact achievable.

Over the past year, we have spent time reflecting on this and testing new ways of supporting people who are homeless. Much of this learning has led to The Passage adopting new approaches, as well as piloting programmes such as our No Night Out model, which provides immediate help to those in crisis through access to emergency accommodation and wraparound support. The results from our pilot show that 75% of those who used our programme have moved into permanent accommodation which they are still sustaining and No Night Out has now evolved into an established service.

A major achievement in the last year has been creating and developing our Theory of Change, which can be found on page 12. This means that The Passage now has a robust method to clearly capture and demonstrate our impact. We are very proud of the outcomes that our amazing staff and volunteers have achieved, often under challenging circumstances, and of course those who use our services, who never fail to inspire with their courage and resilience. In particular, we would like to pay tribute to our Experts by Experience panel, who help to ensure that our service delivery, strategic direction and influencing work are delivered with those we support, not to those we support.

You can find our outcomes listed on page 8.

The Passage also launched a £9 million capital programme to refurbish our Passage House assessment centre, providing 37 en-suite bedrooms, and to create a brand-new residential project, Bentley House, which will have 20 self-contained flats and provide 'forever' homes for people who have no other viable move-on option. These works will be completed autumn 2022.

At a strategic level, we have harnessed our convening power to bring together key cross-sector stakeholders to influence policy and practice and advocate for system change. In particular, our partnerships with other charities, central, regional and local government has resulted in more effective and joined-up winter provision for those on the streets. Also, our pioneering work to bring about systemic change regarding the links between modern slavery and homelessness has had a major impact.

We are fortunate that our vital frontline work is underpinned by highly efficient systems and a strong governance structure. We remain committed to measuring and sharing our impact and developing quality standards across all that we do. We also renew our commitment to Equality, Diversity and Inclusion and earlier this year, we established a People, Performance and Culture Committee to support and guide this commitment.

We are very grateful to our loyal supporters and funders who help make the world of difference and enable The Passage to continue providing services to those who need us most.

Unfortunately, with the ever-growing cost of living crisis, we fear that despite the incredible efforts and achievements of the last year, there is the potential in the coming months for street homelessness and destitution to rise to levels not seen in this country for many generations.

We know that the only way to tackle this crisis is by everyone working together - government, charities, corporates, community groups and individuals. As we move into the 2022/23 financial year, we will launch a new three-year strategy called No Going Back. It would be a tragedy to lose the momentum and progress already made as seen with the success of the Everyone In scheme, and we remain committed to playing our part to work with everyone in our society to end street homelessness.

In 21st Century Britain, street homelessness should not exist and it certainly should not be increasing again. We hope you will continue to support The Passage to ensure that there is a place of security and safety for everyone who comes to our doors in need.

Mick Clarke, Chief Executive

Mike Kelly, Chair of Trustees

Peter's Story

"Lynsey at The Passage helped me turn my life around. For the first time I felt believed and listened to. She gave me hope to see a future for the first time."

Peter turned up at The Passage two years ago very frightened. He jumped at every noise.

It was quite unusual to see a 50-year-old man behaving childlike and he looked so timid as well. You could just tell something bad had happened to him.

He was met by a member of our Rough Sleeping team who did an initial assessment and found out that after an abusive childhood, he'd taken a job with a travelling family, was never paid, and was held captive for many years. Peter was forced to do a lot of horrendous criminal activities. He had a very traumatic life. After an injury he went to hospital and when he was discharged, he was found by the police and then referred to The Passage. We supported him to be referred into the NRM, which is the National Referral Mechanism.

Most countries in the EU have signed up to the European Convention on trafficking human beings. It means that these countries must provide an agreed level of support to anyone who's a victim of modern slavery and trafficking. Within the UK, the NRM is our system for providing that support, but also for identifying victims. Peter was then able to access support, including a safe house, financial advice and solicitors. We also supported him into a mental health hostel whilst finding him suitable housing which took us over two months. Within a few weeks of being there, he secured a room in a shared flat with three other people. He joined a gym. When we went to visit him this summer, he was beaming and in a very positive mood. He enjoyed showing off his new home and had so much more self- esteem and confidence. He's been helping a friend renovating flats and he said it made him feel important again.

He is starting an English course at college in September, he thinks this will be good to get him through the colder months. He goes walking on the beach every day and said he enjoys the fresh air. He said he sleeps well now that the flashbacks have stopped, and he isn't afraid of things anymore.

I asked him what had changed - he said it was being by the sea and having clean air and hope. He said moving to the coast is the best thing he has ever done, and he is moving forward with his life. I reminded him of when he told me that he was the unluckiest man alive and nothing good would ever happen to him.

He said he doesn't believe that anymore and his luck has turned. He said he will never forget The Passage as we have changed his life.

Name and details have been changed to protect his identity.

40th Anniversary Afternoon Tea and Awards

In September, we marked our belated 40th anniversary with a special Afternoon Tea and Awards to recognise the outstanding achievements of Passage clients and to thank our wonderful volunteers, staff, trustees, partners and supporters.

Originally planned for 2020 and postponed due to the pandemic, the event was held at our Cathedral View Conference Venue and rooftop garden and attended by our Royal Patron, The Duke of Cambridge accompanied by the newly-appointed Lord Chamberlain.

The Duke spent time chatting with guests and presented the two client awards before making a short speech. Having visited The Passage many times since he was a child, The Duke spoke of his great affection for the charity. He said *"every time I come here, I am touched by the warmth and friendliness, and the dignity and respect you to show to everyone who comes through your door. I am always so impressed to see and hear the difference that The Passage makes to the lives of people who are experiencing homelessness. Thank you to everyone for your continuous work."*

The event received wide media coverage and enabled us to mark an important milestone in our history.

Below is a photograph of HRH The Duke of Cambridge with our special award winners and our award presenters.

How We Helped in 2021 - 2022

- 418 people moved into accommodation
- 643 people prevented from becoming homeless by the Housing Solutions Service Team
- 75 people from Passage House moved into accommodation
- 73% of Passage House clients positively moved on
- 99 people received support from Newman Street
- 33 people from Newman Street moved into their own home
- 17 people received support from Montfort House
- 3 people from Montfort House moved on
- 31 Home for Good partnerships formed/maintained
- 21 people from Home for Good had support to maintain their tenancy
- The ETE team facilitated 58 new jobs (for 42 people)
- 103 were helped to reduce debts/navigate benefits
- 491 people were helped by our Health Team after being located by our Community Intervention Team
- 177 people moved into accommodation, of which 76 signed tenancies with the Private Rented Scheme Team
- 46 people reconnected
- 41 people found NRPF route away from streets
- 10 people had their immigration status resolved
- 55 survivors supported by our Modern Slavery team

Review of Organisational Objectives 2021 - 2022

Develop and implement our co-production strategy across the organisation and further establish access to clinical psychologists across our services.

We appointed an Experts by Experience lead to facilitate the development of our new co-production programme and have formed an Experts by Experience Board whose membership includes people with lived experience of homelessness, both current and former clients. Together, members of the Board have created a co-production strategy, enabling them to influence how our services are designed and delivered. The Board also conduct peer research, sit on staff interview panels and chair focus groups.

We have mental health professionals operating across several of our services and residential projects. We have also implemented a refreshed reflective practice programme with psychologists across all services teams.

Develop our Theory of Change, utilising our new Inform system to capture the impact of our work in order to further develop our services.

Following an externally facilitated consultation process to gather feedback from staff, trustees and governance committees and people using our services, we developed a new Theory of Change model (see page 12) to capture and demonstrate the impact of our work. To support this, we implemented a new database, outcomes framework and quality assurance programme to proactively measure our impact. This has increased our ability to respond to emerging trends, thereby continuously informing how we develop existing and new services.

Roll out our Values and centralised Induction training programme for all new staff

We piloted a new values-led centralised induction programme for new staff. This was evaluated and following positive feedback, the programme has now been formally established with regular induction days for all new starters.

Build on the learning from the Covid-secure day services pilot to develop a new day services model, ensuring high quality and measurable outcomes.

Following a comprehensive review that included consultation at every level within the organisation and in line with our learnings from the pandemic, we completed the rollout of a new service delivery model in our Resource Centre under the umbrella of Community Services. Our refreshed model is focused on working with a clear sense of urgency to end homelessness for good. It includes a wide range of services tailored to the needs of our clients, including Advice and Advocacy, Employment Strategy, Prevention and Partnerships, Housing Support Services, Primary Services and Health and Wellbeing.

Commence the refurbishment of Bentley House to create a new accommodation project for The Passage; and Passage House; to ensure the physical surroundings meet the high standards of the service provided.

Work commenced on our capital refurbishment programme. Passage House has been transformed, offering 37 en-suite rooms for those coming off the streets and enhanced facilities to help them into sustainable accommodation. We are also carrying out a major refurbishment of Bentley House, creating 20 new flats to become a home for those who have been in the temporary and supported housing system for many years. Passage House works were completed in August 2022 and Bentley House will be completed in November 2022.

Our housing services are governed by quality and governance standards set by Passage Housing Services, our newly formed Registered Provider, in line with the Regulator for Social Housing's guidance.

Continue to diversify and grow voluntary income, and develop new statutory income opportunities, to meet organisational needs and the increasing demand for services

The final year of our current three-year Fundraising strategy coincided with the aftermath of the pandemic, as our society began adapting to a 'new normal'.

In 2020-21, we were fortunate to exceed our voluntary income budget, partly due to increased emergency support and one-off donations in response to the pandemic. But with these income streams no longer available and many months of delays and disruption, it has been a tough year for fundraising - something that has affected the sector as a whole.

We are therefore extremely grateful for the generosity shown to The Passage this year by so many - both existing and new individual supporters, corporate partners, charitable trusts and foundations, schools, churches and community groups. Without this, we simply would not have been able to achieve the outcomes highlighted on page 8.

Despite the challenges, we have ended the year in a strong financial position. Since 2019, we have grown income by almost 50% on the previous 3-year period, largely due to the recruitment of a professional fundraising team, investment in marketing and communications resources and the introduction of new products, channels and activities which has also helped to create a more balanced fundraising portfolio.

A new three-year Fundraising and Communications Strategy was developed during the last quarter of the year.

In our local area, The Passage was successful in several applications for funding from the government's Rough Sleeping Initiative in partnership with Westminster City Council; for example, we have expanded our No Night Out project and secured revenue funding for Bentley House. We have also successfully secured long-term contracts to deliver services focusing on modern slavery and Home for Good in London, enabling us to widen our reach and provision outside of Westminster.

Develop a strong and clear brand and communications plan for The Passage to engage effectively with stakeholders, demonstrate the success of our work, ensure people understand what we do and help us achieve our organisational objectives.

Our marketing and communications activities are focused on providing support for both our fundraising campaigns and our wider organisational objectives, helping to build the profile of The Passage and reach new audiences.

We invested in our digital marketing across various channels to help retain and engage new and existing supporters and began to develop a digital content strategy to attract new audiences to The Passage. As part of this, we implemented an external audit of our website which resulted in some major changes and improvements to the content and user experience. We also created new diverse and inclusive content for our social media platforms focusing on our services and the positive outcomes achieved by our frontline teams.

Our regular mailings to our warm supporters have been further developed in terms of the content, imagery and design which has made them more engaging and accessible.

The Passage marked its 40th anniversary in 2020, which of course coincided with a year of lockdowns and restrictions and a planned flagship event - the inaugural Passage Awards - was postponed to later in 2021.

The event took place in September 2021 attended by our Royal Patron, HRH The Duke of Cambridge, with a reception for our many loyal supporters and special Awards Ceremony to recognise the achievements of our clients, volunteers and staff. The event attracted significant attention on social media, with an Instagram post from Kensington Palace receiving over 161,000 likes and over 800 comments.

We also held a special Mass at Westminster Cathedral to mark the anniversary.

Expand The Passage's Home for Good model nationally, and share our learning around the issue of modern slavery and homelessness internationally.

In partnership with SHP, another homelessness charity, we expanded our Home for Good service across multiple areas of North London and hope to further develop this service to have a larger presence in 2023/24.

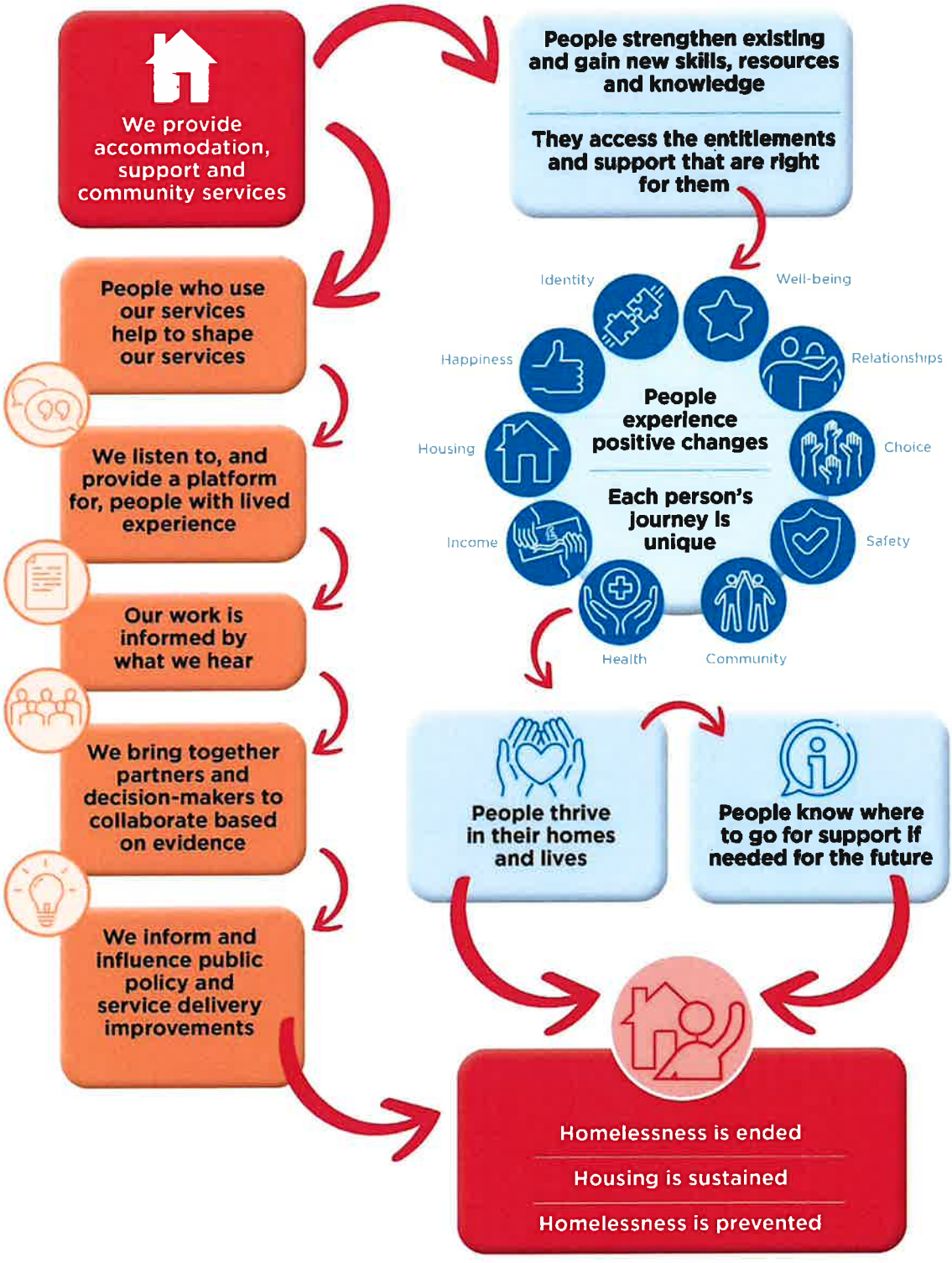
We began a programme of work with partners in the anti-slavery sector and government to develop a national toolkit to support charities, regional and local government to address the links between homelessness and modern slavery. Our work has focused on achieving a step-change in the assessment and support offered to potential victims of modern slavery and trafficking who are experiencing homelessness.

Carry out a follow up staff survey to measure progress since the previous survey and continue to develop support and well-being structures for staff and volunteers

As part of our Theory of Change consultation exercise and policy review workshops, extensive feedback was received from staff which has been invaluable to both inform support and well-being structures and improve communication mechanisms across the organisation.

The Passage Theory of Change

In March 2022, The Passage completed work on a new Theory of Change to capture and demonstrate the impact of our work. The process took several months and involved consultation with staff, volunteers, trustees and people with lived experience of homelessness. Our Theory of Change informs our strategy and shapes our services.



Brenda's Story

Brenda came to The Passage in March. She approached Westminster Housing Options who contacted Janet, Irish Person's Support Worker at The Passage, to provide additional support. Brenda was placed in temporary emergency accommodation on the same day because she was fleeing domestic violence.

The following day, Janet received a text from Brenda to say that she no longer needed our support because she has reconnected with her family. Janet called her immediately. Brenda assured Janet that she was ok. However, it later transpired her violent ex-partner had found her and had taken her to Scotland.

When Brenda next made contact, Janet invited her back. Janet organised emergency accommodation but this time in a project near to The Passage to keep her safe. Brenda was provided with clean clothes, toiletries, and food vouchers as she had no source of income. Janet helped Brenda to create a new email address and to apply for Universal Credit. This process took some time as Brenda had not previously applied for benefits and did not have a national insurance number. Brenda was referred to our in-house Domestic Violence worker for support who then connected her to several groups at The Passage where, over time, she made some supportive friendships.

Janet conducted daily welfare checks on Brenda and linked her to our Health and Wellbeing team as well as our Modern Slavery team because Brenda had endured years of being physically, sexually abused and being kept prisoner by her husband. The Modern Slavery team established a link with one of the commissioners who referred Brenda to a safe house. Brenda was also introduced to a counsellor as she had suffered abuse during her childhood and her years with living with a violent husband. She had photographs of her injuries and has been hospitalised on more than one occasion. Brenda explained about the travellers' community which she belonged to and does not accept divorce. Even her family advised her to stay with her violent husband despite the numerous injuries. It made it very difficult for her to leave.

Brenda has proved to be artistic and took part in the art groups and was given materials so that she can create art to occupy her time.

She finally received her benefits and was able to buy clothes, toiletries, and food for herself. Staff at the safe house she moved to made an extra effort to make her feel at home.

Brenda is now safe and is working hard to establish a new life.

Name has been changed to protect the client's identity.

Review of Volunteering

Volunteering activity was affected during the first two quarters of the year by continuing social distancing measures and the cap on the number of people permitted in the Resource Centre. With the creation of the new Community Services model, three new volunteer roles were developed - Client Resettlement Welfare Volunteer, Service User Researcher Volunteer and Database Administrator Volunteer.

We have plans to develop additional volunteer roles to support our new Employment Strategy Team.

In 2021 - 2022:

83 individuals volunteered with The Passage, completing a total of **6,462 hours**.

81% volunteered for at least 20 hours. **21% volunteered over 100 hours** with the highest numbers of hours volunteered by an individual being **703 hours.**

The most popular way that applicants found our volunteering opportunities was directly via The Passage website, followed by a general web search and through a current or former staff member or volunteer.

Before the pandemic, most of our volunteer applications were from people aged between 63 to 82. This year, the largest proportion of new volunteer applicants has come from the 23-32 age group, which means we are appealing to a younger audience.

It is encouraging to see that the number of volunteering hours in March 2022 is one of the highest in the year as this indicates growth for 2022/23, which aligns with the development of new volunteer roles.

James' Story - A Full Circle Journey

James first came across The Passage in 2005 after his parents died. He travelled to London to get away from his place of birth.

As a day client of The Passage for several months James eventually became a resident at Passage House - our rapid-response facility.

After nine months of living at Passage House, James was supported into independent living and received help to get back into work.

When James retired in 2013, he started volunteering at The Passage as a Client Ambassador. A year later he moved over to help at Passage House - and the rest was history! Working as an Assessment Hub Reception Volunteer, James is one of four people who work on the desk, taking calls, handling post, letting residents in and out, and having a chat with them when they want to. He volunteers around eight days per fortnight and finds it a great way to keep his mind active.

Being able to share his experiences with some of the residents and being able to act as part of a team with the rest of the staff is something James finds extremely fulfilling.

When asked what he would say to anyone who is thinking of volunteering at The Passage, James said: "It's a worthwhile experience. If you are younger and are looking to find work, this would be magnificent work experience placement for you. For anyone who is interested, it's great to feel part of the team and when I've been away and come back, they say 'we've missed you' which is lovely. They know that when I am here, they can leave me in charge of the reception without having to oversee what I do."

Sadly, following a short illness, James passed away in the summer. He is sorely missed by The Passage and in particular Passage House staff, volunteers and clients.

Organisational Objectives 2022 - 2023

1. Explore and establish new service development opportunities to help more people to end their homelessness.
2. Continue to grow and diversify our income.
3. Complete the capital works programme for the refurbishment of Passage House and Bentley House.
4. Implement a more accessible and streamlined set of policies and procedures across the organisation.
5. Moving out of the pandemic, further develop a 'one organisation' culture by empowering everyone to contribute to improving our internal communication and celebrating our rich diversity.

Capture and measure our impact in line with our theory of change model, infrastructure requirements and outcomes framework.

Thank Yous and Special Mentions

The Passage is proud to have become a Registered Housing Provider: Passage Housing Services, and would like to thank all staff for their hard work in making this possible.

The Passage is very fortunate to be supported by many corporate businesses, trusts, foundations and individuals. We are hugely grateful to them all.

The funders listed below have been mentioned due to the size of their donation or as a special condition of their support.

- 29th May 1961 Charitable Trust
- 3i Group plc
- Capital Group
- Chestertons Foundation
- HSBC
- John Swires 1989 Charitable Trust
- Landsec
- Manchester Square Partners
- Nelsons
- Perrigo Foundation
- PIMCO Foundation
- Qube Research and Technology
- The National Lottery Community Fund
- The Northbank Business Improvement District
- The Thompson Family Charitable Trust
- Tompkins Foundation
- TR Wyles Charitable Trust
- Trust for London
- Tudor Capital
- Reed Foundation
- Victoria Business Improvement District
- Wellington Management Findlay Park

A special thanks also goes to Greater London Authority, The Headley Trust and Julia and Hans Rausing Trust for their kind contribution towards our Capital Appeal for Passage House and Bentley House.

Adam's Letter of Thanks

Adam came to The Passage recently and was supported by our new No Night Out service which was set up to immediately intervene to prevent someone from having to spend even one night on the street. Since then, he has been supported by us to find and settle in his own private rented accommodation. Adam wrote a moving letter to his case worker, Salma, which he is happy for us to share.

"Hello Salma,

Where do you start and where do you end with something like this?

The Passage is a special place. It gives real meaning to the need to continually learn. It's that dedication, that discipline. I feel it provides the very best that London has to offer.

The Passage brings clarity and a freshness, it's a new kind of politics leading from the front, united in what they know is morally right. I felt the issues that affect a person's satisfaction would be dealt with quickly and efficiently, it promotes best practise. The support team help their clients to deal with a huge quantity of life implications.

Salma, you help your clients take control of their own story, supporting people at some of the most important moments in their lives. When they are dealing with big life decisions, you help them to understand their lives. I could see the direct and positive impact you were having on someone's life. Helping them to get their story across.

The Passage, this place is amazing. It's a fascinating change in terms of homeless people's perception of themselves. You could say being homeless is a difficult route and The Passage is a beautiful destination.

Talking things out with you, I thought for the first time that someone's actually agreed with what I've thought, and I've not had to battle at all. Whereas before I experienced your help, I was struggling for something that really didn't have to be a struggle.

Salma, I acknowledge the courage you have and I have huge respect for the type of person that you are, giving as much as you can in keeping with your love and duty. A true professional - consistently achieving high standards in both the work you do and the way you behave, and as a result I'm finding I'm the kind of person I was supposed to be. What I mean is through The Passage I became a better person, you brought that out in me.

There's a great deal of significance around working with someone like you, receiving such care and emotional support. You are my greatest champion. I trust you 100% and I feel without you none of this would have happened in quite the way it did. By that I mean so successfully.

Thank you Salma.

Thankfully yours,

Adam"

Financial Review

Financial results for the year

In the current year there was a surplus of £2,326,294 (2021 - £617,235). This was primarily generated by the inflow of restricted income which was applied to the capital project of refurbishment of Bentley House and Passage House. If the impact of the restricted income were removed (£3,001,500) and the additional revenue costs incurred for the project added back (£687,001), the net position would have been a surplus of £11,795, which is more in line with the expectation of a post-Covid recovery position for the Charity.

Income from charitable activities - Statutory bodies' grants

Statutory income was £2,579,839 in 2022 (£2,026,562 in 2021.) An analysis of this funding, and its uses, is in notes 19a and 19b. Statutory income (excluding capital grants) forms 24% of the total income of The Passage.

Fundraising donations and legacies

The Passage relies on the generosity of our supporters to provide resources which encourage, inspire and challenge people who are homeless or have experience of being homeless to transform their lives. Our supporters are at the heart of so much of what we do and this year more than ever we are truly grateful to the many individuals, companies, trusts and foundations, churches, schools and community groups whose donations make our work possible.

Due in large part to resilience and flexibility as the Charity emerged from the pandemic, donations (excluding legacies) grew by £1,008,844 to £5,242,795 (2021: £4,233,951), a significant part of which was a result of donations to support the refurbishment of Bentley House and Passage House.

The cost of raising donations and legacies was £714,282 (2021: £703,749). We continue to invest in new staff posts, our supporter database and other marketing resources as part of a phased approach to building a professional team of fundraising and communication specialists to ensure that The Passage remains a sustainable organisation.

Expenditure

Employment costs declined slightly as 65% of total expenditure for the charity (2021: 66%). Details of expenditure to deliver our services are given in note 5 of the financial statements.

Details of all restricted and unrestricted funds are given in note 19 of the financial statements.

Designated funds and reserves

The Board is aware of the need to maintain adequate reserves to ensure that the charity's work can be continued. Designated funds are set aside to enable the Trustees to develop specific areas of charitable work and to meet potential future obligations. In addition, the Board has to ensure that adequate resources are available to avoid disruption to the services for people who are homeless or have experience of being homeless.

We are fortunate that our voluntary income continues to grow and we have a regular consistent donor base, with approximately 50% pledged voluntary income at the start of the financial year. The statutory grant provision remains stable and we assume that this will be maintained in the next two to three years.

We have three main aims in the next three years:

1. To maintain and improve our current provision
2. To complete the £9m project to refurbish two of our residential properties
3. To embed a new 3-year strategy (2022-25), investing in quality services with improved underlying processes and systems.

To ensure that services can be maintained in the short term, the Board has set aside a designated contingency fund of £1,750,000. There are also general undesignated funds of £2,149,636. Together, these total £3,899,636 which represents six months of running costs. The Board wishes to reserve between 3-6 months of running costs in a contingency and general reserve combined.

£2m of reserves are designated to help fund the refurbishment of Passage House and Bentley House which is budgeted to be £9m.

£187,455 has been designated to strategy investment costs. These funds will be used to develop and implement the 2022-25 strategy for The Passage.

Going concern

During the Covid 19 crisis, The Passage was able to continue providing residential accommodation throughout, as well as a food hub for street homeless in hotel accommodation in Westminster. We continue to support our clients to ensure that they can find accommodation and make it their home. We have created new models for service delivery and continue to attract funding both voluntary and statutory to help us deliver those services. The trustees have set aside a level of reserves to enable us both to effect those changes and to ensure that we can continue to operate effectively in the changed and changing landscape. The trustees are reassured that the actions they took during the crisis enabled the charity to weather the storm and have not impacted its ability to operate as a going concern.

During the year The Passage commenced a Capital Refurbishment Programme. This was to ensure that Passage House was future proofed in its infrastructure, and that its rooms were en-suite to protect residents during the current Covid situation and for any future pandemics. Bentley House is also being refurbished. These are twenty units in the heart of Westminster which will be available to support people who have been homeless to have somewhere they can call home.

The project cost is £9m. The project started in February 2022 and is scheduled to be complete in November 2022. It is expected to be funded by monies raised for capital funding only and will not impact on operating income.

Refurbishment programme

In 2020 The Passage bought back the lease for 20 affordable housing units, Bentley House, located on the top two floors of St. Vincent's Centre, giving the opportunity to provide move on accommodation from our Housing First project (Montfort House) and accommodation for those coming off the streets.

The lease for Passage House, our rapid-response assessment centre, was returned in March 2021 after being let to a registered housing association for the past 25 years. The full results of operating Passage House are included in these accounts.

The cost of acquisition and refurbishment for both refurbishment programmes is estimated at £9 million.

Governance and Management structure

Passage 2000 ("The Passage") is incorporated in England as a company limited by guarantee, company number 3885593. The company is registered with the Charity Commission, registered charity number 1079764. For Companies Act purposes, the members of the Board of Trustees are the directors of the company.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Board of Trustees and Committees

Under the Articles of Association, the election of the Board is in the power of the members of the company at the Annual General Meeting. The Sister Provincial of the Daughters of Charity of St Vincent de Paul ("the Provincial") and the Administrator of Westminster Cathedral ("the Administrator") are ex officio company members. They each have the right to serve on the Board of Trustees and each to appoint a second member of the Board of Trustees.

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the year ended 31 March 2022. The company has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its Board of Trustees, employees and agents and to indemnify the Board or other officers against the consequences of any neglect or default on their part.

Three committees advise the Board on client services, finance, and risk and audit. They also assist the Board in monitoring the work of the company in these areas. During the year the Board set up a People, Performance and Culture Committee to assist the Board through its oversight of the Charity's People strategy.

The Board has adopted a formal code of good governance - Good Governance - A Code for the Voluntary and Community Sector which can be downloaded from the Code Steering Group website https://www.charitygovernancecode.org/en/pdf.

Selection and training of new Board members

In line with The Passage's diversity and equality policy and procedure, new Board members are recruited with appropriate skills and backgrounds following a regular assessment of the experience of current Board members and the areas in which additional expertise is required.

New members of the Board and its Committees see all aspects of the work of The Passage at first hand and have one-to-one meetings with senior employees. All Trustees are encouraged to undertake training, where necessary, to enable them to discharge their responsibilities more effectively.

Subsidiary companies

Passage 2000 has two fully owned subsidiary companies.

Passage Housing Services (PHS) is a company limited by guarantee, company number 9337431, charity number 1161696, and a registered provider of social housing number 4842.

During the year 2020/21, the leases for Bentley House and Passage House were assigned to PHS from other registered social landlords. Passage 2000 owns the freehold of both properties.

Passage Trading Services (PTS) is a company limited by shares, company number 9874011. PTS commenced trading activities in support of Passage 2000 in 2016/17. The main activity of Passage Trading is the operation of Cathedral View conference venue, located within St Vincent's Centre.

Other Information

Public benefit statement

The Trustees confirm that they have complied with their duty under sections 4 & 17(5) of The Charities Act 2011 to have regard to the public benefit guidance published by The Charity Commission. This report includes a detailed description of the activities undertaken by the charity during the year to further its charitable purposes for the public benefit.

The Board has referred to the Charity Commission's guidance on public benefit when reviewing its strategy and objectives, and in planning The Passage's future activities.

The assistance given to people who are homeless is proportionate to their needs. All members of the Board, Committees and senior employees complete an annual conflict of interest declaration. The Board has referred to the Charity Commission's guidance on public benefit and has planned The Passage's activities to avoid the granting of any private benefit other than one that is purely incidental to carrying out The Passage's objectives. The Board believes it has followed the Charity Commission's guidance in this area.

Related parties

The subsidiary companies Passage Housing Services and Passage Trading Services are both related parties.

The Administrator of Westminster Cathedral and the Sister Provincial of the Sisters of Charity of St Vincent de Paul, by virtue of their right to board membership and to each appoint a board member are also both related parties of the company. Full details of transactions and balances with these related parties are shown in note 9.

Pay policy for senior employees

The Board of Trustees delegate responsibility for the day-to-day operations of the charity to the Chief Executive and Senior Management Team. The pay of senior staff is reviewed annually, and any increases are applied in line with the cost of living applied as part of the NJC salary scale. The Directors benchmark against pay levels in other similar charities.

Trustees and Committee members give their time freely and none have received remuneration or reimbursement of expenses in the past year.

Safeguarding of vulnerable adults

The Passage has a safeguarding policy regarding vulnerable adults. The organisation takes responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. If clients believe that they are subject to abuse of any kind, they are encouraged to speak to a member of staff or volunteer at the project, or to an external advocate. Risk assessments, needs assessments and support plans are implemented and agreed with clients, are reviewed on a regular basis, and are recorded and kept on file at the project. In addition, risk assessments that relate to all forms of abuse that may occur, detail potential risks to staff and volunteers, and to clients who use the service.

The Passage's recruitment and selection process aims to ensure that those short-listed and selected for job vacancies have the skills and experience that are relevant to the posts. Suitability is tested by means of an application form, and a formal interview with a panel of at least two senior members of staff. The Passage obtains Disclosure and Barring Service (DBS) checks on all staff members or volunteers who may be working with clients in unsupervised contexts.

Living Wage

The Passage is an accredited London Living Wage Employer under a scheme organised by the Living Wage Foundation.

Fundraising Regulator

The Passage is registered with the Fundraising Regulator. We follow the Code of Fundraising Practice guidelines on best practice and are compliant with current data protection legislation. The safety and appropriate use of supporters' data is important to us and we will never share or sell personal details to another organisation for their own use. We have not received any formal fundraising complaints in the past financial year and there have been no fundraising compliance issues.

All our fundraising activities are carried out in-house by a team that is employed directly by The Passage and we do not use professional fundraisers or commercial participators to fundraise on our behalf. Our staff are expected to follow the standards in the Code of Fundraising Practice which forms part of their induction programme as well as monthly reviews. We do receive support from volunteers who assist with public collections or collections at Passage events and they follow the required standards with regard to handling donations. A dedicated volunteer committee also supports our annual Night Under The Stars event.

We follow the Code of Practice guidelines in relation to the fair treatment of all donors to ensure that they can make an informed decision about their support. We take into account the needs of any possible donor who may be in vulnerable circumstances. Our policy, as per the Code, is to return any donations to a supporter that may not have the capacity to make an informed decision. This practice is also in line with The Passage's own values.

Principal Risks and Uncertainties

The Board of Trustees regularly assesses the major risks to which the company is exposed. The systems established to mitigate those risks are periodically reviewed to ensure that they continue to meet the needs of the company.

The Risk and Audit Committee meets regularly and reviews in greater detail the risks to which The Passage is exposed and the approach of the senior management team to mitigate such risks. A risk register highlighting high, medium and low risks is maintained and regularly reviewed; this is a vital tool in risk management. A risk-based internal audit approach is in operation.

The principal risk at present is the need to secure full funding for the £9m capital refurbishment project. This risk has been mitigated by the securing of the greater part of the funds, with the remaining element secured in principle, as at the balance sheet date. As noted elsewhere, the Board has designated a significant element of the general reserve to this project which will ensure that any shortfall in capital funding can be met from the Charity's reserves.

Risks relating to staff retention and development have been identified, and a new Head of HR and Volunteering is to be recruited in 2022-23. In addition, a new People, Performance and Culture Committee has been put in place to advise the Board on the management of these and other related risks that may arise, and effect any mitigating actions that might be required.

Financial risk management objectives and policies

The Charity uses financial instruments in its operations including deposits with banks, loans, trade debtors and creditors and receivables which provide finance for the Charity's operations. There is a risk arising from the need to maintain sufficient liquidity to meet its liabilities as they fall due, and the movement in cash is analysed in full in the cash flow statement on page 34.

Under the terms of the Memorandum and Articles of Association, The Passage may invest monies not immediately required for application to its charitable objectives in any investments, securities or property, as appropriate. Surplus cash is held in interest-bearing deposits with UK banks and invested in a charitable investment fund.

Credit risk

The Charity's principal financial assets are cash, trade debtors, grants receivable and loans receivable. Bank balances are regarded as low risk due to good cash management and credit rating. The principal credit risk arises, therefore, from its grants receivable, trade debtors and loans receivable. Outstanding balances are reviewed and monitored through effective credit control procedures. Ageing of debtors and recoverability is considered and, where needed, provision is made as appropriate for slow payers. The performance of outputs is monitored to ensure conditions of the grant are fulfilled and that the charity is entitled to the funds.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Passage 2000 for the purposes of company law) are responsible for preparing the Trustees' report and 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 that give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resources, including the income and expenditure of the charity 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 applicable Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' 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 charity will continue in operation.

The Trustees are responsible for keeping proper and adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity, 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 charity and, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- The Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information, and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006. The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board

Michael Kelly, Chair of Trustees

Approved by the Board on 27 September 2022

Independent auditor's report to the members of Passage 2000

Opinion

We have audited the financial statements of Passage 2000 (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's 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 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Passage 2000's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.

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 parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the Audit in Detecting Irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance, audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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)

24 November 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated Statement of Financial Activities (incorporating an income and expenditure account)

Passage 2000 (operating as The Passage)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations and legacies	2	3,557,985	2,011,500	**5,569,485**	3,856,675	751,291	4,607,966
Charitable activities	3						
Grants from statutory bodies		-	2,937,823	**2,937,823**	-	2,026,562	2,026,562
Accommodation and prevention projects		790,371	-	**790,371**	617,473	-	617,473
Other income		78,792	-	**78,792**	79,652	-	79,652
Other trading activities	4	213,537	-	**213,537**	141,626	-	141,626
Investments		2,809	-	**2,809**	4,049	-	4,049
Total income		4,643,494	4,949,323	**9,592,817**	4,699,475	2,777,853	7,477,328
Expenditure on:							
Raising funds	5	714,282	-	**714,282**	703,749	-	703,749
Charitable activities	5						
Passage Resource Centre		1,883,734	1,033,313	**2,917,048**	2,395,878	757,990	3,153,868
Accommodation and prevention projects		2,222,348	1,454,993	**3,677,341**	961,975	2,043,097	3,005,072
Total expenditure		4,820,364	2,488,306	**7,308,670**	4,061,602	2,801,087	6,862,689
Net income / (expenditure) for the year	6	(176,870)	2,461,017	**2,284,147**	637,873	(23,234)	614,639
Transfers between funds		-	-	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		(176,870)	2,461,017	**2,284,147**	637,873	(23,234)	614,639
Other gains / (losses)		42,147	-	**42,147**	2,596	-	2,596
Net movement in funds	19	(134,723)	2,461,017	**2,326,294**	640,469	(23,234)	617,235
Reconciliation of funds:							
Total funds brought forward		6,406,273	16,137,174	**22,543,447**	5,765,804	16,160,408	21,926,212
Total funds carried forward		6,271,550	18,598,191	**24,869,741**	6,406,273	16,137,174	22,543,447

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 19a to the financial statements.

Balance Sheets

Passage 2000 (operating as The Passage)

As at 31 March 2022

Company number: 03885593

	Note	The group 2022 £	2021 £	The charity 2022	2021 £
Fixed assets:					
Tangible assets	11	**20,088,427**	17,201,876	**18,737,729**	15,826,653
Investments	12	**644,744**	302,596	**644,844**	302,696
		20,733,171	17,504,472	**19,382,573**	16,129,349
Current assets:					
Debtors	15	**1,233,061**	1,023,382	**1,244,011**	1,014,760
Cash at bank and in hand		**4,895,994**	5,083,091	**4,803,714**	5,001,598
		6,129,054	6,106,473	**6,047,725**	6,016,358
Liabilities:					
Creditors: amounts falling due within one year	16	**(1,533,984)**	(543,498)	**(1,439,889)**	(428,897)
Net current assets		**4,595,070**	5,562,975	**4,607,836**	5,587,461
Total assets less current liabilities		**25,328,241**	23,067,447	**23,990,409**	21,716,810
Loans to Subsidiaries	15	**-**	-	**722,288**	787,788
Creditors: amounts falling due after more than one year	16	**(458,500)**	(524,000)	**-**	-
Total net assets		**24,869,741**	22,543,447	**24,712,697**	22,504,598
Funds:	19a				
Restricted income funds		**18,598,191**	16,137,174	**18,598,191**	16,137,174
Unrestricted income funds:					
Designated funds		**4,121,914**	4,940,021	**4,121,914**	4,940,021
General funds		**2,149,636**	1,466,252	**1,992,592**	1,427,403
Total unrestricted funds		**6,271,550**	6,406,273	**6,114,506**	6,367,424
Total funds		**24,869,741**	22,543,447	**24,712,697**	22,504,598

Approved by the trustees on 27 September 2022 and signed on their behalf by

Michael Kelly,

Chair of Trustees

Consolidated Statement of Cash Flows

Passage 2000 (operating as The Passage)

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		**2,284,147**		614,639	
Depreciation charges		**386,784**		346,025	
Loss on disposals of fixed assets		**–**		–	
Interest income		**(2,809)**		(4,049)	
(Increase)/decrease in debtors		**(209,678)**		201,395	
Increase/(decrease) in creditors		**924,986**		700,278	
Net cash provided by / (used in) operating activities			**3,383,429**		1,858,288
Cash flows from investing activities:					
Dividends, interest and rents from investments		**2,809**		4,049	
Purchase of fixed assets		**(3,273,335)**		(738,403)	
Purchase of investments		**(300,000)**		(300,000)	
Net cash provided by / (used in) investing activities			**(3,570,525)**		(1,034,354)
Change in cash and cash equivalents in the year			**(187,097)**		823,934
Cash and cash equivalents at the beginning of the year			**5,083,091**		4,259,157
Cash and cash equivalents at the end of the year			**4,895,994**		5,083,091

THE PASSAGE to ending homelessness

Notes to the Financial Statements

Passage 2000 (operating as The Passage)

For the year ended 31 March 2022

1 Accounting policies

a) Statutory information

Passage 2000 is a charitable company limited by guarantee and is incorporated in England. Passage 2000 operates as The Passage.

The registered office address is at St Vincent's Centre, Carlisle Place, London SW1P 1NL. The Passage provides resources which encourage, inspire and challenge homeless people to transform their lives.

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiaries Passage Trading Services Limited and Passage Housing Services on a line by line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the parent charity and its subsidiaries entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of 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.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Reserves have been set at a level to ensure that changes resulting from the Covid 19 crisis can be effected and that continued operations in a changing environment can be sustained. The Capital Refurbishment Project, which will cost £9m, is expected to be funded by monies available for capital funding only and will not impact on operating income.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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) 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.

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.

g) 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.

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. Revenue funding from statutory bodies is normally spent in its entirety during the year. Individual balances on the restricted funds relating to revenue expenditure funded by statutory bodies is not material and no further analysis is therefore given.

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 charity 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 direct staff and support costs
- Other expenditure represents those items not falling into any other heading

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 activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Basis of allocation		Raising funds	PRC	Acc & Prevention
Management and planning	Use	14%	43%	43%
Finance	Use	25%	25%	50%
Information resources	Staff nos	7%	49%	44%
Human resources	Staff nos	7%	49%	44%
Facilities management	Use	1%	60%	39%
Governance		0%	50%	50%

Facilities management costs are recharged on the basis of the use of the services, taking floor areas occupied, and the intensity of their use. Information resources and Human resources overheads are charged on the basis of the number of staff engaged in each activity.

Governance costs are the costs associated with the governance arrangements of the charity.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £5,000. 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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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:

- Land | Not depreciated
- Freehold building | 3 - 100 years
- Equipment | 4 - 15 years

l) 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.

m) 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.

n) 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.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity has arranged a group personal pension plan, which is a defined contribution scheme, for staff, the costs of which are charged to the Statement of Financial Activities in the year in which the contributions are payable. The charity has no liability for the ultimate benefits paid.

q) Investments

During 2021-22 the charity transferred £300k of current cash and short term deposits to a COIF Charities Investment Fund (2021: £300k), which seeks to provide medium to long-term growth and stability within a client-driven ethical investment framework. The investments are valued at bid price as at the balance sheet date.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Legacies	316,690	10,000	**326,690**	374,014	-	374,014
Individuals	1,565,775		**1,565,775**	1,786,939	2,711	1,789,650
Westminster Cathedral	6,502	-	**6,502**	18,871	-	18,871
Donations from related parties	400	-	**400**	2,100	-	2,100
Church and voluntary groups	117,007	-	**117,007**	65,496	-	65,496
Grants	621,317	2,001,500	**2,622,817**	850,329	421,477	1,271,806
Corporate donations	930,294	-	**930,294**	758,926	327,102	1,086,028
	3,557,985	2,011,500	**5,569,485**	3,856,675	751,290	4,607,966

Grants income includes £2,001,500 from charitable trusts for the refurbishment of Bentley House and Passage House
The Charity received notification of legacies totalling approximately £455,681 (2021: £0) that did not meet the criteria for recognition as income in 2021-22 but which were expected to be received in 2022-23.

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Westminster City Council	-	1,857,573	**1,857,573**	-	1,894,393	1,894,393
Government of Ireland: Emigrant Support Programme	-	35,000	**35,000**	-	35,000	35,000
Greater London Authority	-	1,000,000	**1,000,000**	-	-	-
Brighton and Hove	-	-	**-**	-	34,249	34,249
EUSS	-	-	**-**	-	17,920	17,920
London Housing Foundation	-	45,250	**45,250**	-	45,000	45,000
Sub-total for Grants from statutory bodies	-	2,937,823	**2,937,823**	-	2,026,562	2,026,562
Rent from Residential Services	790,371	-	**790,371**	617,473	-	617,473
Other Income	78,792	-	**78,792**	79,652	-	79,652
Accommodation and prevention projects	869,163	-	**869,163**	697,125	-	697,125

The total grant for the Government of Ireland: Emigrant Support Programme for the period 1 July 2021 to 30 June 2022 was £35,000 (2021: £35,000); £39,367 was applied in the financial year 2021-22 (2021: £30,633) under the following headings:
Staff costs: £34,671 (2021: £27,942)
Client costs: £4,636 (2021: £2,633)
Volunteers: £60 (2021: £30)
Administration: £0 (2021: £28)

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Hire of meeting rooms and conference facilities	37,674	-	**37,674**	-	-	-
A Taste of Home (The Passage cookbook)	1,882	-	**1,882**	99,012	-	99,012
Sundry recharges	37,883	-	**37,883**	17,586	-	17,586
Fundraising events	136,098	-	**136,098**	25,028	-	25,028
	213,537	-	**213,537**	141,626	-	141,626

5a Analysis of expenditure (current year)

		Charitable activities					
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 7)	367,436	1,763,561	1,862,242	16,652	741,722	**4,751,612**	4,543,972
Other direct costs	229,955	636,687	1,331,760	-	-	**2,198,401**	1,938,364
Management and planning	-	-	-	-	37,612	**37,612**	20,645
Finance	-	-	-	-	25,637	**25,637**	39,230
Information resources	-	-	-	-	66,344	**66,344**	135,550
Human resources	-	-	-	-	18,287	**18,287**	5,982
Facilities management	-	-	-	-	210,778	**210,778**	178,945
	597,390	2,400,248	3,194,002	16,652	1,100,378	**7,308,670**	6,862,689
Support costs	116,892	508,474	475,013	-	(1,100,378)	-	-
Governance costs	-	8,326	8,326	(16,652)	-	-	-
Total expenditure 2022	**714,282**	**2,917,048**	**3,677,341**	-	-	**7,308,670**	
Total expenditure 2021	703,749	3,153,868	3,005,072	-	-		6,862,689

Passage Trading costs included in Raising funds 57,482

THE PASSAGE to ending homelessness

5b Analysis of expenditure (prior year)

	Charitable activities						
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	**2021 TOTAL £**	2020 TOTAL £
Staff costs (Note 7)	373,972	1,762,296	1,767,764	-	639,940	**4,543,972**	**4,179,321**
Other direct costs	230,102	913,418	794,843	-	-	**1,938,364**	**1,722,605**
Management and planning	-	-	-	16,255	4,390	**20,645**	**52,778**
Finance	-	-	-	-	39,230	**39,230**	**31,031**
Information resources	-	-	-	-	135,550	**135,550**	**67,918**
Human resources	-	-	-	-	5,982	**5,982**	**5,383**
Facilities management	-	-	-	-	178,945	**178,945**	**196,922**
	604,074	2,675,714	2,562,607	16,255	1,004,039	**6,862,689**	6,255,958
Support costs	99,675	470,026	434,338	-	(1,004,039)	-	-
Governance costs	-	8,127	8,127	(16,255)	-	-	-
Total expenditure 2021	**703,749**	**3,153,868**	**3,005,072**	-	-	**6,862,689**	
Total expenditure 2020	478,052	2,982,944	2,794,962	-	-		6,255,958
Passage Trading costs included in Raising funds			99,181				

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	**386,784**	346,025
Loss on disposal of fixed assets	**-**	-
Auditor's remuneration (excluding VAT):		
Audit	**13,400**	12,400
Audit fees for subsidiaries	**6,000**	6,000
Other services	**-**	7,400

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	**3,798,441**	3,698,027
Social security costs	**381,408**	370,040
Employer's contribution to defined contribution pension schemes	**176,799**	153,792
Other staff costs (including agency costs)	**221,982**	201,947
Training and recruitment	**58,886**	78,727
Redundancy payments	**72,352**	-
Other costs	**41,744**	41,438
	4,751,612	4,543,972

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

	2022 No.	2021 No.
£60,000 - £69,999	**-**	-
£70,000 - £79,999	**3**	2
£80,000 - £89,999	**-**	-
£90,000 - £99,999	**1**	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £531,150 (2021: £479,546).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2021: £nil) incurred by nil (2021: nil) members relating to attendance at meetings of the trustees.

£60,000 - £69,999	**-**	-
£70,000 - £79,999	**3**	2
£80,000 - £89,999	**-**	-
£90,000 - £99,999	**1**	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £531,150 (2021: £479,546).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2021: £nil) incurred by nil (2021: nil) members relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 128 (2021: 121).

Staff are split across the activities of the charity as follows:

	2022 No.	2021 No.
Raising funds	**7**	7
Passage Resource Centre	**45**	46
Prevention and accommodation	**58**	50
Support	**18**	18
	128	121

9 Related party transactions

The board of trustees ("The Board") manages the charitable activities of the company.
Passage Housing Services, Passage Trading Services, The Passage Trust, the Daughters of Charity of St Vincent de Paul ("the Sisters") and Westminster Cathedral are related parties.

Transactions with the Sisters
The Sisters made grants and donations of £400 (2021: £2,100) to The Passage.

Transactions with Westminster Cathedral
Westminster Cathedral made grants and donations, and collected donations on behalf of The Passage amounting to £6,502 (2021: £18,871). No charge was made for the facilities provided by the cathedral for the collection of money to assist the work of The Passage.

Transactions with Passage Trading Services
During the year The Passage received repayment of £11,198 (2021: £117,190) from Passage Trading Services in loans and advances.

Aggregate donations from related parties were £18,100 (2021: £138,161).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Passage Trading Services Limited distributes under Gift Aid available profits to the parent charity.

11 Tangible fixed assets

The group

	Freehold property £	Equipment fixtures and fittings £	**Total £**
Cost			
At the start of the year	21,432,871	1,100,304	**22,533,175**
Additions in year	3,111,622	161,713	**3,273,335**
Disposals in year	-	-	**-**
At the end of the year	24,544,493	1,262,017	**25,806,509**
Depreciation			
At the start of the year	4,420,015	911,283	**5,331,298**
Charge for the year	313,137	73,647	**386,784**
Eliminated on disposal	-	-	**-**
At the end of the year	4,733,152	984,930	**5,718,082**
Net book value			
At the end of the year	19,811,340	277,087	**20,088,427**
At the start of the year	17,012,855	189,021	17,201,876

All of the above assets are used for charitable purposes.

The charity Cost	Freehold property £	Equipment fixtures and fittings £	Total £
At the start of the year	19,917,682	1,100,304	**21,017,986**
Additions in year	3,111,622	161,713	**3,273,335**
Disposals in year	-	-	**-**
At the end of the year	23,029,304	1,262,017	**24,291,321**
Depreciation			
At the start of the year	4,280,050	911,283	**5,191,333**
Charge for the year	288,612	73,647	**362,259**
Eliminated on disposal	-	-	**-**
At the end of the year	4,568,662	984,930	**5,553,592**
Net book value			
At the end of the year	18,460,642	277,087	**18,737,729**
At the start of the year	15,637,632	189,021	15,826,653

All of the above assets are used for charitable purposes.

12 Listed investments

	The group		The charity	
	2022 **£**	2021 £	**2022** **£**	2021 £
Fair value at the start of the year	**302,596**	-	**302,696**	100
Additions at cost	**300,000**	300,000	**300,000**	300,000
Disposal proceeds	**-**	-	**-**	-
Net gain / (loss) on change in fair value	**42,147**	2,596	**42,147**	2,596
Fair value at the end of the year	**644,744**	302,596	**644,844**	302,696

Investments comprise:

	The group		The charity	
	2022 **£**	2021 £	**2022** **£**	2021 £
UK Common investment funds	**644,744**	302,596	**644,744**	302,596
Investments in subsidiary undertakings	**-**	-	**100**	100
	644,744	302,596	**644,844**	302,696

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to ending homelessness

13 Subsidiary undertakings

The charity owns the funds of Passage Housing Services, a company registered in England and a Registered Social Landlord. The company number is 09874011 and the RSL number is 4842. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

This entity is used for residential services that cannot be run through the charity, however all activity is considered primary purpose. All activities have been consolidated on a line by line basis in the statement of financial activities.

A summary of the results is shown below:

	2022 £	2021 £
Income	131,000	25,105
Expenditure	(21,565)	(6,469)
Net income/(expenditure) for the year	109,435	18,636
Funds brought forward	18,842	206
Total funds carried forward	128,277	18,842
The aggregate of the assets, liabilities and reserves was:		
Assets	673,094	678,234
Liabilities	(544,817)	(659,392)
Reserves	128,277	18,842

The charity owns the whole of the issued ordinary share capital of Passage Trading Services Limited, a company registered in England. The company number is 09874011. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results is shown below:

	2022 £	2021 £
Turnover	77,439	146,613
Cost of sales	(57,482)	(99,180)
Gross profit/(loss)	19,958	47,433
Interest on loan payable to parent undertaking	11,198	10,688
Profit / (loss) on ordinary activities before taxation	8,760	36,745
Taxation on profit on ordinary activities	-	-
Profit / (loss) for the financial year	8,760	36,745
Retained earnings		
Total retained earnings brought forward	20,007	23,047
Profit / (loss) for the financial year	8,760	36,745
Distribution under Gift Aid to parent charity	-	(39,785)
Total retained earnings carried forward	28,767	20,007
The aggregate of the assets, liabilities and reserves was:		
Assets	806,555	790,299
Liabilities	(777,688)	(770,192)
Reserves	28,867	20,107

Amounts owed to the parent undertaking are shown in note 15.

THE PASSAGE to ending homelessness

14 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	**9,568,723**	7,413,693
Result for the year	**2,208,099**	558,942

15 Debtors

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	**29,399**	2,243	**-**	-
Other debtors	**207,836**	315,967	**207,836**	309,588
Amounts due from subsidiary undertakings	**-**	-	**47,621**	-
Prepayments	**228,611**	164,965	**221,339**	164,965
Accrued income	**652,377**	505,382	**652,377**	505,382
Sundry Debtors	**114,837**	34,826	**114,837**	34,826
Debtors over one year:				
Funding advance to Passage Trading Services Limited	**-**	-	**722,288**	722,288
Funding advance to Passage Housing Services Limited	**-**	-	**-**	65,500
	1,233,061	1,023,382	**1,966,299**	1,802,548

The funding loan to Passage Trading Services Limited, a wholly owned subsidiary, represents funds advanced to enable the subsidiary company to renovate the conference space area which it now hires out. The loan has flexible repayment terms and carries a commercial rate of interest.

The funding loan to Passage Housing Services, a wholly owned subsidiary, in 2021, represented the first year payment for the transfer of the lease for Bentley House, the freehold of which is owned by the parent charity. This loan was converted to a grant from the parent charity in 2022.

16 Creditors: amounts falling due within one year

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	**229,335**	128,692	**228,934**	128,692
Taxation and social security	**130,148**	110,588	**122,755**	108,056
Pension contributions	**35,748**	32,965	**35,748**	32,965
Other creditors	**69,189**	67,299	**3,689**	1,799
Amounts due to group undertakings	**-**	-	**-**	3,196
Accruals	**1,050,514**	195,313	**1,037,139**	145,740
Deferred income (note 17)	**19,051**	8,641	**11,625**	8,449
	1,533,984	543,498	**1,439,889**	428,897

Creditors greater than one year comprises amounts due for the buyback of the lease on Bentley House of £458,500 (2021: £524,000) and is repayable over 9 years (until 2030) in equal instalments each year.

17 Deferred income

Deferred income comprises funds in advance from Housing benefits, room hire paid in advance, and income received for the

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Balance at the beginning of the year	**8,641**	14,023	**8,449**	3,238
Amount released to income in the year	**(8,641)**	(14,023)	**(8,449)**	(3,238)
Amount deferred in the year	**19,051**	8,641	**11,625**	8,449
Balance at the end of the year	**19,051**	**8,641**	**11,625**	**8,449**

THE PASSAGE to ending homelessness

18a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	1,590,185	171,460	18,326,782	**20,088,427**
Investments	644,744	-	-	**644,744**
Net current assets	373,207	3,950,454	271,409	**4,595,070**
Long term liabilities	(458,500)	-	-	**(458,500)**
Net assets at 31 March 2022	**2,149,636**	**4,121,914**	**18,598,191**	**24,869,741**

18b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	1,380,985	189,021	15,631,870	**17,201,876**
Investments	302,596	-	-	**302,596**
Net current assets	306,671	4,751,000	505,304	**5,562,975**
Long term liabilities	(524,000)	-	-	**(524,000)**
Net assets at 31 March 2021	**1,466,252**	**4,940,021**	**16,137,174**	**22,543,447**

19a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Immigration	1,423	30,000	(30,704)	-	**719**
Home for Good	105,116	56,521	(122,066)	-	**39,571**
Rough Sleeping Team	213,075	68,762	(276,837)	-	**5,000**
Passage House	14,657	-	-	-	**14,657**
Modern Slavery	30,000	-	(30,000)	-	**-**
Westminster Housing Project	27,580	45,250	(40,823)	-	**32,007**
Employment and training	8,185	287,592	(245,777)	-	**50,000**
Resettlement	3,557	-	(1,548)	-	**2,009**
Move On	100,000	148,051	(248,051)	-	**-**
Community Intervention Team	-	117,773	(80,693)	-	**37,080**
Prevention and partnership	-	70,000	(17,036)	-	**52,964**
Other statutory grants	-	1,064,140	(1,064,140)	-	**-**
Other restricted funds	1,711	59,735	(24,044)	-	**37,402**
Building fund:					
St Vincent's refurbishment	9,563,406	-	(271,914)	-	**9,291,492**
Passage House and Bentley House	-	3,001,500	-	-	**3,001,500**
St Vincent's Centre	3,976,446	-	(17,976)	-	**3,958,470**
General Building development fund	914,253	-	-	-	**914,253**
Passage House	1,135,783	-	(16,698)	-	**1,119,085**
Passage Resource Centre	41,982	-	-	-	**41,982**
Total restricted funds	16,137,174	4,949,323	(2,488,306)	-	**18,598,191**

19a Movements in funds (current year continued)

Unrestricted funds:					
Designated funds:					
Funding Contingency	1,750,000	-	-	-	**1,750,000**
St Vincent's refurbishment	2,700,000	-	(687,001)	-	**2,012,999**
Equipment	189,021	-	-	(17,561)	**171,460**
Strategy investment costs	301,000	-	-	(113,545)	**187,455**
Total designated funds	4,940,021	-	(687,001)	(131,106)	**4,121,914**
General funds	1,466,252	4,685,642	(4,133,363)	131,106	**2,149,636**
Total unrestricted funds	6,406,273	4,685,642	(4,820,364)	-	**6,271,550**
Total funds	22,543,447	9,634,964	(7,308,670)	-	**24,869,741**

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

19b Movements in funds (prior year)

	At 1 April 2020	Income & gains	Expenditure & losses	Transfers	At 31 March 2021
	£	£	£	£	£
Restricted funds:					
Immigration	4,000	-	(2,577)	-	**1,423**
Home for Good	50,865	130,197	(75,946)	-	**105,116**
Rough Sleeping Team	139,708	88,000	(14,633)	-	**213,075**
Passage House	8,407	6,250	-	-	**14,657**
Modern Slavery	-	80,000	(50,000)	-	**30,000**
Westminster Housing Project	23,057	35,000	(30,477)	-	**27,580**
Employment and training	-	46,000	(37,815)	-	**8,185**
Resettlement	-	100,000	(96,443)	-	**3,557**
Move On	-	100,000	-	-	**100,000**
Community Intervention Team	-	100,000	(100,000)	-	**-**
Covid-19 Food Hub	-	126,220	(126,220)	-	**-**
Other statutory grants	-	1,931,562	(1,931,562)	-	**-**
Other restricted funds	-	34,624	(32,913)	-	**1,711**
Building fund:					
St Vincent's refurbishment	9,835,330	-	(271,924)	-	**9,563,406**
St Vincent's Centre	4,004,030	-	(27,584)	-	**3,976,446**
General Building development fund	914,253	-	-	-	**914,253**
Passage House	1,138,775	-	(2,992)	-	**1,135,783**
Passage Resource Centre	41,982	-	-	-	**41,982**
Total restricted funds	16,160,407	2,777,853	(2,801,086)	-	**16,137,174**
Unrestricted funds:					
Designated funds:					
Funding Contingency	1,750,000	-	-	-	**1,750,000**
St Vincent's refurbishment	2,200,000	-	-	500,000	**2,700,000**
Statutory redundancy	452,324	-	-	(452,324)	**-**
Equipment	167,238	-	-	21,783	**189,021**
Strategy investment costs	-	-	-	301,000	**301,000**
Total designated funds	4,569,562	-	-	370,459	**4,940,021**
General funds	1,196,243	4,702,071	(4,061,603)	(370,459)	**1,466,252**
Total unrestricted funds	5,765,805	4,702,071	(4,061,603)	-	**6,406,273**
Total funds	21,926,212	7,479,924	(6,862,689)	-	**22,543,447**

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Purposes of restricted funds

The St Vincent's Refurbishment Fund - Represents payments contributed by developers to The Passage for the refurbishment of St Vincent's Centre, plus interest earned on this fund.

The St Vincent's Centre Building Fund - Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.

The General Development Fund - Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.

The Passage House Fund - Consists of the historical cost of Passage House to The Passage Trust, less accumulated depreciation to 31 March 2022 (including the Lily Ann & William Wiggins Fund of £146,045, which the donor agreed could be used for this purpose), and grants payable to the company to develop Passage House.

The Passage Resource Centre Fund - Represents a legacy received by The Passage Trust for use in the Resource Centre, given to Passage 2000 for the development and maintenance of the Resource Centre.

Westminster City Council -

Passage House Assessment Centre Grant - Contribution to the running of Passage House as an assessment centre for Westminster rough sleepers.

Supporting People Grant - Funding for workers giving general counselling and advice in Montfort House. Additional funding for night time support staff in Montfort House.

Housing Options Grant - Grant to provide housing advice and assistance to single homeless people.

Private Rented Sector Advice Grant - Grant to employ a staff team giving advice and assistance to homeless people to access private rented accommodation and related resettlement costs.

Irish Government-Department of Foreign Affairs - Funding to employ a worker to co-ordinate the Resource Centre's services to Irish clients and to research their needs.

Purposes of designated funds

Funding Contingency Fund - Ensures that adequate resources would be available to maintain services to beneficiaries in the short-term, having regard to seasonal fluctuations in income and the company's exposure to possible variations in future grant levels from major funders. It was not necessary to draw on this reserve during 2021-22.

St Vincent's Refurbishment Fund - Designated for future major cyclical maintenance of St Vincent's Centre and towards any costs of acquiring and refurbishing Bentley House, which cannot be funded through grants and donations.

Statutory Redundancy Fund - This was closed and part-transferred to the Strategy Investment Fund in 2021, with the balance released to General Funds.

Equipment Fund - Represents the net book value of equipment, apart from equipment funded as part of the St Vincent's refurbishment project.

Strategy Investment Fund - Represents funds designated by the Board to develop and implement the 2022-2025 strategy for The Passage.

20 Capital commitments

At the balance sheet date, the group had committed to £5.1m further expenditure relating to the refurbishment of Bentley House and Passage House (2021: £0).

PASSAGE 2000

England & Wales - Charity number 1079764

Accounts

Title Page

Trustees' Report and Accounts for year ended 31 March 2021

(Insert image and Passage logo)

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The trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on pages 5 and 6 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

About The Passage

For the past 40 years, The Passage has been based in the heart of Westminster, providing practical support and a wide range of services to help transform the lives of people who are street homeless. We are guided by our Vincentian values and offer our clients the resources and solutions to end their homelessness for good, including routes to employment, benefits and accommodation. We run a modern Resource Centre in Victoria, three residential and resettlement projects, outreach and health services, homelessness prevention schemes and a pioneering modern slavery referral programme.

Our Vision
Working with our clients, our partners and society as a whole we will play our part in ending street homelessness.

Our Mission
To provide resources which encourage, inspire and challenge people who are homeless to transform their lives.

Our Ethos
The Passage takes its values and ethos from the teachings and example of St. Vincent De Paul, a Christian and social reformer, who co-founded the Daughters of Charity in 1663. Vincent believed in action rather than words and in hands-on service to vulnerable people.

As a Vincentian organisation, The Passage strives to be inclusive; encompassing a diverse and rich culture from within our members, clients, volunteers and staff. Actively working with others across all aspects of society, seeking to have influence and be an advocate for people who are homeless, The Passage seeks to be a place of hope, aspiration, change and innovation, underpinned by values that reach back over four hundred years.

Our Values
- We assist homeless people to realise their own potential to transform their lives
- We act with compassion and kindness
- We are a voice for change and justice
- We build relationships based on trust
- We respect each other
- We are straightforward in all our dealings
- We believe in practical hands on-hard work
- We collaborate across all sectors of society

Chief Executive and Chair's Statement

This report details our progress against the strategic goals we set ourselves for the year ended March 2021. It also reviews the achievements and challenges we have faced during a time of crisis caused by the global Covid-19 pandemic.

In this, our 40th anniversary year, The Passage was needed like never before. Whilst the pandemic changed virtually every aspect of how we fulfil our mission, we did not allow it to define us or what we stand for. Our values have always fundamentally guided our approach and this year was no different.

When the Covid-19 pandemic hit, our immediate priority was clear; to keep our clients, staff and volunteers safe. We ensured that our frontline teams had plentiful supplies of protective equipment and we very quickly developed new protocols regarding additional cleaning and other safety measures. We were determined that all our services would remain open, even if that meant making some adaptations to ensure that a safe service could be provided.

We are extremely proud that The Passage was asked to play a pivotal role alongside other charities, local and central government in the *Everyone In* initiative. This ground-breaking programme created a safe route off the streets for many thousands of people across the UK. Here in London, we also provided practical support for clients in temporary hotel accommodation, helping them adjust to the difficult situation and facilitating the transition into permanent housing. At the height of the crisis, The Passage established and funded an emergency food hub, which has prepared and delivered an astonishing 90,000 meals.

Each and every one of our staff and volunteers have been absolute heroes and we would like to take this opportunity to recognise those, especially on the frontline, who put themselves at risk time and time again to ensure that our clients received the support they desperately needed. They share a deep passion to eradicate street homelessness and we pay tribute for the tremendous and tireless work they have carried out over the last 12 months and the incredible results they have achieved.

We also have the deepest respect for our clients – their courage, resilience and determination to succeed is truly remarkable.

Given the challenges of continuing to operate safely during a global pandemic, we couldn't be prouder of our outcomes - 80% of residents at Passage House achieving a positive move-on, 61 people gaining secure employment and 375 clients helped off the streets into sustainable accommodation – to highlight a few.

The challenge of keeping everyone safe in a pandemic inevitably resulted in increased costs and we are very fortunate to have a loyal group of supporters. We take our responsibility to be a good steward of income very seriously, with 93 pence of every £1 raised going directly to our frontline services.

We are also very grateful for the support of our partners in both local and central government for their financial backing of the services we provide.

The pandemic has led to much pain for so many people. The Passage too lost members of our volunteer family during this period and so we ask that you join us in remembering them and giving thanks.

This extraordinary year has shown what can be achieved if everyone pulls together. Quite simply, there is no place for street homelessness in 21st century Britain; we all have a role to play in ending street homelessness for good; we hope you will join us in doing so.

Mick Clarke, CEO **Mike Kelly, Chair**

Trustees, Senior Management and Advisors

Founding Patron
Cardinal Basil Hume

Royal Patron
HRH The Duke of Cambridge

Patron
Cardinal Vincent Nichols

Chair of Trustees
Michael Kelly FICRS, FRSA

Board of Trustees
Mgr Vladimir Felzmann
Sr Eileen Glancy DC
Kevin Hyland
Christopher Morris (Chair of Risk and Audit Committee)
Roisin Murphy (Deputy Chair, Chair of Client Services Committee)
Antonio Orlando
Dr lram Sattar
Victoria Bevilacqua-Stephenson
Christopher Williams (Treasurer, Chair of Finance Committee)

Company Secretary
Jane Sandeman

Senior Management Team
Michael Clarke – Chief Executive
Emma Noble – Director of Income Generation and Communications
Jane Sandeman - Chief Operating Officer
Jenny Travassos – Director of Services and New Developments

Principal Bankers
HSBC Belgravia Branch
The Peak
333 Vauxhall Bridge Road
London SWIV 1EJ

Solicitors
Pothecary Witham Weld
70 St George's Square
London SW1V 3RD

Auditor
Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London EC1Y 0TL

Address of charity and registered office
The Passage
St Vincent's Centre, Carlisle Place
London SWIP 1NL
Telephone 020 7592 1850
Fax 020 7592 1870
Email info@passage.org.uk
Website www.passage.org.uk
Charity registration number 1079764
Company number 03885593

Kris's story

Kris was spotted on the streets by The Passage Outreach team a few weeks before the second lockdown. Following a family breakdown involving his long-term, alcoholic parents, Kris had come to London from Lithuania on the promise of employment and a new future. The job never materialized and 20-year-old Kris ended up homeless, alone and at risk on the streets, with no friends or relatives to turn to.

Our Outreach Worker made an initial assessment and referred Kris to our Resource Centre where he was able to shower, receive clean clothes and food, and access additional services to help resolve his homelessness.

Kris's best chance at securing a sustainable route off the street was through employment so he was introduced to our Employment, Training and Education (ETE) team. The team worked quickly to apply for Kris's National Insurance number and provided him with a UK mobile phone. Kris and the team talked through his skills and experience to determine the types of roles he would be most suited to. Although Kris was putting on a brave face, the team noticed that he was displaying signs of anxiety and appeared to have recent bruising to the face. They continued to work with him while closely monitoring his mental and physical health.

After a number of appointments, and with encouragement, Kris's confidence grew; he wanted his life back on track. The team helped him to write his CV and provided him with interview training. Meanwhile The Passage Immigration experts helped him to apply for pre-settled status.

In November, the UK went into a second lockdown. Knowing Kris would be vulnerable on the streets, the team supported Kris into emergency hotel accommodation. They visited daily, bringing food parcels, toiletries, clothing and checking on his welfare.

To keep Kris motivated and on the path to employment, he was loaned a tablet with internet access and spoke with his Key Worker every day. Eventually he was offered two interviews, but when it came to the day, he turned them down, claiming that he would prefer to be on the streets again. His Key Worker knew that there was more to the story, and immediately arranged a chat.

Kris revealed he had been suffering from depression and anxiety for a long time. There had been incidents of abuse over a number of years and the isolation of the second lockdown had taken a huge toll on his mental health. Kris was referred to the Passage Mental Health team who visited Kris in his hotel room and helped him to link with a GP for ongoing support. Our Mental Health and ETE teams continued to provide one-to-one support so that by December, Kris was in a better place and ready to attend another job interview. The ETE team kitted him out with suitable work clothes, shoes and travel expenses.

Kris was successful and offered a role in stock control. This was a huge step forward for him personally and major progress in his journey off the street.

The Passage continue to support Kris who is settling into his new job well. He is being supported by our Private Rented Sector team who are helping him to find suitable long-term housing and ensure he is equipped with a move-on pack including all the essentials to make his new place feel like home.

The Passage is very proud of how far Kris has come in just a matter of months. He tells us that he is hopeful for the future.

How we helped in 2020/21

- **Across all residential and day services**, we supported **375 people experiencing homelessness into safe accommodation**

- **511 people at risk of street homelessness were prevented from becoming homeless** through the support of our **Housing Solutions Service**, a partnership between The Passage, RMG and Shelter, assisting clients to navigate the statutory homelessness process; including advocacy, support around domestic abuse, managing money and moving into accommodation

- In April 2020, we set up an **emergency Food Hub** in response to the Covid-19 crisis. Our staff and army of volunteers have prepared and distributed over **90,000 meals** in the last 12 months

- **Passage House** provides an immediate route away from the streets and the team **secured settled homes for 104 people**, a **80% positive move-on rate**

- **Newman Street** residential project worked with 117 tenants in temporary accommodation and **supported 48 to move into their own home**

- **Montfort House,** our Housing First project, **provided sustainable and safe accommodation for 16 people with complex needs of which 6 were supported to move on from the project into their own home**

- **Our Home for Good homelessness prevention scheme saw 23 partnerships formed or maintained** and **34 people received further support** to maintain their tenancies during this challenging time

- **The Passage Resource Centre** provides a wide range of services to meet the varying and complex needs of those experiencing, or at risk of, homelessness. Last year, the centre achieved the following outcomes:

    - Our **Employment, Training and Education Team** supported **61 people to gain lasting jobs** which helped them to move away from homelessness; many of this group had no other route away from homelessness due to their immigration status

    - Our **Client Development Team** helped **105 people to reduce their debt** and to increase their confidence in managing money and supported **184 people to successfully navigate the benefits system**

    - **347 people worked with our Health and Street Outreach services** to take the first important steps towards recovery

    - **185 people were supported into accommodation,** of which **104 people were moved into their own tenancies** in the private rented sector in the midst of the pandemic

    - **32 people were reconnected and supported into accommodation**, both nationally and internationally

    - **105 EU citizens** were assisted to get pre-settled or settled status

    - **60 people with No Recourse to Public Funds secured a route away from the street** with the help of our in-house migrant support service

- **19 people were helped to resolve their immigration status** with our Immigration solicitor's advocacy

- **34 survivors were supported** by our **Modern Slavery Navigator service**

- **542 professionals and partners took part in webinars** to better understand the signs of **modern slavery** and learn best practice to **support survivors of modern slavery**

- **60 professionals fully trained** in developing a comprehensive multi-agency response for survivors of **modern slavery**.

Our response to the Covid-19 pandemic

Like everyone in the country, and indeed the world, when Covid-19 emerged it was a time of immense concern.

At The Passage we believed it was our duty to stay true to our values and ensure that we were there for those who were extremely vulnerable and needed us the most.

Working at a strategic level
The Passage was a key member of the Pan-London Strategic Emergency Response group, leading the conception and implementation of the *'Everyone In'* initiative during the first months of the pandemic. Bringing together local and central government with the homelessness sector, *Everyone In* resulted in many hundreds of people being moved off the streets into safe temporary accommodation, often hotels, where they could self-isolate. We also developed key messaging for how day centres and other voluntary groups across the country could operate safely, as well as providing staff and volunteer support for the hotel network across London.

Working at an operational level
The Passage worked collaboratively with other agencies and Westminster City Council to help hundreds of people off the streets of Westminster and into hotel accommodation. We also ensured that the clients living in our residential projects were safe and secure. As it was not safe to have large numbers of people inside, our day service were adapted and our teams went out to the streets to directly help people into accommodation. We also provided outreach to those in emergency or their own accommodation who were feeling isolated and in need of support and helped many people to move on from their hotel into long-term accommodation.

At the height of the crisis, The Passage set up an emergency 'food hub' from our kitchen in Victoria, preparing and delivering 350 hot meals daily for people self-isolating in temporary accommodation and unable to access any other food provision. The hub was resourced by volunteers working seven days a week and entirely funded from voluntary donations raised by The Passage. To date, we have supplied over 80,000 meals.

All of this was achieved thanks to our amazing staff, many of whom continued to provide frontline support despite their own personal risk. Ordinary people doing absolutely extraordinary things.

Everyone played a key role; not least our cleaning staff - who thanks to their efforts, combined with the diligence of our residential teams - ensured that not one person in any of our residential projects contracted Covid-19. The Passage was also extremely fortunate to benefit from large donations of PPE – from companies, charitable trusts and individuals - which helped our staff to operate as safely as possible.

Moving forward
Building on our experience of *Everyone In*, The Passage has developed *No Night Out*, a new rapid-response service which prevents people from becoming street homeless. Even one night on the street can have a devastating effect and make recovery and resettlement much more difficult; *No Night Out* provides safe, temporary accommodation and tailored support matched to a client's specific needs. Currently in a pilot phase, *No Night Out* focuses on people who are rough sleeping in Westminster, particularly those who may be recently homeless due to job loss, offering long-term solutions helping to help people quickly get back on their feet.

The whole world remains in uncertain times. We hope that with the development of vaccines we can learn to live with Covid-19. We all know of people who were ill or in some cases sadly lost their lives to this terrible virus; The Passage was not an exception, and we remember and pay tribute to those from The Passage family who lost their lives.

Despite the challenges, tragedy and sadness, something amazing also happened in those months. We saw that when there is the political will and resourcing and when all of society pulls together under a common cause, **we can end street homelessness.**

We can't go back. We must build on what we achieved and The Passage will do all it can to ensure that everyone in society - government, corporates, church, community groups and individuals - are able to play their role in ending street homelessness. In 21st century Britain, street homelessness should not exist; by working together as we did in those dark few months, we have shown that we can achieve that goal.

Review of Volunteering

The Covid-19 pandemic had an immediate impact on volunteering activity; services run from the Resource Centre had to quickly adapt to the crisis and as such, most regular volunteering roles were temporarily paused. As part of the *Everyone In* initiative, The Passage set up an emergency Food Hub to prepare and deliver meals seven days a week to rough sleepers now safely accommodated in six hotels across Westminster. Many of our existing volunteers were unable to volunteer for the Food Hub due to being clinically vulnerable, but the Volunteer Team successfully recruited **184 volunteers** to support this vital service.

The demand for Kitchen Volunteers as part of The Food Hub steadily rose between April and July 2020, starting with 12 volunteers per day rising to 18 and then 21 by mid-May to keep up with the rising numbers of clients in temporary accommodation. Through volunteer contacts, we were able to secure the use of two additional vans plus drivers to deliver meals which was invaluable to the success of the hub. **306 individuals volunteered a total of 9,265.5 hours for The Food Hub** either as kitchen support or delivery and driver volunteers. **184 of those volunteers were brand new** to The Passage and volunteered with us for this first time during the height of the pandemic.

The Food Hub ran until 28 March 2021, preparing and distributing over 90,000 meals and emergency food parcels. It has since been replaced with a small team of staff and volunteers who continue to provide food parcels and hot meals for clients.

The Passage also assisted with the recruitment of volunteers providing practical support for the many hotels set up as part of the pan-London *Everyone In* initiative.

At Passage House, five out of ten Reception Volunteers continued to volunteer generating a total of 3,666 hours.

Volunteer roles at Montfort House and for the Irish Group were able to continue virtually throughout lockdown using laptops and phones provided by The Passage.

The Volunteering Team developed role-specific Covid safety guidance and assessed every volunteer to identify personal risk factors relating to serious illness as a result of infection to ensure that we were not placing anyone at undue risk when they volunteered.

Processes relating to volunteer recruitment were improved via the introduction of an online application form in June 2020 and also significant improvements made to data analysis with the introduction of an upgraded CRM.

Paul's story

Paul, in his early thirties, had held a steady job for four years and then Covid-19 hit the UK. Initially, he was put on furlough for three months, but his position was then terminated completely. Without an income, Paul didn't know what to do. He lived in his car for a while, but couldn't afford the monthly instalments for his insurance and already had a maxed-out credit card.

He came to The Passage for help and advice and was referred to our Private Rented Solutions team. He met with Khai who explained his options through The Passage's network of private landlords and together they viewed and selected a suitable flat. Khai gently negotiated with the landlord to get the best deal for Paul's deposit and advance rent, which The Passage helped to pay.

Before signing the tenancy, the landlord carried out credit checks and discovered that Paul had accrued various debts in the past. Khai therefore referred Paul to The Passage's Money Advice Worker who arranged a manageable payment plan that would clear his debts over time and improve his credit history. With proof of this the landlord accepted and signed Paul's tenancy.

When it was time to move, Paul asked Khai if The Passage would be able to help him retrieve some of his belongings from storage. Khai was able to book a van to collect his items and help him to move into his new home. Paul then found that his Universal Credit was to be delayed as he was changing his address, and panicked that once again he would have no means to get by. Khai therefore arranged for a 'move-on pack' to be delivered the next day, consisting of various household items and some groceries he'd asked for.

Khai then referred Paul to The Passage's Employment team to help him return to work. He was given a donated iPad so he can maintain contact with his case workers and loved ones, and to help him pursue his job search from home.

Review of Strategic Objectives 2020-21

1. ***Develop and implement our co-production strategy across the organisation and further establish access to clinical psychologists across our services.***

   The voices of the people who use our services was prevalent in our pandemic response with a focus on safety, urgency, and increased communication during challenging times. It has also demonstrated that we can learn new ways of working; many of our clients have shared their ideas for how to improve our engagement with them, such as offering digital support. However, the crisis meant that we had to postpone formalising this work as we needed to prioritise supporting people to stay safe and find a permanent route away from the streets.

   We have been gathering client feedback at every step of the way out of the emergency response which has led to The Passage recruiting a dedicated **Experts by Experience Facilitator.** This new role will work with clients to seek their feedback and directly involve them in shaping our services. They will facilitate a clear programme for involvement at every level.

   We have implemented clinical mental health and psychology input at two of our residential services to great success, enabling one to one psychology input, assessment and advocacy. We will explore extending this across the remainder of our services in the final year of our current strategic plan, alongside our aim to develop a Trauma Informed Care approach across all of our services.

2. ***Develop our theory of change work, utilising our new In-Form system to capture the impact of our work and further develop our services.***

   In-Form has now been rolled out to our services. There is a cross departmental, internal team in place to support the programme to grow and to shape services in a proactive manner. Data is now being used to spot gaps in provision, celebrate successes and identify the impact our support has had on an individual's progression.

   The pandemic has significantly changed how services work and the characteristics of the people we support. As such, we are now beginning the process of identifying The Passage's Theory of Change with our Trustees, service users and staff teams in order to clearly identify the outcomes that we are here to achieve.

3. ***Ensure effective systems and infrastructure are in place to enable all central services functions to provide the highest possible standards to support frontline service delivery.***

   A new cloud-based accounting system was introduced at the beginning of the year. This gives us the functionality to produce management accounts for budget holders within four working days of the month end.

   Throughout the year, our primary focus for key systems and infrastructure has been to ensure that our employees could work from home where needed. We upgraded and increased our supply of IT equipment and like many other organisations, we had to quickly set up software and systems to ensure our workforce could operate remotely. This included Microsoft Teams and other virtual platforms.

4. ***Finalise and implement a use of space strategy to improve the quality of surroundings for existing services, and to inform the planning for any future service developments/new projects.***

Due to the pandemic this objective was put on hold and the emphasis switched to ensuring our buildings and projects were Covid-secure. All services and departments were supported with a comprehensive risk assessment which enabled The Passage to adhere to Covid-secure best practice.

5. ***Finalise and implement salary benchmarking and staff survey recommendations, (including developing an environmental policy and procedures), and roll out our Values and centralised Induction training programme for all new staff.***

The salary benchmarking exercise has been developed and the recommendations will be shared during quarter two of the next financial year. The development of an environmental policy and procedure was put on hold as we had to prioritise the implementation of new Covid procedures and policies.

The centralised Induction training programme could not take place this year due to Covid regulations, but the programme has been developed and will be rolled out when current restrictions allow.

6. ***Commence the refurbishment of Bentley House to provide increased access to affordable housing.***

To ensure that we can continue to meet the current and emerging needs of those impacted by homelessness, we are upgrading our infrastructure and have embarked on a major capital works programme to refurbish Bentley House for which we own the freehold. During 2020-21, The Passage successfully negotiated the transfer of the leasehold on Bentley House from a third party.

The works are needed to continue providing vital resettlement services for those who are street homeless and to create new housing provision, thereby preventing clients from returning to the streets. Once complete, Bentley House will comprise 20 residential units located on the top floor of The Passage's St. Vincent's Centre in Victoria. Accommodation will be prioritised for those who have been long-term street homeless and for whom no other housing options are available.

The Passage has established a Development Committee and appointed a Project Manager and Quantity Surveyor to coordinate building surveys, produce an indicative cost plan and prepare a tender specification for prospective contractors. We have also commissioned an architect and secured pro bono legal support.

A full refurbishment programme is being drawn up, with the aim to carry out the works to both Bentley House, together with a major refurbishment of Passage House simultaneously. The aim is to commence work in July 2021 with the full construction programme to commence in October 2021. We envisage that the works on Bentley House will conclude by September 2022.

7. ***Diversify and grow voluntary income in line with the current 3-year Fundraising strategy to meet organisational needs and the increasing demand for services. Continue to invest in resource and capacity to improve processes and establish a sustainable and reliable funding base.***

The second year of our current three-year Fundraising strategy coincided with the start of the Covid-19 pandemic and like so many charities, we had to rapidly adapt our plans in response to the unfolding crisis.

We have been greatly moved by the generosity shown to The Passage this year by so many – both existing and new individual supporters, corporate partners, charitable trusts and foundations,

schools, churches and community groups. It has also been a time of learning and testing new ideas, such as developing virtual events and digital appeals, which has given the charity a greater reach.

Every donation has enabled us to continue providing vital services for people living on the streets, who at the height of the crisis were facing an unprecedented public-health emergency. We would like to put on record our sincere thanks for this support, without which we simply would not have been able to achieve the outcomes highlighted on pages 8 and 9.

Despite the challenges caused by the pandemic, we have ended the year in a strong financial position. Our voluntary income, excluding legacies, has now doubled (since 2017) and we have achieved a more balanced funding portfolio. This growth is a result of investing in a professional Fundraising and Communications infrastructure and improvements to our systems and processes. We have also invested this year in upgrading our fundraising database to enable us to personalise and enhance our engagement with our supporters.

8. ***Develop a strong and clear brand and communications plan for The Passage to engage effectively with stakeholders, demonstrate the success of our work, ensure people understand what we do and help us achieve our organisational objectives.***

The Covid-19 outbreak meant that we had to re-think some of our planned activity as the focus quickly shifted to ensuring we could keep our clients and staff safe from the virus. In the run-up to World Homelessness Day in October 2020, we were proud to collaborate with national homelessness charity, Crisis, to launch our first public-facing educational campaign, ***#No Going Back***, with the aim of preventing street homelessness during the winter months.

The campaign was created in response to the number of people seeking help at The Passage Resource Centre, which in a matter of months had doubled. Rising unemployment leading to the loss of private rented tenancies was resulting in many people facing housing crisis, often experiencing homelessness for the very first time.

No Going Back had three clear aims:

- Both charities were calling on central Government to ensure that ring-fenced funding was made available to local authorities for a second *'Everyone In'* initiative in the event of further lockdowns
- The Passage issued fi*ve top tips for people in housing crisis*, so that those who needed it most were informed about the best steps to take
- Crisis encouraged people in housing crisis to *know their rights*.

The campaign also issued a rallying call to landlords, Government and local Councils regarding the temporary ban on evictions.

It was featured on both charity's websites, a joint letter was sent to the Secretary of State for Housing, Communities and Local Government, we produced a campaign video and ran a social media campaign.

Other key communications activity includes the launch of the new Passage website, which went live on 1 April 2020 and our anniversary cookbook, *A Taste of Home*, was featured extensively in the national media.

9. ***Harness the opportunities from The Passage's 40th anniversary to engage new supporters, launch new ways of generating funds (including The Passage's Giving Circle), increase awareness of our cause and develop a programme of recognition for clients and volunteers.***

The Passage marked its 40th anniversary in 2020, which of course coincided with a year of lockdowns and restrictions and a planned flagship event – the inaugural Passage Awards – has been postponed to later in 2021.

We were very fortunate to engage a passionate and committed Chair of our 40th Anniversary Ambassador Circle, who was joined by a number of founding members. Our anniversary cookbook, *A Taste of Home,* featuring 120 recipes donated from celebrities, Passage staff, clients and volunteers and a Foreword written by our Royal Patron, The Duke of Cambridge was launched in October 2020. It was, and still is, widely available in Waterstones, Amazon and independent bookshops across the country. We secured extensive media coverage including YOU magazine, The Spectator, Waitrose Weekend, Hello! and The Telegraph.

As mentioned above, we also launched our public educational campaign, *No Going Back*.

A Mass at Westminster Cathedral to mark the anniversary was also postponed to May 2021.

10. ***Further develop The Passage's strategic contribution globally to the issue of modern slavery and homelessness.***

The Passage is a member of the Independent Anti-Slavery Commissioner's Advisory panel. In addition to establishing a Navigator project in partnership with Westminster City Council and the Ministry of Housing, Communities and Local Government to assist potential victims of modern slavery, we have also developed a strategic plan to share the learnings from our work in the area of homelessness and modern slavery on a global level.

11. ***Develop The Passage's voice in the policy arena by capturing the wealth of knowledge and experience we have on the ground and sharing that externally at a policy level.***

The Passage has played a key role over the last year, working with local and central government to both formulate policy and strategy and respond to the Covid-19 pandemic. A particular highlight is the role we played in the *Everyone In* initiative, as well as setting out new approaches in our mission to end street homelessness. We have also led the way in identifying systemic solutions to the issue of modern slavery and homelessness.

Beth's story

Beth, aged 54, has a long history of trauma, PTSD, anxiety and depression. She was sharing a flat with her partner and daughter, but their relationship broke down during the pandemic. Beth was forced to give up the tenancy due to ill health and initially returned to her birth country in Eastern Europe to stay with family.

In November 2020, Beth returned to the UK with the intention of staying with her pregnant daughter. Beth experienced a severe mental health breakdown and she was admitted to hospital. Following her discharge and with nowhere to stay, she was signposted to The Passage for support.

Beth was assessed by our Key Worker, Nadia, who established that she was eligible for homelessness assistance from her local council and could apply for Universal Credit. Beth received professional advice from The Passage's Welfare Rights Worker whilst Nadia helped her to complete an online homelessness application, as she wasn't confident working through it on her own, nor did she have access to a computer.

The local council accepted Beth's homelessness application and she was offered a viewing for private rented accommodation. Nadia accompanied Beth to the viewing and they talked through her options. Beth decided to take the property, so Nadia accompanied her to the estate agent to sign the tenancy agreement. The studio was available the next day.

Nadia explained to Beth that due to a corporate grant, The Passage could help her to get some furniture to make her more comfortable and settled in her new home. Nadia visited Beth in the new studio the next day, and together they selected and bought the furniture she needed.

Beth is very grateful for the support and care she has received. This new start has given her the opportunity to focus on improving her health and look forward to becoming a grandmother.

Strategic Objectives 2021-22

1. Develop and implement our co-production strategy across the organisation, and further establish access to clinical psychologists across our services.

2. Develop our theory of change work, utilising our new Inform system to capture the impact of our work and further develop our services.

3. Using our Values as the foundation, develop a new framework to be used when taking forward new opportunities.

4. Roll out our Values and centralised Induction training programme for all new staff.

5. Build on the learning from the Covid secure day services pilot, to develop a new day services model, ensuring high quality and measurable outcomes for those using Passage day services.

6. Commence the refurbishment of Bentley House to create a new accommodation project for The Passage; and Passage House; to ensure the physical surroundings meet the high standards of the service provided.

7. Continue to diversify and grow voluntary income, and develop new statutory income opportunities, to meet organisational needs and the increasing demand for services.

8. Develop a strong and clear brand and communications plan for The Passage to engage effectively with stakeholders, demonstrate the success of our work, ensure people understand what we do and help us achieve our organisational objectives.

9. Expand The Passage's Home for Good model nationally, and share our learning around the issue of modern slavery and homelessness internationally.

10. Carry out a follow up staff survey to measure progress since the previous survey and continue to develop support and well-being structures for staff and volunteers.

Thank You

We are very grateful to the many people and organisations who support our work and share our vision of ending street homelessness, especially over the last 12 months which have been particularly challenging due to the pandemic.

3i
29th May 1961 Charitable Trust
AB Pollen Trust
A&R Woolf Charitable Trust
Albert Gubay Charitable Foundation
Albert Hunt Trust
Anthony du Boulay Charitable Trust
AXA XL
Barclays
The Basil Samuel Charitable Trust
Belpech Trust
Blackrock
Britwell Trust
Bowkett Family Foundation
CA Redfern Charitable Trust
Capital Group
City Bridge Trust
City of Westminster Charitable Trust
COFRA Foundation
DMG Roper Charitable Trust
Daley Trust
Dandy Charitable Trust
Daughters of Charity of St Vincent de Paul
The David and Kathleen Harvey Trust
David & Marie Grummitt Foundation
Devonshire Healthcare
EMS Charitable Trust
Edward Harvist Trust
The Embassy of Ireland
The Emmaus (Wessex) Trust
Findlay Park
Foundation Bertarelli
Garfield Weston Foundation
Grace Trust
Happy Charitable Trust
The Haramead Trust
Harriet's Trust
The Hawthorne Charitable Trust
Headley Trust
Hobson Charity
Hollyhock Charitable Trust
HSBC
Humble Trust
Hyde Park Place Estate Charity
ICAP
Inner London Magistrates' Court's Poor Box Charity & Feeder Charity
J.A.R. Charitable Trust
The Jean and Hugh Dinan Charitable Trust
John Eccles Trust
John Studzinski CBE
Julia and Hans Rausing Trust
KSP Garden Project

Landsec
The Lindhals Fund
London Housing Foundation
London Oratory School
Manchester Square Partners
Marsh Christian Trust
Masonic Charitable Foundation
Maurice & Hilda Laing Charitable Trust
Mercers' Company
Ministry for Housing, Communities and Local Government
The National Lottery Community Fund
Nelsons
The Normanby Charitable Trust
Orsted
Permira
Perrigo
PIMCO
PJ Harper Trust
P&M Burgess Charitable Trust
The Porta Pia 2012 Foundation
Qube Research and Technology
Social Bite
Strand Parishes Trust
Swire Charitable Trust
Taurus Foundation
Theresa Fitt Charitable Trust
The Thompson Family Charitable Trust
The Toby and Regina Wyles Charitable Trust
The Tompkins Foundation
Trust for London
Victoria Business Improvement District
Vera Outhwaite Charitable Trust
Wellington Management
Westminster Cathedral
Westminster City Council
Williamson Charitable Trust
Wogen Anniversary Trust
Worshipful Company of Glovers (annual donation of winter gloves and gardening gloves for KSP)
Worshipful Company of Insurers Charitable Trust
Worshipful Company of Scriveners

Financial Review

Financial results for the year

In the current year there was a surplus of £617,235 (2020 – £54,542).

Income from charitable activities - Statutory bodies' grants

Statutory income was £2,026,562 in 2021 (£1,873,897 in 2020.) An analysis of this funding, and its uses, is in notes 19a and 19b. Statutory income forms 27% of the total income of The Passage.

Fundraising donations and legacies

The Passage relies on the generosity of our supporters to provide resources which encourage, inspire and challenge people who are homeless to transform their lives. Our supporters are at the heart of so much of what we do and this year more than ever we are truly grateful to the many individuals, companies, trusts and foundations, churches, schools and community groups whose donations make our work possible.

Despite the challenges of the global pandemic and the ongoing uncertainties of the external landscape, 2020/21 was in many respects a successful year. Donations (excluding legacies) grew by £1,191,086 to £4,233,952 (2020: £3,042,866), partly as a result of emergency grants, but also due to increased support from individual, trust and corporate donations.

The cost of raising donations and legacies was £703,749 (2020: £669,113). We have continued to invest in new staff posts, our supporter database and other marketing resources as part of a phased approach to building a professional team of fundraising and communication specialists to ensure that The Passage remains a sustainable organisation.

Expenditure

Employment costs remained steady as 66% of total expenditure for the charity (2020: 67%). Details of expenditure to deliver our services are given in note 5 of the financial statements.

Details of all restricted and unrestricted funds are given in note 19 of the financial statements.

Designated funds and reserves

The Board is aware of the need to maintain adequate reserves to ensure that the charity's work can be continued. Designated funds are set aside to enable the Trustees to develop specific areas of charitable work and to meet potential future obligations. In addition, the Board has to ensure that adequate resources are available to avoid disruption to the services for people who are homeless, which could happen as a result of the unpredictable nature of our income.

We are fortunate that our voluntary income continues to grow and we have a regular consistent donor base, with approximately 50% pledged voluntary income at the start of the financial year. The statutory grant provision remains stable and we assume that this will be maintained in the next two to three years.

We have three main aims in the next three years:

1) to maintain and improve current provision
2) a £9m project to refurbish two of our residential properties
3) to embark on a new 3-year strategy (2022-25) to invest in quality services with improved underlying processes and systems.

To ensure that services can be maintained in the short term, the Board has set aside a designated contingency fund of £1,750,000. There are also general undesignated funds of £1,466,000. Together, these total £3,216,000 which represents 5.7 months of running costs. The Board wishes to reserve between 3-6 months of running costs in a contingency and general reserve combined.

£2.7m of reserves have been designated to help fund the refurbishment of Passage House and Bentley House which is budgeted to be £9m.

£301,000 has been designated to strategy investment costs. These funds will be used to develop and implement the 2022-25 strategy for The Passage.

Going concern

Like all organisations, The Passage has been impacted by the Covid-19 crisis. We have continued to provide services throughout this period and have attracted funding, both voluntary and statutory, to support the increased needs of our client group. We also set aside reserves to help us remodel our services and support operations to adapt to the changed landscape. The Trustees believe that although the Covid-19 crisis will draw on the charity's reserves, it does not impact on its status as a going concern.

Refurbishment programme

In 2020 The Passage bought back the lease for 20 affordable housing units, Bentley House, located on the top two floors of St. Vincent's Centre, giving the opportunity to provide move on accommodation from our Housing First project (Montfort House) and accommodation for those coming off the streets.

The lease for Passage House, our rapid-response assessment centre, was returned in March 2021 after being let to a registered housing association for the past 25 years. The full results of operating Passage House are included in these accounts.

The cost of acquisition and refurbishment for both refurbishment programmes is estimated at £9 million.

Governance and Management structure

Passage 2000 ("The Passage") is incorporated in England as a company limited by guarantee, company number 3885593. The company is registered with the Charity Commission, registered charity number 1079764. For Companies Act purposes, the members of the Board of Trustees are the directors of the company.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Board of Trustees and Committees

Under the Articles of Association, the election of the Board is in the power of the members of the company at the Annual General Meeting. The Sister Provincial of the Daughters of Charity of St Vincent de Paul ("the Provincial") and the Administrator of Westminster Cathedral ("the Administrator") are ex officio company members. They each have the right to serve on the Board of Trustees and each to appoint a second member of the Board of Trustees.

No member of the Board of Trustees received any remuneration or reimbursement of expenses during the year ended 31 March 2021. The company has purchased insurance to protect the charity from any loss

arising from the neglect or defaults of its Board of Trustees, employees and agents and to indemnify the Board or other officers against the consequences of any neglect or default on their part.

Three committees advise the Board on client services, finance, and risk and audit. They also assist the Board in monitoring the work of the company in these areas. The Board has resolved to set up a nominations committee to advise the Board on recruitment to the Board and Committees and a People, Performance and Culture Committee.

The Board has adopted a formal code of good governance – Good Governance - A Code for the Voluntary and Community Sector which can be downloaded from the Code Steering Group website http://www.governancecode.org/full-code-of-governance/

Selection and training of new Board members

In line with The Passage's diversity and equality policy and procedure, new Board members are recruited with appropriate skills and backgrounds following a regular assessment of the experience of current Board members and the areas in which additional expertise is required.

New members of the Board and its Committees see all aspects of the work of The Passage at first hand and have one-to-one meetings with senior employees. All Trustees are encouraged to undertake training, where necessary, to enable them to discharge their responsibilities more effectively.

Subsidiary companies

Passage 2000 has two fully owned subsidiary companies.

Passage Housing Services (PHS) is a company limited by guarantee, company number 9337431, charity number 1161696, and a registered provider of social housing number 4842.

During the year 2020/21, the leases for Bentley House and Passage House were assigned to PHS from other registered social landlords. Passage 2000 owns the freehold of both properties.

Passage Trading Services (PTS) is a company limited by shares, company number 9874011. PTS commenced trading activities in support of Passage 2000 in 2016/17. The main activity of Passage Trading is the operation of Cathedral View conference venue, located within St Vincent's Centre. Due to the pandemic, the venue has been closed since March 2020.

Other Information

Public benefit statement

The Trustees confirm that they have complied with their duty under sections 4 & 17(5) of The Charities Act 2011 to have regard to the public benefit guidance published by The Charity Commission. This report includes a detailed description of the activities undertaken by the charity during the year to further its charitable purposes for the public benefit.

The Board has referred to the Charity Commission's guidance on public benefit when reviewing its strategy and objectives, and in planning The Passage's future activities.

The assistance given to people who are homeless is proportionate to their needs. All members of the Board, Committees and senior employees complete an annual conflict of interest declaration. The Board has referred to the Charity Commission's guidance on public benefit and has planned The Passage's activities to avoid the granting of any private benefit other than one that is purely incidental to carrying

out The Passage's objectives. The Board believes it has followed the Charity Commission's guidance in this area.

Related parties

The subsidiary companies Passage Housing Services and Passage Trading Services are both related parties. The Administrator of Westminster Cathedral and the Sister Provincial of the Sisters of Charity of St Vincent de Paul, by virtue of their right to board membership and to each appoint a board member are also both related parties of the company. Full details of transactions and balances with these related parties are shown in note 9.

Pay policy for senior employees

The Board of Trustees delegate responsibility for the day to day operations of the charity to the Chief Executive and Senior Management Team. The pay of senior staff is reviewed annually and any increases are applied in line with the cost of living applied as part of the NJC salary scale. The Directors benchmark against pay levels in other similar charities.

Trustees and Committee members give their time freely and none have received remuneration or reimbursement of expenses in the past year.

Safeguarding of vulnerable adults

The Passage has a safeguarding policy regarding vulnerable adults. The organisation takes responsibility for identifying, preventing, investigating and responding to all allegations or incidents of abuse. If clients believe that they are subject to abuse of any kind, they are encouraged to speak to a member of staff or volunteer at the project, or to an external advocate. Risk assessments, needs assessments and support plans are implemented and agreed with clients, are reviewed on a regular basis, and are recorded and kept on file at the project. In addition, risk assessments that relate to all forms of abuse that may occur, detail potential risks to staff and volunteers, and to clients who use the service.

The Passage's recruitment and selection process aims to ensure that those short-listed and selected for job vacancies have the skills and experience that are relevant to the posts. Suitability is tested by means of an application form, and a formal interview with a panel of at least two senior members of staff. The Passage obtains Disclosure and Barring Service (DBS) checks on all staff members or volunteers who may be working with clients in unsupervised contexts.

Living wage

The Passage is an accredited London Living Wage Employer under a scheme organised by the Living Wage Foundation.

Fundraising Regulator

The Passage is registered with the Fundraising Regulator. We follow the Code of Fundraising Practice guidelines on best practice and are compliant with current data protection legislation. The safety and appropriate use of supporters' data is important to us and we will never share or sell personal details to another organisation for their own use. We have not received any formal fundraising complaints in the past financial year and there have been no fundraising compliance issues.

All our fundraising activities are carried out in-house by a team that is employed directly by The Passage and we do not use professional fundraisers or commercial participators to fundraise on our behalf. Our staff are expected to follow the standards in the Code of Fundraising Practice which forms part of their induction programme as well as monthly reviews. We do receive support from volunteers who assist with

public collections or collections at Passage events and they follow the required standards with regard to handling donations. A dedicated volunteer committee also supports our annual Night Under The Stars event.

We follow the Code of Practice guidelines in relation to the fair treatment of all donors to ensure that they can make an informed decision about their support. We take into account the needs of any possible donor who may be in vulnerable circumstances. Our policy, as per the Code, is to return any donations to a supporter that may not have the capacity to make an informed decision. This practice is also in line with The Passage's own values.

Principal Risks and Uncertainties

The Board of Trustees regularly assesses the major risks to which the company is exposed. The systems established to mitigate those risks are periodically reviewed to ensure that they continue to meet the needs of the company.

The Risk and Audit Committee meets regularly and reviews in greater detail the risks to which The Passage is exposed and the approach of the senior management team to mitigate such risks. A risk register highlighting high, medium and low risks is maintained and regularly reviewed; this is a vital tool in risk management. A risk-based internal audit approach is in operation.

The principal current financial risk is the potential impact of Covid-19 on voluntary income streams. To mitigate this risk the Board continues to develop appropriate fundraising and stewardship strategies to ensure continuity of income streams, particularly with a view to increasing the level of unrestricted reserves to provide a measure of security in the event of further adverse conditions arising.

Since the reacquisition of the lease of Bentley House, the major programme of refurbishment which is being undertaken is recognised as a significant capital investment risk. To mitigate this risk the Board has agreed a capital funding plan and designated a significant element of the general reserve to this project.

The Board has also identified a number of risks arising from staff retention and recruitment. To mitigate these risks a review will be carried out in 2021 to ensure that all relevant processes and procedures are in place and of a high standard.

Financial risk management objectives and policies

The Charity uses financial instruments in its operations including deposits with banks, loans, trade debtors and creditors and receivables which provide finance for the Charity's operations. There is a risk arising from the need to maintain sufficient liquidity to meet its liabilities as they fall due, and the movement in cash is analysed in full in the cash flow statement on page xx.

Under the terms of the Memorandum and Articles of Association, The Passage may invest monies not immediately required for application to its charitable objectives in any investments, securities or property, as appropriate. Surplus cash is held in interest-bearing deposits with UK banks and invested in a charitable investment fund.

Credit risk

The Charity's principal financial assets are cash, trade debtors, grants receivable and loans receivable. Bank balances are regarded as low risk due to good cash management and credit rating. The principal credit risk arises, therefore, from its grants receivable, trade debtors and loans receivable. Outstanding balances are reviewed and monitored through effective credit control procedures. Ageing of debtors and recoverability is considered and, where needed, provision is made as appropriate for slow payers. The

performance of outputs are monitored to ensure conditions of the grant are fulfilled and that the charity is entitled to the funds.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Passage 2000 for the purposes of company law) are responsible for preparing the Trustees' annual report including the strategic report and 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 that give a true and fair view of the state of affairs of the charitable company and group, and of the incoming resources and application of resources, including the income and expenditure of the charitable company and group 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 applicable Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' 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 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 group, 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 group and, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information, and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006. The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

The trustees' annual report which includes the strategic report has been approved by the trustees on 28 September 2021 and signed on their behalf by

Michael Kelly, Chair of Trustees

Independent auditor's report to the members of Passage 2000

Opinion
We have audited the financial statements of Passage 2000 (the 'parent charitable company') and its subsidiaries (the '**group**') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's 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 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Passage 2000's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information
The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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

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 parent 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 group's and the parent 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 group or the parent 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
We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance, audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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)

17 November 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Passage 2000 (operating as The Passage)

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	3,856,675	751,291	**4,607,966**	2,686,647	783,433	3,470,080
Charitable activities	3						
Grants from statutory bodies		–	2,026,562	**2,026,562**	–	1,873,897	1,873,897
Accommodation and prevention projects		617,473	–	**617,473**	616,713	–	616,713
Other income		79,652	–	**79,652**	18,926	–	18,926
Other trading activities	4	141,626	–	**141,626**	498,951	–	498,951
Investments		4,049	–	**4,049**	23,294	–	23,294
Total income		4,699,475	2,777,853	**7,477,328**	3,844,531	2,657,330	6,501,861
Expenditure on:							
Raising funds	5	703,749	–	**703,749**	669,413	–	669,413
Charitable activities	5						
Passage Resource Centre		2,395,878	757,990	**3,153,868**	1,655,136	1,327,808	2,982,944
Accommodation and prevention projects		961,975	2,043,097	**3,005,072**	1,597,415	1,197,547	2,794,962
Total expenditure		4,061,602	2,801,087	**6,862,689**	3,921,964	2,525,355	6,447,319
Net income / (expenditure) for the year	6	637,873	(23,234)	**614,639**	(77,433)	131,975	54,542
Transfers between funds		–	–	**–**	1,027,222	(1,027,222)	–
Net income / (expenditure) before other recognised gains and losses		637,873	(23,234)	**614,639**	949,789	(895,247)	54,542
Other gains / (losses)		2,596	–	**2,596**	–	–	–
Net movement in funds	19	640,469	(23,234)	**617,235**	949,789	(895,247)	54,542
Reconciliation of funds:							
Total funds brought forward		5,765,804	16,160,408	**21,926,212**	4,816,015	17,055,655	21,871,670
Total funds carried forward		6,406,273	16,137,174	**22,543,447**	5,765,804	16,160,408	21,926,212

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 18a to the financial statements.

Passage 2000 (operating as The Passage)

Balance sheets

Company no. 03885593

As at 31 March 2021

	Note	The group 2021 £	The group 2020 £	The charity 2021 £	The charity 2020 £
Fixed assets:					
Tangible assets	11	**17,201,876**	16,809,498	**15,826,653**	16,059,626
Investments	12	**302,596**	–	**302,696**	100
		17,504,472	16,809,498	**16,129,349**	16,059,726
Current assets:					
Debtors	15	**1,023,382**	1,224,778	**1,014,760**	1,214,492
Cash at bank and in hand		**5,083,091**	4,259,157	**5,001,598**	4,161,258
		6,106,473	5,483,935	**6,016,358**	5,375,750
Liabilities:					
Creditors: amounts falling due within one year	16	**(543,498)**	(367,221)	**(428,897)**	(325,475)
Net current assets		**5,562,975**	5,116,714	**5,587,461**	5,050,275
Total assets less current liabilities		**23,067,447**	21,926,212	**21,716,810**	21,110,001
Loans to Subsidiaries	15	**–**	–	**787,788**	791,963
Creditors: amounts falling due after more than one year	16	**(524,000)**	–	**–**	–
Total net assets		**22,543,447**	21,926,212	**22,504,598**	21,901,964
Funds:	19a				
Restricted income funds		**16,137,174**	16,160,407	**16,137,174**	16,160,407
Unrestricted income funds:					
Designated funds		**4,940,021**	4,569,562	**4,940,021**	4,569,562
General funds		**1,466,252**	1,196,243	**1,427,403**	1,171,995
Total unrestricted funds		**6,406,273**	5,765,805	**6,367,424**	5,741,557
Total funds		**22,543,447**	21,926,212	**22,504,598**	21,901,964

Approved by the trustees on 28 September 2021 and signed on their behalf by

Michael Kelly
Chair of trustees

Passage 2000 (operating as The Passage)

Consolidated statement of cash flows

For the year ended 31 March 2021

	Note	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		614,639		54,542	
Depreciation charges		346,025		430,457	
Loss on disposals of fixed assets		–		17,441	
Interest income		(4,049)		(23,294)	
(Increase)/decrease in debtors		201,395		405,877	
Increase/(decrease) in creditors		700,278		(44,746)	
Net cash provided by / (used in) operating activities			1,858,288		840,277
Cash flows from investing activities:					
Dividends, interest and rents from investments		4,049		23,294	
Purchase of fixed assets		(738,403)		(178,529)	
Purchase of investments		(300,000)		–	
Net cash provided by / (used in) investing activities			(1,034,354)		(155,235)
Change in cash and cash equivalents in the year			823,934		685,042
Cash and cash equivalents at the beginning of the year			4,259,157		3,574,115
Cash and cash equivalents at the end of the year			5,083,091		4,259,157

1 Accounting policies

a) Statutory information

Passage 2000 is a charitable company limited by guarantee and is incorporated in England. Passage 2000 operates as The Passage.

The registered office address is at St Vincent's Centre, Carlisle Place, London SW1P 1NL. The Passage provides resources which encourage, inspire and challenge homeless people to transform their lives.

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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiaries Passage Trading Services Limited and Passage Housing Services on a line by line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the parent charity and its subsidiaries entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of 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.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity 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 charity's ability to continue as a going concern.

Like all organisations, The Passage has been impacted by the Covid 19 crisis. As a charity we have been able to continue through the lockdown period by providing residential accommodation, providing a food hub for street homeless put into hotel accommodation in Westminster, and by continuing to support our clients in this difficult time. We are now key in ensuring that rough sleepers in hotels in Westminster find accommodation and have support to make that accommodation a home. As such, we have attracted funding, both voluntary and statutory to help us deliver those services. We also have reserves set aside to help us remodel our services and way of operating to mange the changed landscape. As such, the trustees believe that although the Covid crisis will draw up on the charity's reserves, it does not impact on its status as a going concern.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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.

1 Accounting policies (continued)

f) 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.

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.

g) 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.

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. Revenue funding from statutory bodies is normally spent in its entirety during the year. Individual balances on the restricted funds relating to revenue expenditure funded by statutory bodies is not material and no further analysis is therefore given.

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 charity 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 direct staff and support costs
- Other expenditure represents those items not falling into any other heading

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 activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Facilities management costs are recharged on the basis of the use of the services, taking floor areas occupied, and the intensity of their use. Human resources overheads are charged on the basis of the number of staff engaged in each activity.

Governance costs are the costs associated with the governance arrangements of the charity.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £5,000. 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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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:

● Land	Not depreciated
● Freehold building	3-100 years
● Equipment	4-15 years

m) 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.

n) 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.

o) 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.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Pensions

The charity has arranged a group personal pension plan, which is a defined contribution scheme, for staff, the costs of which are charged to the Statement of Financial Activities in the year in which the contributions are payable. The charity has no liability for the ultimate benefits paid.

r) Investments

During 2020-21 the charity transferred £300k of current cash and short term deposits to a new COIF Charities Investment Fund, which seeks to provide medium to long-term growth and stability within a client-driven ethical investment framework. The investments are valued at bid price as at the balance sheet date.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Legacies	374,014	–	**374,014**	427,213	–	427,213
Individuals	1,786,939	2,711	**1,789,650**	1,262,578	9,213	1,271,791
Westminster Cathedral	18,871	–	**18,871**	12,805	–	12,805
Donations from related parties	2,100	–	**2,100**	288	–	288
Church and voluntary groups	65,496	–	**65,496**	115,215	–	115,215
Grants	850,329	421,477	**1,271,806**	346,162	642,845	989,007
Corporate donations	758,926	327,102	**1,086,028**	522,386	131,375	653,761
	3,856,675	751,291	**4,607,966**	2,686,647	783,432	3,470,080

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Westminster City Council	–	1,894,393	**1,894,393**	–	1,675,035	1,675,035
Government of Ireland: Emigrant Support Programme	–	35,000	**35,000**	–	34,014	34,014
Brighton and Hove	–	34,249	**34,249**	–	38,000	38,000
Health Authorities	–	–	**–**	–	31,416	31,416
EUSS	–	17,920	**17,920**	–	48,604	48,604
London Housing Foundation	–	45,000	**45,000**	–	46,828	46,828
Sub-total for Grants from statutory bodies	–	2,026,562	**2,026,562**	–	1,873,897	1,873,897
Rent from Residential Services	617,473	–	**617,473**	616,713	–	616,713
Other Income	79,652	–	**79,652**	18,926	–	18,926
Accommodation and prevention projects	697,125	–	**697,125**	635,639	–	635,639

The total grant for the Government of Ireland: Emigrant Support Programme for the period 1 July 2020 to 30 June 2021 was £35,000, of which £30,633 was applied in the financial year 2020-21 under the following headings:
Staff costs: £27,942
Client costs: £2,633
Volunteers: £30
Administration: £28

4 Income from other trading activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Hire of meeting rooms and conference facilities	–	–	**–**	268,769	–	268,769
A Taste of Home (The Passage cookbook)	99,012	–	**99,012**	–	–	–
Sundry recharges	17,586	–	**17,586**	5,714	–	5,714
Fundraising events	25,028	–	**25,028**	224,468	–	224,468
	141,626	–	**141,626**	498,951	–	498,951

5a Analysis of expenditure (current year)

	Charitable activities						
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	**2021 Total £**	2020 Total £
Staff costs (Note 7)	373,972	1,762,296	1,767,764	–	639,940	**4,543,972**	4,179,321
Other direct costs	230,102	913,418	794,843	–	–	**1,938,364**	1,722,605
Management and planning	–	–	–	16,255	4,390	**20,645**	52,778
Finance	–	–	–	–	39,230	**39,230**	31,031
Information resources	–	–	–	–	135,550	**135,550**	67,918
Human resources	–	–	–	–	5,982	**5,982**	5,383
Facilities management	–	–	–	–	178,945	**178,945**	196,922
	604,074	2,675,714	2,562,607	16,255	1,004,039	**6,862,689**	6,255,958
Support costs	99,675	470,026	434,338	–	(1,004,039)	–	–
Governance costs	–	8,127	8,127	(16,255)	–	–	–
Total expenditure 2021	**703,749**	**3,153,868**	**3,005,072**	**–**	**–**	**6,862,689**	
Total expenditure 2020	478,052	2,982,944	2,794,962	–	–		6,255,958

Passage Trading costs in fundraising 99,181

5b Analysis of expenditure (prior year) restated*

		Charitable activities				
	Raising funds £	Passage Resource Centre £	Accommodation and prevention projects £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 7)	220,114	1,854,289	1,611,281	–	493,637	**4,179,321**
Other direct costs	168,704	569,288	984,612	–	–	**1,722,605**
Management and planning	–	–	–	13,092	39,685	**52,778**
Finance	–	–	–	–	31,031	**31,031**
Information resources	–	–	–	–	67,918	**67,918**
Human resources	–	–	–	–	5,383	**5,383**
Facilities management	–	–	–	–	196,922	**196,922**
	388,818	2,423,578	2,595,893	13,092	834,576	**6,255,958**
Support costs	89,234	552,820	192,522	–	(834,576)	–
Governance costs	–	6,546	6,546	(13,092)	–	–
Total expenditure 2020	**478,052**	**2,982,944**	**2,794,961**	**–**	**–**	**6,255,958**

Passage Trading costs in fundraising £191,361

*Analysis of expenditure for 2019-20 has been restated to align it with the revised cost allocation model applied in 2020-21. Total expenditure and the breakdown of that total by Raising funds and Charitable activities remain as previously stated.

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021	2020
	£	£
Depreciation	**346,025**	430,457
Loss on disposal of fixed assets	**-**	17,441
Operating lease	**-**	4,788
Auditor's remuneration (excluding VAT):		
Audit	**12,400**	15,900
Audit fees for subsidiaries	**6,000**	2,200
Other services	**7,400**	-

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

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	**3,698,027**	3,399,302
Social security costs	**370,040**	338,142
Employer's contribution to defined contribution pension schemes	**153,792**	145,423
Other staff costs (including agency costs)	**201,947**	198,188
Training and recruitment	**78,727**	56,805
Other costs	**41,438**	41,461
	4,543,972	4,179,321

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

	2021	2020
	No.	No.
£60,000 - £69,999	**-**	1
£70,000 - £79,999	**2**	1
£80,000 - £89,999	**-**	-
£90,000 - £99,999	**1**	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £479,546 (2020: £426,471).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £nil) incurred by nil (2020: nil) members relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 121 (2020: 105).

Staff are split across the activities of the charity as follows:	2021 No.	2020 No.
Raising funds	7.0	5.0
Passage resource centre	46.0	49.0
Prevention and accommodation	50.0	38.0
Support	18.0	13.0
	121.0	105.0

9 Related party transactions

The board of trustees ("The Board") manages the charitable activities of the company.
Passage Housing Services, Passage Trading Services, The Passage Trust, the Daughters of Charity of St Vincent de Paul ("the Sisters") and Westminster Cathedral are related parties.

Transactions with the Sisters
The Sisters made grants and donations of £2,100 (2020: £288) to The Passage. In the prior year they supplied the services of a full time chaplain without remuneration for the period March 2019-September 2019.

Transactions with Westminster Cathedral
Westminster Cathedral made grants and donations, and collected donations on behalf of The Passage amounting to £18,871 (2020: £12,805). No charge was made for the facilities provided by the cathedral for the collection of money to assist the work of The Passage.

Transactions with Passage Trading Services
During the year The Passage received repayment of £117,190 (2020: £160,492) from Passage Trading Services in loans and advances.

Aggregate donations from related parties were £138,161 (2020: £173,585).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Passage Trading Services Limited distributes under Gift Aid available profits to the parent charity.

11 Tangible fixed assets

The group

Cost	Freehold property £	Equipment fixtures and fittings £	Total £
At the start of the year	20,757,710	1,114,684	**21,872,394**
Additions in year	675,160	63,243	**738,403**
Disposals in year	–	(77,623)	**(77,623)**
At the end of the year	21,432,870	1,100,304	**22,533,174**
Depreciation			
At the start of the year	4,115,450	947,446	**5,062,896**
Charge for the year	304,565	41,460	**346,025**
Eliminated on disposal	–	(77,623)	**(77,623)**
At the end of the year	4,420,015	911,283	**5,331,298**
Net book value			
At the end of the year	17,012,855	189,021	**17,201,876**
At the start of the year	16,642,260	167,238	16,809,498

All of the above assets are used for charitable purposes.

The charity Cost	Freehold property £	Equipment fixtures and fittings £	Total £
At the start of the year	19,897,522	1,114,684	**21,012,206**
Additions in year	20,160	63,243	**83,403**
Disposals in year	–	(77,623)	**(77,623)**
At the end of the year	19,917,682	1,100,304	**21,017,986**
Depreciation			
At the start of the year	4,005,134	947,446	**4,952,580**
Charge for the year	274,916	41,460	**316,376**
Eliminated on disposal	–	(77,623)	**(77,623)**
At the end of the year	4,280,050	911,283	**5,191,333**
Net book value			
At the end of the year	15,637,632	189,021	**15,826,653**
At the start of the year	15,892,388	167,238	16,059,626

All of the above assets are used for charitable purposes.

12 Listed investments

	The group		The charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Fair value at the start of the year	**–**	–	**100**	100
Additions at cost	**300,000**	–	**300,000**	–
Disposal proceeds	**–**	–	**–**	–
Net gain / (loss) on change in fair value	**2,596**	–	**2,596**	–
Fair value at the end of the year	**302,596**	–	**302,696**	100

Investments comprise:

	The group		The charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
UK Common investment funds	**302,596**	–	**302,596**	–
Investments in subsidiary undertakings	**–**	–	**100**	100
	302,596	–	**302,696**	100

13 Subsidiary undertakings

The charity owns the funds of Passage Housing Services, a company registered in England and a Registered Social Landlord. The company number is 09874011 and the RSL number is 4842. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

This entity is used for residential services that cannot be run through the charity, however all activity is considered primary purpose. All activities have been consolidated on a line by line basis in the statement of financial activities.

A summary of the results is shown below:

	2021 £	2020 £
Income	25,105	150
Expenditure	(6,469)	(36)
Net income/(expenditure) for the year	**18,636**	**114**
Funds brought forward	206	92
Total funds carried forward	**18,842**	**206**
The aggregate of the assets, liabilities and reserves was:		
Assets	678,234	206
Liabilities	(659,392)	-
Reserves	**18,842**	206

The charity owns the whole of the issued ordinary share capital of Passage Trading services Limited, a company registered in England. The company number is 09874011. The registered office address is St Vincent Centre, Carlisle Place, London SW1P 1NL.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results is shown below:

	2021 £	2020 £
Turnover	146,613	268,778
Cost of sales	(99,180)	(191,361)
Gross profit/(loss)	**47,433**	77,417
Interest on loan payable to parent undertaking	10,688	16,333
Profit / (loss) on ordinary activities before taxation	**36,745**	61,084
Taxation on profit on ordinary activities	-	-
Profit / (loss) for the financial year	**36,745**	61,084
Retained earnings		
Total retained earnings brought forward	23,047	1,963
Profit / (loss) for the financial year	36,745	61,084
Distribution under Gift Aid to parent charity	(39,785)	(40,000)
Total retained earnings carried forward	**20,007**	23,047
The aggregate of the assets, liabilities and reserves was:		
Assets	790,299	865,380
Liabilities	(770,192)	(842,233)
Reserves	**20,107**	23,147

Amounts owed to the parent undertaking are shown in note 14.

14 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021	2020
	£	£
Gross income	**7,413,693**	6,289,426
Result for the year	**558,942**	33,468

15 Debtors

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	**2,243**	11,159	**–**	–
Other debtors	**315,967**	437,578	**309,588**	437,578
Amounts due from subsidiary undertakings	**–**	–	**–**	7,323
Prepayments	**164,965**	166,623	**164,965**	166,623
Accrued income	**505,382**	571,706	**505,382**	563,737
Sundry Debtors	**34,826**	37,712	**34,826**	39,231
Debtors over one year:				
Funding advance to Passage Trading Services Limited	**–**	–	**722,288**	791,963
Funding advance to Passage Housing Services Limited	**–**	–	**65,500**	–
	1,023,382	1,224,778	**1,802,548**	2,006,455

The Funding loan to Passage Trading Services Limited, a wholly owned subsidiary, represents funds advanced to enable the subsidiary company to renovate the conference space area which it now hires out. The loan has flexible repayment terms and carries a commercial rate of interest.

The funding loan to Passage Housing Services, a wholly owned subsidiary, represents the first year payment for the transfer of the lease for Bentley House, the freehold of which is owned by the parent charity.

16 Creditors: amounts falling due within one year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	**128,692**	83,683	**128,692**	69,562
Taxation and social security	**110,588**	100,763	**108,056**	95,003
Pension contributions	**32,965**	34,608	**32,965**	34,608
Other creditors	**67,299**	20,268	**1,799**	20,268
Amounts due to group undertakings	**–**	–	**3,196**	–
Accruals	**195,313**	113,876	**145,740**	102,796
Deferred income (note 17)	**8,641**	14,023	**8,449**	3,238
	543,498	367,221	**428,897**	325,475

Creditors greater than one year comprises amounts due for the buyback of the lease on Bentley House of £524,000 (2020: £nil) and is repayable over 9 years (until 2030) in equal instalments each year.

17 Deferred income

Deferred income comprises funds in advance from Housing benefits and room hire paid in advance

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Balance at the beginning of the year	**14,023**	87,643	**3,238**	42,181
Amount released to income in the year	**(14,023)**	(87,643)	**(3,238)**	(42,181)
Amount deferred in the year	**8,641**	14,023	**8,449**	3,238
Balance at the end of the year	**8,641**	**14,023**	**8,449**	**3,238**

18a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	1,380,985	189,021	15,631,870	**17,201,876**
Investment properties	–	–	–	**–**
Investments	302,596	–	–	**302,596**
Net current assets	306,671	4,751,000	505,304	**5,562,975**
Long term liabilities	(524,000)	–	–	**(524,000)**
Net assets at 31 March 2021	**1,466,252**	**4,940,021**	**16,137,174**	**22,543,447**

18b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	749,872	167,238	15,892,388	**16,809,498**
Net current assets	446,371	4,402,324	268,019	**5,116,714**
Net assets at 31 March 2020	**1,196,243**	**4,569,562**	**16,160,407**	**21,926,212**

19a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Immigration	4,000	–	(2,577)	–	**1,423**
Home for Good	50,865	130,197	(75,946)	–	**105,116**
Rough Sleeping Team	139,708	88,000	(14,633)	–	**213,075**
Passage House	8,407	6,250	–	–	**14,657**
Modern Slavery	–	80,000	(50,000)	–	**30,000**
Westminster Housing Project	23,057	35,000	(30,477)	–	**27,580**
Employment and training	–	46,000	(37,815)	–	**8,185**
Resettlement	–	100,000	(96,443)	–	**3,557**
Move On	–	100,000	–	–	**100,000**
Community Intervention Team	–	100,000	(100,000)	–	**–**
Covid-19 Food Hub	–	126,220	(126,220)	–	**–**
Other statutory grants	–	1,931,562	(1,931,562)	–	**–**
Other restricted funds	–	34,624	(32,913)	–	**1,711**
Building fund:					
St Vincent's refurbishment	9,835,330	–	(271,924)	–	**9,563,406**
St Vincent's Centre	4,004,030	–	(27,584)	–	**3,976,446**
General Building development fund	914,253	–	–	–	**914,253**
Passage House	1,138,775	–	(2,992)	–	**1,135,783**
Passage Resource Centre	41,982	–	–	–	**41,982**
Total restricted funds	16,160,407	2,777,853	(2,801,086)	–	**16,137,174**

19a Movements in funds (current year continued)

Unrestricted funds:

Designated funds:					
Funding Contingency	1,750,000	–	–	–	**1,750,000**
St Vincent's refurbishment	2,200,000	–	–	500,000	**2,700,000**
Statutory redundancy	452,324	–	–	(452,324)	**–**
Equipment	167,238	–	–	21,783	**189,021**
Strategy investment costs	–	–	–	301,000	**301,000**
Total designated funds	4,569,562	–	–	370,459	**4,940,021**
General funds	1,196,243	4,702,071	(4,061,603)	(370,459)	**1,466,252**
Total unrestricted funds	5,765,805	4,702,071	(4,061,603)	–	**6,406,273**
Total funds	21,926,212	7,479,924	(6,862,689)	–	**22,543,447**

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

19b Movements in funds (prior year)

	At 2 April 2019	Income & gains	Expenditure & losses	Transfers	At 31 March 2020
	£	£	£	£	£
Restricted funds:					
Immigration	–	34,000	(30,000)	–	**4,000**
Destitution	–	15,000	(15,000)	–	**–**
Home for Good	–	153,983	(103,118)	–	**50,865**
Montfort House Services	–	3,500	(3,500)	–	**–**
Rough Sleeping Team	63,176	402,249	(325,717)	–	**139,708**
Passage House	–	21,207	(12,800)	–	**8,407**
Modern Slavery	6,068	40,000	(46,068)	–	**–**
Westminster Housing Project	–	46,828	(23,771)	–	**23,057**
Resource Centre	–	51,500	(51,500)	–	**–**
Employment and training	–	28,000	(28,000)	–	**–**
New Initiative evaluation	6,421	–	(6,421)	–	**–**
Chaplaincy	–	33,993	(33,993)	–	**–**
Other statutory grants	18,398	1,827,069	(1,845,467)	–	**–**
Building fund:					
St Vincent's refurbishment	10,515,458	–	–	(680,128)	**9,835,330**
St Vincent's Centre	4,280,914	–	–	(276,884)	**4,004,030**
General Building development fund	977,474	–	–	(63,221)	**914,253**
Passage House	1,096,582	–	–	42,193	**1,138,775**
Passage Resource Centre	91,164	–	–	(49,182)	**41,982**
Total restricted funds	17,055,655	2,657,329	(2,525,355)	(1,027,222)	**16,160,407**
Unrestricted funds:					
Designated funds:					
Funding Contingency	1,750,000	–	–	–	**1,750,000**
St Vincent's refurbishment	2,200,000	–	–	–	**2,200,000**
Statutory redundancy	397,495	–	–	54,829	**452,324**
Equipment	108,414	–	–	58,824	**167,238**
Total designated funds	4,455,909	–	–	113,653	**4,569,562**
General funds	360,106	3,844,532	(3,921,964)	913,569	**1,196,243**
Total unrestricted funds	4,816,015	3,844,532	(3,921,964)	1,027,222	**5,765,805**
Total funds	21,871,670	6,501,861	(6,447,319)	–	**21,926,212**

Purposes of restricted funds

The Running Costs Fund - Represents donations and grants received or receivable during the year to support the running of specific projects, which have not been entirely spent by the end of the year.

The St Vincent's Refurbishment Fund - Represents payments contributed by developers to The Passage for the refurbishment of St Vincent's Centre, plus interest earned on this fund.

The St Vincent's Centre Building Fund - Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.

The General Development Fund - Represents donations and grants made towards the cost of purchasing and improving St Vincent's Centre in respect of works completed before the current refurbishment.

The Passage House Fund - Consists of the historical cost of Passage House to The Passage Trust, less accumulated depreciation to 31 March 2021 (including the Lily Ann & William Wiggins Fund of £146,045, which the donor agreed could be used for this purpose), and grants payable to the company to develop Passage House.

The Passage Resource Centre Fund - Represents a legacy received by The Passage Trust for use in the Resource Centre, given to Passage 2000 for the development and maintenance of the Resource Centre.

Westminster City Council
Passage House Assessment Centre Grant - Contribution to the running of Passage House as an assessment centre for Westminster rough sleepers.

Supporting People Grant - Funding for workers giving general counselling and advice in Montfort House. Additional funding for night time support staff in Montfort House.

Housing Options Grant - Grant to provide housing advice and assistance to single homeless people.

Private Rented Sector Advice Grant - Grant to employ a staff team giving advice and assistance to homeless people to access private rented accommodation and related resettlement costs.

Guys and St Thomas' NHS Foundation - Funding to employ a worker to support homeless patients and hospital staff to improve patient experience and to ensure safe discharge, avoiding discharge to the street where this is possible.

Brighton and Hove Council - Grant to co-ordinate work by community and faith-based groups.

Irish Government-Department of Foreign Affairs and Trade - Funding to employ a worker to co-ordinate the Resource Centre's services to Irish clients and to research their needs.

EUSS - A partnership with Crisis to help EA nationals receive the right to remain in the UK.

London Housing Foundation - Supporting establishing a Westminster wide project to co-ordinate strategic interventions to end homelessness in Westminster.

Purposes of designated funds

Funding Contingency Fund - Ensures that adequate resources would be available to maintain services to beneficiaries in the short-term, having regard to seasonal fluctuations in income and the company's exposure to possible variations in future grant levels from major funders. It was not necessary to draw on this reserve during 2020-21.

St Vincent's Refurbishment Fund - Designated for future major cyclical maintenance of St Vincent's Centre and towards any costs of acquiring and refurbishing Bentley House, which cannot be funded through grants and donations.

Statutory Redundancy Fund - This has been closed and part-transferred to the Strategy Investment Fund, with the balance released to General Funds.

Strategy Investment Fund - Represents funds designated by the Board to develop and implement the 2022-2025 strategy for The Passage.

Equipment Fund - Represents the net book value of equipment, apart from equipment funded as part of the St Vincent's refurbishment project.

20 Operating lease commitments payable as a lessee

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

	Equipment	
	2021	2020
	£	£
Less than one year	**-**	4,190
One to five years	**-**	2,394
Over five years	**-**	-
	-	6,584