



Annual report and accounts 2007/08

Shelter

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Cover photo by Sophie Laslett.

Photography by Nick David, Max Hamilton, Sophie Laslett, Amit Lennon, Eddie MacDonald, and Anita Steinstad.

To protect the identity of the individuals and families featured in this publication, we have changed the names and certain details of their stories, and models have been used in all photographs. However, the essential facts remain true.



»»» Foreword

Tough times have put Shelter's services under unprecedented strain, but we rose to the challenge, providing information, advice and practical help to more people than ever last year.

In June of last year, when Gordon Brown took over as Prime Minister, house prices were at an all-time high following more than a decade on the rise, with enthusiastic buy-to-let investors fuelling demand. Housing had become a failsafe investment, a nest egg – an alternative to a pension, even.

But the booming housing market told only half the story. When Brown took office, one child in seven was homeless or living in bad housing, and nearly 1.7 million households in Britain were on waiting lists for a social home.

By July, years of Shelter lobbying for investment in affordable housing finally paid off. The Government pledged to build three million new homes in England by 2020, including desperately needed social rented properties for low-income families left behind by the housing boom.

In October, cracks finally appeared in the booming UK property market. Lending conditions got tighter, interest rates continued to rise, and the buy-to-let bubble finally burst.

Tough times have put Shelter's services under unprecedented strain, but we rose to the challenge, providing information, advice and practical help to more people than ever last year.

Our free housing advice helpline dealt with more than 55,000 calls, and our Advice Online service got an astonishing six million page views from people in need of Shelter's expertise. And pioneering projects and services all over the country continued to provide targeted, specialist help to those worst affected by the chronic shortage of affordable housing.

Also in the past year, Shelter has been broadening its remit to offer advice and support in areas beyond housing, such as debt and welfare benefits.

There's a fresh face at the helm of Shelter's Board of Trustees, too. Our new Chair, Naaz Coker, is a lifelong Shelter supporter with a career spanning 35 years in the public and voluntary sectors. Her commitment to social justice will play a vital role in helping us move towards our ultimate goal of decent, affordable housing for everyone.



Adam Sampson, Chief Executive



»» Highlights of 2007/08



»» Shelter campaigners helped secure a Government pledge to provide 110,000 affordable homes in England by 2012.

»» Shelter services helped more people than ever before.

»» We launched four new projects to help homeless children.

»» Our award winning Advice Online service had six million page views.

»» Shelter's free housing advice helpline answered more than 55,000 calls.

»» More than 7,000 people received tailored housing advice by email – 1,000 more than last year.

»» 72,669 people signed up to our **more homes now** campaign.

»» Regular givers to Shelter donated £10.7 million.

»»» Contents



Foreword	3
Highlights of 2007/08	4
Delivering our aims	6
Governance and internal control	22
Report of the Trustees	24
Independent Auditors' Report	28
Consolidated Statement of Financial Activities	30
Group and Charity Balance Sheets	31
Consolidated Cash Flow Statement	32
Notes to the financial statements	33
Thanks from Shelter	49
Legal and administrative information	50



»» Delivering our aims



»» Aim 1 Ensure there are significantly more affordable homes

‘Shelter’s surveys tell the same story over and over: children struggling with their schoolwork, parents crushed by depression and stress, families living in conditions familiar to Dickens and Engels... There is a legitimate debate to be had about where and how these homes are built. However... built they must be’.

George Monbiot writing in *the Guardian*, 27 November 2007

The election of Gordon Brown as Labour leader brought hope that positive change was afoot. In his first speech as Prime Minister, he highlighted housing as a key national priority, claiming affordable housing for all should be ‘one of the great causes of our time’.

In July, Shelter’s **more homes now** campaign asks were answered, with an ambitious Government housebuilding target of three million homes in England by 2020. And in Scotland, the election of the first SNP Government gave impetus to our demand to meet the 2012 target that everyone should have a home.

Shelter seized opportunities, such as the Comprehensive Spending Review and the Labour Party leadership contest, to wake the Government up to the scale and consequences of the lack of affordable homes. Through groundbreaking research, tenacious lobbying and high-profile campaigning, we helped push affordable housing to the top of the political agenda.

‘Shelter... has done an excellent job in helping secure the increased funding for social housing announced in October’s government spending review’.

Neil Sinden writing in *the Guardian*, 5 December 2007

The subsequent housing Green Paper substantially vindicated our campaign calls, with pledges to deliver 45,000 social rented homes in England each year by 2011, and a goal of 50,000 social rented homes in the next spending review (2011–2014) – commitments welcomed by Shelter.

Extensive consultation between the Housing Minister and Shelter in the run-up to publication, and reference to our campaign at its launch, are a clear sign of Shelter’s influential place in the housing supply debate.



‘We have listened to the evidence from Shelter and the National Housing Federation, who have said we need 70,000 affordable homes a year, of which 50,000 should be new social housing.

I can announce that by 2010/11 we will deliver over 70,000 new affordable homes a year. By 2010/11 we will deliver 45,000 new social homes a year, with a goal of 50,000 in the next spending review’.

Yvette Cooper MP, former Minister for Housing, 23 July 2007

More homes now: campaign highlights

- **72,669 more people** signed up to our **more homes now** campaign.
- During its tour of five British cities last summer, the **Wall of Shame** gathered **30,000 more sign-ups** in support of our call for more affordable homes.
- A series of lively **regional debates** on housing supply included one in London, involving more than 100 politicians and housing experts.
- Our short film, **Trapped**, the story of a young family’s descent into homelessness, premiered in January to great acclaim. Starring EastEnders’ Patsy Palmer, *Trapped* has conscious echoes of *Cathy Come Home*, the 1966 film that inspired support for Shelter’s cause.
- **Shelter videos on YouTube** have helped give a powerful voice to some of the people worst affected by the lack of affordable housing. **Reaching out** tells young people’s poignant tales of street homelessness, and **Britain needs more homes now** contains shocking footage of two families at the sharp end of the affordability crisis. See www.youtube.com/user/sheltercharity
- **In Scotland this year** our **30,000 homes campaign** won **Campaign of the Year** at the Scottish Charity Awards for its impact on the general public and politicians.



Next year we will

Deliver our new **Now is the Time** campaign, a key aim of which is to hold the Government to its promise to deliver more affordable homes... Continue our campaigns work on repossessions and mortgage arrears, and the private rented sector.





Shelter Chief Executive, Adam Sampson, commenting on figures released by the Council of Mortgage Lenders that predict a 50 per cent rise in repossessions over the coming year:

‘...the impact on homeowners could be even more severe than the nightmare of the early nineties, because the current safety net for people facing repossession is significantly worse than it was then. Given the Government’s willingness to jump to the rescue of Northern Rock, it should now show the same compassion to those facing mortgage difficulties and save thousands of homeowners from the devastating effects of repossession and homelessness’.

Quoted in *The Times*,
30 October 2007

»» Aim 2 Increase access to Shelter’s existing services, develop new services to help people find and keep a home, and provide immediate and long-term solutions to housing problems

Despite tough competition for statutory funding, and increasing demands to demonstrate value for money, efficiency and positive outcomes, Shelter’s innovative services have this year reached out to more people in more ways than ever before.

If we’re going to secure advice provision contracts in an increasingly crowded marketplace, Shelter needs to offer a holistic service to its clients. To this end, we have begun to establish ourselves as a provider of information and advice in areas beyond our core housing expertise. This year we won £1.6 million in New Matter Starts in three new areas of law: community care, debt, and welfare benefits.

Towards the end of the financial year, Shelter services began to feel the repercussions of the credit crunch, with reported increases in people approaching us for help with mortgage arrears and repossessions. Using information gathered from first-hand contact with people struggling to pay their rent or mortgage, Shelter has been quick to respond to this growing crisis. For 2008/09 we have developed a national campaign that will draw widespread attention to the problem, and mobilise support for positive change.

- Our free housing advice **helpline** took more than **55,000** calls.
- **Advice Online** received **six million** page views.
- We secured **£3.24 million** in additional **statutory funding** for our services in England – well above our £1 million target.



Threatened with illegal eviction by their aggressive landlord, Farooq and his housemates turned to Shelter's Advice Online for instant help

More than half a million people aged 16 to 25 – that's seven per cent of the entire UK population in this age group – have seen the Advice Online section of Shelter's website. Of those who used it to find housing advice, 78 per cent say that Shelter helped resolve their housing problem.

Farooq, aged 20, lives in a houseshare in North London with three other students. For months, they'd been subject to harassment from their landlord, who regularly let himself into the house uninvited, bullying them for rent payments up front, carrying out building repairs at unsocial hours – even threatening to turf his tenants out on the street.

Sick of the constant intrusion, Farooq logged on to Shelter's website. Through Advice Online, he found out all about his rights as a tenant, and how his landlord had no right to evict him.

Farooq was so impressed with the clear, concise information he found, he shared it with his housemates:

'I printed out all the information and I gave it all to my housemates just in case they needed it... [Shelter's] was the cleanest of the websites... their system made it clear enough for me to understand them. I'm a lot more comfortable in the knowledge of my rights and the responsibilities of the landlord as well'.



Next year we will

Win new contracts that have clear benefits for Shelter and our clients...
Develop our capacity to deliver advice and support in multiple areas of law... Continue to help even more people find and keep a home.





»» Aim 3 Reduce the number of people having to suffer bad or damaging housing conditions

'Shelter has done a lot of work on the effect of overcrowding on children's health and life chances. We need a modern definition, and then we must work to end overcrowding'.

Emily Thornberry MP, speaking in the House of Commons, 27 November 2007

While the focus of much of our campaigning and policy work has been securing investment for new affordable homes, the quality and condition of existing housing stock is fundamental to a decent quality of life for our clients.

Shelter's priorities this year have been to lobby for a more effective private rented sector, to ensure full implementation of the Housing Act 2004 in England, and to persuade the Government to revise the outdated and inadequate overcrowding standard.

- A shocking **viral email** that appears to show a politician dropping a baby – devised to draw attention to the Government's failure to change the definition of overcrowding in England – prompted more than **900 Shelter supporters to email the Communities Secretary**.
- We lobbied successfully to have the concept of **'tolerated trespassers' abolished** in the Housing and Regeneration Bill in England, **reinstating the rights of 250,000 tenants** who were previously without protection if their landlord treated them unfairly.
- One of Shelter's biggest political wins of last year was the implementation of **Tenancy Deposit Protection Schemes** in England, which came into force in April 2007. Since then, more than **150,000 landlords have signed up**, safeguarding the deposits of more than 225,000 private tenants.
- **In Scotland this year** Shelter Scotland has also been lobbying for improvement in the private rented sector. This year the Housing (Scotland) Act 2006 brought in the **Repairing Standard for private tenants**. The **Private Rented Housing Panel** empowers tenants to force landlords to carry out necessary repairs. And a **programme to register private landlords** has registered 82 per cent of those who have applied.



Becky's landlord wouldn't repair her badly flood-damaged flat – until she took advice from Shelter

Becky and her partner live in a housing association flat in Kent with their two daughters, one of whom has Asperger's Syndrome. The flat's previous tenant had suffered a flood, and for six years Becky had been feeding her family from a kitchen that was – literally – crumbling away.

Becky's landlord had been giving her the runaround for years, making endless excuses for not carrying out the urgent repairs.

Close to desperation, Becky began to search the internet for advice – and was surprised to find that Shelter didn't just help homeless people:

'I am not a very good person with computers... [but] I found it very easy to... find out the information...

Once Becky mentioned Shelter, the housing association's attitude changed immediately, and they quickly agreed to carry out the necessary work:

'As soon as I mentioned Shelter... that's when [the housing association] started doing something. You feel empowered and you feel knowledgeable... So it did give me the confidence, I think, to really fight my case. It was brilliant'.



Next year we will

Further develop our work in the private rented sector... Undertake policy and good practice work on worklessness and social housing reform.





»» Aim 4 Make ending homelessness a greater public policy priority and ensure that legislation, policy and practice improve the lives of homeless people

Four decades of front-line experience with people in need has given us unparalleled expertise for tackling the effects of homelessness. We use our authoritative voice to influence understanding of housing issues among the public, housing professionals and politicians, and to promote good practice in homelessness prevention.

Since its launch last year, Shelter's Good Practice Unit has gone from strength to strength. Among its influential publications in the past 12 months is *Working with housed Gypsies and Travellers* – the result of extensive consultation with the travelling community – and *Safe and well?*, a guide for professionals that helps them to prevent children in care from running away, and improves the prospects of those that do.

- More than **9,000 good practice guides** were sold or downloaded from our website.
- We worked with Communities and Local Government on its **Youth Homelessness Strategy**.



Alan's story shows the appalling conditions some families endure in the no-man's land of temporary accommodation.

Thanks to years of lobbying by Shelter, since 1 April 2004 families in England with dependant children can be housed in bed and breakfast accommodation only in an emergency, and should not have to stay there longer than six weeks.

Hostel conditions were destroying Alan's family life

When Alan's marriage broke down he moved into a rented flat, but he was adamant that his two daughters and baby son should stay for half the week.

Shortly after, Alan was made redundant. He fell behind with his rent, and lost his flat. The council allocated him a room in a bed and breakfast hostel, with no cooking facilities and only one bed. When the children came to stay, Alan had to feed his daughters takeaway chips, and make them bed down on the floor. He couldn't even sterilise his baby's bottles.

Alan's eldest daughter, Sally, suffers from epilepsy. For Sally, staying with Dad meant negotiating several flights of stairs, uncomfortable nights, and a junk-food diet. One night, Sally had a violent epileptic fit in the stairwell. If it hadn't been for Alan's quick reaction, she could have had a horrific fall.

After almost five miserable months in the hostel, Alan realised that his chaotic living arrangements were seriously jeopardising his children's health. Desperate, he visited a Shelter advice centre.

Shelter explained to the council that the well-being of three children was at risk. But Alan's children were considered their mother's responsibility, so the local authority was legally within its rights to keep Alan in the hostel.

Alan's Shelter caseworker doggedly pursued the council, pointing out the huge efforts Alan was making to be a good parent, in spite of overwhelming odds. Thanks to Shelter's continuing help, Alan was eventually offered a permanent, ground-floor flat of his own, with enough room for the children to sleep comfortably, and – finally – a place to prepare a decent meal.



Next year we will

Undertake further research on homelessness prevention...
Develop our work on mental health and homelessness... Scope and develop work on resettlement for care leavers.





»» Aim 5 Reduce the number of homeless and badly housed children and improve their access to support and other services

'One of my families has four children aged 4, 6, 8 and 11. Whenever I go to pick them up for an outing, they are stood at the open front door with their coats on ready to go before I have even parked the car'.

Keys to the Future child support worker

Shelter's three-year million children campaign from 2004–2006 exposed the scale of housing deprivation among the younger generation, and highlighted the need for targeted services to tackle the problem.

We responded with Keys to the Future, an innovative group of projects around the country that offer intensive emotional support, and practical help, to homeless children. This year, we secured a further £1.9 million in pledges, funds that have launched four bespoke projects for children and young people in Gloucestershire, East London, Bristol and Scotland.

These services provide direct, intensive support for children, and housing needs assessments for homeless families. They also offer peer education sessions for teenagers affected by homelessness.

Keys to the Future highlights

- Rolled out **national advice service** for homeless families with children.
- Launched dedicated **Children's Legal Team**, opening 64 cases over the year.
- More than **1,300 children and young people** took part in **peer education sessions**, and 87 families were helped to secure school places.
- **Designed services for young people** including an outreach surgery, a computer club for girls, a drama club and a young women's group.
- **Child Poverty Commission's final report** took into account Shelter's recommendation that local authorities should offer homeless families accommodation within reach of schools.
- **In Scotland this year** established a network of **educational liaison workers** to ensure that homeless children can attend school, do their homework, and access any additional support they need.



Keys to the Future is a new set of Shelter projects around the country that offer intensive emotional support and practical help to turn homeless children's lives around.

Projects can allow children to stay, and thrive, in school, build their confidence and self-esteem, and help them form lasting friendships.

On the run from a violent father, Kieran's life was in turmoil when he was referred to Keys to the Future

Kieran is nine years old. When his mother was finally broken by relentless physical abuse from Kieran's dad, she fled their home, and she and Kieran were allocated emergency accommodation in a rough area of Bristol.

Kieran was traumatised by the violence he had lived through, and bewildered by the sudden changes in his life. His mum, a former heroin addict, struggled with parenting, and Kieran's attendance at his new school was, at best, sporadic. He lagged behind with work, and found it hard to make friends.

At this low point, Kieran was referred to Bristol's Keys to the Future project. Workshops for homeless children introduced Kieran to kids with similar experiences, while grants bought Kieran's uniform for his new school, and sent him on a school trip that was beyond his mum's single income.

Kieran and his mum now have a permanent home in a much safer area of Bristol. Through working with Keys to the Future, Kieran has learned to enjoy group activities like sport and drama. He has joined the library, his grades are up, and he has been helped to become a more confident, outgoing and self-assured child.

A Shelter support worker continues to give both Kieran and his mum the ongoing help they need to settle into their home, and make a fresh start.



Next year we will

Secure more income through our Keys to the Future appeal...
Roll out our Children's Service Advice Line across all our regions...
Further develop our Children's Legal Service.





»» Aim 6 Promote the development of neighbourhoods where people want to live

‘Working on the families intervention project is challenging; no two days are the same. It fills me with pride to see the families grow and develop to achieve their potential, and shows people that with the right support, these families needn’t be lost causes’.

Support worker, STEP families intervention project

Shelter believes that a decent home is about more than bricks and mortar. The neighbourhoods we live in have a huge effect on our experience of home, and Shelter is committed to the promotion of thriving communities – directly, through service provision, and through our influential policy and research work.

- Following extensive consultation with Travelling communities, Shelter’s Good Practice Unit organised a **national conference** to discuss its work with **Gypsies and Travellers**.
- Organised **resident-led neighbourhoods research** in the Thames Gateway area to inform a forthcoming Shelter report.
- Added a **neighbourhood issues** section to our **Advice Online** service.
- Shelter’s inclusion project published a **report and film on managing antisocial behaviour in communities**.
- Published our **response to the Government’s eco-town proposals**, calling for developments to contain adequate provision of affordable homes.
- Began scoping **research into the impact of the 2012 Olympics** on local communities.
- **In Scotland this year** *But why here?*, a resource pack on working with communities to develop accommodation for socially excluded groups was published.



Unlike many other family intervention projects, Shelter's STEP project in Birmingham also works with couples and single people without children, challenging the behaviour of some of the most antisocial households in the city, helping them to live peaceful, productive lives in their communities.

Cohesive communities

The antisocial behaviour of one problem family can make life miserable for entire neighbourhoods, and often leads to enforcement action. Breaching antisocial behaviour orders can mean eviction, homelessness, and even children being taken into care.

Antisocial families require intervention by social care, housing services, the police, the courts, and criminal justice agencies. The cost to the taxpayer for dealing with just one such family can be as high as £350,000 a year.

Two years ago, the Government introduced 53 family intervention projects (FIPs) across England, to work with households who may in the past have been written off as being beyond redemption. Projects provide a single key worker to 'grip' the family and challenge the root causes of their behaviour. Support is assertive and intensive, but sanctions are imposed if the family doesn't comply with the key worker's conditions.

FIPs help households whose tenancies are at risk to remain in their homes, and give previously evicted families the skills to hold on to a new tenancy.

The Shelter-run STEP is one such project, in Birmingham. The project runs parenting classes to ensure parents fulfil their responsibilities, and gives one-to-one support for children whose behaviour is part of the problem.

Unlike many other FIPs, STEP also works with couples and single people without children, challenging the behaviour of some of the most antisocial households in the city, helping them to live peaceful, productive lives in their communities.



Next year we will

Publish our research report into the Thames Gateway Growth Area, and organise a stakeholder event... Publish a research report on Housing Market Renewal... Develop our research work on the 2012 Olympics to maximise its housing and regeneration legacy.





»» Aim 7 Manage our finances to provide increased flexibility and sustainability

In a sector that's facing ever-more vigorous competition for funding, we are scrupulous in making the most of our resources, keeping our management and administration costs to a minimum. For every £1 we spend directly on fundraising, we generate £4.50 in income.

Support from thousands of Shelter donors is essential in our daily fight to combat the injustices of homelessness and bad housing, and to develop solutions to end them.

Inflation adds almost £1 million a year to Shelter's running costs. This year, as part of a comprehensive package of organisational change, we sought to reduce the pressure on our income by ending automatic incremental increases to staff salaries, and increased the working week by 2.5 hours. These changes were not made lightly, or without controversy. But we are confident that they were the right decisions, and will result in a more sustainable future for the organisation.

- This year, **voluntary income was more than £24.4 million**, £10.7 million of which came from regular giving through payroll and direct debit.
- We secured **15 partnerships worth in excess of £50,000 each**, including more than £250,000 for the STEP project in Birmingham.
- **Sales of training at £1.37m** reflects a similar level of activity to last year.
- Our team of Shelter runners in the **2007 Flora London Marathon raised £500,000**.
- Our ongoing partnership with **Marks & Spencer** raised more than **£600,000** over Christmas 2007 through cause-related marketing, Christmas card sales, staff sales, collections and gifts in kind.
- Our **Keys to the Future** appeal secured a gift of **£384,000 from a major donor** and a **£232,527 cash pledge over three years from international law firm, Freshfields Bruckhaus Deringer** for the Children's Service Legal Project in England – FBD's largest pledge to date, and an unprecedented amount from a legal firm.



- A number of **Charity of the Year** partnerships saw us joining forces with **Interserve, Wates Living Space, Shoosmiths** and **Metro**.
- A **three-year partnership** with **Abbey Charitable Trust** will generate £150,000.
- **Architect in the House**, a fundraising initiative with the Royal Institute of British Architects, and The Royal Incorporation of Architects in Scotland, earned just over **£75,000** this year alone.
- Mortgage brokers, **Birmingham Midshires** raised nearly **£350,000**; income to date now exceeds £1m.
- **The Pilgrim Trust** provided **£441,000** to fund a project supporting ex-offenders after release.
- **The Big Lottery Fund** made grants of **£484,075** and **£479,788** for **Keys to the Future** projects in Scotland and East London respectively.
- **The Vodafone UK Foundation** continued to support Shelter's services for young people and sponsored Shelter's running team again in 2007.
- Corporate fundraising product **Trial by Trivia** raised more than **£18,000** and the number participating increased by a third year-on-year.
- **Bradford & Bingley** have been supporting Shelter for more than 10 years and have donated in excess of **£1 million** since the partnership began.



Next year we will

Endeavour to be a financially efficient, stable and effective organisation in a difficult economic climate... Continue to fundraise effectively.





We are on course to become the first charity of our kind to achieve Level 2 of the nationally recognised Equality Standard – an achievement that will improve Shelter’s profile as an inclusive, responsive organisation among external partners and potential funders.

Over the past year, we have broadened the knowledge and skills of our services staff, equipping them to offer advice and support across multiple areas of law including debt, community care, and welfare benefits.

»» Aim 8 Become a more diverse, client-focused and responsive organisation

Shelter aims to eliminate all forms of discrimination, and to promote fairness and social justice in all that we do.

This year, more than 2,000 Shelter clients took part in activities including: a consultation with street homeless people, focus groups at Elmore and Foston Hall women’s prisons. We also continued with the engagement of our Youth Panel in our campaigning, policy and research work.

We established a cross-divisional Black Minority Ethnic (BME) Housing Forum and launched a central log of good practice work around BME housing issues. We also set up a BME staff forum to contribute to corporate policy decisions.

Shelter now monitors across all six recognised equality and diversity strands, capturing data that will help us promote fair access and social inclusion.

»» Aim 9 Develop our staff and volunteers to work to their full potential

We pride ourselves on offering employees opportunities to learn and develop. Over the past year, we have broadened the knowledge and skills of our services staff, equipping them to offer advice and support across multiple areas of law including debt, community care, and welfare benefits.

This year, we also delivered a complex package of organisational change, including a thorough restructure of front-line services and, following consultation with staff and unions, the amendment of staff contracts.

Volunteers continue to play a key role in achieving our organisational aims, volunteering in Shelter shops, and at a number of our support projects.



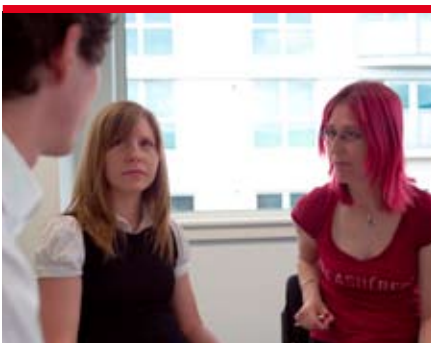
»» Aim 10 Continually improve our working practices to be more effective and efficient

Our new Client and Case Management system is the culmination of two years' cross-divisional collaboration, and its successful delivery is testament to the skill and dedication of everyone involved.

This year, we have put in place a range of new processes, systems and procedures that aim to improve the efficiency and effectiveness of everything we do.

Our new Client and Case Management system (CICM) is the culmination of two years' cross-divisional collaboration, and its successful delivery is testament to the skill and dedication of everyone involved. By the end of the current year, we will begin to realise its benefits, streamlining the client experience and improving the way we monitor outcomes.

- Roll-out of CICM required the training of 650 staff.
- New risk management system will enable the Board and Senior Management Team to identify and mitigate key risks facing Shelter.
- Comprehensive evaluation of Shelter's three-year project to deliver housing advice and information to young people.
- **In Scotland this year** implemented client feedback process.



Next year we will

Deliver the new phase of Shelter's e-business and web strategy...
Continue to diversify staff and client profiles and increase awareness of Shelter among diverse groups...
Develop our capacity to deliver advice in multiple areas of law.





»» Governance and internal control

Statement of Trustees' Responsibilities

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements for the year ended 31 March 2008. The Trustees comply with the provisions of the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005 in preparing the annual report and financial statements of the charity.

These provisions include:

- a clear demonstration that the charitable income received has been spent on activities that deliver Shelter's charitable aims
- emphasising the reporting of activities and achievements against organisational objectives
- being more accountable to donors about how we raise and spend our income.

Board of Trustees

The Trustees have overall responsibility for the direction, management and control of Shelter. As discussed below, some of these activities are delegated to sub-committees of the Board. Overall operational management of Shelter is delegated to the Senior Management Team.

The Board comprises 13 members and applications for Board membership are invited by external advertisement. Applicants are interviewed by the Nominations Committee and are appointed according to relevant skills, competencies and experience. The Chair may serve two terms of three years; Trustees serve an initial three-year period and may be re-elected for a further two terms. This year, the Board of Trustees met on seven occasions, including one residential meeting.

Throughout the year, the Trustees and Senior Management Team continued to monitor effectiveness and overall terms of reference for the various committees, to ensure they are following best practice in



the sector. All new Trustees are given a thorough induction programme and issued with a *Governance handbook* explaining their role and responsibilities as a Trustee. All Trustees are kept up to date with developments through regular bulletins and training where appropriate, and individual Trustees are encouraged to visit all areas of the charity, particularly the operational areas. Following the review of the governance arrangements in 2006/07, the Audit and Finance Committees were merged to form the Audit, Risk and Finance Committee.

Sub-committees

The Audit, Risk and Finance Committee, which usually meets five times a year, and the Scotland Committee, which meets four times a year, are made up of Trustees and other individuals with relevant skills and experience. Both external and internal auditors are invited to attend the Audit, Risk and Finance Committee meetings. Additionally, a Remuneration Committee and a Nominations Committee carry out certain functions delegated to them by the Board of Trustees.





»» Report of the Trustees

Report of the Trustees

The Trustees are responsible for preparing the annual report and financial statements. The Trustees have chosen to prepare accounts for the company and the group in accordance with UK Generally Accepted Accounting Practice (UK GAAP). Company law requires the directors to prepare such financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the group, and of the surplus or deficit of the company for that period, and to comply with UK GAAP and the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulation 2006. In preparing these financial statements, Trustees have:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that are reasonable and prudent
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- procured the preparation of the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the company, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities, and for the preparation of the Report of the Trustees, that comply with the requirements of the Companies Act 1985.

Risk management and internal control

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- the charity is operating efficiently and effectively
- proper records are maintained and financial information, used within the charity or for publication, is reliable
- the charity complies with relevant laws and regulations.

The Audit, Risk and Finance Committee is responsible for monitoring the effectiveness of the internal controls and reports to the Board the results of such monitoring. This is achieved through:

- reviewing Shelter's systems of financial control, risk management and compliance
- reviewing the nature and scope of the external audit, and any matters raised, for the attention of management. Any significant findings or identified risks are examined so that appropriate action can be taken
- reviewing and approving the annual internal audit plan, considering and approving the areas of the organisation that are subject to review, approving the scope of such reviews, considering any findings that arise and agreeing changes to audit plans to take account of emerging risks and new areas of business
- ensuring that appropriate action is taken on recommendations made by the internal auditors.

The systems of control operated within Shelter are designed to provide reasonable, but not absolute assurance against material misstatement or loss. They include:

- a strategic plan
- a business plan, annual budget and cash flow forecast
- regular consideration by the Trustees of actual results compared with budgets, forecasts and trends, cash flow and reserves levels
- segregation of duties
- an identification of, and management of, risks
- a regular review of financial procedures.

While the guidance contained within the Combined Code on Corporate Governance is not mandatory for Shelter, the Trustees believe that the organisation should, where appropriate, seek to comply with these guidelines as best practice.

The Trustees, in partnership with the Senior Management Team, play a key role in the identification, evaluation and monitoring of major risks to which Shelter is exposed. The development of Shelter's risk management framework has been progressed further during the year and robust risk management and monitoring processes are in place in the strategic and operational management of the organisation. The key risks that have been identified to the successful delivery of Shelter's business strategy are the continued maintenance of the level of voluntary donations, and our ability to influence governmental policies sufficiently in order to reduce the impact of homelessness.

Shelter recognises that effective risk management is reliant on a culture of risk management that permeates all levels and operational functions of the organisation. To encourage this, additional components of the risk management framework include:

- the requirement for all staff and managers to prepare a comprehensive project initiation document for all new initiatives, which mandates an assessment of risk. New development opportunities undergo a full feasibility analysis, including an assessment of risk. Projects are required to maintain a risk log, which is monitored by project governance boards.
- Shelter's Trustees have established a target for the levels of reserves held, to mitigate the impact on the organisation of the risks that do materialise.

Shelter is committed to its risk management processes, and Senior Managers and Trustees are continuing to develop and refine risk management and control processes which are both appropriate to the organisation and whose effect can be measured.



Provision of information to auditors

In the case of each of the persons who are Trustees at the time when the Trustees' report is approved, the following applies:

- So far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware.
- The Trustees have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985.

Employees

Shelter's staff are its greatest asset and the Trustees are proud of the excellent work they perform. The strategic plan for 2006–2009 identified 'developing staff and volunteers to work to their full potential' as one of the 10 strategic aims.

This year, much of our effort has focused on the design, development and delivery of a complex package of organisational change. The successful management and administration of this major change programme from conception to completion has demanded skill, expertise and sensitivity. This has included a thorough appraisal and restructure of our front-line service delivery roles, a comprehensive consultation exercise with all staff, complex union negotiations, and the amendment of all staff contracts.

The expansion of our service delivery into areas of law beyond our core housing expertise has involved a complex schedule of recruitment and training. In addition to this, a comprehensive Learning and Development Programme has been developed for all adviser levels, with clear outcomes linked to organisational competencies.

It has been a difficult year for staff, as Shelter changed the terms and conditions of employment of some employees in order to be able to compete effectively for government services contracts. Despite this, Shelter was once again named one of Britain's Top HR Employers in a 2008 book compiled by the Corporate Research Foundation and *the Guardian* newspaper.

Good progress has been made in working towards Level 2 of the Equality Standard. Shelter is one of the first voluntary organisations to adopt the Standard and is committed to delivering long-lasting change through the diversification of our clients and staff.

We are proud to offer our staff a flexible working package and to challenge all forms of discrimination.

Volunteers and user involvement

Volunteers are key to Shelter's success and make an invaluable contribution to the work of helping homeless and badly housed people.

Shelter embraces voluntary support in its shops, where there are currently more than 850 volunteers and scheme-based staff; at the Homeless to Home projects, where volunteers help newly rehoused families with decorating or gardening; and in Housing Aid Centres, where volunteers offer support with casework and administration.

Increasingly, Shelter is providing internship opportunities for students in our Campaigns, Policy, Human Resources and Fundraising departments.

A key component of Shelter's work in the equalities and diversity arena was the launch of a dedicated fund and toolkit for user involvement activities. By the end of the year, more than 95 per cent of available funds had been used, and more than 2,000 clients participated in user-involvement activities within our services. Additionally, focus groups were hosted at Elmore and Foston Hall women's prisons, people with mental health difficulties were consulted, a large consultation exercise with street homeless people was undertaken, and we continued to engage Shelter's Youth Panel in our campaigning, policy and research work.

Information for volunteers is now available through our Supporter Helpdesk or via Shelter's website, where interested parties can view task descriptions and complete online applications.

The Trustees are immensely grateful to all Shelter volunteers for their hard work, dedication and commitment.

Grants

Shelter awards grants to organisations engaged in activities that promote Shelter's charitable objectives. These grants are made on an annual basis and are monitored closely against conditions specified at the time of the initial award. All grants are evaluated annually by Shelter's Senior Management Team to ensure activities continue to share Shelter's aims and objectives and meet Shelter's value-for-money targets.

In the last year, Shelter awarded grants to eleven separate organisations to a total value of £157,000 (2007: £718,000). The main reason for the change in the value of grants awarded, was that no grant was paid to Shelter Wales/Cymru in 2007/08, as two years' worth of grant was paid in 2006/07. Details of grants awarded during the year are given in Note 6 to the financial statements.

Investments

Shelter invests in Common Investment Funds (CIFs), specialised unit trusts that are regulated and monitored by the Charity Commission and benefit from charitable tax exemptions. These funds enable Shelter to take advantage of economies of scale and opportunities for diversification, essentially by pooling our investments with other charities. Shelter invests in both equity growth and bond income CIFs. The Audit, Risk, and Finance Committee has responsibility for reviewing the performance of these funds against comparative CIFs and the stock market in general.

Financial review

The financial performance of the charity has continued to be very stable. The net deficit for the year of £822,000 is attributable to identifiable, temporary changes in income and expenditure as the charity adjusts its operational model to meet the changing needs of the main governmental funders of the statutory services being provided.

Total incoming resources, at £46.4m, were lower than last year by £1.2m (2.5%). Voluntary income showed a small decrease and retail sales showed a small increase, but income in support of statutory and grant-funded activities and legal services activities fell by £1.6m (12.4%).

Charitable expenditure was largely unchanged at an overall level of £34.2m (2007: £34.3m). The cost of generating voluntary income was held consistent with last year, at £6m.

There was no revaluation or disposal of land and buildings in the year, and £0.6m of improvements to the freehold Old Street premises was incurred. Other capital expenditure of £0.8m compared to depreciation of £1m.

The market value of investments fell in line with the world markets after several years of growth.

Reserves

The Trustees review the reserves of the charity on a regular basis. This review encompasses the nature of the income and expenditure streams, the need to match variable levels of income with fixed commitments and the nature of the reserves. The last review concluded that to allow the charity to be managed effectively and to provide a buffer for uninterrupted service, a target general reserve of £6.5m should be maintained. At the

year-end the charity's general reserve was £4.5m and in arriving at this total £2.2m has been transferred from general reserve to the property and fixed asset reserve, to match the balance sheet value of fixed assets. Also £3.6m has been transferred from Designated Funds to General Reserve because the amounts in question are considered to be no longer required.

The Trustees intend to increase General Reserve towards the £6.5m target in the medium term by budgeting for small annual surpluses. Restricted funds are £1.2m (2007: £1.4m).

Trading subsidiary

The charity's wholly owned trading subsidiary carries out non-charitable trading activities for the charity; primarily the operation of shops selling donated and new goods, and the delivery of training courses. During the year the company made a profit of £1.1m (2007: £1.6m). Shelter's trading and training activity generates considerable awareness of the charity's wider work.

Forward look

The charity intends to continue to deliver against the ambitious aims and objectives built into its current strategic plan. Details of the actions planned for the next year and beyond are set out in the **Next year we will** statements at the end of each of the charity's 10 strategic aims on pages 6–21 of this report.

Website

The Trustees are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

Signed on behalf of the Board



Naaz Coker
Chair of the Board of Trustees
29 August 2008





»» Independent Auditors' Report

To the Trustees of Shelter, the National Campaign for Homeless People Limited

We have audited the group and parent charitable company financial statements of Shelter, the National Campaign for Homeless People Limited, for the year ended 31 March 2008, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 24. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985 and to the charity's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

The responsibilities of the Trustees (who are also the directors of Shelter, the National Campaign for Homeless People Limited for the purposes of company law) for preparing the Annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities (under Governance and Internal Control).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulation 2006. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the other information contained in the Annual Report as described in the contents section, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

Basis of audit opinion

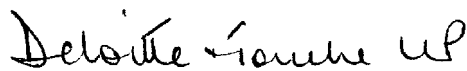
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the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

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

Opinion

In our opinion:

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent charitable company's affairs as at 31 March 2008 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Report of the Trustees is consistent with the financial statements.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
St Albans
United Kingdom
29 August 2008



Consolidated Statement of Financial Activities

for the year ended March 31 2008 (incorporating consolidated income and expenditure accounts)

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2008 £'000	Total 2007 £'000
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income: Donations and gifts	2	18,541	2,692	21,233	21,179
Legacies	2	3,111	86	3,197	3,297
Activities for generating funds					
Retail sales	3	7,511	-	7,511	7,322
Investment income	3	389	-	389	305
Other income		248	-	248	75
Incoming resources from charitable activities					
Training		1,371	-	1,371	1,377
Publications		385	-	385	362
Campaigns and education		133	-	133	82
Legal Services	4	2,660	-	2,660	3,532
Statutory and grant-funded activities	4	7	9,305	9,312	10,136
Total incoming resources before exceptional item		34,356	12,083	46,439	47,667
Exceptional item	24	470	-	470	1,448
Total incoming resources after exceptional item		34,826	12,083	46,909	49,115
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income:					
Fundraising activities	2	5,958	-	5,958	6,089
Fundraising trading: cost of goods sold and other costs					
Retail costs	3	6,897	-	6,897	6,579
Total costs of generating funds		12,855	-	12,855	12,668
Net incoming resources available for charitable application before exceptional item		21,501	12,083	33,584	34,999
Cost of charitable activities					
Training		1,249	-	1,249	996
Publications		1,550	-	1,550	1,821
Campaigns and education		4,356	-	4,356	4,213
Housing Aid and other grants made	6	157	-	157	718
Legal Services		4,548	-	4,548	4,528
Housing services		10,076	12,262	22,338	21,995
Total cost of charitable activity		21,936	12,262	34,198	34,271
Governance costs	7	208	-	208	134
Total resources expended before exceptional item	5	34,999	12,262	47,261	47,073
Costs related to exceptional item	24	432	-	432	144
Total resources expended after exceptional item		35,431	12,262	47,693	47,217
NET (EXPENDITURE)/INCOME FOR THE YEAR BEFORE EXCEPTIONAL ITEM		(643)	(179)	(822)	594
NET (EXPENDITURE)/INCOME FOR THE YEAR AFTER EXCEPTIONAL ITEM		(605)	(179)	(784)	1,898
Net (loss)/gain on investments	13	(323)	-	(323)	57
Net movement in funds		(928)	(179)	(1,107)	1,955
Fund balances at 1 April		11,260	1,409	12,669	10,714
Fund balances at 31 March	20	10,332	1,230	11,562	12,669


All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The restricted funds balances include £19,000 (2007: £19,000), which relate to the endowment funds. The notes on pages 33-48 form part of these accounts.

Group and Charity Balance Sheets

As at 31 March 2008

	Notes	Group		Charity	
		2008 £'000	2007 £'000	2008 £'000	2007 £'000
Fixed assets					
Tangible fixed assets	12	5,812	5,525	5,812	5,525
Investments	13	4,882	5,083	4,962	5,163
		10,694	10,608	10,774	10,688
Current assets					
Stock	14	64	163	-	-
Debtors	15	4,353	3,380	4,053	2,978
Cash at bank		2,738	4,517	2,611	4,240
		7,155	8,060	6,664	7,218
Current liabilities					
Creditors: amounts falling due within one year	16	5,574	5,074	5,182	4,943
		1,581	2,986	1,482	2,275
Net current assets		1,581	2,986	1,482	2,275
Total assets less current liabilities		12,275	13,594	12,256	12,963
Provisions for liabilities and charges	17	713	925	713	925
Net assets		11,562	12,669	11,543	12,038
Accumulated funds					
Unrestricted income funds					
General funds	20	4,520	4,424	4,501	3,793
Revaluation reserve	20	492	492	492	492
Designated funds	20	5,320	6,344	5,320	6,344
Unrestricted funds					
Restricted income funds	20	1,211	1,390	1,211	1,390
Permanent endowment fund	20	19	19	19	19
		11,562	12,669	11,543	12,038

Signed on behalf of the Board



John Rogerson
29 August 2008

The notes on pages 33–48 form part of these accounts.



Consolidated Cash Flow Statement

Year ended 31 March 2008

	Notes	2008 £'000	2007 £'000
Cash flow from operating activities		(782)	1,227
Returns on investment and servicing of finance			
Investment income received	3	79	64
Interest received		190	241
Net cash flow for returns on investment and servicing of finance		269	305
Purchase of tangible fixed assets	12	(1,372)	(676)
Proceeds for the sale of fixed assets		106	-
Net cash outflow for capital expenditure		(1,266)	(676)
Net cash (outflow)/inflow before management of liquid resources and financing		(1,779)	856
Management of liquid resources			
Net (decrease)/increase in short-term deposits and cash at bank		(1,779)	846
Financing			
Loans repaid		-	(4)
Capital element of finance lease rental payments		-	(6)
Net cash outflow from financing		-	(10)
Increase/(decrease) in cash		(1,779)	846
Reconciliation of net incoming resources to net cash inflow from operating activities			
Net (outgoing) incoming resources before exceptional items		(822)	594
Exceptional items	24	38	1,304
Depreciation	12	976	780
Investment income received	3	(79)	(64)
Interest receivable	3	(310)	(241)
Movement in provisions		(212)	235
Decrease in stocks		99	36
(Increase) in debtors		(972)	(1,017)
(Increase)/decrease in creditors		500	(400)
Net cash (outflow)/inflow from operating activities		(782)	1,227
Reconciliation of net cash (outflow)/inflow to movement in net funds			
(Decrease)/increase in cash in the period		(1,779)	846
Cash inflow from decrease in debt and lease financing		-	10
Cash (outflow)/inflow from increase in liquid resources		(1,779)	856
Changes in net funds resulting from cash flows		(1,779)	856
Net funds as previously stated		4,517	3,661
Net funds at 31 March		2,738	4,517

The notes on pages 33–48 form part of these accounts.



»»» Notes to the financial statements

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention with the exception of investments and the 88 Old Street freehold property, which are stated at market value. They have been prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 with applicable accounting standards. They also comply with the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005).

Group accounts

Group accounts have been prepared for Shelter, The National Campaign for Homeless People Limited, and its wholly owned subsidiary companies, Shelter Trading Limited and Shelter Merchandising Limited, in accordance with the requirements of SORP 2005. Shelter Merchandising Limited remained dormant during the year. The accounts have been consolidated to include the results of Shelter Trading Limited. The results of Shelter Trading Limited are shown in Note 19. Shelter operates 31 advice centres throughout England and Scotland. The income and expenditure relating to these advice centres are included in the consolidated statements. Individual unaudited reports are produced for some of the centres, copies of which can be obtained from 88 Old Street, London EC1V 9HU. In accordance with section 230 of the Companies Act 1985, no individual statement has been prepared for the parent company, Shelter, The National Campaign for Homeless People Limited.



Incoming resources

All incoming resources are included in the Consolidated Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

The following specific policies apply to categories of income:

- 1 Legacy income is accounted for on receipt or notification of probate before the financial year end.
- 2 All income is accounted for on an accruals basis. Donations are included in the financial statements when the conditions of receipt are met.
- 3 Gifts in kind are included as incoming resources when they have been sold.
- 4 Grant income is split between government and other. Grant income that is received in advance of performance is deferred and included in creditors.

Grants are charged to the Consolidated Statement of Financial Activities when a constructive obligation exists. They are not deferred unless specified by the funder as being for a future period, notwithstanding that they may be paid in future accounting periods.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. The majority of overheads have been apportioned on the basis of headcount because that is the main driver of costs in the charity.

Expenditure is stated in line with SORP 2005 recommended practice. Support costs, which include finance, IT, head office functions (London and Scotland) and facilities are allocated across the categories of charitable expenditure, governance and the costs of generating funds. The basis of the cost allocation is explained in the accounts.

Governance costs, separately identified, relate to the general running of the charity as opposed to the costs of fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day-to-day management of the charity's activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities or costs of negotiating contracts for the provision of services.

Irrecoverable VAT is charged as a cost to the Consolidated Statement of Financial Activities. The majority of costs of irrecoverable VAT arise out of the fundraising activities.

Tangible assets and depreciation

Fixed assets are included at cost, with the exception of the 88 Old Street freehold property, which has been included at market value. Depreciation is charged, on a straight-line basis, as follows:

Freehold	50 years
Short-leasehold buildings	in line with the lease term
Freehold improvements	10 years
Furniture and fittings	4 years
Computer and office equipment	3 years

Dilapidations

Provision is made for all dilapidations that occurred on leasehold properties where Shelter has a contractual obligation to bear such costs. The provision for these costs is based on the results of an internal Chartered Surveyor's review and is reviewed periodically. Movements on the provisions are included in the expense headings to which they relate.

Investments

Listed investments (such as shares, bonds etc) are stated at market value. Any realised or unrealised gain resulting from movements in investments and changes in valuation are reflected in the statement of gains and losses on investment assets and are accounted for in the relevant fund (see Fund accounting, below). Investments in subsidiary companies in the Balance sheet of Shelter, the National Campaign for Homeless People Limited, and unlisted investments, in the form of donated shares, are stated at cost.

Stock

Stock is stated at the lower of cost or net realisable value. Stock consists of new goods held by Shelter Trading Limited.

Fund accounting

Due to the constraints of law and donor-imposed restrictions, the charity segregates its funds between those that are restricted and those that are unrestricted. General funds represent the accumulated surplus on income and expenditure and are available for use at the discretion of the Board in pursuing the charity's general charitable objectives (see Report of the Trustees).

Designated funds are funds that have been set aside by the Board for a specific purpose. An analysis of designated funds is provided in Note 20 to the financial statements.

Included in designated funds is a property and fixed asset fund that represents the net book value of Shelter's freehold property and fixed assets. This fund has been separated from the general fund in recognition of the fact that the freehold property and

fixed assets are used in Shelter's day-to-day work, and the fund value would not be easily realisable if needed to meet future liabilities.

Where funds are received under contracts to provide services, they are classified as restricted. If any surplus arises when the service is provided, this becomes unrestricted with agreement from the fund provider. The terms of the contract for legal services are such that it is categorised as unrestricted.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used. The nature and purpose of the designated and restricted funds are also set out in Note 20 and 21 respectively to the financial statements. The cost of raising and administering such funds are charged against the specific fund.

Operating leases

Rentals applicable to operating leases are charged to the Consolidated Statement of Financial Activities in the period to which the cost relates.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the Consolidated Statement of Financial Activities in the year in which they are payable to the scheme.

2 Voluntary income

Donations and gifts	2008	2008	2008	2007
	£'000	£'000	£'000	£'000
	Unrestricted	Restricted	Total	Total
Individuals	17,122	464	17,586	17,755
Charitable foundations	160	1,153	1,313	1,195
Corporate donors	1,259	1,075	2,334	2,229
Total	18,541	2,692	21,233	21,179
Legacies	3,111	86	3,197	3,297

Cost of generating voluntary income

Fundraising costs	2008	2008	2008	2007
	£'000	£'000	£'000	£'000
	Unrestricted	Restricted	Total	Total
Staff costs	2,268	-	2,268	2,228
*Other costs and support costs (includes legacies costs below)	3,227	-	3,227	3,305
Irrecoverable VAT	463	-	463	556
Total	5,958	-	5,958	6,089
*Legacies costs	7	-	7	5

Legacies

The charity has been notified of certain legacies that do not meet the requirements of the SORP and therefore have not been included in the financial statements on the basis of prudence. An estimated value of these legacies in 2008 is £543,000 (2007: £110,000).



3 Activities for generating funds

i) Income from retail activities

	Donated goods £'000	Shops New goods £'000	Other £'000	Mail order £'000	Total 2008 £'000	Total 2007 £'000
Sales	6,346	893	46	226	7,511	7,322
Costs	(6,171)	(452)	-	(274)	(6,897)	(6,579)
Incoming resources available	175	441	46	(48)	614	743

ii) Direct cost of retail activities

	2008 £'000 Staff	2008 £'000 Other	2008 £'000 Total	2007 £'000 Staff	2007 £'000 Other	2007 £'000 Total
Shelter shops	2,721	3,902	6,623	2,545	3,669	6,214
Mail order	73	201	274	209	156	365
	2,794	4,103	6,897	2,754	3,825	6,579

iii) Investment income

	2008 £'000	2007 £'000
Interest on cash at bank	310	241
Listed securities	79	64
	389	305

4 Housing services

Contract and statutory grant funding in Shelter comprise the following:

	2008 £'000 Unrestricted	2008 £'000 Restricted	2008 £'000 Total	2007 £'000 Total
Legal Services*	2,660	-	2,660	3,532
Government grants				
Office of the Deputy Prime Minister	-	-	-	152
Department for Education and Skills	-	66	66	65
Scottish Executive	-	642	642	700
Department for Communities and Local Government	-	1,825	1,825	1,872
Other government departments	-	64	64	483
Grants from other agencies				
Local authority grants	-	2,661	2,661	1,655
Local authority Supporting People grants	-	2,542	2,542	3,490
Big Lottery Fund	-	351	351	193
HM Prison Service	-	593	593	652
Other agencies	7	561	568	874
	2,667	9,305	11,972	13,668

*Legal Services income has changed as a result of changes to the form of the contracts with the Legal Services Commission

5 Total resources expended

Support cost allocation 2008

	Direct cost* £'000	Apportioned cost						Total £'000	Total 2008 £'000	Total 2007 £'000
		HR £'000	Finance £'000	IT £'000	Facilities £'000	Director £'000	Irrecoverable VAT £'000			
Costs of generating funds										
Voluntary income										
Fundraising and legacies	5,023	59	65	115	58	175	463	935	5,958	6,089
Costs of activities for generating funds										
Retail costs (shops and Trading)	6,897	-	-	-	-	-	-	-	6,897	6,579
Costs for charitable activities										
Training	1,080	21	23	41	21	63	-	169	1,249	996
Publications	1,281	33	37	66	33	100	-	269	1,550	1,821
Campaigns and education	3,490	107	120	211	107	321	-	866	4,356	4,213
Housing Aid and other grants made	157	-	-	-	-	-	-	-	157	718
Legal Services	3,603	117	131	230	117	350	-	945	4,548	4,528
Housing services	16,840	681	761	1,339	679	2,038	-	5,498	22,338	21,995
Governance	41	-	121	-	-	46	-	167	208	134
Total resources expended	38,412	1,018	1,258	2,002	1,015	3,093	463	8,849	47,261	47,073

*Direct costs are directly attributable to the department. Indirect support costs are directly allocated where possible or apportioned on the basis of headcount or time allocated. Irrecoverable VAT is charged to fundraising because the majority of costs arise out of the fundraising activities.

6 Grants made

Housing Aid and other grants

	2008 £'000	2007 £'000
Shelter advice centres	131	225
Gloucestershire Forum for Young Single Homelessness	-	44
Cheltenham Aid Centre support to Gloucestershire Young People's Advice Service	-	44
Gloucestershire Money Advice Service	8	10
Innovation Fund payments	-	50
Cornwall Neighbourhoods for Change	-	48
Kings Cross Homelessness Project	10	10
East London Financial Inclusion Unit	5	10
Shelter Wales/Cymru*	-	257
Sheila McKechnie Foundation	-	20
Andy Ludlow Homelessness Awards (London councils)	2	-
Toynbee Hall supervision support grant	1	-
	157	718

*No grant was paid to Shelter Wales/Cymru in 2007/08, as two years' worth of grant was paid in 2006/07.



7 Governance costs

Governance costs

	2008 £'000	2007 £'000
2008 fees payable to the charity's auditors for the audit of the charity's annual accounts	44	-
2007 fees payable to the charity's auditors for the audit of the charity's annual accounts	30	33
Fees payable to the charity's auditors for other work	2	-
Internal audit	53	17
Legal costs	-	2
Trustee expenses, insurance and recruitment	16	13
Board and committee support costs *	63	69
	208	134

*These costs reflect a proportion of the pay and non-pay costs of the CEO, directors, and support staff who support the Board and governing committees.

8 Staff costs

	2008 £'000	2007 £'000
Wages and salaries	24,957	23,706
Social Security costs	2,458	2,367
Pension costs	1,706	1,642
Other staff-related costs	1,345	1,269
	30,466	28,984

Average full-time staff numbers

	2008 No.	2007 No.
Fundraising	42	46
Retail shops	228	222
Training	15	13
Publications	24	29
Campaigning and education	77	71
Legal Services	84	89
Housing services	489	498
Governance	7	6
Support	96	84
	1,062	1,058

The average full-time equivalent number of employees during the year was 950 (2007: 943).

The average full-time equivalent number of employees who received emoluments in the following ranges were:

	2008 No.	2007 No.
£60,001–£70,000	-	1
£70,001–£80,000	5	1
£80,001–£90,000	-	-
£90,001–£100,000	1	1

All of the higher-paid employees shown above belong to a defined contribution scheme that Shelter operates for all employees. The assets of the scheme are held separately from those of the charity, being invested with Scottish Equitable plc. The pension cost shown above represents contributions payable by Shelter to Scottish Equitable. Of the total, £37,883 (2007: £22,700) related to the higher-paid employees and £167,000 (2007: £176,000) was outstanding to Scottish Equitable at the year-end, and was paid in April 2008.

Trustees are not entitled to and did not receive any remuneration in respect of their services throughout the year. Travel expenses incurred by Trustees in respect of Shelter meetings amounted to £2,482 (2007: £2,200) during the year. The number of Trustees receiving expense reimbursement during the year was 4 (2007: 4).

The charity provides insurance to indemnify the Trustees and directors against the consequences of any neglect or default on their part. The cost of providing this insurance was £4,812 (2007: £4,000).

9 Related-party transactions

There are no related-party transactions.

10 Net incoming resources

The net incoming resources to funds is stated after charging:

	2008 £'000	2007 £'000
Auditors' remuneration for: statutory audit	74	33
other non-audit	2	2
Depreciation of tangible fixed assets	976	780
Profit on sale of fixed assets	(29)	-
Rental costs relating to operating leases*	2,604	2,546
	2008	2007
	£'000	£'000
Premises rental	2,487	2,333
Photocopier rental	34	71
Vehicle hire	83	141
Finance leases	-	1
	2,604	2,546

11 Taxation

The company is registered as a charity and as such is entitled to the exemptions under the Income and Corporation Taxes Act 1988. During the year, the group incurred VAT of £463,000 (2007: £556,000) which it was unable to recover from HM Revenue and Customs under current VAT legislation. This resulted in a commensurate reduction in the resources of the charity.



12 Fixed assets – group and charity

	Freehold buildings	Freehold improvements	Long-leasehold buildings	Short-leasehold buildings	Furniture and fittings	Computer and office equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 2007	3,400	207	50	760	3,834	3,660	11,911
Additions	-	584	-	48	226	514	1,372
Disposals/transfers	-	-	(50)	(136)	(2,338)	(2,846)	(5,369)
At 31 March 2008	3,400	791	-	673	1,722	1,328	7,914
Depreciation							
At 1 April 2007	144	52	15	228	3,005	2,942	6,386
Charge for the year	48	51	-	80	421	376	976
Disposals/transfers	-	-	(15)	(137)	(2,333)	(2,775)	(5,260)
At 31 March 2008	192	103	-	171	1,093	543	2,102
Net book values							
At 31 March 2008	3,208	688	-	502	629	785	5,812
At 31 March 2007	3,256	155	35	532	829	718	5,525

Freehold buildings include £1m of land that is not depreciated. The Old Street property is included at market value, based on a valuation undertaken on 15 March 2004 by HSBV Chartered Surveyors acting as independent valuers. The valuation was undertaken in accordance with the Practice Statements of the RICS Appraisal and Valuation Manual. The charity undertakes an independent professional valuation every five years. The historic cost of the Old Street property, including the land, is £1.1m.

13 Fixed asset investments – group and charity

	Group		Charity	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Listed investments				
Investments at market value at 1 April	1,979	1,922	2,059	2,002
Transfer of income	-	-	-	-
Net gain (loss) for the year	(323)	57	(323)	57
Listed investments	1,656	1,979	1,736	2,059
Cash investments	3,226	3,104	3,226	3,104
Total investments at 31 March	4,882	5,083	4,962	5,163
Cost at 31 March				
Transfer of income	944	944	1,024	1,024
Total unrealised gain at 31 March	(79)	(64)	(79)	(64)
Listed investments	791	1,099	791	1,099
Cash investments	1,656	1,979	1,736	2,059
Total investments at 31 March	3,226	3,104	3,226	3,104
	4,882	5,083	4,962	5,163
Investment in subsidiaries	-	-	80	80
Common Investment Funds				
CAF Equity Growth Fund	1,121	1,436	1,121	1,436
CAF Bond Income Fund	535	543	535	543
Cash Investments				
COIF Charities Deposit Fund	1,000	1,000	1,000	1,000
Barclays Global Investment Fund	2,226	2,104	2,226	2,104
	4,882	5,083	4,962	5,163

14 Stock

	Group		Charity	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
New goods	64	163	-	-

15 Debtors

	Group		Charity	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Trade debtors	873	955	754	861
Amounts due from subsidiary companies	-	-	79	-
Taxation recoverable – Gift aid	1,250	866	1,250	866
VAT	-	132	-	132
Other debtors	476	164	476	164
Prepayments	1,039	770	779	503
Accrued income	410	447	410	406
Accrued legacy income	305	46	305	46
	4,353	3,380	4,053	2,978

Included in accrued income is £72,000 (2007: £141,000) for the National Homelessness Advice Service.

16 Creditors: amounts falling due within one year

	Group		Charity	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Trade creditors	1,632	1,180	1,497	1,000
Amounts due to subsidiary companies	-	-	-	345
Other amounts due for taxation and Social Security	657	669	610	626
VAT	495	-	490	-
Other creditors	198	221	197	211
Accruals	1,153	1,286	949	1,043
Deferred income	1,439	1,718	1,439	1,718
	5,574	5,074	5,182	4,943

Deferred income relates to income received in advance of its proper recognition in the accounts. All deferred income brought forward is released when incurred and the carry-forward relates to new deferrals.

Movement on deferred income

	Group		Charity	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Deferred income brought forward	1,718	2,365	1,718	2,365
Realised in the year	(1,718)	(2,365)	(1,718)	(2,365)
Deferred in the year	1,439	1,718	1,439	1,718
Deferred income carried forward	1,439	1,718	1,439	1,718



17 Provision for liabilities – group and charity

	Dilapidations £'000	Other £'000	2008 total £'000	2007 total £'000
Balance at 1 April	874	51	925	690
Utilised during the year	(11)	-	(11)	(143)
(Reductions)/Additions in the year	(201)	-	(201)	378
Balance at 31 March	662	51	713	925

18 Leasing commitments – group

As at 31 March 2008 the group had annual commitments under non-cancellable operating leases of:

	2008		2007	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Operating leases which expire:				
Within one year	373	2	188	23
Within two to five years	1,182	183	1,029	17
After more than five years	903	-	1,200	-
	2,458	185	2,417	40

19 Trading Subsidiaries

The results for Shelter Trading Limited (STL) are shown below. STL has two operations: selling donated goods on behalf of Shelter for which it receives a management fee, and sales of new goods and royalty income. Audited financial statements have been prepared for STL and all taxable profit is gifted to Shelter.

Shelter Trading Limited

	2008 £'000	2007 £'000
Total income	5,226	5,571
Cost of sales	(616)	(659)
	4,610	4,912
Administration costs	(3,513)	(3,296)
Net profit gifted to Shelter	1,097	1,616

Included in total income for the year is a management fee from the parent company of £3,588,000 (2007: £3,328,000).

As at 31 March 2008, Shelter Trading Limited had total assets of £571,000 (2007: £842,000) and total liabilities of £476,000 (2007: £747,000). Shelter Merchandising Limited is dormant, and has no assets or liabilities.

20 Statement of funds

	Balance 1 Apr 2007 £'000	Incoming resources £'000	Resources used £'000	Net loss on investments £'000	Redesignations and transfers £'000	Balance 31 Mar 2008 £'000
Unrestricted Income Funds						
General funds						
General funds	3,393	34,743	(35,718)	-	1,311	3,729
Unrealised investment gain	1,031	83	-	(323)	-	791
Total general funds	4,424	34,826	(35,718)	(323)	1,311	4,520
Designated funds						
Revaluation reserve	492	-	-	-	-	492
Property and fixed asset fund	2,793	-	287	-	2,240	5,320
Risk reserve account	700	-	-	-	(700)	-
New projects fund	301	-	-	-	(301)	-
Scottish election campaign	10	-	-	-	(10)	-
Strategic investment fund	2,540	-	-	-	(2,540)	-
Total designated funds	6,836	-	287	-	(1,311)	5,812
Restricted Income Funds						
Restricted income funds (see Note 21)	1,390	12,083	(12,262)	-	-	1,211
Permanent endowment fund – John Rees Fund	19	-	-	-	-	19
	12,669	46,909	(47,693)	(323)	-	11,562

Of the group loss (before exceptional items) for the year of (£822,000) (2007: surplus £594,000), Shelter income was £41,213,000 (2007: £42,096,000) less expenditure of £43,132,000 (2007: £43,118,000) resulting in a net loss of (£1,919,000) (2007: loss (£1,022,000)).



21 Statement of Restricted Funds

	Balance 1 Apr 2007 £'000	Incoming resources £'000	Resources used £'000	Balance 31 Mar 2008 £'000
Restricted funds				
Neighbourhood Renewal	137	112	(249)	-
Rent Deposit Scheme	23	2	(25)	-
Wyre District Support	32	22	(38)	16
Legal Methods of Delivery	103	219	(322)	-
Outreach Worker	30	-	(30)	-
Housing Rights Co-ordinator	65	2	(67)	-
South Cumbria Offenders' Scheme	45	139	(139)	45
Calderdale Housing Scheme	15	53	(57)	10
Cornish MAAp	9	30	(39)	-
Christchurch DETR	-	83	(83)	-
Homeless To Home	-	1,297	(1,297)	-
National Homelessness Advice Service	-	1,689	(1,689)	-
Family Intervention Project Birmingham	-	66	(66)	-
Somerset Gateway Improvement Project	-	133	(133)	-
Respect Taskforce	12	90	(102)	-
Big Lottery Fund – Multi Lingual Project	-	157	(157)	-
St Albans Service	-	53	(53)	-
Together Women	-	31	(31)	-
Lodgings Register	-	20	(20)	-
South Gloucester Project	-	44	(44)	-
Prison Projects	-	592	(592)	-
EMIF	-	113	(105)	8
One Stop Shop	-	20	(20)	-
Refugee Challenge Fund	-	45	(37)	8
Sheffield Older Persons' Project	-	428	(428)	-
Central Tenancy Support Project	-	239	(239)	-
Inclusion Project	-	177	(172)	5
Children's Fund (Rochdale)	-	21	(21)	-
Multi-Agency Monitoring	-	52	(29)	23
Northumberland Service	-	21	(21)	-
Child Support Bristol	-	95	(95)	-
Children's Project South Gloucestershire	-	33	(33)	-
Child Support Sheffield	-	40	(40)	-
Gloucester Young Person Provision	-	24	(24)	-
London HAC (London Councils)	-	62	(62)	-
London HAC (LA Grant)	-	189	(189)	-
East Sussex (LA Grant)	-	47	(47)	-
Milton Keynes HAC (LA Grant)	-	73	(73)	-
Vodafone (UK) Foundation	195	662	(719)	138
Bradford & Bingley – housing advice helpline	-	166	(166)	-
Mercers' Charitable Foundation London Prison Project	-	101	(101)	-
Big Lottery Fund – Newham Education Project	-	125	(125)	-
Paul Z Kemsley – Children's Services	-	100	(100)	-
Robertson Trust – Dumfriesshire Families Project	-	92	(92)	-
Pilgrim Trust – Leeds Prison Project	-	73	(73)	-
Robertson Trust – Argyll and Bute Capacity Building Project	-	35	(35)	-
Charles Dunstone Charitable Trust – Gloucestershire Peer Education and Support Project	-	47	(47)	-

21 Statement of Restricted Funds (continued)

	Balance 1 Apr 2007 £'000	Incoming resources £'000	Resources used £'000	Balance 31 Mar 2008 £'000
Big Lottery Fund – Ricochet Project	-	64	(64)	-
Haramead Trust – Children's Services	-	60	(60)	-
Barclays Home Finance – Children's Services	-	50	(50)	-
Volant Charitable Trust – Families Projects	-	50	(50)	-
Abbey Charitable Trust – Merseyside HAC	-	50	(50)	-
John Ellerman Foundation – Outreach Surgeries	-	50	(50)	-
Andy J Green – Children's Services	-	50	(50)	-
Ingram Trust – Prisons Work	-	50	(50)	-
Freshfields Bruckhaus Deringer – Children's Services	-	44	(44)	-
Guy Morton – Children's Services	-	25	(25)	-
Accent Group – Children's Services	-	40	(40)	-
Jack Petchey Foundation – Newham Project	-	40	(40)	-
Henry Smith Charity – Prisons Work	-	38	(38)	-
Tudor Trust – Prisons Work	-	30	(30)	-
Olivia Pelosi	-	30	(30)	-
Think – Children's Services	-	28	(28)	-
Homeworks	13	-	(13)	-
Comic Relief – Leeds Sex Worker Advice Project	-	27	(27)	-
Robert Gavron Charitable Trust	-	20	(20)	-
Rank Foundation – Gloucestershire Peer Education and Support Project	25	-	(25)	-
Sylvia Adams Charitable Trust – Equalities Unit	-	25	(25)	-
An anonymous Trust – London Prisons Project	-	20	(20)	-
29th May 1961 Charitable Trust – Prisons Work	-	19	(19)	-
Building Societies Trust Limited – housing advice helpline	-	20	(20)	-
Tolkien Trust – London Work	-	21	(21)	-
Big Lottery Fund – Scotland Educational Support Project	-	4	(4)	-
The City Parochial Foundation – The London Black and Minority Ethnic Unit	-	20	(20)	-
Families Project Legal Advice Contract	111	945	(973)	83
Scottish Homelessness Advisory Service	59	414	(284)	189
Families Child Support Contract	11	265	(265)	11
Scottish Government – Housing Law Service	-	176	(176)	-
Glasgow CC Project	-	122	(117)	5
Homeless Strategy – Dumfries and Galloway	-	100	(100)	-
East Lothian Project	36	100	(95)	41
Social Projects Toolkit	-	45	(9)	36
Dumfries and Galloway – Volunteer Project	-	40	(36)	4
North Lanarkshire Service	3	39	(41)	1
Argyll and Bute Capacity Building Project	-	30	(25)	5
Families Project Scotland	195	-	(58)	137
Scottish Rough Sleepers	51	-	-	51
Other restricted funds (under £20,000)	221	1,018	(844)	395
Total Restricted Funds	1,390	12,083	(12,262)	1,211



22 Contracts and grants from statutory bodies and local authorities

Listed below are grants in excess of £2,000 receivable in respect of the year ended 31 March 2008. The list is prepared in compliance with section 37 of the Local Government and Housing Act 1989.

	Amount £'000's	Purpose of funding
District, borough and county councils in England and Wales:		
Sheffield City Council	427	Sheffield Older Persons' Project – Tenancy Support
Hereford Council	374	Herefordshire Homeless to Home – Tenancy Support
London Councils	251	London HAC
Sheffield City Council	239	Sheffield Homeless to Homes – Tenancy Support
Sheffield City Council	239	Central Tenancy Support Project – Tenancy Support
Nottingham City Council	217	Nottingham Homeless to Home – Tenancy Support
Birmingham City Council	211	Birmingham Homeless to Home – Tenancy Support
Bristol City Council	194	Bristol Homeless to Home – Tenancy Support
Rochdale Metropolitan Borough Council	177	Inclusion Project
Somerset County Council	133	Somerset Gateway Improvement Project
Cumbria County Council	116	South Cumbria Offenders' Scheme
Rochdale Metropolitan Borough Council	112	Neighbourhood Renewal
Rochdale Metropolitan Borough Council	90	Respect Taskforce
Bournemouth City Council	83	Christchurch Project
Milton Keynes Council	73	Milton Keynes HAC
Birmingham City Council	66	Family Intervention Project
St Albans District Council	53	St Albans Service
South Gloucestershire Council	44	South Gloucestershire Project
Sheffield City Council	40	Child Support Project Sheffield
South Gloucester Council	36	South Gloucester Homeless to Home – Tenancy Support
South Gloucester Council	33	Children's Project South Gloucester
Rother District Council	27	East Sussex HAC
Gloucester City Council	24	Gloucester HAC
Lancashire County Council	22	Wyre District Support Project
Rochdale Metropolitan Borough Council	21	Children's Fund (Rochdale)
Hastings Council	20	East Sussex HAC
Milton Keynes Council	20	Milton Keynes Lodgings Register
Bristol City Council	20	One Stop Shop
Chester City Council	17	Multi-Agency Monitoring (Cheshire)
Halton Borough Council	9	Multi-Agency Monitoring (Cheshire)
Congleton Borough Council	9	Multi-Agency Monitoring (Cheshire)
Chester City Council	9	Cheshire HAC
Sevenoaks District Council	9	Kent HAC
Ellesmere Port Borough Council	8	Cheshire HAC
South Somerset District Council	8	Somerset HAC
Vale Royal Borough Council	5	Multi-Agency Monitoring (Cheshire)
Slough Borough Council	5	Southern Counties HAC
Newcastle City Council	5	North East HAC
Macclesfield Borough Council	4	Multi-Agency Monitoring (Cheshire)
Crewe and Nantwich Borough Council	4	Multi-Agency Monitoring (Cheshire)
Ellesmere Port and Neston Council	4	Multi-Agency Monitoring (Cheshire)
Vale Royal Borough Council	4	Cheshire HAC
Caradon District Council	4	Cornish MAAP
North Cornwall District Council	4	Cornish MAAP
Penwith District Council	4	Cornish MAAP
Kendal Council	3	Cumbria HAC

22 Contracts and grants from statutory bodies and local authorities (continued)

	Amount £'000's	Purpose of funding
Mendip District Council	3	Somerset HAC
Caradon District Council	3	Cornwall HAC
	3,482	
Government departments		
Communities Scotland	414	Scottish Homelessness Advisory Service
Communities Scotland	45	Social Projects Pack
Scottish Government	150	Shelter Housing Law Service
Scottish Government	23	Shelter Housing Law Service – Dundee
Scottish Government	10	Aberdeen Prisons Project
Department for Communities and Local Government	1,689	National Homelessness Advice Service
Department for Communities and Local Government	113	Ethnic Minorities Innovation Fund
Home Office	45	Refugee Challenge Fund
Department for Education and Skills	66	National Voluntary Youth Organisation Project
Department for Communities and Local Government	19	Cornish MAAP
New Deal for Communities	14	North East HAC New Deal Project
Home Office	5	East Sussex HAC
Department for Communities and Local Government	4	Next Step Seminar
	2,597	
Local Authorities in Scotland		
Glasgow City Council	122	Glasgow City Council Posts
Glasgow City Council	10	Govanhill Advice Service
Glasgow City Council	106	Families Project – Child Support Contract
Glasgow City Council	309	Glasgow Families Project
South Lanarkshire Council	11	Breaking the Cycle
South Lanarkshire Council	67	Families Project – Child Support Contract
South Lanarkshire Council	214	South Lanarkshire Families Project
South Lanarkshire Council	20	South Lanarkshire Transport Fund
City of Edinburgh Council	81	Families Project – Child Support Contract
City of Edinburgh Council	179	Edinburgh Families Project
Dumfries and Galloway Council	243	Dumfries and Galloway Families Project
Dumfries and Galloway Council	100	Dumfries and Galloway FP – Homeless Strategy
Dumfries and Galloway Council	40	Dumfries and Galloway – Volunteer Project
East Lothian Council	100	East Lothian Project
North Lanarkshire Council	39	Scottish Housing Support
Scottish Borders Council	25	Independent Housing and Advice Service
Argyll and Bute Council	30	Argyll and Bute Capacity Building Project
Fife Council	25	Aberdeen Prisons Project
	1,721	
Other		
HM Prison Service	505	Humberside Prison Project
HM Prison Service	37	Kent Prison Project
HM Prison Service	36	West Sussex Prison Project
Essex Probation Service	24	Essex Probation Project
Cumbria PCT	19	Cumbria HAC
HM Prison Service	15	Lincolnshire Prison Project
Kent Probation Service	10	Kent HAC
Cumbria Probation Service	10	Cumbria HAC
Devon and Cornwall Probation Service	2	Cornish MAAP
	658	



23 Analysis of Net Assets between funds – group

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Group total funds £'000
Fund balances at 31 March 2008 are represented by:				
Tangible fixed assets	5,812	-	-	5,812
Investments	4,882	-	-	4,882
Current assets	5,925	1,211	19	7,155
Current liabilities	(5,574)	-	-	(5,574)
Long-term liabilities	(713)	-	-	(713)
Total net assets	10,332	1,211	19	11,562

24 Exceptional items

The exceptional item of income arises following a successful claim to Her Majesty's Revenue and Customs for the repayment of VAT that was previously believed to be non-reclaimable.

The amount received, was £470,000 (2007: £1,448,000). Costs were incurred of £24,000 (2007: £144,000) relating to the claim.

The £432,000 exceptional item cost is VAT payable relating to the period from June 2005 to December 2007 as a result of the above claim.

The net effect to the charity is a gain of £38,000 (2007: £1,304,000).

»»» Thanks from Shelter

29th May 1961 Charitable Trust
Abbey Charitable Trust
Accent Group
adidas
Alice Ellen Cooper Dean
Charitable Foundation
Andy Green
Anonymous Trust
Audioscope
Barclays Bank plc
Bank of England
Bank of Scotland Corporate
Banner Homes
Baroness Jones of Whitchurch
Baroness Rendell of Babergh
Big Lottery Fund
Billington's
Birmingham Midshires
bptw partnership
Bradford & Bingley
Building Societies Trust Limited
Cazenove Group Ltd
C Brewer & Sons
Cannon Consumer Imaging
Cecil and Hilda Lewis Trust
Charles Dunstone Charitable Trust
Chartered Institute of Housing
Chris Ingram
City Parochial Foundation
CMPi / Think 07
CMS Cameron McKenna LLP
Comic Relief
Constance Green Foundation
Co-operative Financial Services
David Pretty
DG Charitable Trust
Douglas & Gordon
Drum Housing
DTZ
Excel Publishing
Eveson Charitable Trust
Fifty Fund
Regenesys (Fonebak)
Fulmer Charitable Trust
Freshfields Bruckhaus Deringer
George Roberts North West
Grainger plc
Great Portland Estates
Guy Hands
Guy Morton
Haramead Trust
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We would like to thank all those who support Shelter via personal gifts, participating in events and remembering us in their Wills.



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Shelter, the National Campaign for Homeless People Limited

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Company number

1038133

Registered charity number

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Scotland SC002327

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Constitution and objectives

The company is limited by guarantee and registered in England and Wales and is governed by its Memorandum and Articles of Association. It is engaged in the relief of hardship and distress among homeless people and those in need who are living in adverse housing conditions.

Everyone should have a home

We are one of the richest countries in the world, and yet millions of people in Britain wake up every day in housing that is run-down, overcrowded, or dangerous. Many others have lost their home altogether. Bad housing robs us of security, health, and a fair chance in life.

Shelter helps more than 170,000 people a year fight for their rights, get back on their feet, and find and keep a home. We also tackle the root causes of bad housing by campaigning for new laws, policies, and solutions.

Our website gets more than 100,000 visits a month; visit www.shelter.org.uk to join our campaign, find housing advice, or make a donation.

**We need your help to continue our work.
Please support us.**

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