

**London Citizens
Report of the Trustee Board
for the year ended 31 March 2006**

We are pleased to present our report together with the audited financial statements of the charity for the year ended 31 March 2006.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Structure, Governance and Management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 15 August 2001, and registered as a charity on 23 August 2001. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of members of the Trustee Board

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles of Association are known as members of the Trustee Board. Under the requirements of the Articles one third of the members of the Trustee Board are required to retire annually at the Annual General Meeting. The minimum number of members of the Trustee Board is three, and there is no maximum.

Trustee induction and training

The chair of the trustees is responsible for the induction of new trustees, which involves awareness of a trustee's responsibilities, the governing document, and the work of the trust.

Risk management

The trustees have formally assessed business risks, and this has involved assessing the types of risk facing the charity, prioritising them in terms of the potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the trustees have assessed the adequacy of the charity's internal controls and the costs of operating particular controls relative the benefits obtained.

Organisational structure

The Trustees are responsible for policy setting and the charity's strategy. They have delegated the day-to-day management and running of the charity to Neil Jameson, the Executive Director and Lead Organiser. He is assisted by the charity's Business Manager, Colin Weatherup. The Citizen Organising Foundation provides the services of Mr Jameson and Mr Weatherup to the charity.

Related parties

London Citizens is affiliated to The Citizen Organising Foundation, a registered charity nationwide support organisation for broad-based community organisations London Citizens and The Citizen Organising Foundation operate from the same premises and share some staff and office services.

Membership

The membership comprises organisations supporting the objects of the organisation.

Objectives and activities

The object of the charity is for the benefit of the public to develop the capacity and skills of the members of the socially and economically disadvantaged communities of Greater London in such a way that such members are better able to identify and help meet their needs and to participate more fully in society, and to assist by directly promoting the more effective working of local charitable community capacity building organisations designed to pursue that aim.

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**'Sharing the load is what a good society is about – it is what London CITIZENS is about'.
Archbishop Rowan Williams. Lecture to The Citizen Organising Foundation, April 10th 2005.**

'Those who love peace must learn to organise as well as those who love war'. Dr. Martin Luther King.

LONDON CITIZENS declared objectives are to develop the capacity of our members and strengthen their institutions in the process to enable all to play a constructive part in public life and pursue the common good.

Capacity Building is the task; Democracy and Governance the focus; Democratic and Relational Organising of Civil Society Grass Roots Organisations the method; the Common Good and Social Justice the quest for LONDON CITIZENS.

LONDON CITIZENS leaders and Organisers are the builders and architects of human institutions and associations that have the power to teach democratic activity and the vital skills of relationship building. We believe that those groups who join LONDON CITIZENS are the very pillars of a democratic society. Our daily experience also teaches us that the (political) experience of our large and diverse membership is critical to the health of the capital and the legitimate consent given by the governed (us) to the governors (them).

In November 2006 TELCO will achieve our tenth year of action, solidarity and development. This is a unique experience in the political life of the capital and Trustees propose to celebrate in style. We believe that what we have achieved is against the trend of apathy, sectarianism and schism. Ten year's of thirty plus community organisations campaigning for local, Borough wide and Regional issues and not falling out or imploding is unprecedented and the steadfastness of our members and their leaders needs to be recognised and applauded. Their willingness to pay over £200,000 of their own money for this privilege is also unprecedented and against the trend of government freebies.

LONDON CITIZENS IS;

- **A broad based community organisation that seeks the power and influence to allow our member organisations to act on their values and promote the common good – in relationship.**
- **A 'university of the streets and alleyways of London' that seeks out and trains a new generation of community leadership to be fit and equipped for the challenges of the twenty first century.**
- **A membership organisation, targeted on the diverse community institutions of the capital (particularly faith, trade union, students and local associations) that offers our members an experience of the world, as it should be, whilst working in the world as it is.**
- **A builder of institutions that honour the human condition and the need for respect and dignity in public life; a reorganiser; an organiser; a Retreat House to reflect on how best to build and how to learn from the past and anticipate the future; an Engine for ideas and experience and practical building tools.**
- **A vehicle to enhance and strengthen those key aspects of governance – informed consent; compromise; participation; the ownership of decisions; the love of and knowledge of one's neighbour - which are so important for a healthy, safe and dynamic London.**

Our strategic aim is to be the primary civil society organisation in London powerful enough to negotiate with and be recognised by government and the business community on issues which effect our members, our neighbourhoods and our children's future.

How did LONDON CITIZENS do in 2005/6 to foster this strategic aim and our primary objectives?

Achievements and performance

1. Building LONDON CITIZENS

The main event of the year was the successful building and launch of West London CITIZENS adding another 22 member communities to the 60 already in membership through TELCO and South London CITIZENS (SLC). On September 28th in a Hall in Knightsbridge 400 citizens from 22 diverse communities from Ealing, Kensington and Chelsea and Hammersmith and Fulham pledged to work together, paid their first membership dues and agreed a democratic process of getting to agreement on the community issues they would work on – a listening exercise over the winter; a Retreat in January 2006 to negotiate the Agenda in detail and then a Delegates Assembly later the same month in Acton Town Hall for members to vote on and prioritise the list of concerns.

- Meanwhile these democratic traditions were put into practice in TELCO over the summer with an experimental 'Living Wage' Sunday in several member congregations on July 17th; a major Assembly with seven new MP's elected in May 2005 signing a public concordat to work together with the 500 TELCO members gathered in Walthamstow Assembly Rooms; four Accountability Assemblies in April 2006 involving 1500 TELCO members and the main party candidates for parliament standing in Bethnal Green and Bow, Chingford, West Ham and East Ham.

- In South London CITIZENS 150 delegates from SLC's 23 member communities met in Wandsworth Town Hall to agree on their agenda for the next twelve months on September 21st. This was followed by 400 SLC members packing Battersea Town Hall to launch their third year of action, pay their dues and celebrate the success of their second year together.

2. Developing a culture of learning and reflection in LONDON CITIZENS

- On April 10th over 300 LONDON CITIZENS leaders attended the annual lecture of The Citizen Organising Foundation (COF) given by Archbishop Rowan Williams, Anglican Archbishop of Canterbury on the subject of 'Who's Bringing up our Children'. The Archbishop was joined by Guardian Journalist Madeleine Bunting, Bishop Eric Brown (COF's Chair and head of The New Testament Church of God) and Dr. Manasir Ahsan, Director General of The Islamic Foundation.

- The theme started by the Archbishop of the struggle parents have with market values (versus family values) was picked up by the Christian Leaders Caucus meetings throughout the year.

- Solutions to this struggle were sought at a COF Retreat for 60 leaders from Birmingham and London CITIZENS held in Limehouse on August 23rd 2005.

- Two, two day training sessions were held for over 90 new LONDON - CITIZENS leaders – November 18th and 19th and February 17th and 18th.

- 24 leaders from London CITIZENS attended the four-day COF training in Roehampton from 26th to 30th September 2005.

3. Giving an experience of the world as it should be to member groups whilst working in the world as it is; some examples

- 17 party political candidates standing for election to parliament in May 2005 attending and responding to a CITIZENS Agenda for their constituency and then most of them (Ian Duncan Smith MP; Steven Timms MP and Neil Gerrard MP included though George Galloway MP failed to attend) attending a bigger Assembly to sign a Concordat with TELCO that binds the elected representatives into a working relationship with the 'organised people'.

- On March 31st 2005 Ken Livingstone announces the 'official' Living Wage for London as £6.70 an hour making London the first city on Europe to have a Living Wage figure – this followed three years of hard campaigning by TELCO and later London CITIZENS members and a 1800 person Assembly in May 2004.

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- 150 London CITIZENS leaders marching through a hazy afternoon on the old Pura Foods Lard Factory near Canning Town on 22nd July – business as usual for CITIZENS the day after the second attempt by a group to bomb the London tube. The March was to attend a LONDON CITIZENS Rally with the new owners of the site – Ballymore Properties Ltd and seek a meeting with them concerning land for a CITIZENS Community Land Trust on which to build affordable family housing.
- 100 London CITIZENS leaders cheering louder than most in Trafalgar Square on July 6th knowing that they had struck a deal with the Mayor and Lord Coe to deliver real economic benefit to East London if London were to be chosen to host the 2012 Olympic Games.
- The next day – a few hours after the four bombs went off in the tubes - LONDON CITIZENS leaders gathering in solidarity with our members at East London Mosque and then hundreds turning out together on July 9th to walk in silent witness to Aldgate Tube in memory of all who died on July 7th and all who die when politics fails – at the press conference before the walk Msgr John Armitage said to the world's press that CITIZENS gathers 'today, because that is what we have always done when terrible acts have threatened any of our communities – we do this because we do this. CITIZENS are not fair weather friends!'
- On October 27th seeing the Government Minister for Immigration, Tony McNulty standing by the late Bishop Charles Henderson and Bernadette Farrell holding South London CITIZENS Report into the failings of his Department and later - on November 16th in Battersea Town Hall seeing the new Director General of the Immigration Service be garlanded and kissed by the lady from St Dominics RC Community in Waddon whose bitter testimony of maltreatment by the IND initiated SLC's action.
- On 26th October attending TELCO's own 'Enquiry into the future of Queen's Market in Newham' with twelve of our talented local leaders as commissioners and property developers, academics and local people queuing up to give evidence – and then some months later hearing that one of the recommendations of the TELCO enquiry which was that ASDA should not be part of the proposed development had happened – as ASDA pulled out of the plan much to the anger of the Property Company and embarrassment of the Mayor .
- Watching the power and confidence of our new members in West London grow as they saw the rooms slowly filling with new member groups – Muslims, Christians, School Students and many others keen to be part of this process of patient organising until the organisation was launched in September 2005 and had its own Agenda in January 2006.
- Hearing the stories and meeting the workers who were met by our twelve students employed (thanks to money from OXFAM, Queen Mary, the GLA and UNISON) over the LC Summer Academy '05 which focussed on seeking testimonies and grievances from London's low wage sectors – offices, public transport, universities and hotels and seeing the first steps to building our own Workers Association as a vehicle in which to organise workers to join in LONDON CITIZENS campaigns and fight together with their neighbours for a Living Wage and decent working conditions.
- Starting the process of Organising the 60 plus Roman Catholic Chaplaincies and their large and diverse congregations; hearing their stories and scepticism that anyone cares or understands; folding in the Von Hugel Institute researchers to collect and analyse the information and planning for the first Workers Mass to be celebrated on May 1st 2006 and co-celebrated by all the RC Bishops in London and led by the Cardinal Archbishop – with the messages – 'you are all welcome here' and a call for the regularisation of undocumented workers.

A BUILDER OF INSTITUTIONS THAT HONOUR THE HUMAN CONDITION AND RECOGNISE THE NEED FOR DIGNITY AND RESPECT

- The role played by LONDON CITIZENS Trustees cannot be underestimated since this itself is a new institution with the responsibility of employing the Organisers and overseeing the resources of the organisation. Trustees met five times in this period with the Personnel and Finance Committee meeting in between. On December 6th The University of Notre Dame near Trafalgar Square hosted the AGM which was attended by over 150 leaders from across the three Chapters or Assemblies of LONDON CITIZENS. Four new Trustees were elected from West London and Marvin Alstott (Treasurer 2001-05) stood down with much thanks for his good husbandry and hard work. Frank McDowell was welcomed as our new Treasurer bringing professional acumen and experience to an increasingly complex job.
- Equally the role of the professional Organisers and Business support is vital to the life and diversity of the organisation. In this period we welcomed Matthew Bolton (July 2005) to the job of Living Wage Organiser; Colin Weatherup (October 2005) as our Company Secretary and Business Manager; Jamal Manan (February 2006) as Associate Organiser with WLC and David Gardner (January 2006) as an Organiser to work with the RC Chaplains towards our MayDay for Migrants action on May 1st 2006. We said goodbye to Bernadette Farrell who moved across to COF to start the process of launching a National Asylum Commission and Camille Makunganya who stood down as part time/volunteer Organiser with SLC and teacher of English as a foreign language and Ciara Silke (August 2005 to December 2005) as temporary Organiser with TELCO – all with thanks and best wishes for their future.
- We are grateful to our friends in the T&G and UNISON national unions for their support, resources and interest – particularly for their advice and critique of our plans to build a new institution of mostly Migrant Workers – the LONDON CITIZENS Workers Association. Trustees have been touched by the few low wage workers we find actually in membership of trade unions and are keen to encourage workers to organise as a first step to union membership. Over the summer of 2005 about 50 Portuguese cleaners in the City kick started the Workers Association and quickly won better wages and conditions and access to the T&G. Sadly we lost them when they joined the union, although in theory the branch was in membership. Early days but a great challenge which Trustees and leaders are approaching with sensitivity and enthusiasm.

A VEHICLE TO ENHANCE THE GOVERNANCE AND PEACE OF THE CITY

- All that has been recorded above is intended as evidence that this is what LONDON CITIZENS is intended to do and tries to do through its actions, its internal one to ones and relationship building, its training opportunities and its Organisers search for more leaders and more institutions to join the organisation.
- None of the above would be possible without the resources to employ the Organisers, pay for the hire of rooms, offer the training and promote the Organisation.
- Trustees are very grateful to our own 80 plus members in 2005/06 who together contributed nearly £60,000 dues towards the overall cost of LONDON CITIZENS.
- We are also very grateful to New Philanthropy Capital; The Execution Trust; The Tudor Trust; City Parochial Foundation; The Bridge House Trust; UNISON; The T&G Union; OXFAM and Queen Mary's Geography Department for investing in us and seeing us grow and thrive in 2005/06. We hope they/you will stay with us for the long term since the task we have undertaken is a long term one and cannot be done overnight. Rome was not built in a day!

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- We also appreciate the fellowship and learning we get from being active members of the national CITIZEN ORGANISING FOUNDATION (COF). This brings us into active relationship with BIRMINGHAM CITIZENS; trains leaders together, connects us to fellow leaders in The Industrial Areas Foundation network in the USA and Germany and keeps our feet on the ground and heads looking up in the air. The UK is a little country so far as politics and decision making is concerned and we believe we have proved that by thoughtful organising it is possible to reach the power brokers of the city and country and add our voice to the responsible role they have to play to make the UK the great country it is and LONDON the heart of it all.

Financial review

The charity's total incoming resources for the year were £359,792, including £123,195 of restricted grant income. Resources expended amounted to £285,491, giving net income retained of £74,301.

Unrestricted free reserves at 31 March 2006 amounted to £58,283, compared to a deficit of £16,048 at the beginning of the financial year.

Principal funding sources

Subscriptions from member organisations, which are the lifeblood of the charity, amounted to £49,801. Other principal grants received and their purposes were as follows:

Execution Charitable Trust	Unrestricted use	£85,000
Citizen Organising Foundation	Unrestricted use	£71,000
Westway Development Trust	West London Organiser	£32,500
Execution Charitable Trust	Community Organiser	£25,000
Tudor Trust	South London Organiser	£25,000
City Parochial Foundation	East London Organiser	£20,000

Investment policy

The charity's Memorandum of Association does not confer any specific rights or restrictions on the Trustee Board in respect of investing its funds. The funds received by the charity during the period under review were not sufficient to justify separate investment, other than to be placed on deposit with the charity's bankers.

Reserves policy

The Trustees recognise the need for a reasonable level of reserves base to protect the charity from fluctuations in funding and sudden emergency requirements. In 2002/03 the Trustees agreed a basic reserve of £18,000 and made a commitment to try to add to this each financial year. Ideally, London Citizens would like a reserve which represents three months' annual expenditure. Whilst not yet at this level, the Trustees are pleased to report significant progress in building free, unrestricted reserves and at 31 March 2006 these stand at very nearly £60,000.

Affiliation with The Citizen Organising Foundation does include possible access to the larger reserve base of that organisation as London Citizens continues to accrue its own level of reserves.

Plans for future periods

Trustees look forward to the next five years with confidence and enthusiasm. The search for good Organisers and the resources to fund them and the Organisations is likely to remain a challenge, so seeking sustainable funding is a priority. It is hoped that – if this funding and Organiser talent happens then LONDON CITIZENS will grow to include North London and hopefully Central London, with the five Assemblies or Chapters working together in harmony under the LONDON CITIZENS umbrella. The rent for the Cavell Street office is due to be reviewed in 2007. It is hoped that this will not lead to relocation since we are about the welcome The Muslim Council of Britain as an immediate neighbour and the base works well for all.

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Responsibilities of the Trustee Board

Company law requires the Trustee Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustee Board should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Trustee Board is also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustee Board is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Trustee Board

Members of the Trustee Board, who are directors of for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

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

Auditors

A resolution will be proposed at the Annual General meeting that Gotham Erskine be re-appointed as auditors to the charity for the ensuing year.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Trustee Board and signed on their behalf on

Revd. Paul Regan
Chair of the Trustee Board