

Annual Report 2007



Downtown Community Ministry

Values

CHRISTIAN ETHOS

DCM aligns itself with the poor and disadvantaged.

SOCIAL JUSTICE

The organisation is committed to addressing the root causes of poverty and injustice.

PRACTICALITY

The organisation is small and focused, and targets scarce resources wisely.

EMPOWERMENT

DCM helps people find and use their latent strengths, so that they can better control their environment.

PARTICIPATION

DCM works with people, not for them. Service users are involved to the greatest extent possible in DCM's activities.

COMMUNITY INVOLVEMENT

Parishes and the greater community are kept informed about DCM's activities and are invited to become involved.

DIVERSITY

DCM values the mix of cultures, races, beliefs, abilities and lifestyles which make up the Wellington community.

COMMITMENT TO THE TREATY OF WAITANGI

DCM is committed to the Treaty of Waitangi as the founding document for modern New Zealand.

COMMUNITY BASE

DCM is part of the Wellington community and it represents groups and individuals within it.

INDEPENDENT

DCM is not "owned", and will not be directed, by a particular funder, group or section of society.

ACTION FOR PEACE

"There is no way to peace. Peace is the way."

ENVIRONMENT

DCM aims to minimise the adverse impact of its activities on the environment.

GOOD EMPLOYER

DCM is a good employer.



**DOWNTOWN
COMMUNITY
MINISTRY**

OUR VISION

Wellington is a community in which collective responsibility and interdependence and the valuing of diversity are seen as the keys to a fair and just society.

OUR MISSION

DCM works to make a difference in Wellington through:

- providing practical assistance and advocacy for people in need
- advocacy for social and political change
- developing new services and projects
- working with others to find long term solutions to problems of poverty and social exclusion

Cover photo taken by David Cross of one of the public artworks displayed during the Glover Park restoration project.

Chairperson's Report

Kevin McCormack

Another year has passed, and it seems to have gone ever so quick. But its speed probably reflects just how involved we have been.

We have settled into our home at Compassion House, and now have the certainty and the security of a lease for the next 10 years. Moreover, the Sisters of Compassion are also providing a very generous rental subsidy, so we are truly blessed with our accommodation.

We were delighted to release Stephanie earlier this year to undertake her Churchill Fellowship and study 'wet housing' in the United States, Canada and England. Stephanie was also selected as an inaugural member of the Social Entrepreneurship Fellowship. This is a 3 year commitment on the part of the members. It is very rewarding to see Stephanie's talents and capabilities recognised in both those ways, and it does of course have considerable incidental benefits for DCM.

Once again our annual Book Fair has been a great success. Careful planning and some smart thinking resulted in a 10% increase in turnover. This is a significant advance over recent years and a fitting reward for those who so willingly assumed various responsibilities during the course of this activity.

DCM has also been successful with

its application for registration with the Charities Commission (reference CC10890). Our status as an approved organisation for charitable donations, and the associated taxation rebates for donors, continues to be assured.

This year, at the instigation of Rev Lynne Frith of the Wesley Wellington Parish, the 'annual' Ecumenical Service of thanksgiving for DCM was re-introduced. The service was quite inspirational and a fitting tribute to DCM.

I am pleased to record my thanks to Stephanie and her colleagues, to Board members for their attendance and contributions, to volunteers who generously support the ethos of DCM, and to everyone who has helped and supported us during the past year. We are blessed and humbled by your endeavours.

I also record with pleasure the bestowing at last year's annual meeting of life membership on both Graham Booth and Myra Giese. I understand that they are the first persons to be accorded this honour.

I am delighted to advise that a Board member, Iona Pannett, has just been successful in standing for election to the Wellington City Council. Iona is passionate about Wellington and the plight of the homeless, and we look forward to working closely with her in her new role.

It is time to rest, relax and contemplate a job well done. And then, recharged, we look forward to the challenges of 2008.

I wish you all the blessings of Christmas and the fullness of joy that the season brings.

Director's Report

Stephanie McIntyre

Forgotten People

“Forgotten people” is an apt descriptor for many of those who use our services at Downtown Community Ministry, so it was very appropriate that we contributed to Forgotten People - Men on Their Own, a report produced by The Salvation Army Social Policy and Parliamentary Unit in August 2006.

The report explored the circumstances and experiences of single men living alone who use services such as ours. Most significantly it gave voice “to a group of men who live on the margins of New Zealand society”. The report concluded by saying that “they are in need of, and deserving of, focused policies and services to improve their circumstances and bring them out of the margins”.

Over the past couple of years, our work at DCM has increasingly focused on bringing this particular forgotten group of people “out of the margins”.

Perhaps not surprisingly, most resources tend to be directed towards families and children but I am pleased to report that we have witnessed a subtle shift in resourcing recently. The Ministry of Social Development now recognizes the work we are doing with this marginalised group and provides us with a new line of funding. We already receive significant

support from Wellington City Council to address homelessness in the city, but at the beginning of the financial year we were advised that our contract would be included in the Council's ten year plan giving us a greater sense of stability for this important work.

The improvement in resourcing has not been confined just to grants. Our collaborative relationships with other agencies have also expanded considerably which has given DCM clients far better access to health, welfare and addiction services. This has been achieved through “outreach” services provided by Work and Income, Community Drug and Alcohol Services, Te Aro Health and Team Assertive Community Treatment that are now being brought right within reach of our service users. These services are now delivered at DCM offices or even literally on the streets.

The New Night Shelter



DCM has had a long association with the Wellington Night Shelter and we

welcomed the refurbishment of this facility that improved another resource for Wellington's forgotten people. In January 2007 the Night Shelter re-opened after a huge makeover that has created 22 upgraded hostel rooms as well as a much more private and dignified dormitory space.

Our links with the Night Shelter have been further strengthened by moving to a closer working relationship with their manager and residents. Now, DCM staff work with Night Shelter residents as part of our wider task addressing homelessness.

International Wet House Research

Whilst our work addressing homelessness has been very successful, nevertheless we continue to encounter one significant barrier. There is a relatively small group of people who simply are not able to maintain independent tenancies and this is chiefly those with chronic alcohol dependence. For some time we have been convinced that Wellington needs a "wet house" that could provide a stable home for this group. It would be a place where alcohol consumption would be tolerated for those who are unwilling or unable to address their drinking.

Thanks to a Winston Churchill Memorial Trust grant I was able to make an extensive trip overseas in May and June this year to observe the workings of wet houses and gather information that would help inform developments here. I was greatly inspired by the facilities I visited. I discovered that this kind of accommodation is typically of a high standard and residents are very well cared for. Ironically, while alcohol consumption is completely tolerated, the environment that is created is one where many residents feel they are finally able to face their drinking behaviour.

There is still a lot of work to be done to get this project off the ground here at home but we are deeply committed to do whatever it takes to ensure this happens.



Director Stephanie McIntyre with the cook from the Anishinabe Wakiagun Wet House in Minneapolis

The Year's Highlights

There were many highlights to the year, but the most significant has been the move into our wonderful new premises in Compassion House in October 2006. It has been a huge stabilising factor in the day-to-day life of DCM to know that we finally have a permanent base and what an enormous relief to us all to find a home, after such a testing time of moving again and again.

We are deeply indebted to the Sisters of Compassion Trust for their generosity to DCM and the commitment they have demonstrated to Wellington's forgotten people.

It is a continuing privilege to be able to offer services to the people who come to us for assistance. Although some who come to us are very challenging, it is always worth remembering that they have frequently experienced significant trauma in their lives. Despite this, numerous individuals find the capacity to express their appreciation for assistance. It is always a humbling and gratifying experience to

watch people move towards recovery and wholeness and at these times in particular, our work is truly rewarding.

A Final Word of Thanks

I want to join our Chairperson Kevin in expressing thanks to all who have played a part in the life of DCM over the past year. My special thanks go to the staff who cheerfully and diligently tackle what can be an extremely difficult and demanding task. This year I am

particularly in their debt as they let me escape for a lengthy study tour!

My thanks goes also to our Board, our volunteers, our donors, our funders and the many individuals and organisations who contribute in a myriad of ways. Hardly a week goes by without someone popping in to drop off food or books or a gift of some sort. Thank you for your support and for sharing this important journey with us.

Finance Report

*Joan Tyler CA (Retired)
Finance Committee Convenor*

It is most pleasing to be able to report that, thanks to prudent and careful management by the Director and the Treasurer, the accounts for the year ended 30 June 2007 record a financial surplus of \$48,587. Retained earnings now total \$183,684 which equates to approximately 5 months expenditure at current levels.

Unlike many charitable organisations, DCM does not have the security of regular income from a Trust Fund but relies solely on donations from members and supporters, revenue from the annual Bookfair and grants for contracts to perform particular services. As revenue

from the Bookfair and most grants are not received until several months into any year it is indeed pleasing to have the security of knowing there are sufficient reserves to cover expenses in those early months.

Analysis of the Financial Statements shows that, while grants and subsidies account for 46% of all revenue, a further 44% comes from members, donations and the Bookfair. These figures clearly record the enormous contribution made by our many supporters and volunteers. We are indeed grateful for all their help.

DOWNTOWN COMMUNITY MINISTRY (WELLINGTON) INCORPORATED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2007

	2006/2007	2005/2006
	\$	\$
INCOME:		
Members	14,300	15,050
Charitable Trusts	note 6 30,000	29,314
Other Grants from Central and Local Government	note 7 235,256	186,688
Donations and Fundraising	108,406	110,338
Book Fair	102,090	98,978
Recoveries from Office Expenses	100	152
Interest	13,467	10,157
Meeting Fees	10,178	5,145
Compensation for lease of 15 Walter Street		25,000
TOTAL INCOME	513,797	480,822
EXPENDITURE:		
Audit Fee	3,000	3,000
Depreciation	note 9 7,764	4,492
Personnel costs	320,955	257,077
Administration Services	44,324	34,837
Various, including vehicle expenses	5,097	4,158
Rent, electricity	21,791	24,936
Fundraising Expenses	24,488	24,303
Book Fair	21,210	25,831
Office move to 2 Lukes Lane	3,884	5,001
Project Margin expenses	6,641	5,914
Loss on disposal of assets	6,056	
TOTAL EXPENDITURE	465,210	389,549
NET SURPLUS	48,587	91,273

DOWNTOWN COMMUNITY MINISTRY (WELLINGTON) INCORPORATED
STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2007

	2006/07	2005/06
	\$	\$
TOTAL ACCUMULATED FUNDS AND RESERVES		
Opening Balance	135,097	43,824
Net Surplus (Deficit)	48,587	91,273
Closing Balance	183,684	135,097

RESERVES

Robert Jones Memorial Fund	1,489	1,489
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TOTAL ACCUMULATED FUNDS AND RESERVES	185,173	136,586
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DOWNTOWN COMMUNITY MINISTRY (WELLINGTON) INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2007

ACCUMULATED FUNDS AND RESERVES	2006/2007	2005/2006
	\$	\$
ACCUMULATED FUNDS		
Opening Balance	135,097	43,824
Surplus/(Deficit) income over expenditure	48,587	91,273
	183,684	135,097
RESERVES		
Robert Jones Memorial Fund	1,489	1,489
TOTAL ACCUMULATED FUNDS	185,173	136,586
Represented by:		
CURRENT ASSETS:		
Westpac Current Accounts	15,670	4,541
Presbyterian Church of ANZ (Anne Houlihan legacy)	25,997	25,997
Presbyterian Church of ANZ (investments)	170,000	110,000
Prepayments for bookfair	2,208	2,549
GST Refund due	460	3,131
Accounts receivable incl.interest due	4,551	2,958
	218,886	149,176
CURRENT LIABILITIES		
Sundry Creditors and Accruals	21,056	13,944
Accrued annual leave	13,465	7,535
Project Margin for A&D report note 8	10,000	10,000
Project Margin - one month's income note 8	10,833	10,833
SPP clients' savings	7,851	988
Grants received in advance	8,000	5,000
	71,205	48,300
WORKING CAPITAL	147,681	100,876
FIXED ASSETS note 9	37,492	35,710
NET ASSETS	185,173	136,586

Stephanie McIntyre

Stephanie McIntyre (Director) on behalf of the Board
 November 1st 2007

These accounts should be read in conjunction with the Notes which form part of the financial statements



**DOWNTOWN COMMUNITY MINISTRY INCORPORATED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007**

1 STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Downtown Community Ministry Wellington Inc. (Downtown Community Ministry) is incorporated under the Incorporated Societies Act of 1908. The financial statements have been prepared using generally accepted accounting practice.

Specific Accounting Policies

(a) Depreciation on Fixed Assets

All fixed assets are stated at cost less accumulated depreciation.

Depreciation for Fixed Assets are provided at a rate of 20% diminishing value.

(b) The financial statements are prepared on a GST exclusive basis.

(c) Sundry Debtors are stated at net realisable value having taken into account any doubtful debts.

(d) Reserves

Reserve funds represent unallocated funds that have been received for particular projects for the year, but at balance date remain unspent. As projects are completed, these funds are taken to income to match the expenditure incurred.

Measurement Base

Unless otherwise stated the measurement base used is that of historical cost.

Changes in Accounting Policy

There have been no changes in Accounting Policy. All policies have been applied on a basis consistent with previous years.

2 COMMITMENTS AND CONTINGENT LIABILITIES

As at balance date there are no capital commitments, contingent liabilities or guarantees given in relation to the activities of Downtown Community Ministry (2006 \$ nil).

3 DISCLOSURE EXEMPTIONS FROM DIFFERENTIAL REPORTING

Downtown Community Ministry qualifies for certain disclosure exemptions under the New Zealand Institute of Chartered Accountants Framework for Differential Reporting.

Qualifying criteria include the absence of public accountability and size.

Downtown Community Ministry has taken advantage of all differential reporting exemptions available



DOWNTOWN COMMUNITY MINISTRY INCORPORATED
NOTES TO THE ACCOUNTS Cont'd
FOR THE YEAR ENDED 30 JUNE 2007

4 OPERATING LEASE OBLIGATIONS

Downtown Community Ministry has signed a lease for premises at Shelly Bay which commenced on 17 October 2003. The lease was taken over by the Wellington City Council on 1 April 2005 and will continue indefinitely until revoked. The lease is revocable by 3 months' notice by either party. The annual lease is \$800 (excl. GST).

Downtown Community Ministry negotiated a new lease for offices on the premises of Compassion House, Lukes Lane, Wellington. The term of the lease is for six years beginning 11 October 2006 for \$20,000 per year for the first year, with subsequent rent having a discount of 40% of a commercial rental. The lease includes two car parks at \$1,200 per year each.

5 GOING CONCERN

Downtown Community Ministry is reliant on income derived from three principal sources, grants, donations and fundraising.

The continuing operation of Downtown Community Ministry in the foreseeable future is reliant upon income derived from these sources. Downtown Community Ministry believe that they will be successful in achieving the forecast levels of income in the current year. Failure to achieve the forecast level of income may result in a substantial reduction in the scope and activity of Downtown Community Ministry, the financial consequences of which have not been considered in these financial statements.

6 CHARITABLE TRUSTS INCOME

	2006/07	2005/06
	\$	\$
T G Macarthy Trust	20,000	18,000
St John's Trust, Karori	6,000	6,000
United Way of Greater Auckland		5,000
Sargood Bequest		314
J R McKenzie Trust	4,000	
	30,000	29,314

7 GRANTS FROM CENTRAL & LOCAL GOVT

	2006/07	2005/06
WCC - StreetPeople Programme		10,000
COGs Grant - advocacy	7,500	5,547
Ministry of Social Development (MSD)	82,778	17,778
MSD - Job Plus subsidies	4,978	4,323
Wellington City Council - Project Margin	130,000	130,000
CCDHB - workforce development	10,000	
Wellington City Council - for Bookfair publicity		1,500
Wellington City Council-non-contestable funding		17,540
	235,256	186,688



DOWNTOWN COMMUNITY MINISTRY INCORPORATED
NOTES TO THE ACCOUNTS Cont'd
FOR THE YEAR ENDED 30 JUNE 2007

8 PROJECT MARGIN

In December 2004 the Wellington City Council gave Downtown Community Ministry a grant of \$10,000 to produce a report on the links between homelessness in Wellington and Alcohol and Drug use. There have been no expenses incurred towards publishing this report so the full value of the grant has been deferred.

In August 2004 the Wellington City Council paid Downtown Community Ministry \$130,000 for twelve months of operating costs. Eleven months was recognised as Income and one month was deferred to reflect the timing of the grant. This grant is now received on an annual basis and continues to be recognised on the same basis.

9 FIXED ASSETS:

2006/2007	Cost	Accumulated Depreciation	Carrying Value	Depreciation
Computer Equipment	12,090	2,406	9,684	2,291
Data bases	5,435	1,211	4,224	1,056
Office Equipment	15,906	9,266	6,640	1,660
Vehicles	18,815	2,580	16,235	2,580
Furniture	1,806	1,097	709	177
	54,052	16,560	37,492	7,764

2005/2006	Cost	Accumulated Depreciation	Carrying Value	Depreciation
Computer Equipment	28,562	13,871	14,691	2,165
Office Equipment	17,106	8,685	8,421	2,105
Vehicle	11,713		11,713	
Furniture	1,806	920	886	222
	59,187	23,476	35,711	4,492

10 STREET PEOPLE PROGRAMME

Downtown Community Ministry has acted as an agent for 99 clients (2006 63) during the year, receiving income on their behalf mainly from Work and Income New Zealand. The funds are then paid either to the client, or with the client's agreement, to their creditors. DCM does not charge clients for this service.

For the year ended 30 June 2007, \$669,014 (2006 \$454,763) was handled on their behalf.

At 30 June 2007, a total of \$22,118 (2006 \$22,940) is being held on behalf of 119 clients (200682).



Audit Report

To the Stakeholders of Downtown Community Ministry (Wellington) Incorporated

We have audited the financial report on pages 1 to 6. The financial report provides information about the past financial performance of Downtown Community Ministry (Wellington) Incorporated and its financial position as at 30 June 2007. This information is stated in accordance with the accounting policies set out on page 4.

Executive's Responsibilities

The Executive are responsible for the preparation of a financial report which fairly reflects the financial position of Downtown Community Ministry as at 30 June 2007 and the results of operations for the year ended on that date.

Auditors' Responsibilities

It is our responsibility to express to you an independent opinion on the financial report presented by the Executive.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Executive in the preparation of the financial report, and
- whether the accounting policies are appropriate to the Ministry's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards except that our work was limited as explained below. 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 obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditors we have no relationship with, or interests in, Downtown Community Ministry.

Qualified Opinion

Control over income from donations, grants and fundraising prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

In this respect alone we have not obtained all the information and explanations that we have required.

In our opinion, except for adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning income from donations, grants, and fundraising the financial report on pages 1 to 6 fairly reflects the results of operations for the year ended 30 June 2007.

In our opinion the financial report on pages 1 to 6 fairly reflects that financial position of Downtown Community Ministry (Wellington) Incorporated as at 30 June 2007.

Our audit was completed on 1 November 2007 and our qualified opinion is expressed as at that date.



Grant Thornton
Wellington

Community

BOARD MEMBERS

Kevin McCormack (Chair)
Jason Darwin
Carolyn Goudswaard
Nick Jennings
Iona Pannett
Marie Russell (resigned)
Joan Tyler
David Zwartz

STAFF

Current

Stephanie McIntyre (Director)
Graham Anderson
Patricia Booth
David Cross
Paul Gray
Di Landy
Jen Long
Alan Norman
Dougal Spier
Joseph Wilson

Resigned

Anna Costley

Tangata Pokoati (Bookfair Driver)

MEMBER CHURCHES

St Andrew's on the Terrace
(Presbyterian)
Wesley Wellington (Methodist)
St Peter's, Willis St (Anglican)
St John's In the City (Presbyterian)
St Joseph's Mt Victoria (Catholic)
The Wellington monthly meeting of the
Religious Society of Friends (Quakers)

REGULAR VOLUNTEERS

Eugene Poinga
Mark Ingram
Kaeti Rigarlsford
Karl Townsend
Hugh Daley

BOOKFAIR COMMITTEE

Graham Booth (Convenor)
Lindsay Clark
Wendy Nelson
Neil and Barbara Robertson
Joan Tyler
Kaeti Rigarlsford

We also acknowledge the tremendous efforts of all our midweek, Saturday and Bookfair weekend volunteers.



Action

PUBLICATIONS

www.dcm.org.nz

Active in the City (bi annual)

The Bulletin (weekly)

RESEARCH

Member food bank of the NZ Council of Christian Social Services' (NZCCSS)

Poverty Indicator Project.

Contributor to The Salvation Army's

Parliamentary Social Policy Unit's

Forgotten People report.

WORKING PARTIES

Ministry of Social Development National Advocates Group

Ministry of Social Development/ Advocates

Disability Allowance Working Party

NZCCSS Poverty and Housing Policy Group

Capital Coast District Health Board

Journey Forward Reference Group

Wellington Homeless Prevention Strategy Group

EVENTS

Coordinator of Winter and Christmas

Wellington Regional Coalition of Food

banks' Food Day Appeal

Bookfair

U.S. Embassy sponsored Thanksgiving

Community Lunch

Cooking from the Food bank

NETWORKS

Work and Income Wellington, Kilbirnie and Newtown Service Centres

Work and Income Regional Office

Aro Valley Community Centre and CAB

Beneficiary Advocacy Federation of New Zealand (BAFNZ)

Benefit Rights Service

CADS—Community A & D Services

City Housing (WCC)

Coalition of Wellington Regional Food Banks

Easy Access Housing

Housing New Zealand

Hutt Valley Benefit Education Service Trust

Inner City Project

Key Property Management

Night Shelter Wellington

Problem Gambling Foundation

Salvation Army: The Hope Centre

SF Wellington

St Vincent De Paul

Suzanne Aubert Compassion Centre /The Soup Kitchen

TACT

Te Aro Health Centre

Wesley Community Action

Wellington City Mission

Wellington Council of Social Services (WELCOSS)

Wellington Peoples Centre

Supporters

ORGANISATIONS, TRUSTS, CENTRAL AND LOCAL GOVERNMENT:

Capital and Coast District Health Board
Community Organisation Grants (COGs)
Fullbright New Zealand
JR McKenzie Trust
Ministry of Social Development
Ngaio Union Church
St John's Trust Karori
TG Macarthy Trust
Wellington City Council
U.S. Embassy

FOOD BANK

Goulds Fine Foods
Island Bay Presbyterian Church
Ngaio Union Church
Pandoro Bakery
Tip Top Wellington
Unilever Petone
Wellington City New World
Woolworths Kilbirnie

FOOD APPEAL

NewstalkZB
Wellington City New World (Chaffers St)
Newtown New World
Metro New World Willis Street

PUBLICATIONS

Prestige Print
Datastream Instant Print

BOOKFAIR

Bob's Bins
BP Oil NZ
Cash Register Doctor
Chubb Protective Services
Carton Brokers
Dunbar Sloane Auctions
EFTPOS NZ Ltd
Fullcircle
Hiremaster
Jets Transport
Mac's Engineering
MB Canvas
Phantom Bill Stickers
Riegers Copy Centre
Recycled Books
Signs Talk
The Wheelibin Company
Thorndon New World
Wellington City New World
Wellington Waterfront
Wellington City Council



**DOWNTOWN
COMMUNITY
MINISTRY**

2 Lukes Lane, Te Aro,
Wellington
Ph 04 384 7699
Fx 384 7688
www.dcm.org.nz
E: office@dcm.org.nz