

Resource for London Report and Financial Statements 31 December 2021

Company no. 02676631

Charity no. 1015305

# **Resource for London**

## **Report and Financial Statements**

### **31 December 2021**

Resource for London Report and Financial Statements 31 December 2021

**Resource for London**

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**For the year ended 31 December 2021**

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**Resource for London**

**Reference and administrative details**

**For the year ended 31 December 2021**

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<b>Company number</b>	02676631
<b>Charity number</b>	1015305
<b>Registered office</b>	4 Chiswell Street London EC1Y 4UP
<b>Operational address</b>	356 Holloway Road London N7 6PA
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Lynda Stevens (Chair) Stephen Burns Sarah Hadland (appointed 22 <sup>nd</sup> July 2021) Pandora Haydon (appointed 22 <sup>nd</sup> July 2021) Denise Joseph Rushmi Katyal (appointed 22 <sup>nd</sup> July 2021) Kevin Pease Michael Raibin Wilf Weeks
<b>Company Secretary</b>	Carol Harrison (Director of Finance of Trust for London)
<b>Centre Manager</b>	Mark Deakin
<b>Auditors</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW

Resource for London Report and Financial Statements 31 December 2021

**Solicitors**

Farrer & Co LLP  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

Birketts LLP  
22 Station Road  
Cambridge  
Cambridgeshire  
CB1 2JD

Hewitsons LLP  
Exchange House  
482 Midsummer Boulevard  
Central Milton Keynes  
MK9 2EA

**Bankers**

Lloyds Bank plc  
39 Threadneedle Street  
London  
EC2R 8AU

## **Resource for London**

### **Report of the trustees**

#### **For the year ended 31 December 2021**

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The Trustees present their report and the audited financial statements for the year ended 31 December 2021.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS102).

#### **Foreword**

Resource for London's report in the 2020 Accounts foresaw a gradual return to financial health with the offices and meeting room businesses picking up as the Covid pandemic eased. The reality was that 2021 was a further difficult year and the recovery has been 'bumpy' with further lockdowns through to July. However, there has been some real progress made over the year which gives everyone involved with the Charity the belief that the worst is behind us and that we will make further positive progress over the coming year.

#### **Overview**

Resource for London provides office space and meeting rooms to London based charitable organisations at an affordable rent at 356 Holloway Road, London N7 under a fifteen-year lease granted in 2017 by Trust for London, (UK registered charity 205629). Resource for London is a wholly owned subsidiary of Trust for London (the Trust), the largest independent charitable foundation funding work tackling poverty and inequality in the capital.

The Centre is managed on a day-to-day basis by the Ethical Property Company who work closely with the board.

#### **Objectives and Activities**

We have given due consideration to the Charity Commission's published guidance on the Public Benefit requirements under the Charities Act 2011 when reviewing our aims and objectives and in planning our future activities.

The object of Resource for London is to benefit the public by the promotion and improvement of the efficiency and effectiveness of charitable organisations. In delivering this object Resource for London's Centre provides office space and meeting rooms to London based charitable organisations at affordable rents and charges. It is where London's voluntary sector comes together to work, meet, train and exhibit – a key hub for the sector for the last 28 years. It delivers outstanding social impact within the voluntary sector in many ways. It is home to up to 22 organisations addressing poverty and inequality in the capital by leading campaigns or providing services and support. Our Tenants currently include Hibiscus, Shelter, the Equality Trust and St Giles Trust. In addition, Resource for London provides free desk space as part of its grant funded Enhance project. During the year the project gave 15 small and start up Black, Asian, Minority Ethnic and Refugee (BAMER) community organisations a base to work from with support on governance and fundraising.

There were no changes to the core objective in 2021 of providing office space and meeting rooms to London based charitable organisations. Financially the centre planned to achieve a financial surplus in order to maintain its viability and support the core objective. Promotion of the Centre as an essential resource to the voluntary sector in London also remained a key objective in 2021.

**Achievements and Performance**

**Offices and Meeting Space**

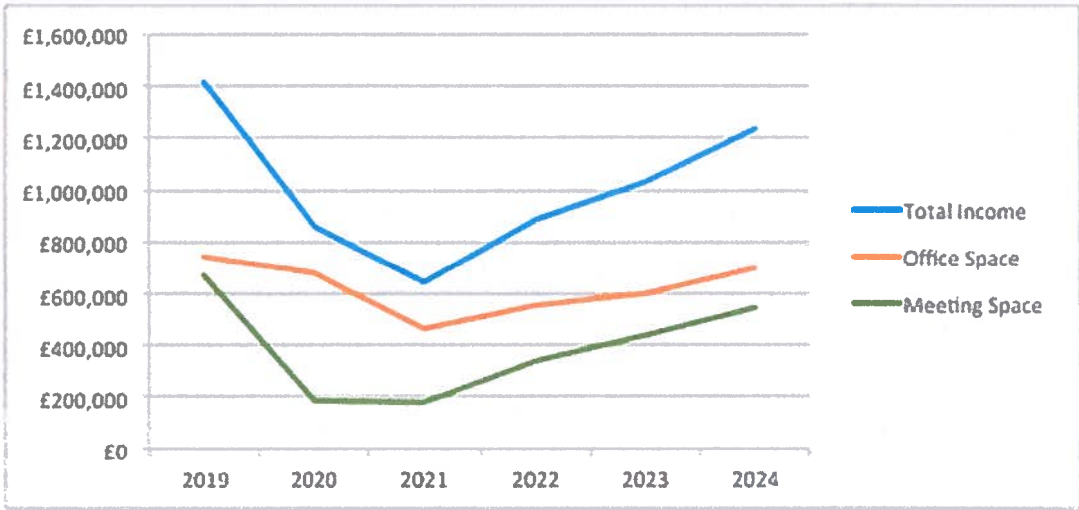
Resource for London started the year with just over 80% occupancy of the office space but the first quarter of the year saw more organisations deciding to work from home permanently or downsizing their space. August marked the low point of the year with 57% occupancy.

Most organisations based at Resource for London have adopted the hybrid model of partly working from home and attending the office on some days. The Ethical Property Company, who manage the Centre for Resource for London, worked hard throughout the year to find new tenants and the autumn saw these efforts paying off with Vaccination UK and the Society of Genealogists both taking large offices. Student Action for Refugees (STAR), Opening Doors and JENGbA (Joint Enterprise: Not Guilty by Association) also took up space meaning that by the year end we were back to 63% occupancy with further potential tenants considering taking space.

Since the start of the pandemic Resource for London has taken positive action to retain and support its tenants. One indication of the success of this strategy is that tenants continued to pay their rent and service charges to Resource for London. Support has included free fundraising and business planning sessions resulting in some securing new funding streams. Resource for London's Enhance project (see below) has enabled us to fund and work directly with six tenant organisations to deliver training events.

The meeting room business has been greatly impacted by the wholesale move online that took place during the lockdowns. In order to attract people back to the Centre, Resource for London ensured that the building was made Covid secure and upgraded with new equipment enabling hybrid meetings i.e. both face-to-face, and online. As a result, there has been an increase in to face-to-face meetings particularly from organisations delivering training. 40 regular clients returned to deliver events over the second half of 2021 and their number is projected to grow in 2022. Despite the length of the lockdowns, overall the income from the meeting rooms was approximately 30% of the pre-Covid level achieved in 2019.

The following graph illustrates the path of RfL's fall and projected recovery from the pandemic:



### **Social Impact and Projects**

Throughout 2021 Resource for London remained open for essential bookings including by the NHS to collect approximately 1,300 units of blood from donors, by the Samaritans and Maytree, a charity tackling suicide with trained volunteers. By remaining open, Resource for London has made a significant contribution to the wellbeing of Londoners throughout the pandemic.

Resource for London secured a grant from Awards for All and a five-year grant from the City Bridge Trust towards our enhance capacity building project (£42,500 in 2021). During 2021 we have worked with partners based at Resource for London and across London to support BAMER, LGBTQ+, Women's and Traveller community groups. The Enhance Project is making the most of Resource for London's resources to reduce poverty and inequality across the capital.

Our exhibitions and events programme also restarted following the end of lockdown restrictions. A large reception was held recently with Eritrea Focus, which was covered by the BBC, AFP (Agence France-Presse) and two Eritrean TV stations. We have also been working with City & Islington College, a women's refugee organisation and many others to organise and plan events over the coming year.

### **Financial Report**

Resource for London's income in 2021 was £796,094 against expenditure of £710,699. Total unrestricted funds were £407,279 at the year end. 2021 performance were greatly assisted by two factors. Waived rent from Trust for London reduced expenditure by £300,000 and repairs to the lift were subsequently deferred. One lift will now be fully refurbished and the other renewed in 2022.

Throughout the pandemic, Resource for London has strictly controlled costs and kept them to the absolute minimum. Total furlough payments of £134,454 were received in relation to the staff team and other Government grants have been claimed wherever possible.

Resource for London operates within a large Victorian building requiring investment of up to £200,000 to £250,000 annually on major repairs and improvements. The loss of income during the pandemic has had a significant impact on the charity's ability to sustain its planned preventative maintenance programme. However Trust for London has agreed to invest £170,000 in the building in 2022. This investment together with some of the charity's reserves will enable major improvement works to the air conditioning system and parts of the building fabric as well as the lifts, in 2022. These works will be capitalised where possible.

Overall Resource for London achieved a financial surplus at year end of £85,395 which was partly due to capital works being re-scheduled to 2022 combined with the one-year rent holiday provided by Trust for London.

### **Governance**

Resource for London is a charitable company limited by guarantee, incorporated on 10 January 1992 and registered as a charity on 23 November 1992. 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.

All Trustees give freely of their time and no Trustee remuneration was paid in the year. Note 3 to the accounts provides the nil disclosure for Trustee remuneration and related party transactions. Trustees are required to disclose all relevant interests and withdraw from decisions where a conflict of interest arises in accordance with policy. New Trustees that join the Resource for London Board have a full induction programme and are supported by a Trustee mentor. Trustees are recruited based on their professional and community background, and their commitment to Resource for London's objectives.

All new Board members are appointed on five-year terms, normally with a maximum of two terms. Resource for London was delighted to welcome three new Trustees during the year who will undoubtedly strengthen the Board and enable Resource for London to deliver its strategic plan for the next five years more effectively. Having focused on sustaining Resource for London in recent years, with the

strengthened Board the intention is now to build on the success to date as we emerge from the pandemic.

The Board has identified the need to increase Resource for London's focus on achieving and demonstrating greater social impact. In order to deliver this strategic objective, a Social Impact Working Group will be set up in 2022.

Resource for London's Board is also working with the Trust to review the Charity's mission in the light of the likely long-term changes to office working practices brought about by the pandemic and their effect on the serviced office and meeting room markets.

The Trustees are also aware that the Charity Commission's Governance Code was updated in December 2020 and they will continue to monitor the Charity's application of the revised code in 2022.

Resource for London has given due consideration to the Code of Fundraising Practice and Charity Commission Guidance on Fundraising and notes that the Charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

### **Risk Management**

The Trustees are responsible for risk management at Resource for London, reviewing and updating the register of risks, monitoring risks and establishing control measures to mitigate the likelihood and impact of these risks. Major risks are monitored at each meeting of the Board. The risks are reviewed under governance, operational, financial, external, compliance and environmental. The most significant risk identified is the Charity's dependence on its income sources, namely the charitable and voluntary sector. This risk is mitigated by close monitoring of the cashflow, the budget and the market. The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks.

The most significant risks are as follows:

Dependency on Income Sources – Occupancy rates and meeting room demand are reviewed regularly by the Board so that the appropriate action can be promptly taken

Cashflow sensitivities and reserves – Resource for London's reserves policy is linked to the Charity's business plan and is reviewed annually by the Board. The cashflow is monitored monthly and projections are based on a prudent approach to income and expenditure

Competition from similar organisations - Resource for London's Board monitors customer service feedback to ensure high levels of satisfaction are maintained. Office rents and meeting room charges are periodically benchmarked against the wider market to ensure Resource for London's social impact objective of providing affordable office and meeting space is achieved.

Failure to maintain building in a good condition. The Board commissioned a 10-year condition survey by an independent specialist in 2015 which was updated in 2019. This programme and reports from Ethical Property are used to prioritise major repairs and improvement works each year and to monitor planned maintenance works

Loss of management or catering contractors – There are lengthy notice periods in place in contracts that would facilitate a change in contractor if needed

Coronavirus pandemic – There is full compliance with Public Health England Covid guidelines as well as ongoing risk assessments



### Reserves policy

Total funds at 31 December 2021 amounted to £437,633 compared to £352,238 in 2020. Restricted funds at 31 December 2021 totalled £30,354, leaving £407,279 unrestricted reserves. Free reserves, after discounting the net book value of fixed assets and designated funds, are £246,534 (2020: £151,495).

### General reserves

Resource for London has a target to build unrestricted reserves to a level sufficient to ensure adequate working capital for the operations of the business without recourse to external capital. The working capital requirements have been identified as three months of operating costs. This is considered sufficient to safeguard the Charity under challenging operating conditions. This is calculated as 25% of unrestricted expenditure included in the 2022 budget, being £298,629. In addition to working capital, the Charity aims to rebuild its property reserves to £300,000. The unrestricted reserves at the end of 2021 were below target. This was a reflection of the impact on occupancy as a result of the pandemic. Looking ahead, the Trustees seek to build unrestricted reserves further as occupancy begins to increase again following the transition out of the pandemic. This is to create headroom against the target reserves level and the Trustees are closely monitoring performance in the period ahead.

### Going Concern

We have prepared a revised cash forecast to the end of April 2023 which considers our cash position, sources of income and planned expenditure. This forecast considers recovery in income from meeting rooms and occupancy. A five year plan has also been prepared looking at the period 2022 to 2026 showing recovery in the short to medium term. The Board has scrutinised the key assumptions within this forecast and plan, and is satisfied that the cash reserves are adequate to meet the Charity's obligations as they fall due.

The financial statements have been prepared on a going concern basis on the grounds that Trust for London, the ultimate parent charity, will continue to support Resource for London by providing flexibility around the timing of rental payments due under the agreed lease.

### Plans for future periods

The Trustees' vision is for Resource for London is to be a vibrant hub for activities addressing inequality. It is working hard to increase support for joint working between office tenants and those organising their meetings at the Centre and for small and emerging charities in London. By working in partnerships and developing projects to meet their needs and ensure that they have access to the resources, they will thrive. The Charity will also deliver a programme of talks, arts events and education focused projects around equalities issues designed to attract people from across the capital. It will also continue to raise funds from trusts and other sources for projects that reflect its vision for the Centre.

The planned maintenance and improvement survey of the building informs the annual programme to maintain and improve the building to ensure that Resource for London continues to be the first choice for organisations planning their meetings, training sessions and conferences. The Board will continue to invest in the fabric of the Centre in line with the priorities identified in the survey and the expectations of the building users. The budget for 2022 includes the major investment works referred to above at an estimated cost of £120,000. Where possible the Charity will seek grant funding for special projects including improving the environmental performance of the Centre.

Everyone involved with Resource for London including Ethical Property and Trust for London, remains committed to realising the potential for the Centre. The Resource for London Board is committed to ensuring that the Centre returns to generating a sufficient annual surplus such that the Charity is financially sustainable. Whilst meeting this objective, the charges it makes will need to remain competitive with the wider market and be affordable for the voluntary sector.

### **Disclosure of information to auditors**

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are aware, there is no relevant audit information of which the Charity's auditors are unaware; and the Trustees have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

### **Statement of responsibilities of the Trustees**

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

In so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and each Trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 December 2021 was 1 (2020 - 1). The Trustees are not members of the Charity therefore they have no entitlement to voting rights. The Trustees have no beneficial interest in the Charity.

### **Conclusion**

2021 proved to be another year of recovery. The Board of Resource for London believes that this recovery, as with that of the wider voluntary sector in London may well take at least another two years. Coming out of the pandemic it is also evident that it has been worse for communities in the Capital that were already experiencing the highest levels of poverty and disadvantage. This means that the presence of Resource for London as a key catalyst for activities that support these communities is as relevant as ever.

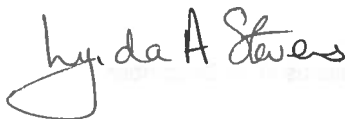
## Resource for London Report and Financial Statements 31 December 2021

The Trustees are grateful to all the staff at the Centre for their efforts during another difficult year. They are also extremely appreciative of the support of the Trust for London, the parent body; Resource for London would not have fared as well as it has over the last two years without the Trust's generous help and understanding.

### Auditor

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor for the next financial year.

Approved by the trustees on 26<sup>th</sup> April 2022 and signed on their behalf by



Lynda Stevens  
Chair

## **Independent auditor's report to the Members of Resource for London**

### **Opinion**

We have audited the financial statements of Resource for London (the "charitable company") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 2-6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were relevant health and safety and other legislation in connection with operating as a commercial landlord.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of rent and service charge income, authorisation and approval of expenditure transactions and the override of controls by management. Our audit procedures to respond to these risks included enquiries of the managing partner, Ethical Property Company, and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tina Allison  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

25 May 2022



Resource for London Report and Financial Statements 31 December 2021

**Resource for London**

**Statement of financial activities**

**For the year ended 31 December 2021**

	Note	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £	2020 Total £
<b>Income</b>					
Income and endowments from:					
Charitable activities	2	753,587	42,500	796,087	963,984
Investments		7	-	7	20
<b>Total Income</b>		<b>753,594</b>	<b>42,500</b>	<b>796,094</b>	<b>964,004</b>
<b>Expenditure</b>					
Expenditure on:					
Charitable activities	3	484,374	25,115	509,489	927,290
Other	3	201,210	-	201,210	181,691
<b>Total Expenditure</b>	3	<b>685,584</b>	<b>25,115</b>	<b>710,699</b>	<b>1,108,981</b>
<b>Net income/(expenditure)</b>		<b>68,010</b>	<b>17,385</b>	<b>85,395</b>	<b>(144,977)</b>
<b>Reconciliation of funds</b>					
Funds brought forward at 1 January		339,269	12,969	352,238	497,215
Funds carried forward at 31 December	10	<b>407,279</b>	<b>30,354</b>	<b>437,633</b>	<b>352,238</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 18 to 24 form part of these financial statements

Resource for London Report and Financial Statements 31 December 2021

**Resource for London**  
**Company Number 02676631**  
**Balance sheet**

**For the year ended 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets:</b>			
Tangible assets	5	160,746	187,774
<b>Total fixed assets</b>		<b>160,746</b>	<b>187,774</b>
<b>Current assets:</b>			
Debtors	6	149,961	145,770
Cash at bank and in hand		552,596	417,574
<b>Total current assets:</b>		<b>702,557</b>	<b>563,344</b>
<b>Liabilities</b>			
Creditors: Amount falling due within one year	7	(285,670)	(168,880)
<b>Net current assets</b>		<b>416,887</b>	<b>394,464</b>
Creditors: Amount falling due after one year	8	(140,000)	(230,000)
<b>Total net assets</b>		<b>437,633</b>	<b>352,238</b>
<b>The funds of the charity</b>	10		
Restricted income funds		30,354	12,969
Unrestricted funds		407,279	339,269
<b>Total charity funds</b>		<b>437,633</b>	<b>352,238</b>

Approved by the trustees on 26<sup>th</sup> April 2022 and signed on their behalf by



Lynda Stevens  
Chair

The notes on pages 18 to 24 form part of these financial statements.



**Resource for London****Cash flow statement****For the year ended 31 December 2021**

	2021 £	2020 £
<b>Cash flows from operating activities:</b>		
Net cash provided by/(used in) operating activities	<u>135,015</u>	<u>(24,797)</u>
<b>Cash flows from investing activities:</b>		
Bank interest	7	20
Purchase of property, plant and equipment	-	(83,107)
Net cash provided by/(used in) investing activities	<u>7</u>	<u>(83,087)</u>
<b>Cash flows from financing activities:</b>		
Repayment of loan to parent charity	-	-
<b>Change in cash and cash equivalents in the reporting period</b>	<b>135,022</b>	<b>(107,884)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>417,574</b>	<b>525,458</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b><u>552,596</u></b>	<b><u>417,574</u></b>

	2021 £	2020 £
<b>Reconciliation of net income to cash flow from operating activities</b>		
Net income/(expenditure) for the year ended 31 December	85,395	(144,977)
<b>Adjustments for:</b>		
Depreciation charges	27,027	28,205
Bank interest	(7)	(20)
(Increase)/decrease in debtors	(4,191)	48,185
Increase in creditors	26,791	43,810
<b>Net cash provided by/(used in) operating activities</b>	<b><u>135,015</u></b>	<b><u>(24,797)</u></b>

	2021 £	2020 £
<b>Analysis of cash and cash equivalents and net debt</b>		
Cash in hand	<u>552,596</u>	<u>417,574</u>
<b>Total cash and cash equivalents and net debt</b>	<b><u>552,596</u></b>	<b><u>417,574</u></b>

**Resource for London**

**Notes to the financial statements**

**For the year ended 31 December 2021**

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**Entity Details**

Resource for London is a charitable company limited by guarantee, incorporated within England and Wales on 10 January 1992 and registered as a charity on 23 November 1992 and is a Public Benefit Entity.

Company Number : 02676631

Charity Number : 1015305

Registered Address : 4 Chiswell Street, London, EC1Y 4UP.

All decisions are made by the Trustees of Resource for London. Some day to day decisions are delegated to The Ethical Property Company.

**1. Accounting policies**

**a) Basis of Accounting**

The accounts (financial statements) have been prepared in accordance with the Charities SORP applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Companies Act 2006.

The financial statements have been prepared on a going concern basis.

Throughout 2021 our operations have been impacted by the pandemic. A number of actions have been taken to ensure operations can continue and ensure sufficient financial resources are in place to meet the day to day needs of the Charity including utilisation of the Government's Coronavirus Job Retention Scheme, receipt of retail, hospitality and leisure grants, suspension of all discretionary spend and deferral of rent payments to Trust for London.

We have prepared a revised cash forecast to the end of April 2023 which considers our cash position, sources of income and planned expenditure. This forecast considers recovery in income from meeting rooms and occupancy. A five year plan has also been prepared looking at the period 2022 to 2026 showing recovery in the short to medium term. The Board has scrutinised the key assumptions within this forecast and plan, and is satisfied that the cash reserves are adequate to meet the Charity's obligations as they fall due.

The financial statements have been prepared on a going concern basis on the grounds that Trust for London, the ultimate parent charity, will continue to support Resource for London by providing flexibility around the timing of rental payments due under the agreed lease.

Having regard to the above, the trustees are satisfied that there are no material uncertainties around the decision to adopt the going concern basis of accounting in preparing these financial statements.

**b) Charitable activities income - rents, hiring, service charge income and similar income**

Rents, hiring, service charge income and similar income are shown exclusive of value added tax (VAT). rental income, conference income and service charge income is recognised on a daily basis in line with the use of the facilities. Deposit income from hiring is deferred to the extent that it is receivable in relation to a future booking.

c) **Investment income**

Interest income is accounted for on a receivable basis.

d) **Rents payable and reserves**

Included in expenditure is rents payable to Trust for London. A rent is paid to Trust for London for the premises. Further rent can then be payable based on the surplus in the audited annual accounts, as adjusted to allow for capital expenditure, working capital, recovery of unrestricted reserves and any other adjustments agreed with Trust for London. Liabilities are recognised as a constructive obligation arises.

Costs relating to central operations are classed as Charitable Activities. Costs relating to the buildings service charge are classed under other; these costs are charged to tenants through the Service Charge as per their lease. Resource for London splits costs under the following headings in the management accounts; Services, Staff and Management, and Administration Costs.

e) **Fund accounting**

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are part of unrestricted funds which have been designated by the Trustees for a specific administrative purpose. Restricted funds have donor-imposed restrictions and are used accordingly.

f) **Taxation**

Resource for London satisfies the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

g) **Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included in historic costs. Depreciation is provided to write off the cost of tangible fixed assets by equal instalments over their estimated economic useful lives as follows:

Leasehold improvements	4%
Fixtures and fittings	20%
Computer equipment	25%

h) **Operating lease**

Operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

i) **Income recognition policy**

Grant income is recognised when the charity becomes unconditionally entitled to the grant. Grants receivable which are subject to donor imposed restrictions are recorded as restricted funds in the statement of financial position.

j) **Accounting judgements and sources of estimation**

In the application of the charity's accounting policies, which are described above, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis and revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

Resource for London Report and Financial Statements 31 December 2021

**2. Other trading activities**

	2021 £	2020 £
Rents, hiring and similar income	571,832	745,816
Service charge income	141,469	183,168
Grant income	82,786	35,000
	<u>796,087</u>	<u>963,984</u>

£40,286 grant received from Islington Council in 2021 (2020: £25,000) as part of a Covid-19 support scheme. A further £42,500 received from City Bridge Trust (2020: £10,000 Lottery Grant)

**3. Expenditure**

	Depreciation £	Direct Costs £	2021 Total £	2020 Total £
Charitable activities - centre operations	27,027	482,462	509,489	927,290
Other - service charge expenses	-	201,210	201,210	181,691
	<u>27,027</u>	<u>683,672</u>	<u>710,699</u>	<u>1,108,981</u>

The staff at the Centre are employed by The Ethical Property Company, the managing agent. Resource for London does not employ any members of staff.

The trustees received no remuneration in the year (2020: none).

Fees payable in relation to the statutory audit in 2021 were £6,100 (2020: £6,089).

**4. Taxation**

Resource for London is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**5. Tangible fixed assets**

	Leasehold Improvements £	Fixtures and Fittings £	Computer Equipment £	Total £
<b>Cost</b>				
At 1 January 2021	152,485	1,549,186	181,280	1,882,951
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2021	<u>152,485</u>	<u>1,549,186</u>	<u>181,280</u>	<u>1,882,951</u>
<b>Depreciation</b>				
At 1 January 2021	15,647	1,539,475	140,055	1,695,178
Charge for the year	6,099	5,521	15,407	27,027
Eliminated on disposal	-	-	-	-
At 31 December 2021	<u>21,746</u>	<u>1,544,996</u>	<u>155,462</u>	<u>1,722,205</u>
<b>Net book value</b>				
At 31 December 2021	<u>130,738</u>	<u>4,190</u>	<u>25,819</u>	<u>160,746</u>
At 31 December 2020	<u>136,837</u>	<u>9,711</u>	<u>41,225</u>	<u>187,774</u>

All fixed assets are held for charitable purposes.

**6. Debtors**

	2021	2020
	£	£
Trade debtors	29,260	28,003
Prepayments	99,681	95,298
Accrued income	486	8,469
VAT debtor	20,534	14,000
	<u>149,961</u>	<u>145,770</u>

Debtors shown net of a provision for doubtful debts of £23,823 (2020: £11,495).

**7. Creditors: Amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	93,253	33,725
Other creditors	52,030	57,407
Accruals	33,964	41,212
Deferred income	16,423	36,536
Amounts owed to parent charity	90,000	-
	<u>285,670</u>	<u>168,880</u>

**8. Creditors: Amounts falling due within one year**

	2021	2020
	£	£
Amount owed to parent charity	140,000	230,000

Amounts owed to parent charity represent rent due under a collections agreement.

**9. Deferred income**

	£
Brought forward at 1st January 2021	36,536
Received during the year	16,423
Release of deferred income in the year	<u>(36,536)</u>
Carried forward at 31st December 2021	<u>16,423</u>

Resource for London Report and Financial Statements 31 December 2021

	2021 £	2020 £
<b>10. Restricted funds</b>		
Restricted funds balance at 1 January	12,969	9,539
Grant received during the year	42,500	10,000
Expenditure	(25,115)	(6,570)
Restricted funds balance at 31 December	<u>30,354</u>	<u>12,969</u>

**Net assets split between funds**

2021	Restricted	Unrestricted	Total
Fixed assets	-	160,746	160,746
Net current assets	30,354	386,533	416,887
Creditors: amounts falling due after one year	-	(140,000)	(140,000)
	<u>30,354</u>	<u>407,279</u>	<u>437,633</u>
<b>2020</b>	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
Fixed assets	-	187,774	187,774
Net current assets	12,969	381,495	394,464
Creditors: amounts falling due after one year	-	(230,000)	(230,000)
	<u>12,969</u>	<u>339,269</u>	<u>352,238</u>

Restricted funds are held for the Enhance Project which supports start up community organisations.

**11. Operating lease commitments**

**A - Operating lease commitment to parent charity.**

	2021 Land and Building £	2020 Land and Building £
Total rental payable commitments under operating leases which expire:		
Under 1 year	300,000	-
Between 2 – 5 years	1,200,000	1,275,451
Over 5 years	<u>2,042,071</u>	<u>2,718,647</u>

Lease payments are recognised in the statement of financial activities in 2020. These were waived in 2021.

**B - Operating lease commitments from tenants.**

	2021 Land and Building £	2020 Land and Building £
Rental commitments receivable under operating leases which expire or tenant break dates if sooner:		
Under 1 year	154,416	203,212
Between 1 - 5 years	<u>-</u>	<u>-</u>

## 12. Share capital

The company has no share capital and is a private company limited by guarantee. The sole member's liability under the guarantee is limited to £1.

## 13. Ultimate parent undertaking

In the opinion of the trustees, Resource for London is a subsidiary of Trust for London. Resource for London prepares separate accounts as it is a limited company. Trust for London is a charity registered with the Charity Commission for England and Wales. Trust for London's charity number is 205629. The accounts of Trust for London can be obtained from the Chief Executive at 4 Chiswell Street, London, EC1Y 4UP. Trust for London's main objective is to tackle poverty and inequality in London, and to support the Church of England.

## 14. Related party transactions

No payments were made to Trustees during the year (2020: nil). No payments (2020: £150,000) were made to Trust for London for rent. The amounts due to Trust for London in 2021 totalled £230,000 (2020: £230,000). This was for deferred rent (£90,000) and historic rent outstanding (£50,000). £59,000 was also paid to Trust for London for insurance cover.

## 15. Comparative Financial Statements

### Resource for London

#### Statement of financial activities

For the year ended 31 December 2020

	2020	2020	2020	2019
	Unrestricted Funds	Restricted Funds	Total	Total
	£	£	£	£
<b>Income</b>				
Income and endowments from:				
Charitable activities	953,984	10,000	963,984	1,572,240
Investments	20	-	20	32
<b>Total Income</b>	<b>954,004</b>	<b>10,000</b>	<b>964,004</b>	<b>1,572,272</b>
<b>Expenditure</b>				
Expenditure on:				
Charitable activities	920,719	6,570	927,290	1,157,485
Other	181,691	-	181,691	219,288
<b>Total Expenditure</b>	<b>1,102,411</b>	<b>6,570</b>	<b>1,108,982</b>	<b>1,376,773</b>
<b>Net income/(expenditure)</b>	<b>(148,407)</b>	<b>3,430</b>	<b>(144,977)</b>	<b>195,499</b>
<b>Reconciliation of funds</b>				
Funds brought forward at 1 January	487,676	9,539	497,215	301,716
Funds carried forward at 31 December	339,269	12,969	352,238	497,215