LHA LONDON LTD

England & Wales · Charity number 1069428

Details

Other names	LONDON HOSTELS ASSOCIATION LIMITED, LHA
Status	Registered
Legal form	Charitable company
Company number	00363816
Registered	1998-05-06
Register	View on the Charity Commission register

Contact

Address	54 Eccleston Square London SW1V 1PG
Phone	02078341545
Email	tperkins@lhalondon.com
Website	www.lhalondon.com

Activities

Objects: THE RELIEF OF POVERTY BY THE PROVISION OF ACQUIRING, ESTABLISHING, MAINTAINING, MANAGING AND CONDUCTING HOSTELS TO PROVIDE LOW COST LIVING ACCOMMODATION FOR STUDENTS AND WORKING PEOPLE OF LIMITED MEANS STUDYING OR WORKING IN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND TO FURTHER ANY CHARITABLE PURPOSE RECOGNISED BY ENGLISH LAW BY THE PROVISION OF HOUSING.

Activities: Providing accommodation in London

Classification

- **How:** Provides Services
- **What:** The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Other Defined Groups

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Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£18,624,881	£10,871,351	£290,172,069	87
2023-09-30	£16,581,114	£9,858,047	£286,984,414	84
2022-09-30	£14,159,595	£9,903,874	£280,261,347	74
2021-09-30	£9,051,131	£7,309,861	£267,769,790	72
2020-09-30	£11,502,654	£7,279,935	£264,392,181	74

Trustees

Name	Role	Appointed
David Conroy	Chair	2019-03-26
ADAM POOLE		2022-03-29
Bissan Zamzam		2025-06-17
David Sawer		2022-09-27
Elizabeth Nyawade		2023-12-05
Harkamaljeet Sandhu Shinger		2022-03-29
Helen Wyeth		2022-09-27
Lydia Kellett		2025-06-17
Peter Frackiewicz		2019-03-26
Petra Green		2018-04-18
Romill Bettany		2026-01-16

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LHA LONDON LTD

England & Wales - Charity number 1069428

Accounts

LHA London Ltd Annual Report & Accounts 2023-24







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Chair and CEO's Message

This year has seen a steady demand for our affordable accommodation in central London. Private rental costs are highest in areas of England where the youngest people live. Renting costs have ballooned in recent years. Rents have become so unaffordable in the capital that young private renters are now being pushed out of Central London and into areas of the East or Southeast. We have now benchmarked our weekly fees to ensure that they are affordable to young people, enabling them to live, work and study in the heart of the capital. The diverse formats of accommodation styles within the portfolio further supports easy access to single and shared spaces.

We aim to significantly increase the percentage of single en-suite rooms that we make available to other London partner charities by providing much needed accommodations for 18-to-25-year-olds. Not only have we been able to do this throughout the year using our LHA Rewards programme shared rooms, but we have also continued to further support affordable single accommodations through the LHA Fund with Project 25.

The LHA Fund is an important part of LHA's support for vulnerable young people. This year, the Fund provided grant aid support to AKT, Cardinal Hume Centre, Women & Girls Network, New Horizon Youth Centre and St Mary le Bow for a total of £260,540. We aim to continue to build on referrals for move-on accommodation in our single en-suite accommodations. Case studies within this report bring to life the contribution LHA is able to make to young people seeking a new start.

Our strategic aim is to increase bed numbers, and this year saw the purchase of an additional hostel, providing 103 beds in the Paddington W2 area. We are also delighted that minded-to-grant planning permission has now been achieved for our proposed 62 additional single en-suite rooms at our Friendship House hostel.

Investing in our property portfolio ensures the longevity of the stock and ensures that we maintain our high standards of accommodation. This programme saw two full external repairs and restorations and one full internal upgrade.

The volunteer scheme is a key contributor to our social impact, with over 1,200 entering the scheme this year. We pride ourselves on amazing feedback from those benefiting from the opportunity. An Equality, Diversity and Inclusion steering group was set up this year to promote and deliver EDI in the volunteering setting, the workplace and across the organisation.

Our digital transformation initiative has made progress with step changes in our resident's automatic weekly fee payment and interactive digital reporting. During the year, we have progressed our drive to carbon neutral and plan to undertake further detailed work in the next financial year.

We thank our executive team, central support, hostel team members and volunteers for the dedication shown throughout the year. Without the amazing collaborative approach, we could not have provided the service and support to our residents. We also acknowledge the dedication of our Board of Trustees, who give their valuable time on a voluntary basis to oversee the governance of the charity.



David Conroy
Chair of the Board of Trustees

Tony Perkins
CEO & Company Secretary

Tony Perkins
CEO & Company Secretary

David Conroy
Chair of the Board of Trustees

> I am deeply grateful for LHA's unwavering support during my time in London. Special thanks to Laura and all Torquay's team for being more than colleagues but true friends. Thank you for believing in me and for being such an integral part of my journey! You all will always be in my heart.
>
> **Nayara–Volunteer**

LHA London Ltd

Registered Charity No. 169428

Company Registration No. 363816

Registered Office:
54 Eccleston Square
London, SW1V 1PG

LHA Services Ltd

Company Registration No. 3424128

Registered Office:
54 Eccleston Square
London, SW1V 1PG

Board of Trustees and Governance

We take the governance responsibilities of the Board of Trustees seriously. We observe the Charity Commission's governance code. Our Board comprises trustees with professional qualifications in planning, construction, project management, economics and finance, HR, social policy and law, providing a great breadth of skills at this level. Trustee training is an ongoing process: it includes external courses as appropriate for specific needs and circulation of newsletters and updates from the Charity Commission.

We enhance our Board performance by careful analysis of complementary skillsets and through an independently conducted annual self-appraisal process. While preserving continuity, diversity and experience, we seek an orderly rotation of trustees to refresh the Board skill set. LHA conducts a rigorous review should a trustee consider standing for the Board for a fourth term. Recruitment of new trustees is carried out through a bilateral approach of networking and using professional recruitment services, including agencies that specialise in finding excellent trustee-level candidates for the charitable sector.

Prior to appointment, potential trustees follow the LHA three-phase selection process, which comprises an interview with the Chairman and Chief Executive and a tour of LHA facilities, an interview by a Selection Panel of trustees and, finally, an invitation to shadow a Board meeting and be formally appointed at the appropriate Board meeting. There is a formal induction process for new trustees, which includes a trustee familiarisation pack.

The Board follows Charity Commission Governance guidelines on trustee tenure, governance training packages and onboarding. Board members complete an annual Board effective Survey and appraisal with Chair.

Our Board of Trustees

David Conroy
Chair of the Board
F P

Alexandra Whiston-Dew
Vice Chair
F P

Peter Frackiewicz
Trustee
F Po

Petra Green
Trustee
S

Sue Johnson
Trustee
Po

Gareth Moody
Trustee
Po

Elizabeth Nyawade
Trustee Appointed 05/12/2024
P

Adam Poole
Trustee
Po

David Sawer
Trustee
F

Kam Sandhu-Shinger
Trustee
S

Simon Tarr
Trustee
P S

Helen Wyeth
Trustee
F

Ali Mohammed
Trustee Retired 31/12/2023
P

F Finance, Audit and Risk Committee
Po Property Oversight and Projects Committee
S Social Policy Committee
P People Committee

During the year, the following co-opted committee members were appointed for a further term of two years: Mr Jeremy Estop–Property Oversight and Projects Committee member; Mrs Lynn Vickery–Social Policy Committee member.

Our Management Team

Tony Perkins
Chief Executive / Company Secretary
Po F P S

Marsha Gair
Finance Director
Po F P S

Ben Atwell
Director of Ops & HR
S P

Andy Gatrell
Director of Estates
Po

Our management team provides a great combination of skill sets, working hard to move the charity forward. It is important to invest in people if the business is to progress. The year ahead will bring new challenges, but we believe our strategy is sound.

The Board determines the policy, ensures the proper management of LHA and provides effective guidance and leadership to the Chief Executive, the executive management team and employees of LHA. The Board appoints the Chief Executive, who reports to the Board at their meetings. The Board sets senior management remuneration by reference to market benchmarking.

Trustees are, individually and collectively, responsible for the overall governance and strategic direction of the organisation.

Who We Are and What We Do

At LHA London, we believe everyone should have the opportunity to pursue their dreams. The cost of accommodation should never be a barrier for young people who wish to study or work, and achieving their goals should not require living in poverty. As a charitable organisation, we offer paths to independence for young people by operating 14 properties that provide affordable student and youth accommodation in London. These include both long-term and short-term options, all at inclusive rates. Additionally, we create safe and relaxed, affordable hostels and accommodation for students where wellbeing is prioritised. This allows young people to fully enjoy their lives, build new friendships and gain lifelong experiences. We also alleviate the stress of being in an unfamiliar environment, giving residents the confidence to explore London and its many adventures.

Our History
LHA London was initially created to provide shelter for those made homeless by the Blitz, offering high-quality accommodation since 1940. On the 5 November 1940, the Government set up the London Hostels Association Ltd (LHA) and appointed a 'Council of Management' to manage and provide hostels for the homeless. The Council sought buildings capable of housing about 50 people each, requiring basements or other spaces that could serve as bomb shelters-which posed challenges amid nightly bombing raids. Despite these hardships, Mrs Churchill opened the first hostel in January 1941, a mere 10 weeks after the company's formation. Accommodations cost £1 per week, plus an additional shilling for Saturday and Sunday meals.

By the end of 1942, there were 33 hostels accommodating around 700 people, many of whom had been brought to London for war-related job roles. By the 1950s, the number of hostels decreased, with most residents being young people recruited from the provinces for government jobs. This remained the case until the 1970s, by which time there were 17 hostels. Today, LHA is a charity guided by a voluntary Board of Trustees. We now operate 13 large hostels, catering to all young people in need of affordable accommodations while they work or study in one of the world's greatest cities.

As a charity and one of the capital's leading affordable accommodation providers, we run 13 properties in the heart of one of the world's most diverse and energetic cities, providing a central and safe base for young people to live their London life – whether that's for work, study or adventure.

We also enable young people to make new connections, learn about different cultures and create lasting memories.

Our Vision
To be a leading provider in the charity sector of secure, low-cost accommodations in London.

Our Mission
To relieve poverty by acquiring, establishing, maintaining and managing secure, affordable accommodations for young people of limited means working or studying in Central London.

Our Charitable Object
The relief of poverty by provision of acquiring, establishing, maintaining, managing and conducting hostels to provide low-cost living accommodations for students and working people of limited means who are studying or working in the United Kingdom of Great Britain and Northern Ireland and to further any charitable purpose recognised by English Law by the provision of housing.

Five-Year Plan Targets 2027–28

The illustration below shows each of the Key Performance Indicators (KPIs) and the targets set for what we want to achieve by 2027–2028.

Maximising our Social Impact
Social impact score
85 *
Under 30s
75%

Empowering our people and teams
Employee engagement score
82 *
Volunteer engagement score
85 *

Building a sustainable future
£ Income budget
£21.5M
Carbon target
Carbon neutral
Additional beds
425

Taking pride in every hostel
Compliance
95%
Net Promoter Score
50

*Likert scale is a rating scale used to measure participants, opinions, attitudes and motivations.



Aims and Objectives

Strategic Planning
2023–24 was the second year of the five-year plan agreed in 2022–23, wherein, as part of LHA's strategic planning process and due to significant changes in external factors, including the cost-of-living crisis' in a post-COVID, post-Brexit London, LHA took the opportunity to revisit and adjust its existing Strategic Plan and targets whilst also amalgamating the eight pillars of LHA's Sustainability Strategy into the overall plan. Throughout this report, you will see our tracked progress compared to our plan for this year and our KPI targets for 2024–25.

Strategic Aim
Over the next five years, we are aiming to grow our charity in size, shape and impact to achieve our long-term goals of delivering affordable, sustainable, high-quality accommodation.

Strategic Themes
We will achieve this aim with the help of our four strategic themes:
1. Maximising our social impact
2. Empowering our people and teams
3. Taking pride in every hostel
4. Building a sustainable future

Tracking Our Progress
The Trustees and EMT have aligned nine KPIs as part of a balanced scorecard to measure progress against our strategic goals and ensure we stay on track with delivering our plans.

KPI Targets for 2024–25

Maximising our social impact
Social impact score
75*
Under 30's
63%

Empowering our people and teams
Employee engagement score
80*
Volunteer engagement score
90*

Building a sustainable future
£ Income budget
£18.8M
Carbon target
Carbon neutral
Additional beds
140

Taking pride in every hostel
Compliance
92%
Net Promoter Score
45

> "Living in an LHA property has been a positive experience overall. Like any long-term stay, there have been occasional ups and downs, but these moments are few and far between. What stands out the most to me is the consistency in the quality of service and care.
> **Anonymous Resident**"

Highlights of the year

KPI Achievements for 2023–24

Maximising our social impact

Social impact score

74* (+1)

Under 30's

57% (+5%)

Empowering our people and teams

Employee engagement score

80* (+3)

Volunteer engagement score

90* (+1)

Building a sustainable future

£ Income

£17.1M

Carbon target

621.05 tonnes

Additional beds

104

Total beds 2,048

Taking pride in every hostel

Compliance

91% (+1%)

Net Promoter Score

40 (+6)

*Likert scale is a rating scale used to measure participants opinions attitudes and motivations.

LHA Paddington

One of the biggest highlights of the year was the acquisition of the new site. LHA acquired the neighbouring property to our Railton House site in April 2024. Previously a 63-room hotel with all en-suite rooms, following reconfiguration works , LHA Paddington opened as a 103 bed catered hostel on the 1 July 2024. The new site is managed and operated along with our Railton House site by the House Manager.

The new site has proven to be extremely popular ; following a phased opening, we achieved 100% occupancy within eight weeks.

Nearly all of our new residents are aged under 30, with the combined (Railton House and Paddington) % of under-30-year-olds sitting at 80% of residents. Resident feedback has been hugely positive, with an NPS of over 50 and a booking.com rating of 8.0.

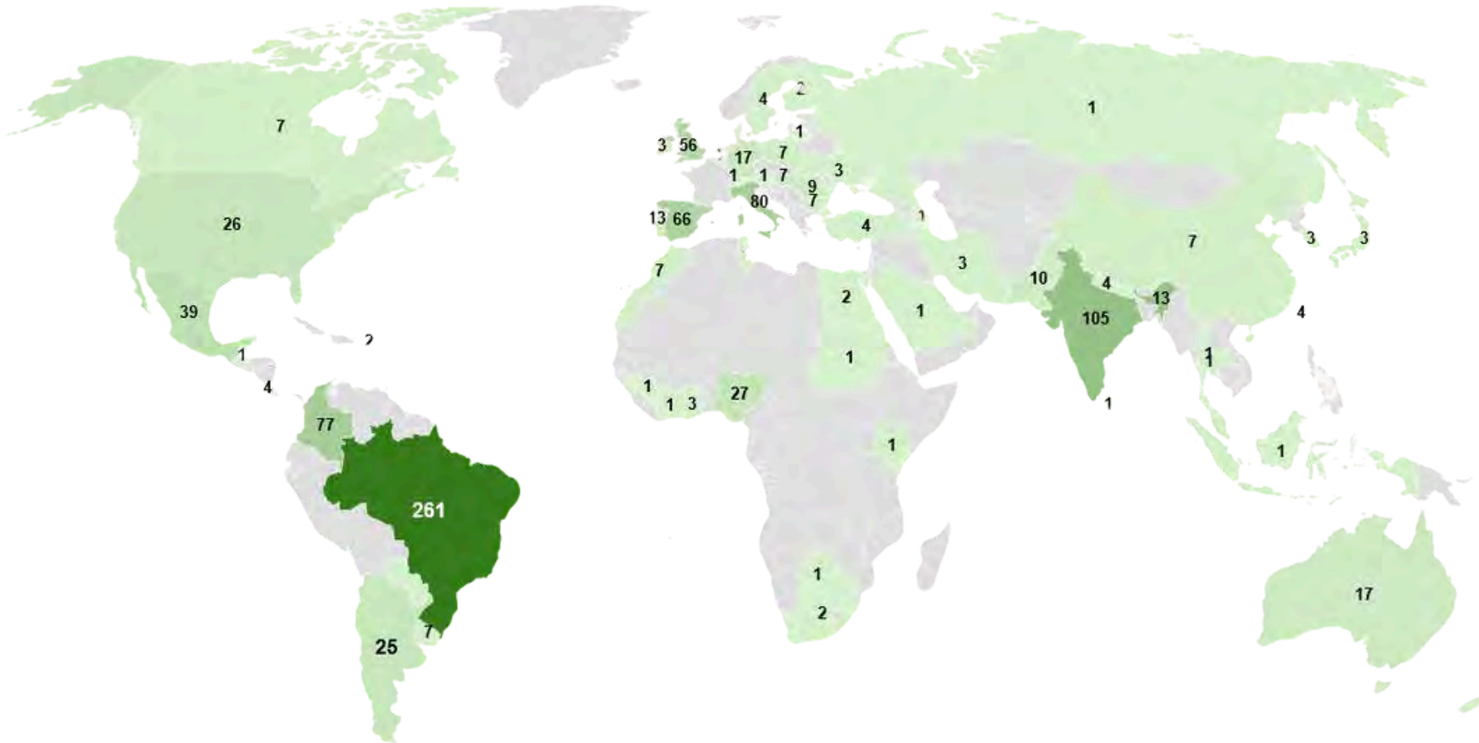




> We'd like to compliment all the staff and volunteers for their dedication and hard work in ensuring the smooth functioning of LHA Paddington.
>
> Their commitment to the charitable values of LHA Paddington has provided our son with a safe home away from home in a lovely community.
> **Anonymous Resident**

Social Impact Highlights

The reach of the LHA volunteer scheme is growing across the globe. In 2023-24, There were over a thousand volunteers in our scheme, with 261 from Brazil, 77 from Colombia and 105 from India, to name but a few.

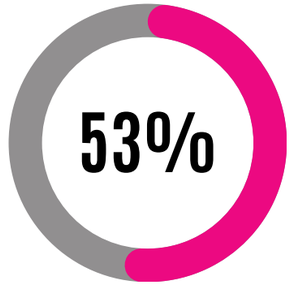


90
volunteer engagement score

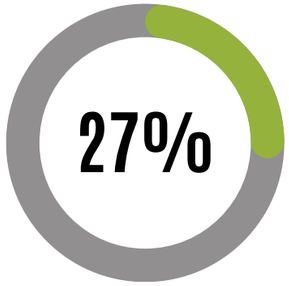
16,168
unique enquiries for accommodation

£276,810
given out in grants as part of the LHA Fund

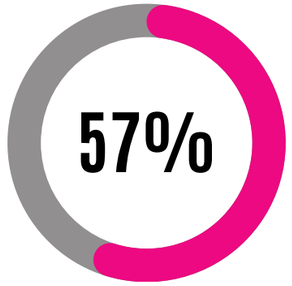
> I've gained a lot of independence, made amazing friends, and shown my leadership skills. I also discovered how good I am at teamwork, problem solving, and helping others.
> **Anonymous Volunteer**



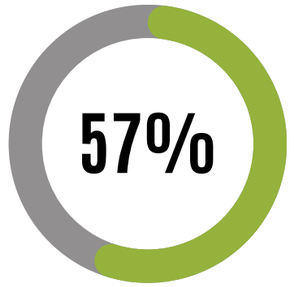
of residents are in full or part time work.



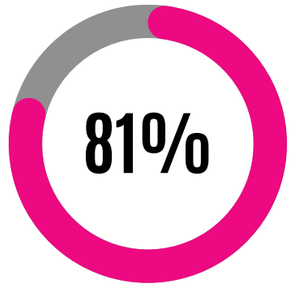
of residents are in full or part time study.



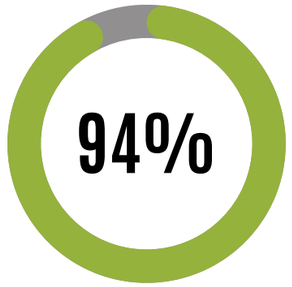
of residents are under 30.



of young people benefitting from LHA Rewards felt they couldn't have afforded to stay in London without LHA.



of residents feel more confident about their financial situation now than before they stayed with LHA.



of residents and volunteers feel that in London they are accepted for who they are.

97.9%
is the average Occupancy.

70%
of residents earn London Living Wage or below.

55%
of residents feel they were at risk of homelessness if they had not been able to stay with LHA.

83%
of young residents (under 30 y/o) agreed that their stay with LHA helped them to gain independence.

76%
of residents indicate that they have made friends with other LHA residents.

73%
of residents think that they would not have been able to afford to stay in central London if they had not stayed with LHA.

Maximising Our Social Impact

As a charity, we are determined to be a driver of social benefit by providing young people with affordable, safe and secure accommodations in London.

Our overall ambition is to ensure we generate positive social impact through all our places, programmes and activities. At the same time, we also want to champion the greater social impact we have achieved through some of our more focused programmes and activities, which are defined in our impact grid below.



Our Social Impact
Accommodations that young people can afford make central London more accessible to all young people, sustains diverse communities and enables sustainable livelihoods.

Our Outcomes
Through our places, programmes and activities, we create environments where people gain new experiences, foster friendships with one another, improve their wellbeing and develop a sense of belonging.

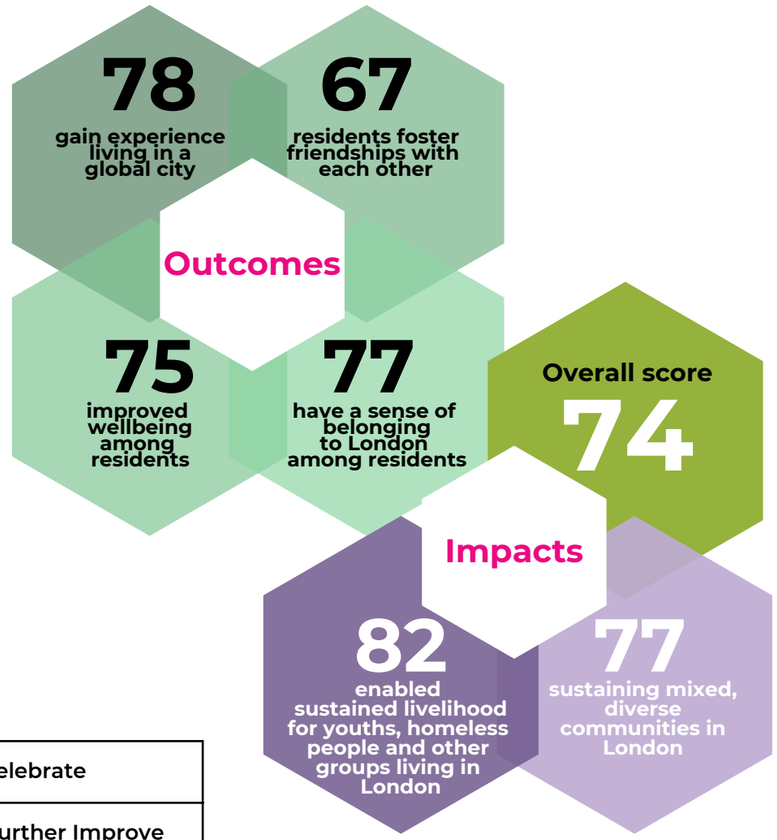
We surveyed all of our current and alumni residents and volunteers who benefited from our services between October 2023 and September 2024 to understand their experiences. Once again, it was a hugely rewarding experience, which is reflected in some of the comments you will find throughout this report.

In terms of the quantitative information received, we saw an overall score increase from 73 in 2023 to 75 in 2024 and overall saw positive improvements across all of the indices measured, bar one.

Notably, the number of respondents who believed they could not have been able to stay in central London without LHA was 73%, whilst the number of respondents who believed they were at risk of homelessness without LHA was 58%.

During the year, we actively focused on fostering friendships by hosting of hostel events and improving our social spaces; whilst this remains the lowest-scoring area, it is also notably the most improved score. We will continue to explore more ways to help foster friendships within our buildings in the year ahead.

As was the case in previous years, further analysis of scores for young people in receipt of LHA Rewards and responses from volunteers highlight that it is through these activities that we have the greatest social impact and deliver the strongest outcomes.



The Measurement
In this year's report, we wanted to look more closely at the overall sentiment of people's responses to our social impact survey. To support our future activities, we wanted to better understand where our opportunities are to grow and improve our social impact. In this report, we have included the percentage of positive responses to questions (for comparison to last year) and have also applied the Likert scale to responses to gain a better understanding of how respondents feel overall.
We have used the following summary table to interpret the scores:

67–100	Strive and Celebrate
51–66	Monitor to Further Improve
34–50	Improve to Monitor
0–33	Focus to Improve

Social Impact: A Fresh Approach

Project 25 and the LHA Fund
Following the extensive review of the LHA fund carried out last year, 2024 was the first year of our revised approach. There were two significant changes to the way we allocate funds to grow our social impact.

Project 25
For some time, we've been aware of the particular challenges faced by young people (under the age of 35) experiencing single-person homelessness–both through the limitations imposed on them due to the benefits cap and the maximum housing allowance they are able to claim and the severe lack of move-on accommodation once individuals complete a period in supported accommodation and are ready for independent living.

Project 25 sees LHA provide a ring-fenced fund (£100,000 in 2024) for us to provide subsidised accommodation in our hostels. Utilising the fund means we are able to offer accommodation at Local Housing Allowance; rates to young people for up to a year's transitionary support into long-term, private sector housing.

As part of our refreshed approach to Project 25 we agreed on a working arrangement with two existing LHA fund grantees, New Horizons Youth Centre, and St Mary Le Bow. The objective was to initially offer 10 en-suite rooms at our Torquay House site. LHA also covers the cost of two rooms that NHYC currently rents from St Mary Le Bow for the same purpose. As part of the arrangement, NHYC provides wrap-around support to all of the young people benefiting from the project.

We welcomed the first young person to Torquay House in April 2024, and by the end of September 2024, three young people were living at Torquay House as part of the program. (You can read a case study from one of the beneficiaries on page 11.)

Whilst it is still early days, we recognise the unique opportunity we have to grow the scheme and support even more young people, as such, following a review of LHA's strategic plan, we have made a commitment to rename the programme 'Project 150', and, in recognition, the LHA fund will further increase its social impact from the financial year 2027–28 with up to £1m of annual weekly fee support for vulnerable young people referred by suitable London charities'.



The LHA Fund
2024 saw a marked change in the LHA fund strategy, with the aim of providing larger, multi-year grants to a smaller number of organisations. Building on successful funding relationships developed over several previous years, we invited applications from organisations for a grant of up to £70k per annum for a period of three years. The criteria for grant awards were refocused on established charities working with young people with housing needs in London.

Following the application process, we were delighted to be able to award grants to:

1. Albert Kenedy Trust
www.akt.org.uk

AKT is a charity with a strong track record in addressing the specific needs of young LGBTQ+ people with housing difficulties. The grant award will be used to support their caseworker team.

2. Cardinal Hume Centre
www.cardinalhumecentre.org.uk

Cardinal Hume Centre is a charity with a strong track record in working with young people whose complex needs mean they require long-term targeted support to move towards independent living. The grant award will be used to contribute to the wrap-around support they provide at their centre.

3. Women & Girls Network
www.wgn.org.uk

Women & Girls Network is a charity that provides targeted, specialist support to young women whilst working at a more systematic level to influence change beyond their immediate support offer. The grant award will be used to employ a specialist 'Housing Champion' within their advocacy and advice service as well as to provide small financial contributions to support individual young women with expenses related to setting up a new home.

At the time of writing, a full year of funding has not yet been completed; however, you can see case studies from each of the LHA fund charities on pages 10 and 11.

Maximising our social impact

Social impact score

73

Under 30s

57% (+5%)

> Overall great value for money. It's easy and effortless to live here, taking a lot of stress off. Communication from the team is fantastic. Very quiet and peaceful.
> **Anonymous Resident**

LHA Fund

Cardinal Hume Centre
Each Person Matters

Cardinal Hume Centre works with homeless young people in Westminster to break the cycle of poverty and support the transition to long-term, independent living. The young people they work with have lived experiences that have led them to need extra support and care to be ready to move on. Their hostel is home to 44 homeless young people aged 16–25.

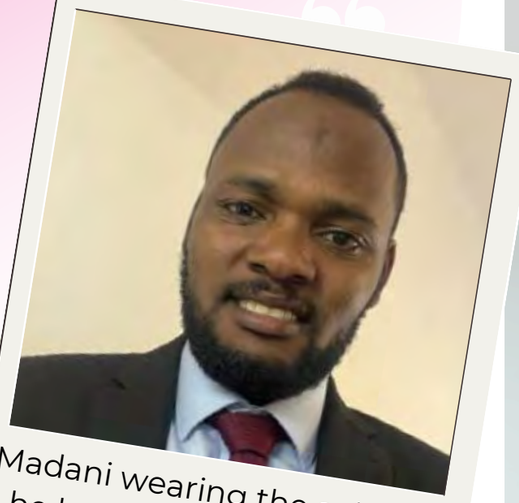
Madani's story
Madani has been living in our supported accommodation for a year, having arrived in the UK as a political refugee.

'My name is Madani. I am 21 years old and I have been living at the Cardinal Hume Centre for just over a year. I am originally from Chad, but when I was 14, I had to leave the country due to political issues. It was not safe for me to stay there, so I had to flee and try to find a better life.

I arrived in England when I was 17 and did not know anyone or how to speak the language. I found it really hard to communicate with anyone and could not explain my situation to anyone. I was alone. I was put into a hostel by the council, but when I turned 18, I was too old to stay there, so they needed to find somewhere else for me to live.

I was told about the Centre by my social worker, who helped me to get a place here. When I arrived, I felt like I was safe – I was really happy. I really like the diversity here. It is good to meet new people, speak with people from around the world and keep practising my English.

Since living here, I have been helped by Carla in the Employment and Learning team to look for work. I really wanted to get a job, but I needed help to write my application and practice for interview questions. She helped me in every way she could to make sure that I was ready. I went to sessions for interview techniques, and this was so helpful.



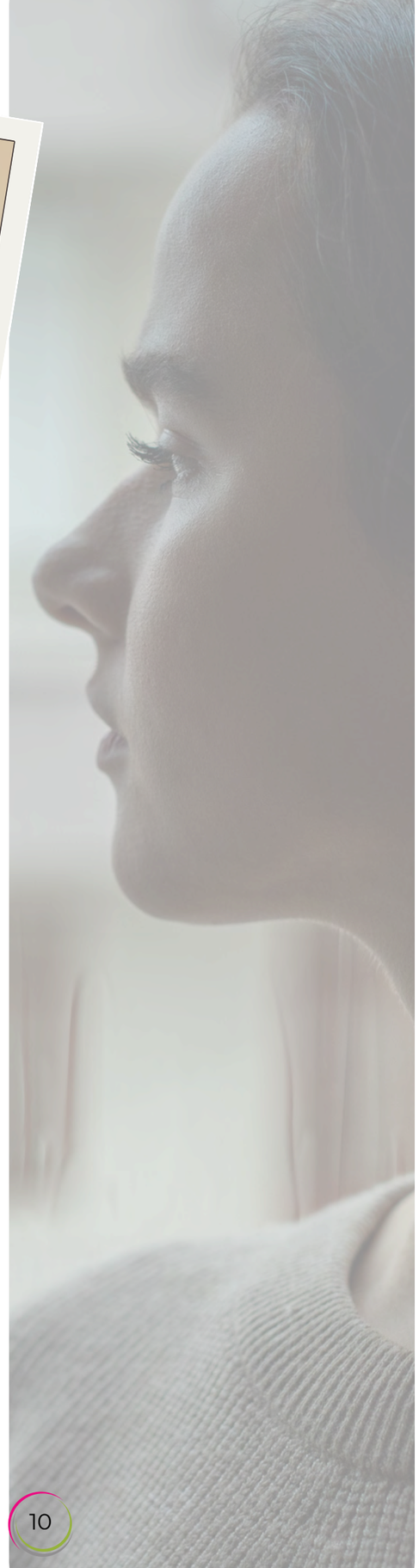
Madani wearing the suit that he bought for his interview

She also gave me a voucher so that I could buy myself a suit that I could wear to the interview. I felt really smart and confident wearing it, and when I turned up for my interview, they said I looked professional and ready for the job; that felt really good to hear.

I was really nervous to do the interview because it was the first one in my life and I was anxious about speaking English, but it went really well , and I got the job! Because of this, I also feel confident that, in the future, when I look for any other jobs, I will be more prepared and less nervous.

I have done my training, and now I am ready to start the role. I am looking forward to being able to meet new people and speak in English with the customers. It is really good for me.

I am hopeful for the future. I want to keep practising my English, get my own flat and do things such as work, pay my taxes and bills. I want to feel like I am a part of real life. Step by step, things are getting better, and my life has changed so much. For anyone that is struggling like I was, I would say to them to just keep going, keep trying. Nothing is impossible, and everyone has dreams that they deserve to achieve. That is how I feel now.'



akt

LHA is a long-term funder of AKT. The new funding format provides AKT with £70,000 per annum over three years to support two caseworkers in London.

London is the busiest area for casework and live chat, accounting for 45% of all referrals. Of these referrals, 37% involve live chat.

Key Challenges in London:
- High number of rough sleepers: 11% of cases (87% had experienced rough sleeping)
- Disproportionate impact on BBPOC: 71% of all cases in London
- High levels of refugees and asylum seekers: 13% of all cases

Outcomes:
- Number of young people supported into safe and sustainable accommodation
- Number of LGBTQ+ young people experiencing improved mental health and self-worth
- Number of young people with improved access to education, employment or training

Current London Snapshot:
- 98 actions on education and employment
- 227 actions on health, disability and neurodivergence
- 47 young people housed
- 34 emergency cases
- 24 long-term cases

Examples of Support:
- Emergency packs: Covering essentials such as electricity, gas, travel, food and shelter
- Rainbow packs: Providing financial help with deposits, home items and moving costs
- Independent living funds: Supporting education, training and employment

Case Study:
B contacted AKT in mid-December 2023 after being evicted from her home office accommodation due to her accepted asylum claim. AKT provided emergency accommodation and supermarket vouchers and advocated for temporary accommodation through the local authority. AKT is working towards securing long-term, LGBTQ+-supported accommodation for B.

Quote from B:
'AKT has been my guiding light through the darkest of times. From securing shelter to providing sustenance, they stood by me every step, offering not just accommodation and food but unwavering support and compassion. Their dedication to helping homeless LGBTQ+ individuals like myself is a testament to their remarkable ethos and the profound impact of their work. I am forever grateful for their kindness and unwavering commitment to ensuring that no one is left behind.'

LHA Fund

Women & Girls Network UK is a free service that supports women and girls in London who have been affected by all forms of violence and abuse. They provide a range of services, including advice and information, advocacy, practical support, casework, and specialised support for young women. Their goal is to empower survivors and help them heal and rebuild their lives.

The rising cost of living presents significant challenges for survivors of domestic abuse, particularly in accessing essential services. Key issues include:

- Transportation: Survivors often struggle to afford transportation to support services, limiting their engagement. The service has explored partnerships with TfL and a social media campaign to provide pre-loaded Oyster cards to clients.

- Housing: The housing crisis exacerbates challenges for survivors seeking safe housing. Demand for refuge spaces has increased, and temporary accommodation options are often insufficient. Administrative hurdles, such as excessive documentation, can delay access to housing.

- Housing Support: Not all housing associations have clear policies regarding domestic abuse or participate in housing reciprocal agreements. Caseworkers have actively engaged with housing providers to advocate for survivors and expedite housing processes.

Despite these challenges, the team's dedication has resulted in positive outcomes, including securing refuge placements and supported accommodations for clients.

Client A: Case Study

Client A was a survivor of rape, sexual violence, and domestic abuse and was at risk of cuckooing and exploitation. She was an incredibly vulnerable adult who was at risk of exploitation from multiple perpetrators in her life and experienced disassociation that caused her to not see dangers or red flags from a network of men in her life.

She had a history of domestic and sexual violence from multiple perpetrators and struggled to live alone or protect herself from harm or exploitation due to the impact of a long history of trauma in her life.

Client A was Black British, heterosexual, 20 and diagnosed with complex PTSD, depression and anxiety and experienced low mood, recurrent self-harm and suicidal ideation.

The caseworker completed advocacy work when client A was facing eviction from her temporary accommodation; advocated with mental health services to ensure she kept the support of a care coordinator after her move to accommodation to ensure her mental health was being overseen; represented her at a Multi-Agency Risk Assessment Conference; they attended strategy meetings and advocated with children services to ensure they understood the impact the dad's continued controlling behaviour had on client A; completed three safeguarding referrals based on internal risk disclosures; completed grant applications and secured for the client a new bed after she moved into new accommodation with no furniture; and delivered sessions on safety planning, emotional support and violence against women and girls awareness raising.

Other agencies involved were client A's mental health care coordinator, her child's social worker, Abianda (caseworker overseeing risk of cuckooing and exploitation) and her GP.

Client A displayed a marked improvement in understanding her experiences of VAWG and was able to recognise red flags in certain friendships and romantic relationships that were present in her life. She was able to stand up for herself in professional child-in-need meetings and express her need to have contact with her son. Client A said she regularly looked at resources provided by the caseworker, used the journal provided to keep track of notes/actions and was able to enact her boundaries in situations that made her feel uncomfortable, unsafe or upset.

Project 25

Project 25 is a significant opportunity for young people who need both affordable housing and a solid support system as a stepping stone towards full independence. For many young people, finding a place to live that is both affordable and supportive can be a significant barrier, especially when transitioning from homelessness, hostel environments or unstable housing situations.

Project 25 provides young people with a valuable chance to transition into independent living while having access to affordable housing and ongoing support. With reduced rent and floating support, it helps residents manage the responsibilities of independent living while still receiving guidance and resources to support their journey to independence.

Floating support can be scaled up or down depending on each person's progress, which allows young people to build essential skills such as managing finances, finding employment or developing their life skills at a pace suited to their unique needs and goals. This flexibility is particularly empowering for young people, as it fosters both confidence and self-reliance without the immediate full weight of independent living. As they progress, residents can become more self-sufficient while knowing that support is readily available when needed.

Reduced rent is another crucial aspect of this model, as it provides young people with the chance to access and sustain housing while also creating an opportunity to save for their future independence. By lowering the financial burden of rent, residents can focus on building stability in other areas of their lives, such as employment, education or training. This affordability also allows them to allocate funds towards essentials such as savings, which can later support deposits towards PRS.

Mitigated deposit and reduced rent also reduce the immediate pressure to meet high housing costs, giving them space to develop their skills, confidence, and long-term plans. In essence, reduced rent not only ensures housing is accessible and sustainable in the short term but also plays a critical role in enabling young people to work towards lasting independence.

Camran's story

Camran's story underscores the vital role that programmes such as Project 25 play in addressing youth homelessness and providing pathways to stability. Camran experienced homelessness after a family breakdown – which is a stark reality for many young people, leaving them in a vulnerable position during a formative and critical stage of life.

Camran had an unsettled childhood, spending time in care until he moved in with his grandmother; however, her passing marked a significant loss and a turning point in his life. Following this, Camran's father took custody, as his mother struggled with substance addiction, but despite his father's efforts, housing could not be sustained, leaving Camran in a precarious situation and resulting in the family breakdown.

Family breakdowns disrupt not only housing but also emotional and financial stability, often creating a cycle of uncertainty and hardship. Camran continues to struggle with PTSD, but he manages this extremely well with support from specialist, wrap-around services.

When Camran was first assessed and accessed Project 25, he was in full-time employment; however, he unfortunately lost this job quickly after moving in, and his floating support worker stepped in to help. Camran was able to secure a new role extremely quickly and was provided with assistance for his first month's rent in advance, which ensured his housing remained stable while he navigated the uncertainty of changing jobs. This support not only alleviated immediate financial pressures but also gave him the breathing space needed to focus on securing and settling into his new role.

St Mary le Bow's primary focus is on supporting young homeless people by providing safe accommodations in flats and offering support services to help them transition into independent living and secure employment.

'St Mary le Bow has been receiving generous support from the LHA for many years. This funding has been instrumental in providing housing for young homeless individuals in flats acquired from the Peabody Trust. The charity assists young people in various ways, including job preparation, life skills training and financial management.

One of our notable initiatives is an apprenticeship programme with Pret a Manger, which offers young people the opportunity to gain valuable work experience and potentially secure permanent employment. The LHA's recent grant covers rent expenses, which has significantly alleviated the financial burden on the charity, enabling them to focus on providing essential support services to the young people they serve. St Mary le Bow expresses gratitude for the LHA's ongoing support and encouragement.'

Valuing our Employees





In 2023, we were over the moon to achieve an employee engagement score of 77, which exceeded both targets and expectations. We are blown away to be able to report that in 2024, our engagement score further improved, with a score of 80 achieved. Key areas of focus during the year included:

- The implementation and launch of the Employee Forum.
- Development of our EDI strategy
- Improving the quality of employee one-to-ones and performance reviews
- Digital recognition through our employee 'Thank You Badge' programme linked to our people values

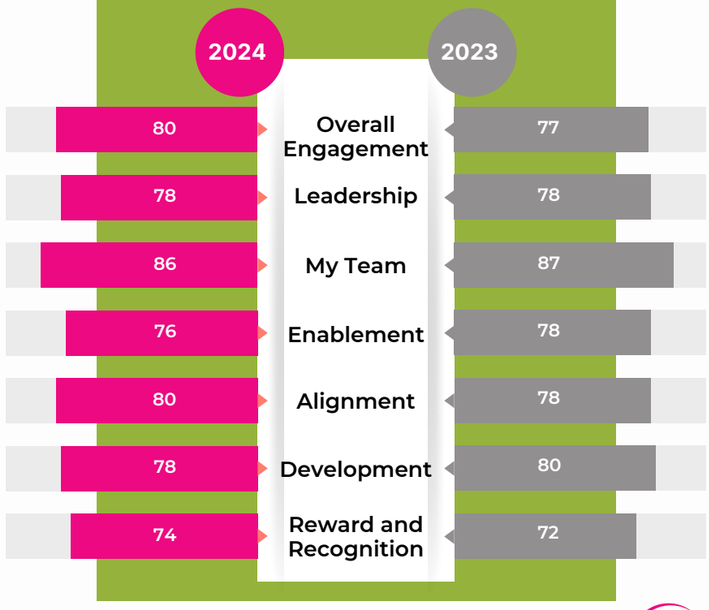
We know it's a cliché, but our teams really are our greatest asset, and without them, we wouldn't be able to deliver the amazing social impact that we do; the continued improvement in employee engagement in the context of still believing there is more we can do gives us huge confidence in the path we are on.

Our Executive Management teams consist of the CEO, the Finance Director, the Director of Estates and the Director of Operations and HR. They bring a wealth of experience and knowledge to their roles. They live and breathe our values and support the charity, their teams and everyone at LHA.

Empowering our people and teams

Employee engagement score

80



A charity dedicated to providing affordable accommodation for students and young workers in London. We are making a tremendous difference in the lives of many. Our mission is both admirable and essential, and it's thanks to the dedication and hard work of our teams that we can continue delivering on this mission.

We are an inclusive and fair organisation.

What our employees think about working for LHA

LHA is extremely supportive, and working here is a learning experience. The volunteer scheme has so much to offer.

A nice working environment

LHA People Values

Our people values are at the heart of everything we do and critical to the continued growth and success of LHA.

Supportive

We encourage ourselves and those around us to overcome challenges.

Passionate

We are passionate about delivering an exceptional resident experience.

Professional

We take ownership when we should.

Welcoming

We act with integrity in everything we do.

Open and Honest

We are open to all and believe everyone should be able to express their views.

Knowledgeable

We take pride in our expertise.

Valuing Our Volunteers

Volunteer engagement score
91 (+2)



Volunteering at LHA London is not only an important part of us keeping the cost of accommodations affordable but also a huge part of our social impact.

During the year, 1,233 individuals donated over 198,000 hours of their time to LHA, and during the year, close to 70,800 overnight stays were recorded.

The volunteer scheme offers opportunities to people from around the globe; individuals from 72 different nationalities participated in the scheme during the year. Volunteers stay with us for between 30 days and two years.

We are delighted to report the volunteer engagement score has risen from 89 in 2023 to 90 in 2024.

This was a direct result of the additional focus placed on supporting hostel teams and volunteers through the volunteer lead role, alongside the ongoing streamlining of processes and procedures utilising our CRM. Additionally, we made improvements to volunteer recognition.

As part of our annual Social Impact Survey, we asked all volunteers the same questions as we did our residents, and across all indices, a greater level of social impact was noted, re-enforcing the importance of the volunteer scheme to us meeting our charitable objectives.

Of course, as well as making London more accessible to young people, they are also able to gain experience and develop skills through the scheme; 92% of participants feel that the volunteering experience has been valuable to their professional development, and 100% of participants feel they have improved on skills and expertise in hospitality as a result of their volunteering experience.

We asked volunteers specially about which other skills they felt had improved as a result of their participation; positive improvements were recorded across all of the categories.

2023–24 Outcomes



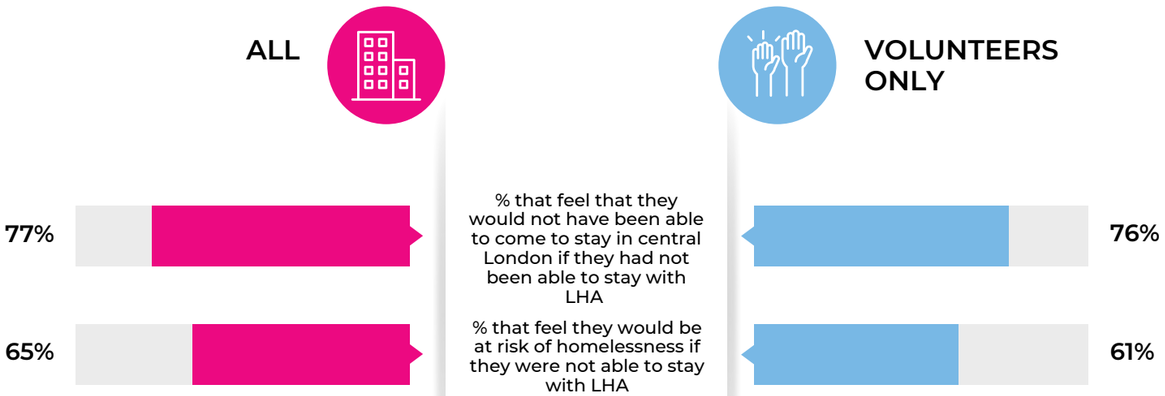
2023–24 Outcomes



2023–24 Impacts



Enabling sustainable livelihood for youths, homeless people and other groups living in London



Building a Sustainable Future

This year, LHA has continued its asset investment programme by improving its existing buildings whilst at the same time expanding its portfolio.

This aligns with LHA's mission to expand its offering for students and working people of limited means and with the objective to increase the bedspace provision by 425 by 2028. The new accommodation offers en-suite rooms and communal facilities inside and externally and provides a fully catered service to all guests.

The new site at Paddington provides excellent private and communal space where guests can study and make new connections and provides a centrally located base for young people to live their lives in the capital. These new beds are subject to LHA's loyalty scheme that allows young people to receive an up to 15% discount on their accommodation – making it even more affordable – and LHA further supports young people at the building through its volunteering scheme.

This expansion of the portfolio has been coupled with an extensive internal refurbishment of the existing Railton House accommodation, which has seen all bedrooms being totally refreshed – including new furniture and flooring, new washing facilities and the refurbishment of the communal areas and kitchens to ensure that our guests have the very best experience during their stay.

In addition to this, Railton will be the subject of an external decorations programme in this coming year, meaning that the building will have been refreshed both internally and externally over an 18-month period.

This year has also seen success in other ways, with LHA securing planning permission for the expansion of its Friendship House Hostel in Southwark. This project– which is being undertaken in partnership with Apex Airspace and designed by Todd Architects – will utilise modern methods of construction to expand the hostel upwards by building a rooftop extension. The new extension will provide an additional 62 en-suite bedrooms, shared kitchens and communal space with the creation of an internal 'Sky Room' on the sixth floor.

This lounge space, which will be connected to one of the new kitchens and benefit from great views over the rooftops towards the city and to the Shard, will be additional to the outside space, large study area and gymnasium, which are already in situ on the ground floor of the building.

The new element will retain the original building's architectural language, forming a singular building (rather than separating new from old), retaining the dynamism of the original award-winning design and melding seamlessly with the original. The use of modular construction has various benefits, minimising the disruption for LHA's existing guests and its neighbours. It will also allow a greater degree of quality control during the construction and remove a great deal of the noisy and disruptive work from site. The project will commence this financial year and complete in 2026.

These planned and completed additions to our existing bedspace provision total almost 200 and contribute to LHA's objective of 425 additional beds by 2028. In addition to this, LHA continues to look for new opportunities to expand its portfolios through acquisitions, partnership and new-build opportunities. As well as improving LHA's social impact and meeting its charitable objectives through the provision of additional bedspaces for its charitable cohort, these new beds also create additional income for the charity.

Every penny of surplus LHA makes is used to support broader objectives, including the LHA fund, which provides significant grant funding to small charities with similar objectives, and contributes funding for the improvement of the existing portfolio and its growth through new acquisitions.

The external works programme this year encompassed external refurbishment of four buildings: Newington Court, Belvedere Annex, Belsize House and its Annex building.

These external improvements encompassed cleaning, repairs, and redecorations of all four buildings, ensuring our assets remain clean and well maintained and that our residents feel a sense of belonging and attachment to their residences. They also make certain that our buildings continue to have a positive impact on the local areas in which they are situated. LHA continues to target external redecoration for its buildings every seven years to ensure that they maintain their condition and appearance and make a positive impact on local neighbourhoods.

Building a sustainable future

£ Income

£17.1 M

Carbon footprint

825 tonnes

Additional beds

104

Total beds: 2,048



> I believe I'm a really easy-going person, so for me, everything was perfect. The volunteers' accommodation is the best, and the allowance for food is perfect. I would say to come with mind and heart open to have a full experience not only in the job but also with the other volunteers. I really enjoyed my time here and definitely would come back if possible. Franco and Jorge, they are the kindest people that Davies could have; thank you so much for everything.
>
> **Ana – Volunteer**

Sustainability Strategy

Sustainability is one of LHA's key focuses, particularly in regard to its property portfolio. LHA is very aware of the government's target to achieve carbon neutrality by 2050 and is working with Carbon Neutral Britain to define its carbon footprint and achieve carbon neutrality and set its reduction targets. The reductions will initially be through a series of measures comprising the use of carbon credits to offset its current carbon impact whilst making physical and operational interventions to reduce that footprint and the use of credits over time.



In terms of LHA's asset base, the actions taken over the last few years mean that none of the existing hostels has an EPC rating lower than C. More positively, 68% of our hostels achieve a B rating. This has been achieved through environmentally conscious investments in M&E and targeted interventions such as operational measures to improve how the buildings are run and managed and the installation of energy efficient lighting, aerated showers and taps and draft-proofing.

Over the last year, LHA has gained a clear picture of the performance of its stock, which allows it to plan and target interventions. LHA shall concentrate on improving the performance of those buildings that perform the least well, as well as completing any 'easy wins' in all building, that may not yet have been undertaken. This year, LHA will complete its assessment of how, where and over what period its environmental asset improvements can be made. In anticipation of this programme coming forward and to enable it to happen, a significant allowance in the five-year plan to fund the measures deemed necessary has been made.

When major refurbishments are required over the medium to long term, a fabric-first approach – combined with M&E interventions – will be taken to ensure LHA is improving the energy performance of its building and hence reducing its energy usage overall, which is the best way to reduce the carbon footprint of the buildings.

Moreover, when planning existing capital works, energy efficiency is always a key consideration for LHA when agreeing on any measures taken. In the coming financial year, for example, LHA has a series of mechanical and electrical works in its capital programme and is working with advisors to ensure the solutions are sustainable. This will encompass the installation of pressure-controlled variable-speed ventilation at one of its buildings, which uses far less energy than fixed-speed extraction. The installation of hydrogen-ready boilers or other more sustainable alternatives to existing gas boilers will also be part of that M&E programme. Further to this, the rooftop extension planned at Friendship House will have a variety of environmentally sustainable features incorporated into it. These include the provision of a green wall at the ground floor, an expansion of the bicycling storage space for both new and existing residents and a green roof and photovoltaic panels to further improve the sustainability of the building.



Taking Pride in Every Hostel

We have focused and will continue to focus on meeting and exceeding the needs and expectations of our residents.

2024 saw us achieve our highest-ever NPS score of 40, an increase from 34 in 2023 and 29 in 2022. This was achieved through a combination of property improvements and investment as well as working closely with our teams to provide more real-time insight into satisfaction levels to allow them to focus on consistency and the small things that make a big difference. We're acutely aware that we still have lots of areas where we can further improve and so remain confident we can continue to drive this to sector-leading levels.

A key highlight of the year was the expansion of Railton House with the acquisition of our Paddington site. This expansion of the portfolio has been coupled with an extensive internal refurbishment of the existing Railton House accommodation, which has seen all bedrooms being totally refreshed – including new furniture and flooring, new washing facilities and the refurbishment of the communal areas and kitchens to ensure that our guests have the very best experience during their stay.

Our work to boost the potential of the existing portfolio continues. In the 2024–25 financial year, the capital works programme includes improvement works to our Belvedere House hostel. The works will provide upgraded shared kitchen facilities and redecoration and improvements to rooms. This follows the extensive works to the external decorations and complete refresh of the shower and toilet facilities completed in the current financial year.

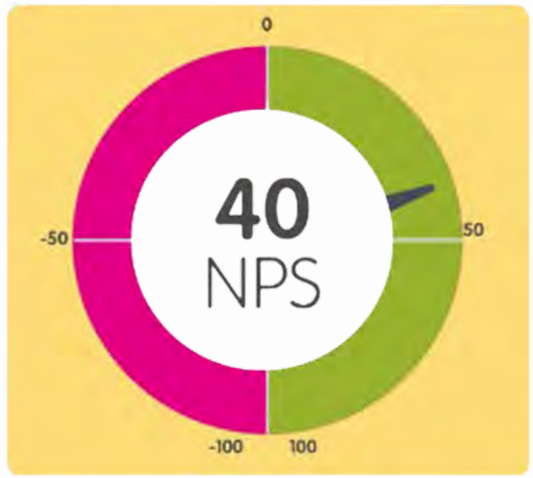
Taking pride in every hostel

Compliance

91% (+1%)

Net promoter score

40 (+6)



> I would like to express my deepest gratitude for the warm recognition and kind words I received. It is a privilege and a joy to contribute my time and skills to such a dedicated and inspiring organisation as LHA.
> I am truly honoured by the LHA Special Thank You Badge and very grateful for the gesture of recognition. This kind of appreciation strengthens my commitment and enthusiasm to continue giving my best in every opportunity.
>
> **Paulo – Volunteer**

Our Equality, Diversity and Inclusion Statement

LHA London Ltd. is committed to creating a welcoming and inclusive environment for all residents, staff and stakeholders. We recognise that diversity is one of our greatest strengths, and we strive to ensure that everyone feels valued, respected and supported, regardless of their background or identity.

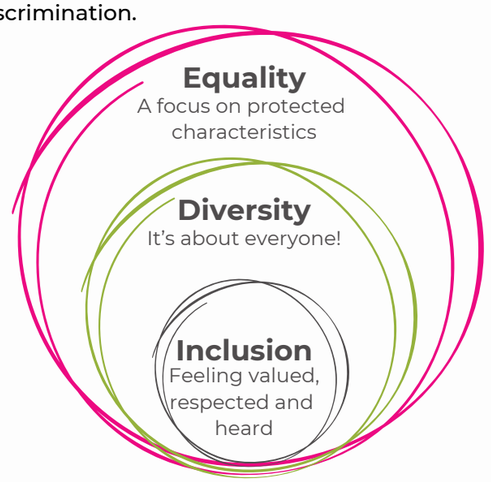
Equality, diversity and inclusion are at the very heart of what we do and central to the social impact that we deliver and the outcomes we strive to achieve.

Our Social Impact – 'Accommodation young people can afford makes central London more accessible to all young people, sustains diverse communities and enables sustainable livelihoods.'

Our Outcomes – 'Through our places, programmes and activities, we create environments where people gain new experiences, foster friendships with one another, improve their wellbeing and develop a sense of belonging.'

Underpinned by our 'People Values', we are guided in everything we do and recognise that being a diverse and inclusive employer that is representative of our society helps our purpose to provide accommodation that is safe, secure and affordable. We will continue to recruit, develop and retain the most talented people.

We seek to work in partnership with our residents, volunteers, staff and stakeholders to create and deliver services that meet their needs and offer value for money. We work within the spirit and the practice of the Equality Act 2010 by promoting a culture of respect and dignity whilst actively challenging discrimination.



We will continue to support our board and committee members, leaders, managers and employees to demonstrate the principles of equality, diversity and inclusion in their everyday activities, roles and functions.

During 2024, we further developed our EDI strategy, which is built on the principles of fairness, respect and opportunity. It is designed to promote equality, celebrate diversity and foster an inclusive culture where everyone can thrive. This strategy outlines our commitments, objectives and actions to embed EDI in all aspects of our organisation.

We established an EDI steering group made up of trustees, members of the executive team and senior managers as well as developing our employee forum made up of a diverse group of employees from all levels of the charity to help shape our approach to EDI.

We significantly improved our diversity and inclusion monitoring, which has allowed us to better understand where we perform well and identify areas where we want to improve. We have established an annual planning process that allows us to both monitor and track the results of our plan.

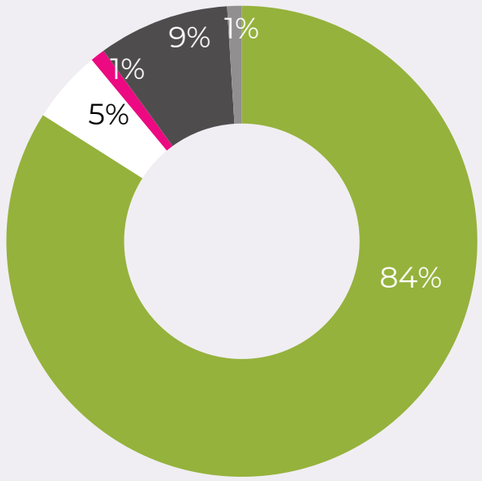
In 2024, we have made positive progress against all of the goals we set, and in 2025, we will focus on:

- A resident-focused approach to EDI
- Addressing areas where diversity is not as strong as it could be in certain beneficiary groups
- Improving the sense of belonging amongst residents, volunteers, trustees and employees
- Establishing a route for beneficiaries to feed into decision making

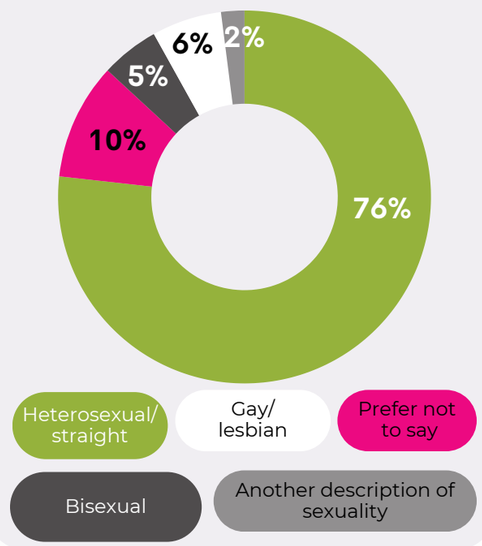
We continue to be humbled by the positive feedback we receive for providing inclusive environments but remain driven by the desire to do more and to continuously improve.

Exploring Resident Diversity at LHA

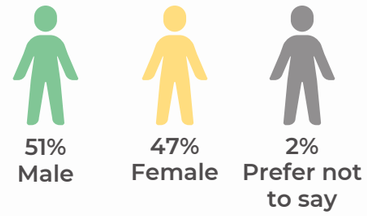
Marital Status



Sexual Orientation



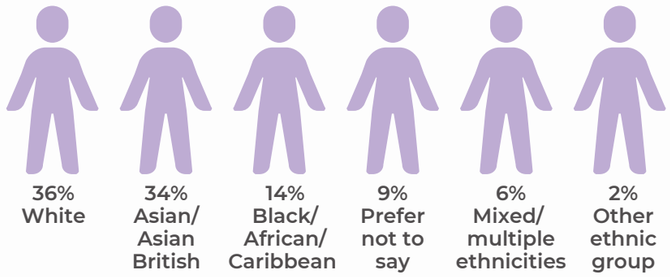
Gender



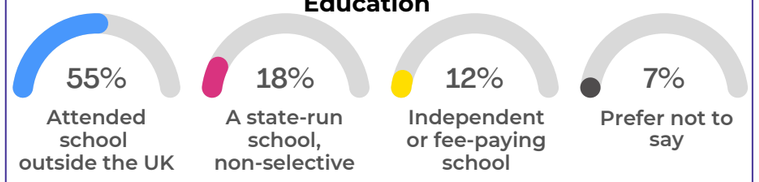
Religion



Ethnicity



Education



6% State-run or state-funded school, selective on academic, faith or other
2% Don't know
1% Independent or fee-paying school where I received a 90%+ means-tested bursary

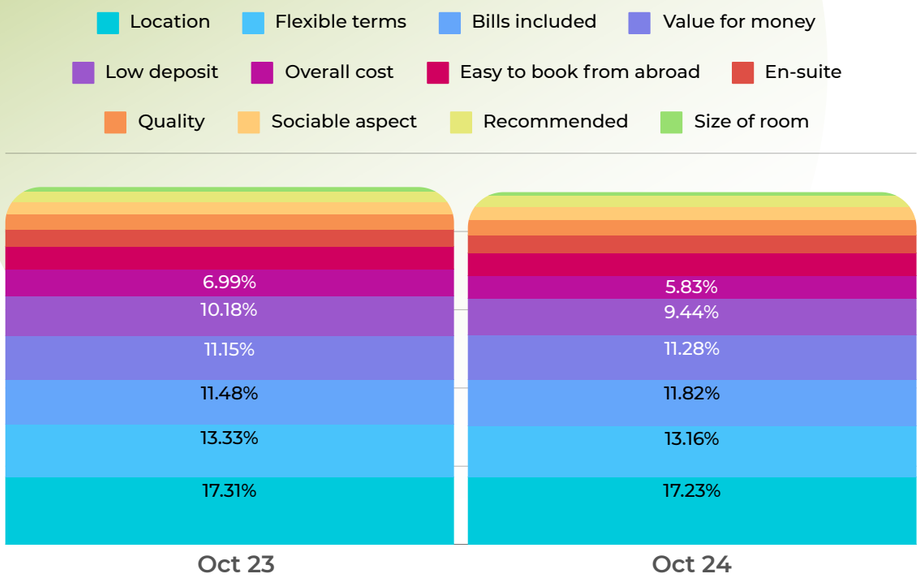
Staying at LHA

Over 8,000 individuals benefited from a stay with LHA in 2023–24; a total of over 600,000 overnight stays were recorded.

Despite the addition of over 100 additional beds through the expansion of our Railton House property, once again, we saw demand for our services far outstrip supply, with over 16,000 unique enquiries for accommodation received. Our ambition to acquire new sites and to increase the number, affordability and range of facilities on offer to beneficiaries, therefore, continues to be a priority as we head into 2025.

The reason for people choosing to stay with LHA continued to become more and more focused on the financial benefits of our offer, along with the flexibility we offer. Location remains the primary reason people choose to stay with us.

Reasons to choose LHA



Residents' work/study status remained similar to previous years, with approximately 25% of residents in full-time study, 45% in full-time work and the remainder working or studying part-time or both.

70% of residents working full-time earned the London Living Wage or less. 75% of residents in full-time study were either self-funded or in receipt of funding support to complete their study.

Prior to staying with LHA, thirty percent of residents were living with their parents' support; our aim is to provide a first stepping stone into independent living in London for young people. A further 60% were either renting privately or in student accommodation. For 5% of residents, we were their first step on their journey from rough sleeping to living in safe and secure accommodation.

LHA Rewards, our loyalty discount programme for young people aged under 30, which allows them to receive an up to 15% discount on their accommodation, went from strength to strength with over 1,500 young people benefiting from the scheme.


Annie and Leo

An interview with Annie and Leo from Bowden Court

How has your overall experience been staying in Bowden Court?
We moved in on 10 September 2024; in less than two months, we had a really nice experience. We found the team very helpful and attentive. Special mention to the House Manager, who has been regularly looking after us. In terms of people, everyone is super kind and friendly. It takes a simple hello to start the conversation and goes a long way.
It was not ordinary to see volunteers do housekeeping; we were surprised to see volunteers do that. We are very grateful for them because they help to keep the building clean and welcoming.

What do you love about the Bowden Court?
The location of Bowden Court was amazing; everything is close by, from TK Maxx and Westfield for shopping to aesthetic parks and cafes to explore. There are a lot of fun things to do around: long walks and pretty scenes.
I would also like to give a huge appreciation to the chef; he has been so good at his work, and we like his food; we truly enjoy his curries and dishes. We recommend that our friends come and try his food. We were not sure about catering; it was our first experience and glad it turned out well.

How is your room? Is there anything we can improve?
We are staying on the higher floors, where we can see the sun rise and amazing sunsets. We are lucky to have such views. The room is filled with sunlight. The room is easy to maintain, with two cupboards and drawers. The radiator and other items are arranged thoughtfully in the room to maximise space. We have both collectively invested some time to rearrange and clean the room to make it feel like home.

Are there any incidents you would like to specify about Bowden?
Yes, it would be regarding payments. The team was able to extend my payments for a couple of days. They showed empathy and understood my situation really well. This built my trust and confidence not only with the team and the Manager but also with the company. This could have happened over a series of emails, but talking to reception made it very easy to convey. The human element plays an important role in our conversations with the team and the residents. The volunteers also keep checking on us during every meal, which makes us feel valued and important.

Are there any suggestions on how we can improve the services we provide in Bowden Court?
Everything in Bowden Court is really amazing, from the food to the team being very helpful. The introduction of clubs (walking, reading to get residents to interact more) with regular interaction on activities from staff would be great.



Trustees' Review and Strategic Report

The trustees, who are also directors of the charity for the purpose of the Companies Act, submit their annual report with the balance sheet for the company on 30 September 2024 and the statement of financial activities for the year ending on that date, approved by the Board of Trustees, on 25 February 2025. The charity is governed by its Memorandum and Articles of Association. The charity is managed by Trustees who meet formally five times a year.

Trustees and Members
The trustees and co-oped members who served during the year are named on page 3 of this report. Additional or replacement trustees are appointed by the remaining trustees. Insurance against trustees' and officers' liabilities in relation to the charity were maintained during the year 2023/2024, as cited in the Memorandum and Articles of Association, Para 60 (1).

Strategic Report
The charity achieved surplus net incoming resources before transfers of £7,753,530 (2023; £6,723,067), which is approx. £115,000 over budget. There was increased income and lower repair costs during the year but a loss of over £400,000 of expected interest due to a property purchase.
There was a spend of £896,141 (2023; £950,004) on repairs and maintenance.
Donations of £260,540 (2023; £347,800) were made during the year.

Investments
Barclays Wealth and HSBC were the managers of the charity's investment portfolio. However, no investments have been held during the year with the exception of Fixed Term Deposits of cash with Barclays and Handelsbanken.

Fixed Assets
We are pleased to provide an overview of the significant capital works completed during the financial year, demonstrating our commitment to enhancing our facilities and ensuring the continued wellbeing of our residents. The following key projects were undertaken, showcasing our dedication to maintaining and improving our housing properties:

1 Refurbishment Projects:
- The toilets and showers at Belvedere House have been upgraded as well as carpets in the corridors at a cost of just under £220,000.
- A full refurbishment at Railton House started during the year, with a capital spend of £493,320 and a remaining spend in the 2024/25 budget of £211,485.

2 Electrical Works:
- Completed at Davies House at a cost of £61,655; the majority of sites were completed in 2022/23. These are enhancements to electrical infrastructure for improved safety and efficiency.

3 Plant Room Renovation:
- A new water heater and flue at Friendship House was purchased at a cost of £48,359 during the year.
- The upgrade to the plant room and control panel at New Mansion started in August 2024, with £69,600 spent out of a total of £198,920, with the project being completed in 2024/25.

4 New Site:
- The purchase of a new site was completed in April 2024 at a purchase cost of £23,000,000, with additional purchase costs of £207,629 and some capital improvements, including kitchen works of £143,917. The site is next door to Railton, so it is operationally being run as one site with both a catered offering as well as the existing self-catering option.

5 Underspend on Capital Works:
- Some items have been moved to the 2024/25 budget.
- The main underspend was the roof project at Friendship House, which had been included in the budget with an estimated spend of £5,800,000, but planning delays meant that this project will now start in early January 2025.

These capital works not only enhance the quality of our housing accommodation but also represent a strategic investment in the wellbeing and satisfaction of our residents. We look forward to continuing these efforts in the upcoming budget year, ensuring that our properties remain safe, comfortable and equipped to meet the evolving needs of our community.

Payment Policy
It is the charity's policy to pay creditors in accordance with contracted terms, normally within 30 days.

Results
The net movement in funds during the year was a surplus of £8,285,530 compared with the previous year's surplus of £6,723,067. There was an actuarial loss of £207,000 on the pension scheme. There was no adjustment to the property values last year, but a formal valuation by Colliers took place in September 2024, resulting in a revaluation deficit of £4,890,875.

Reserves
As of 30 September 2024, charitable funds stand at £21,253,945 and designated funds at £268,918,124. Within designated funds, there is a fixed asset reserve of £268,918,124, which represents the net book value of the fixed assets. All other reserves are available to maintain and develop the future work of the charity and are considered adequate by the trustees for these purposes. The reserves in the profit and loss account of LHA Services Ltd (LHAS), the subsidiary company, were £338,316 as of 30 September 2024 compared to £180,154 in 2023.

As a charity, LHA is obliged by the Charities Commission to set a policy on reserves, and this establishes a level that is appropriate for LHA for the year. LHA's reserve policy is set to adequately support the continuation of the charity's current activity and future capital expenditure. The charity's aim is to monitor the reserves policy throughout the year through the budgetary process and to review the reserves policy to ensure it meets LHA's changing needs and circumstances.

Our reserves policy is reviewed annually when we review our sources of income and balance the impact of future plans, commitments, our pension schemes and any management of financial risk involved. LHA's target reserve level is set at six months' working capital, which currently stands at approximately £4.8m. Our current reserve levels are higher than this because we will be starting a major project in early 2025. A roof extension at Friendship House has gained planning permission in 2024, and construction works are planned in early 2025, with 62 additional beds completed in summer 2026. In addition, the higher reserves figure supports LHA actively looking for other opportunities like the Paddington site purchased during the year at a cost of £23m.

Trustees' Review and Strategic Report

Risk Management

The trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining adequate resources, combined with conducting an annual review of the control of key financial systems, will enable the charity to cope with any future adverse conditions. The trustees reviewed the annual risk matrix in September 2024. The trustees have also examined other business operation risks faced by the charity and confirmed they have established systems to mitigate significant threats. The Finance Audit and Risk (FAR) Committee reviews and updates the Trustee Board as necessary and has identified the following as the highest risks:

- The economic and political environment presents a challenging outlook characterised by pressures on margins and a diminishing scope for strategic planning. Factors such as political and regulatory changes add an additional layer of complexity, potentially impacting costs and sustainability initiatives. In response to these challenges, there is an increased emphasis on profit and loss reviews, with a focus on forecasting. The Board and EMT closely monitor these aspects with the financial director, who provides regular reports to the FAR Committee. This heightened scrutiny reflects a commitment to maintaining stability in the face of economic and political uncertainties.

- Ensuring statutory compliance across assets, operations and the workplace, particularly by focusing on safeguarding and security, is a multifaceted task. The organisation faces potential legal challenges, claims and financial losses associated with injuries, damages and other unforeseen events. To mitigate these risks, there is an ongoing review and update of policy documents and management processes. Attention is given to maintaining up-to-date H&S policies, implementing reporting procedures and conducting regular assessments overseen by the H&S Committee and monitored by the FAR Committee. Fire prevention and management controls include annual fire risk assessments, testing of disaster recovery plans and certification of fire appliances. Specific concerns, such as fire safety in Friendship House and Davies House and the potential significant capital expenditure associated with cladding renewal, are addressed through ongoing evaluations. Regular reporting from the POPC committee ensures transparency, and Board presentations include up-to-date H&S and fire assessments, affirming the commitment to maintaining statutory compliance and preventive maintenance schedules.

LHA Services Limited for 2023/24

LHA Services Ltd (LHAS), wholly owned by the charity and acting under a licence and agreement signed in 1991, fills casual room vacancies, particularly during holiday times and between long-term bookings.
LHAS has a taxable trading surplus and, in accordance with the covenant signed on 1 October 1997, an amount of £174,442 is to be transferred to the charity in 2024/25.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statements of Recommended Practice.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charitable company will not continue in business.

The trustees are responsible for keeping 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 2006. They are also responsible for safeguarding the assets of the charitable company and the group and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware.
The trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By Order of the Board



Tony Perkins
Company Secretary
25 February 2025

LHA London Limited Independent auditor's report to the members of LHA London Limited

Opinion
We have audited the financial statements of LHA London Limited (the 'parent charitable company') and its subsidiary LHA Services Limited (the 'group') for the year ended 30 September 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, the Consolidated Statement of Cash Flows 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 group's and the parent charitable company's affairs as at 30 September 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 the audit:
- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 4, 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

LHA London Limited
Independent auditor's report to the members of LHA London Limited

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011 and 2022, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:



Roger Ogden (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP,
Statutory Auditor
4 Victoria Square, St Albans, AL1 3TF
Date:
07/03/2025

LHA London Limited
Financial statements for the year ended 30 September 2024

Consolidated Statement of Financial Activities

	Note	General Fund £	Designated Funds £	Total 2024 £	Total 2023 £
Income and endowments from:					
Charitable activities					
Operation of hostels		1 6,920,818	-	16,920,818	15,155,587
Other trading activities	4	3 74,917	-	374,917	242,568
Investments		1 ,329,146	-	1,329,146	1,182,959
Total		1 8,624,881	-	18,624,881	16,581,114
Expenditure on:					
Raising Funds					
Commercial trading operations		206,255	-	206,255	230,554
Charitable Activities					
Operation of hostels	5	9,637,574	1,027,522	10,665,096	9,627,493
Total		9,843,829	1,027,522	10,871,351	9,858,047
Net income/(expenditure)		8,781,052	(1,027,522)	7,753,530 -	6,723,067
Transfers between funds		(24,309,972)	24,309,972		-
Other recognised gains/(losses):					
(Losses) on revaluation of fixed assets	9	-	(4,890,875)	(4,890,875)	-
Actuarial gains on defined benefit pension schemes	14	3 25,000	-	325,000	-
					-
Net movement in funds		(15,203,920)	18,391,575	3,187,655	6,723,067
Reconciliation of funds:					
Fund balances brought forward at 1 October 2023		36,457,865	250,526,549	286,984,414	280,261,347
Fund carried brought forward at 30 September 2024		21,253,945	268,918,124	290,172,069	286,984,414

All amounts relate to continuing activities; there were no recognised gains or losses other than those included above.

Consolidated and Parent Charity Balance Sheets

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed Assets					
Tangible Fixed Assets	9	2 68,918,124	2 50,526,549	268,918,124	250,526,549
Investments	10	-	-	150,000	150,000
		2 68,918,124	2 50,526,549	269,068,124	250,676,549
Current Assets					
Stock	11	20,947	16,390	20,9478	16,390
Debtors	12	777,893	772,710	81,962	798,764
Short term deposits		20,230,181	36,122,771	20,230,181	36,122,771
Cash at bank and in hand		2,127,235	1,861,429	1,826,126	1,640,730
		23,156,256	38,773,300	22,959,216	38,578,655
Liabilities:					
Creditors: amounts falling due within one year	13	(1,902,311)	(2,315,435)	(1,885,425)	(2,300,944)
Net current assets		2 1,253,945	3 6,457,865	21,073,791	36,277,711
Net assets excluding pension asset		2 90,172,069	2 86,984,414	290,141,915	286,954,260
Pension asset	14	-	-	-	-
Net Assets		290,172,069	286,984,414	290,141,915	286,954,260
Unrestricted funds:					
General	15	21,253,945 2	36,457,865	21,223,791	36,427,711
Designated	15	68,918,124	250,526,549	268,918,124	250,526,549
		290,172,069	286,984,414	290,141,915	286,954,260

A separate statement of financial activities and income and expenditure account are not presented for the company itself following exemptions afforded by section 408 of the Companies Act 2006.
The financial statements were approved by the Trustees on 25th February 2025 and signed on their behalf by:

.....
D Sawer
Trustee

Date: 25th February 2025

.....
D Conroy
Trustee

Date: 25th February 2025

LHA London Limited
Consolidated Statement of Cash Flows
For year ended 30 September 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net (Expenditure)/ income for the year		7,753,530	6,723,067
Adjustments for:			
Depreciation of tangible fixed assets		1,027,522	979,268
Amortisation of intangible fixed assets		-	1,136
Loss on disposal of intangible fixed assets		797	1,893
(Increase) in stocks		(4,557)	(4,796)
(Increase) in debtors		(5,183)	(197,942)
(Decrease) in creditors		(413,124)	(607,060)
Net cash (used in) / generated by operating activities		8,358,985	6,895,566
Cash flows from investing activities			
Purchase of tangible fixed assets		(24,309,175)	(1,563,337)
Net cash from investing activities		(24,309,175)	(1,563,337)
Change in cash and cash equivalents in the year	22	(15,626,784)	5,332,229
Cash and cash equivalents at beginning of year	21	37,984,200	32,651,971
Cash and cash equivalents at end of year	21	22,357,416	37,984,200

Notes to the financial statement

1. Accounting Policies

1.1. Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the Charities SORP FRS 102 (second edition - October 2019) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006 and Charities Act 2011 and 2022.

The principal accounting policies adopted in the preparation of the accounts are set out below.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the group and the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the group and the company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3. Group accounts

These accounts consolidate the results of the company and its wholly owned subsidiary, LHA Services Limited on a line by line basis. The financial activities of the charity are disclosed in note 3 to the financial

1.4. Income

Income for operation of hostels relates to income received in the letting of beds for long stays, catering income, sundry income and is shown net of value added tax and discounts.

Other trading income relates to the operations of the wholly owned trading subsidiary.

Investment income relates to the interest received from bank deposit accounts.

1.5. Expenditure

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing LHA London Limited to the expenditure. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expenses headings on the basis of time

1.6. Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts. Investment income and gains or losses are allocated to the appropriate fund.

1.7. Valuation of properties

Functional freehold and long leasehold properties were included in the accounts at valuation for the first time in 2012/13. These have been valued by Colliers International Valuers UK LLP in September 2024. The properties will be revalued every three years.

1.8. Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold and long lease buildings	Nil	
Short leasehold land and buildings	10-20%	Straight Line
Furniture, fixtures and equipment	10-20%	Straight Line
Motor vehicles	10-20%	Straight Line
Computer equipment	20-33.3%	Straight Line

Moveable furniture and equipment is written out of the accounts after ten years as the Trustees consider that it has a negligible residual value.

1.9. Stock

Stocks, which consist of consumables are valued at the lower of cost and net realisable value.

1.10. Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of 3 months or less from the date of opening of the deposit.

1.11. Short-term deposits
Short-term deposit includes investments with a maturity of over three months but not longer than twelve months from the date of the opening of the deposit.

1.12 Liabilities
Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in the settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the group and the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods and services it must provide.

1.13 Leased Assets
Rentals under operating leases are charged on a straight line basis over the lease term.

1.14 Financial Instruments
The group and the company only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the group and the company and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.15 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination

1.16. Pensions
The Charity operates a pension scheme providing benefits based on final pensionable pay. The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the Statement of Financial Activities, so as to spread the costs of pensions over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Taxation
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of financial activities because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's and company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

2. Judgments in applying accounting policies and key sources of estimation uncertainty
In applying the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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 both current and future

The key estimates and assumptions made in these accounts are considered to be

(a) Depreciation, which is provided at rates calculated to write off the cost, less the estimated residual value, of each fixed asset over its estimated useful life. This is of particular relevance to freehold properties which have not been depreciated as the residual value is deemed to be in excess of cost.

(b) The assumptions made in the revaluation of the charitable properties. The principal assumptions are the estimated rental potential in each area, the level of demand for similar properties and the degree of discounting applied to reflect the level of shared occupancy rooms.

(c) The pension scheme assets are valued at market rate. A pension scheme deficit is recognised in full on the balance sheet, but where there is a pension scheme asset this is not recognised unless the asset can be realised through reduced future contributions. The actuarial gains are therefore limited to the gain required to bring the liability to zero.

3 Financial activities of the charity

A summary of the financial activities undertaken by the charity is set out below:

	2024 £	2023 £
Total income	18,249,964	16,650,295
Total expenditure on charitable activities	(10,496,434)	(9,807,493)
(Losses) on revaluation of fixed assets	(4,890,875)	-
Actuarial gains on defined benefit pension schemes	325,000	-
Net income	3,187,655	6,842,802
Total funds brought forward	286,954,260	280,111,458
Total funds carried forward	290,141,915	286,954,260
Represented by:		
General Funds	21,223,791	36,427,711
Designated funds	268,918,124	250,526,549

4 Income from other trading activities

The Charity's one wholly owned trading subsidiary, LHA Services Limited, which is incorporated in the UK, distributes all of its taxable profits to the Charity. The activities of this subsidiary are the provision of short term accommodation and catering services together with the provision of amenities to the residents of LHA London Ltd. The charity owns the entire issued share capital of 150,000 ordinary shares of £1 each. A summary of the trading results is shown below.

Profit and Loss Account	**2024**	**2023**
	£	**£**
Turnover	374,917	242,568
Cost of sales and administrative expenses	(206,255)	(230,554)
Gross Profit	168,662	12,014
Interest receivable	5,780	4,874
Net profit	174,442	16,888
Amounts distributed to LHA London Limited	(174,442)	(16,888)
Retained (loss)/Profit in subsidiary	-	-

The assets and liabilities of the subsidiary were:

	2024	**2023**
	£	**£**
Current Assets	355,202	221,174
Creditors: amounts falling due within one year	(16,886)	(41,020)
Total net assets	338,316	180,154
Aggregate share capital and reserves	338,316	180,154

Included in administrative expenses are rent of £56,237 (2023 - £48,000) and management charges of £61,449 (2023 - £132,000) payable to LHA London Limited and these charges have been eliminated on consolidation.

5 Analysis of charitable expenditure

	Staff costs (note 8) £	**Other**	**Depreciation**	**Total 2024**	**Total 2023**
		£	**£**	**£**	**£**
Charitable expenditure					
House operating costs	1,963,077	4,729,555	1,019,765	7,712,397	7,304,235
Support costs	2,267,961	382,861	7,757	2,658,579	1,928,432
Governance costs (note 6)	-	33,580	-	33,580	47,026
Donations (note 7)	-	260,540	-	260,540	347,800
Total	4 ,231,038	5,406,536	1 ,027,522	10,665,096	9,627,493

Charitable expenditure

Details of other costs

	House Operating Costs £	**Support Costs £**	**Total 2024 £**	**Total 2023 £**
Repairs and Maintenance	895,370	771	896,141	950,004
Utilities	1,336,989	3,435	1,340,424	1,442,856
Catering	437,324	-	437,324	352,458
Insurance	432,073	17,658	449,731	319,953
Security	230,767	-	230,767	204,579
Rent and rates	9 2,614	154,295	246,909	244,549
Cleaning, laundry, waste, pest control	457,993	3,175	461,168	390,909
Other costs	846,425	203,527	1,049,952	771,701
	4,729,555	382,861	5,112,416	4,677,009
Governance costs (note 6)			33,580	47,026
Donations (note 7)			260,540	347,800
Total other costs			5,406,536	5,071,835

6 Governance costs

Governance costs include:	**2024**	**2023**
	£	**£**
Audit fees	25,300	36,430
Insurance against Trustees' and Officers' liabilities	7,456	10,289
Trustees' expenses	824	307
	33,580	47,026

7 Donations

All donations were made to institutions and these are broken down as follows

	2024 £	2023 £
Albert Kennedy Trust	70,000	-
New Horizons	32,780	30,000
Glass Door	-	25,100
C4WS	-	30,000
The Spires Centre	-	30,000
St Mary Le Bow	14,700	14,700
Evolve	-	25,000
Zacchaeus 2K Trust	-	25,000
Project Seventeen	-	20,000
Women & Girls Network	70,000	25,000
Refugees at Home	-	16,000
BEAM	-	29,000
Cardinal Hume	70,000	28,000
Bromley & Croydon Women's Aid	-	20,000
The Passage	-	30,000
Project 25	3,060	-
Other		
	260,540	347,800

8 Staff costs

	2024 £	2023 £
Wages and salaries	3,116,209	2,737,847
Social security costs	295,335	258,569
Other Pension costs	819,494	578,838
	4,231,038	3,575,254

Included in Wages and salaries costs above are compensation payments totalling £94,559 and relating to 2 former employees.

Average number of employees during the year		
Head Office	19	18
Direct maintenance staff	7	7
Hostel staff	61	59
	87	**84**

Number of employees with emoluments (excluding employer pension) in excess of £60,000:

	2024	2023
£60,000 - £70,000	-	1
£70,000 - £80,000	1	-
£80,000 - £90,000	-	2
£100,000 - £110,000	2	-
£150,000 - £160,000	-	1
£160,000 - £170,000	-	1
£180,000 - £190,000	1	-
£190,000 - £200,000	1	-

The total of employee benefits, including employer pension contributions received by Key Management Personnel in 2024 is £637,878 (2023: £544,537). Key Management Personnel are the Chief Executive Officer, Finance Director, Director of Estates and Director of Operations.

8 Staff costs - continued

During the reporting period, payments totalling £94,559 (2023: £Nil) were made to compensate former employees for loss of office.

9 Tangible fixed assets - Group and Charity

	Freehold land and buildings £	Leasehold land and buildings £	Property Improvements £	Plant and Machinery £	Total £
Cost					
At 1 October 2023	234,613,165	9,862,421	17,923,702	1,202,550	263,601,838
Additions Disposals	23,208,129	-	1,016,384	84,662	24,309,175
Revaluations At 30	-	-	-	(592,910)	(592,910)
September 2024	(5,213,105)	322,230	-	-	(4,890,875)
	252,608,189	**10,184,651**	**18,940,086**	**694,302**	**282,427,228**
Depreciation					
At 1 October 2023	-	-	1 2,073,040	1,002,249	13,075,289
Charge for the year	-	-	9 78,120	49,402	1,027,522
Eliminated on disposal	-	-	(750)	(592,957)	(593,707)
At 30 September 2024	-	-	**13,050,410**	**458,694**	**13,509,104**
Net Book Value					
At 30 September 2024	**252,608,189**	**10,184,651**	**5,889,676**	**235,608**	**268,918,124**
At 30 September 2023	**234,613,165**	**9,862,421**	**5,850,662**	**200,301**	**250,526,549**

The Trustees undertook a valuation of all the freehold and long leasehold properties in September 2024. The valuation was undertaken by Colliers CRE and the properties were valued at £268,355,000 (this includes freehold property, leasehold properties and property improvements above).

Property improvements include £302,075 (2023: £297,835) of assets under construction.

10 Investments

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Investment in subsidiary - cost				
At 1 October 2023 and 30 September 2024	-	-	150,000	150,000

11 Stocks

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Household equipment and food	20,947	16,390	20,947	16,390

12 Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	153,879	131,665	153,879	131,665
Other debtors	64,771	83,662	64,771	83,662
Amounts owned from group companies	-	-	107,193	26,054
VAT recoverable	-	59,612	-	59,612
Prepayments and accrued income	559,243	497,771	556,119	497,771
	777,893	772,710	881,962	798,764

13 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	591,511	823,028	591,511	822,463
Other taxes and social security costs	138,985	72,086	138,985	72,086
Amounts owed to group companies	-	-	-	-
Other creditors	65,482	32,774	65,482	32,774
Fees and deposits in advance	632,071	756,342	631,735	756,342
Accruals	474,262	631,205	457,712	617,279
	1,902,311	2,315,435	1,885,425	2,300,944

14 Pension commitments

The charity makes contributions to a defined contribution pension scheme on behalf of a number of employees who are not included within the defined benefit pension scheme.

Contributions in the year totalled £nil (2023: £148,120).

The Charity operates a defined benefit scheme in the UK. The scheme is closed to new entrants. As a consequence the current service cost calculated under the projected unit method can be expected to increase over time, as the average age of the membership increases. A full actuarial valuation was carried out at 1 April 2021 and updated to 30 September 2024 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The Charity currently pays contributions at the rate of 41.3% of pensionable pay following the actuary valuation on 1st April 2021.

Present values of scheme liabilities, fair value of assets and surplus/(deficit)

	2024	2023
	£000	£000
Fair value of scheme assets	10,306	9,594
Present value of scheme liabilities	(6,862)	(5,485)
Surplus/(Deficit) in scheme	3,444	4,109
	asset not recognised	asset not recognised

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2024	2023
	£000	£000
Scheme Liabilities at start of period	5,485	5,547
Current service costs	23	53
Interest cost	302	291
Changes due to settlements and curtailments	524	-
Changes to financial assumptions	524	(402)
Experience gains/losses on liabilities	180	100
Benefits paid	(176)	(104)
Scheme Liability at end of period	6,862	5,485

Reconciliation of opening and closing balances of the fair value of the scheme assets

	2024	2023
	£000	£000
Fair value of scheme assets at start of period	9,594	9,327
Interest on assets	532	499
Expected return on scheme assets	356	(410)
Contributions by employer	-	282
Benefits paid	(176)	(104)
Fair value of scheme assets at end of period	10,306	9,594

Total expense recognised in the statement of financial activities

	2024	2023
	£000	£000
Current service cost Net interest Total expense recognised in the statement of financial activities	23	53
	(230)	(208)
	(207)	(155)

Actuarial movement recognised

Actuarial gains and losses Impact of non-recogniton of asset movement and associated interest	872
	(1,197)
	(325)

Assumptions

The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2024	2023
	% per annum	% per annum
Rate of discount	5 .20	5.60
Inflation (RPI)	3.10	3.25
Inflation (CPI)	3.05	2.65
Salary increases	3.05	2.65
Pension increases:		
Accrued before 1 July 2016	5.00	5.00
Accrued after 1 July 2016	3.05	2.65
Revaluation rate for deferred pensioners	5 .00	5.00
Commutation	Nil	Nil

Life expectancy

Male retiring at age 65 in 2022	22.4	22.3
Female retiring at age 65 in 2022	24.7	24.7
Male retiring at age 65 in 2042	23.4	23.4
Female retiring at age 65 in 2042	25.9	25.8

Expected long term rate of return

The scheme's assets are invested in a unitised with profit fund. It is assumed that the long term rate of return on the fund will be 5.2% per annum (2023: 5.6%).

15 Funds

Group

	Balance at 1 October 2023	Income	Expenditure	Transfers	Revaluation	Gains(losses)	Balance at 30 September 2024
	£	£	£	£	£	£	£
General fund	36,457,865	18,624,881	(9,843,829)	(24,309,972)	-	325,000	21,253,945
Fixed asset reserve	250,526,549	-	(1,027,522)	24,309,972	(4,890,875)	-	268,918,124
	286,984,414	18,624,881	(10,871,351)	-	(4,890,875)	325,000	290,172,069

Company

	Balance at 1 October 2023	Income	Expenditure	Transfers	Revaluation	Gains(losses)	Balance at 30 September 2024
	£	£	£	£	£	£	£
General fund	36,427,711	18,418,626	(9,637,574)	(24,309,972)	-	325,000	21,223,791
Fixed asset reserve	250,526,549	-	(1,027,522)	24,309,972	(4,890,875)	-	268,918,124
	286,954,260	18,418,626	(10,665,096)	-	(4,890,875)	325,000	290,141,915

16 Analysis of group net assets between funds

	General Funds	Designated Funds	Total Funds
	£	£	£
Tangible fixed assets	-	2 68,918,124	2 68,918,124
Short term deposits	20,230,181	-	20,230,181
Cash at bank and in hand	2,127,235	-	2,127,235
Other net current liabilities	(1,103,471)		(1,103,471)
	21,253,945	268,918,124	290,172,069

17 Operating lease commitments

At 30 September 2024 the group's commitments under non-cancellable operating leases were as follows:

	Land & Buildings	
	2024	2023
	£	£
Less than 1 year	137,281	137,281
Between 2 and 5 years	205,922	335,116
Total	343,203	472,397

18 Capital commitments

At 30 September 2024, the group had capital commitments of £338,396 (2023: nil) relating to property refurbishment.

19 Limited liability

The charitable company is limited by guarantee and does not have a share capital. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up during the time he or she is a member, or within a year after he or she ceases to be a member, such amounts as may be required, not exceeding £10.

20 Related Party Transactions

The Trustees receive no remuneration. Travel expenses of £485 (2023: £307) were reimbursed to 2 (2023: 4) Trustees during the year.

Included in administrative expenses are rent of £56,237 (2023 - £48,000) and management charges of £61,449 (2023 - £132,000 payable to LHA London Limited by LHA Services Limited. The charges were eliminated on consolidation.

21 Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand and at bank	2,127,235	1,861,429
Short term deposits	20,230,181	36,122,771
	22,357,416	**37,984,200**

22 Analysis of changes in net debt

	At 1 October 2023	Cash flows	At 30 September 2024
	£	£	£
Cash in hand and at bank	1,861,429	265,806	2,127,235
Short term deposits	36,122,771	(15,892,590)	20,230,181
	37,984,200	**(15,626,784)**	**22,357,416**

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England & Wales - Charity number 1069428

Accounts

2022-2023 Annual Report

Proud of our social impact





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Chair & CEO's Statement



2023 was another great year for LHA as we continued to see record levels of occupancy and expand our bed numbers, delivering more low-cost accommodation across the Capital than ever before. This is reflected in another year of good performance. The Board has focused on improving both the framework and the culture for our governance and control environment. The Executive Management Team (EMT) led us to a full recovery from the impact of the COVID-19 pandemic. It enables and supports the charity's compliance with the law and relevant regulations. It also promotes a culture in which everything works towards fulfilling the charity's vision.

We have now established a focused set of key performance indicators (KPIs) that are tracked throughout the year which give us a clear focus on our short and long-term strategy. The Board believes this renewed focus will enable LHA to capitalise on the opportunities in our sector to deliver our long-term commitment to our objectives. Early progress against the strategy has been encouraging, and the Board is closely engaged with the management of its delivery. We are confident that LHA now has the framework to help shape our strategic priorities, particularly improving our pipeline of new acquisitions to increase our bed numbers, which is one of our main concerns. We also continue to invest in our existing hostel portfolio with major building repairs and refurbishment projects. In addition, we have invested further in our digital transformation and focused on our carbon neutrality assessment.

The Board is mindful of the unique value that LHA offers in London's low-cost accommodation sector, and we continue to monitor our weekly fees in the market. LHA prides itself on offering affordable and secure accommodation with an easy entry and exit framework, ultra-low deposits and a seven-day notice period.

The Board was pleased to see the annual Employee Engagement Survey results reflecting strong teamwork and morale. Remarkable service comes from remarkable people. The LHA Volunteer Scheme remains a key focus for the Board, and we were pleased to report over 800 placements in the year.

We continue to bring in new skills and capabilities to the Board. During the financial year, we welcomed Simon Tarr to the Board. Simon brings a wealth of experience to the People and Social Policy Committees. The Board also approved the appointment of co-opted members to join our Social Policy and Property Committees in late 2023. This would provide valuable specific expertise where needed.

We thank departing Trustees, Alec McTavish, Toyin Miller and Bonnie Chiu for their excellent contribution, both in their specialist areas of finance and social impact and, more broadly, in board governance. We also thank Ali Mohammed, chair of the People Committee, who stepped down from the Board at the end of December 2023. Elizabeth Nyawade joined us in December 2023 to chair the People Committee from early 2024.

Overall, our focus is on achieving and increasing our social impact which we describe in more detail later in this report. A major part of this has been led by the Social Policy Committee, which has reviewed the LHA Fund. This will provide significant grant aid funding to support small charities with similar objectives. Working together, we can increase our reach and make greater social impact.

We would like to thank all of LHA's employees and volunteers for their hard work throughout 2022-23 and look forwards to a successful 2024.

David Conroy
Chair of the Board of Trustees

Tony Perkins
Chief Executive & Company Secretary



Who We Are

As a charity and one of the Capital's leading and affordable accommodation providers, we run 13 properties in the heart of one of the world's most diverse and energetic cities – providing a central and safe base for young people to live their London life – whether that's for work, study or adventure.

We also enable young people to make new connections, learn about different cultures and create lasting memories.

OUR VISION

To be a leading provider in the charity sector of secure, low-cost accommodation in London.

OUR MISSION

In order to achieve our vision, we will expand our offering with a mission to acquire, develop, maintain and manage secure, low-cost hostel accommodation.

OUR CHARITABLE OBJECTIVE

To help relieve poverty with the provision of acquiring, establishing, maintaining and managing hostels that provide low-cost living accommodation for students and working people of limited means studying or working in the UK and Northern Ireland and to further any charitable purpose recognised by English Law by the provision of housing

LHA People Values

Our people values are at the heart of everything we do and critical to the continued growth and success of LHA.

Supportive

We encourage ourselves and those around us to overcome challenges.

Welcoming

We act with integrity in everything we do.

Passionate

We are passionate about delivering an exceptional resident experience.

Open and honest

We are open to all and believe everyone should be able to express their views.

Professional

We take ownership when we should.

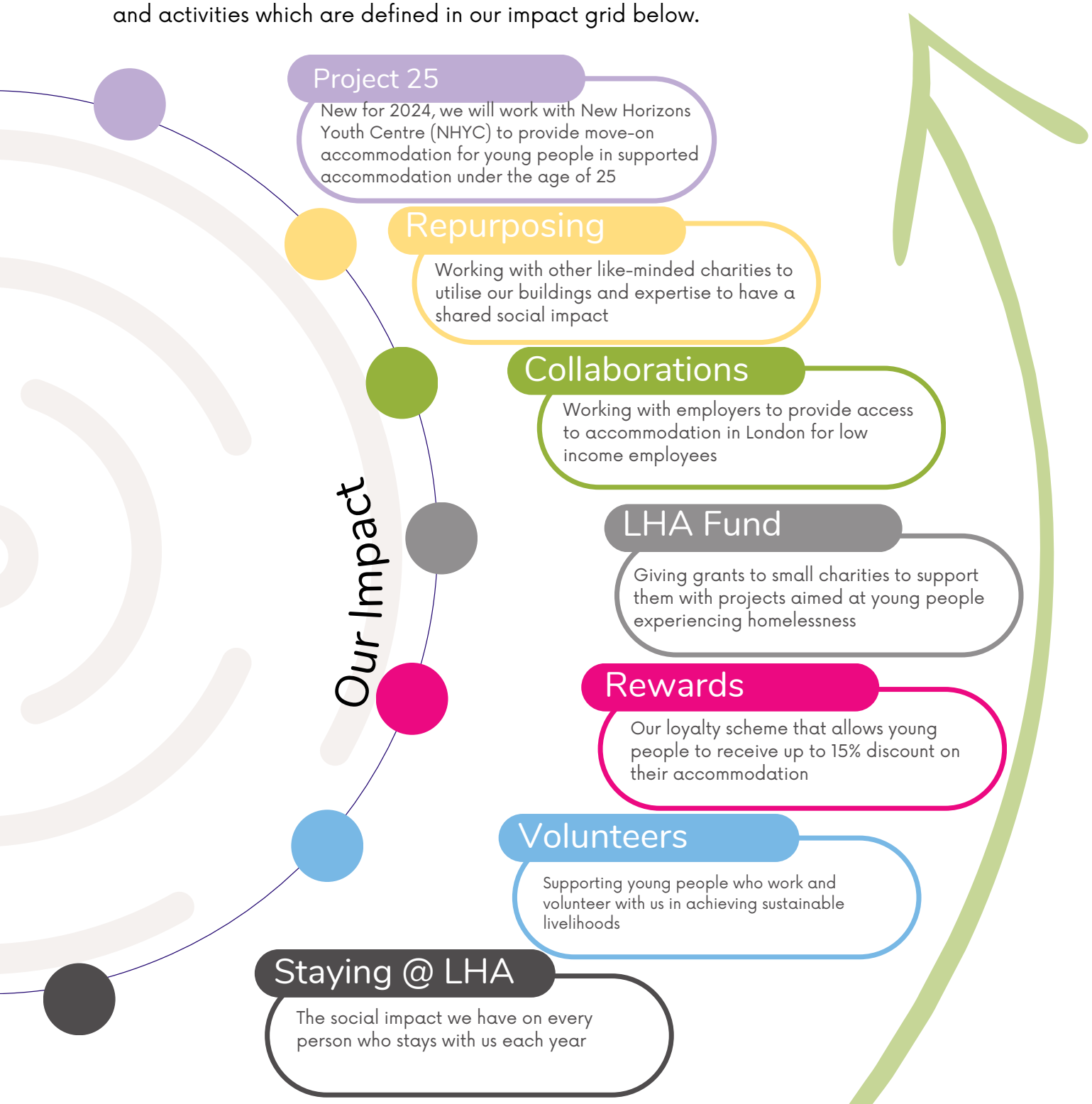
Knowledgeable

We take pride in our expertise.

Measuring Our **Social Impact**

As a charity, we are determined to be a driver of social benefit by providing young people with affordable, safe and secure accommodation in London.

Our overall ambition is to ensure we generate positive social impact through all our places, programmes and activities. At the same time, we also want to champion the greater social impact we have achieved through some of our more focused programmes and activities which are defined in our impact grid below.



More information on our 'Theory of Change' and measurement of social impact can be found in the appendices at the end of this report.



Progress With Our Plans

Strategic Planning - **Our Aims and Objectives**

As part of LHA's strategic planning process and due to significant changes in external factors, including the cost-of-living crisis in a post-COVID-19/post-Brexit London during 2022/23, LHA took the opportunity to review its existing strategic plan, and targets, while also amalgamating the eight pillars of 'LHA's Sustainability Strategy' into the overall plan.

Strategic Aim

Over the next five years, we aim to grow our charity in size, shape and impact to achieve our long-term goal of delivering affordable, sustainable and high-quality accommodation.

Strategic Themes

We will achieve this with the help of our four strategic themes:

1. Maximising our social impact
2. Empowering our people and teams
3. Taking pride in every hostel
4. Building a sustainable future

Tracking Our Progress

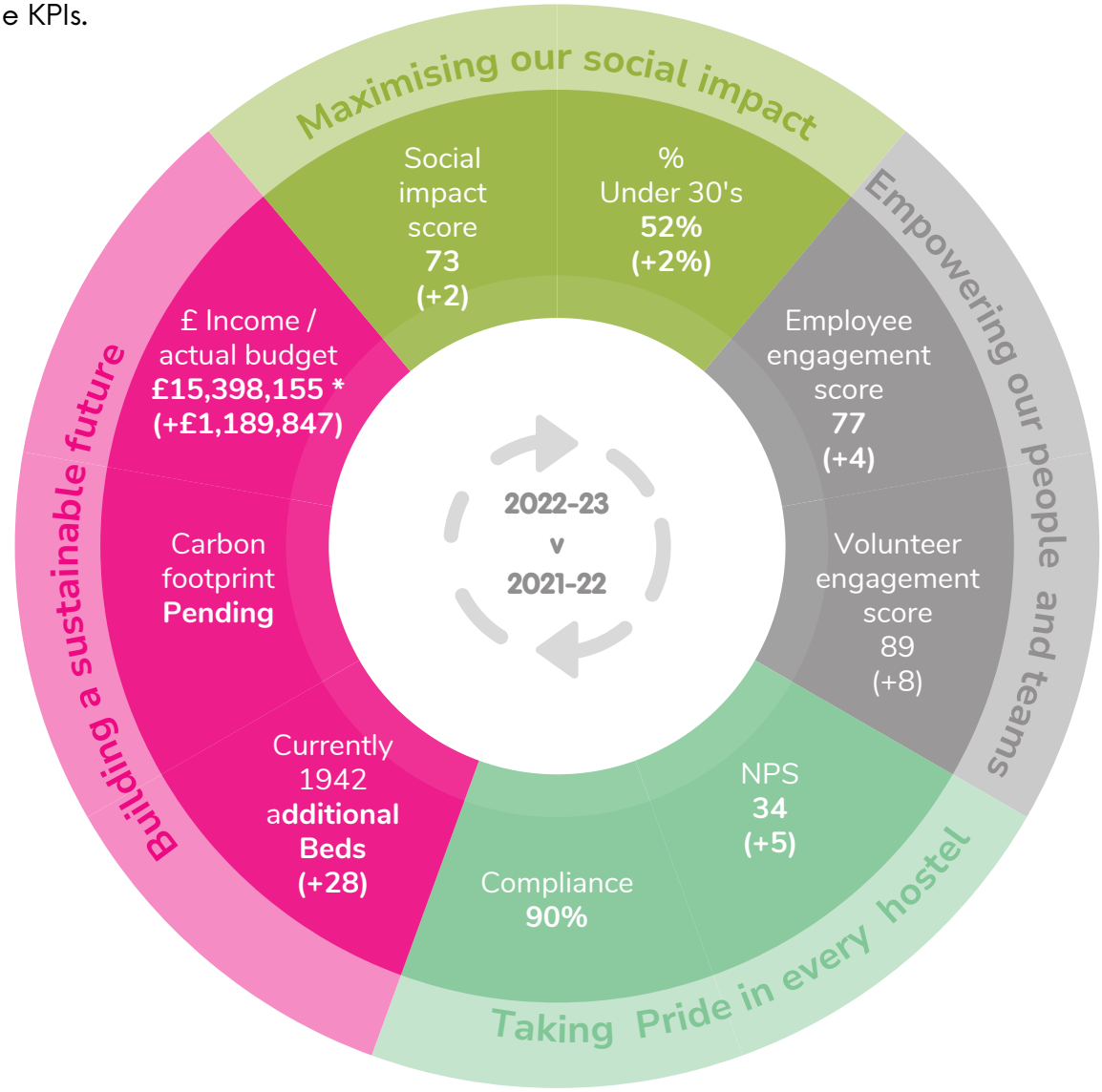
The trustees and EMT have aligned nine KPIs as part of a balanced scorecard to measure progress against our strategic goals and ensure we stay on track with delivering our plans.

The illustration below shows each KPI and the targets set for achievement by 2028.



Our Performance 2022-23

2022-23 was a foundation year during which we recorded the results below against the nine KPIs.



Comparing our results to the prior year (2021-22), we have made good progress against most KPIs whilst for some we have worked to establish the measurement to track future progress.

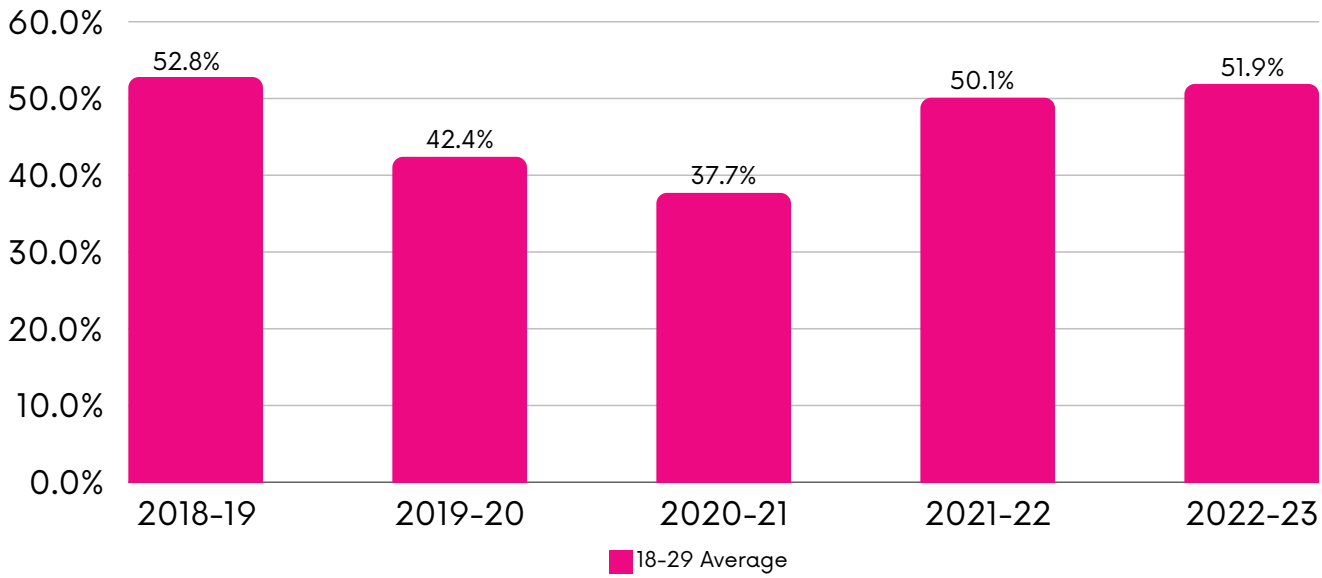
***Income from charitable and trading activities**



Social Impact Score

Our overall social impact score increased from 72 to 73. Following last year's impact survey, we wanted to focus on the fostering friendships score. This is an area where we felt we could drive improvements and encourage our hostel teams to arrange and host events that would create social interaction. We were pleased to see the score in this area increase from 63 to 66. This will continue to be an area where we seek to further improve.

Percentage of under 30-year-olds



The percentage of residents under the age of 30 sits at 51.9% for the full year – up 1.8% on the previous year. Quarter 4 saw particularly strong improvements in this area, peaking at 58.2 % in September 2023. In the last two quarters of the year, we tracked at 6% better than the previous year.

Employee Engagement

	2023	2022
Overall engagement	77	73
Leadership	78	73
My team	87	N/A
Enablement	78	74
Alignment	78	71
Development	80	74
Reward & recognition	72	66

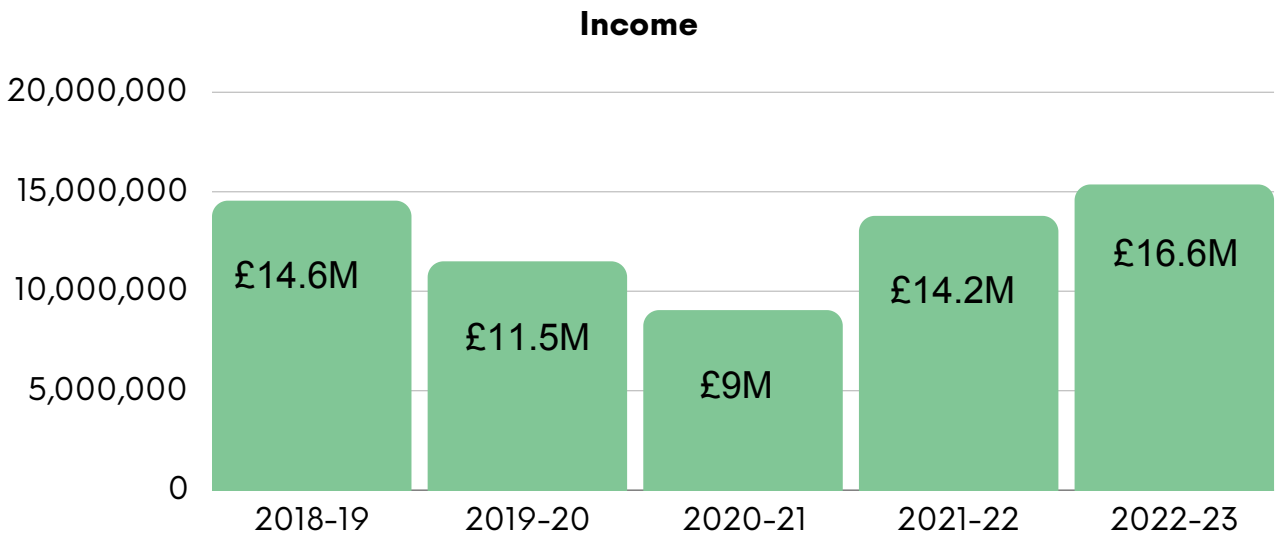
*Using RAG chart system

During the year, we focused on people development and reward & recognition, alongside establishing an employee forum, reviewing our equality, diversity and inclusion (EDI) strategy and ensuring performance reviews were linked to the overall strategic plan (alignment). Employee engagement scores exceeded expectations for the year, with an overall score of 77.

Volunteer Engagement

89

The reduction in the free movement of young people as a result of Brexit challenged us to find new ways to attract volunteers to the scheme and drove a need to review people's motivations for volunteering. We enabled improvements to the recruitment process through our customer relationship management and improved the onboarding process. The result was a better-than-expected, with an increase in engagement score from 81 to 89.



Income for the year increased from £14.2 million to £16.6 million, thanks largely to a return to close to 100% occupancy throughout the year as well as the re-opening of LHA Holland House in January 2023.

Carbon Footprint

LHA is assessing and quantifying its carbon footprint – from the impact of its back-office functions and how its hostels are operated, to the hostel buildings themselves.

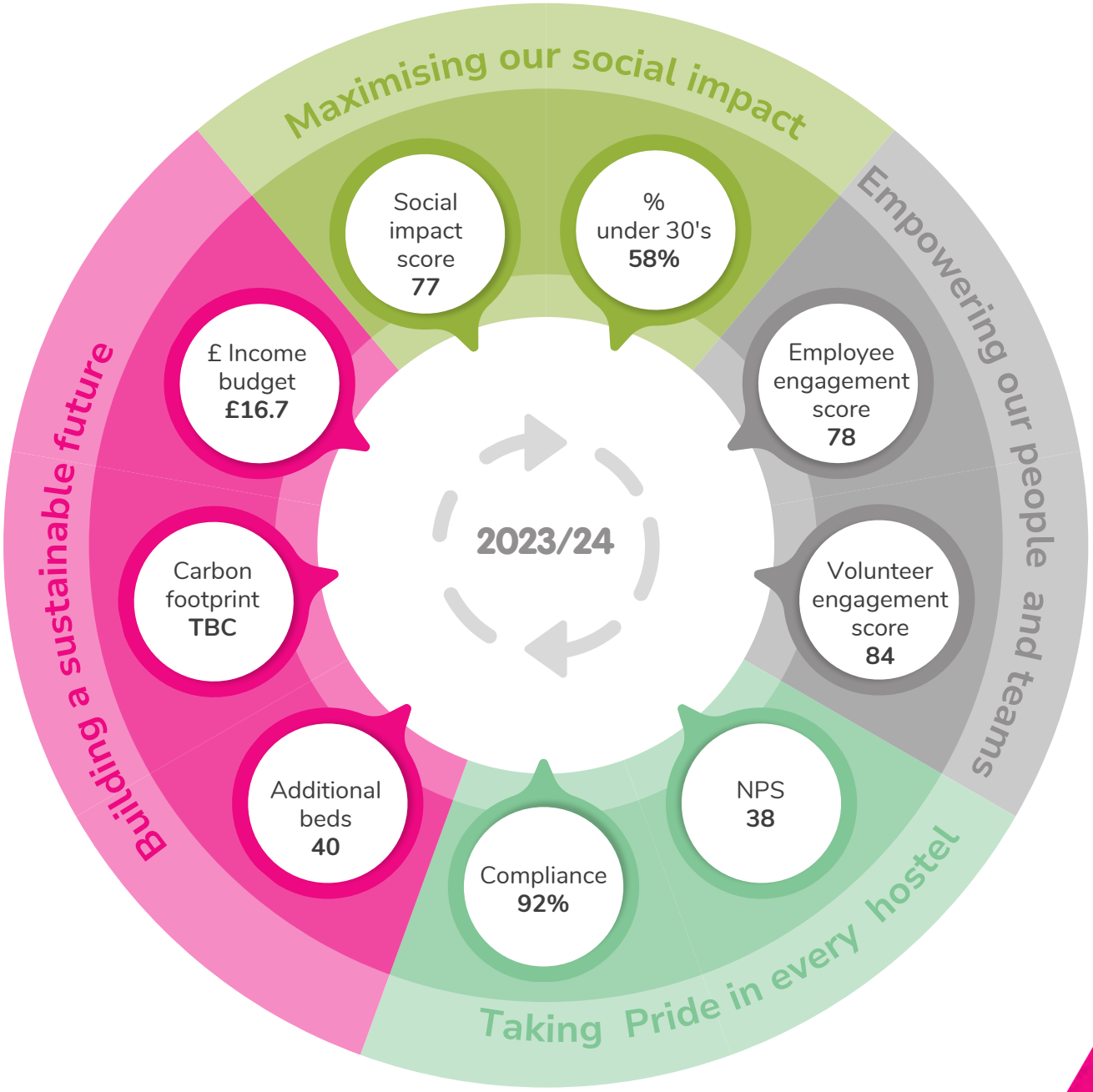
A carbon emissions report will result from this and will inform LHA's environmental policy and the actions LHA will take to reduce its carbon footprint; these interventions will be both operational and physical.

In the short term, LHA's goal is to achieve carbon carbon-neutral footprint, but it is incrementally reducing its real carbon load over the coming years. LHA recognises that undertaking some immediate changes will be required, i.e. making changes to the way we operate our business and hostels, while other adjustments will take longer, i.e. physical changes to our buildings. Therefore, LHA is committed to offsetting its carbon footprint in 2023/24 and will, therefore, become carbon neutral this year.

Compliance
We have continued to work with NSF International as our health and safety (H&S) consultants. During the year, we were able to make positive improvements to our bi-annual external audit process, moving to unannounced audit visits and introducing more robust scoring criteria. Following these changes, we were particularly pleased to see average audit scores for our properties at 90%.

Alongside the audit process we digitised our compliance documentation and processes for raising and tracking remedial actions as well as the storing of information.
We have continued to monitor regulatory changes, particularly the Building Safety Act 2022, worked to ensure all our properties are compliant with the act and kept our teams well informed.

Looking Ahead
Following a review of this year's performance, we have been able to set targets for the year ahead, which are summarised below:



Additional Beds

Overall bed numbers reached 1,942, which is an increase of 28 beds – thanks largely to utilising the space at Holland House as part of the refurbishment works. We continued to focus on acquisitions as a key strand to driving significant increases in bed numbers as well as pursuing opportunities to expand capacity in the existing estate.

Despite considering a wide number of opportunities to increase its asset base, no acquisitions were made in 2022/23. However, we remain committed and confident of adding to the asset base and creating extra capacity in 2023/24. Along with acquiring additional stock, our programme of asset maximisation includes the extension of Friendship House in Southwark and remodelling across several other hostels. By the end of 2023/24, we expect to have acquired and planned for a minimum of 150 additional bedspaces.

Alongside our acquisitions plan, we have scoped a project focusing on our existing buildings' 'Operation Boost', which will seek to maximise the available beds in our existing portfolio.

Under the revised plans we are aiming to add a total of 425 beds over the next five years, which will enable us to deliver 850,000 overnight stays per year to support our beneficiaries.



Investing in the Future

Over the last year, LHA has continued to invest in maintaining, improving and expanding its portfolio.

Belvedere House
Belvedere House is a landmark building located within the Cornwall Conservation Area. The Royal Borough of Kensington and Chelsea's Cornwall Conservation Appraisal outlines that the property makes a positive contribution to the historic and architectural character and appearance of the conservation area.

The houses that comprise the hostel were built between 1874-5, in what the Survey of London calls 'a raw variant of the French townhouse style briefly in vogue at this time'.

The triangular block has slightly different architectural detailing on each elevation with the most imposing frontage on Grenville Place. The pictures illustrate the polished red granite columns to the porches, decorative cast iron balconies to the upper windows and the fine tall French-style roofs with small arched dormers, fish scales and diamond-shaped slates. LHA operations at Belvedere House allow it to deliver 138 beds for beneficiaries in a self-catered format.

The external works to the building encompassed the cleaning and redecoration of the facades, metal work, and architectural details helping to highlight its aesthetic value and making it stand out as the landmark building within the conservation area. In addition to this, repairs were conducted to the roofs, guttering and timber window frames on the top floor, ensuring the longevity of this beautiful building.

Before





After

Holland House
This Grade Two-listed building within minutes of Victoria Station on Eccleston Square, was internally refurbished, adding to the external works that were conducted to the building just prior to the pandemic. Now fully operational after its use during the pandemic by Glass Door homeless charity, it houses 120 guests.

This refurbishment encompassed updating the heating system, an electrical upgrade and replacing/upgrading all of the showers and toilets. Every bedroom was completely refurbished and provided with brand-new furniture, fixtures and fittings. The communal areas were refurbished and redecorated before reopening, including the dining area and entrance. The upgrades have resulted in improved customer satisfaction with the hostel and a rise in social impact via the increased bedspaces provided.

Before





After

Bowden Court
The remodelling and refurbishment of Bowden Court were also completed last year – including electrical upgrades. This has provided improved communal areas and experience for the residents by upgrading and altering the operation of the basement communal area. It has also provided seven additional bedspaces.





Friendship House
A planning application for a rooftop extension to provide 62 additional bedspaces of low-cost accommodation for Londoners has been submitted for Friendship House with our partners at Apex Airspace and Todd Architects. Sensitively designed and matching the original awarding-winning building, this development will commence once planning is determined using modern methods of construction to minimise disruption, time and the environmental impact of providing new accommodation.

Davies Court
In addition to the physical aspects of managing the estate, LHA is proud to continue its relationship with the University of Cumbria at Davies Court in Poplar, East London. Here, the university houses its London Campus alongside LHA's hostel accommodation and provides specialist training and degrees in education, as well as undergraduate, postgraduate and short-term courses in business and health.





Equality, Diversity and Inclusion

Our Equality, Diversity and Inclusion Statement

At LHA, we are committed to promoting equality of opportunity for all and creating an environment that is inclusive and free from discrimination or harassment. We will ensure that by providing excellent services that are 'fair and transparent', we show that we value the diversity among cultures, perspectives and experiences of all our residents, volunteers and staff.

Equality, diversity and inclusion is at the very heart of what we do and central to the social impact that we deliver and the outcomes we strive to achieve.

Our Social Impact – 'Accommodation young people can afford makes Central London more accessible to all young people, sustains diverse communities and enables sustainable livelihoods'.

Our Outcomes – 'Through our places, programmes and activities, we create environments where people gain new experiences, foster friendships with one another, improve their wellbeing and develop a sense of belonging'.

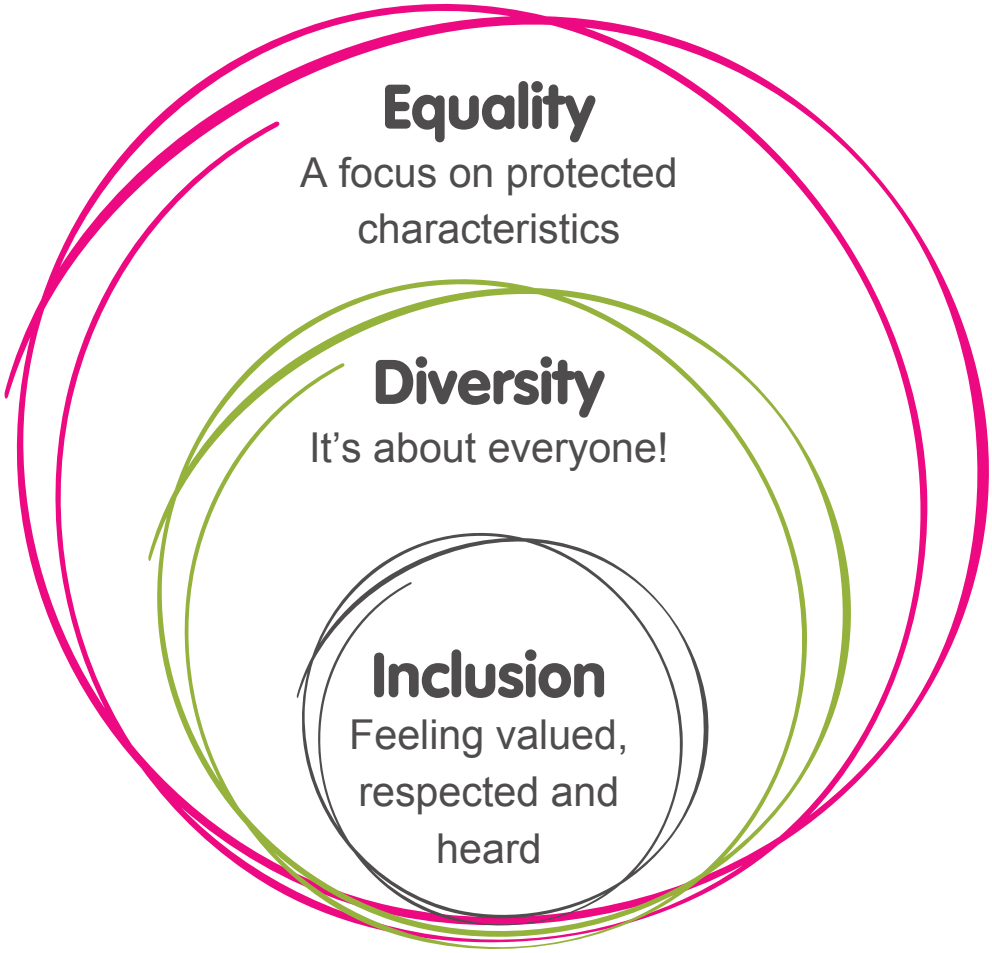
Underpinned by our 'People Values', we are guided in everything we do and recognise that being a diverse and inclusive employer that is representative of our society, helps our purpose to provide accommodation that is safe, secure and affordable. We will also continue to recruit, develop and retain the most talented people.

We seek to work in partnership with our residents, volunteers, staff and stakeholders to create and deliver services that meet their needs and offer value for money. We work within the spirit and practice of the Equality Act 2010 by promoting a culture of respect and dignity and actively challenging discrimination.



Through our work in providing affordable housing and as an inclusive employer, we will help ensure fair treatment for all, regardless of the following:

- Age
- Gender reassignment
- Race
- Disability
- Religion or belief
- Marital and civil partnership
- Sex
- Sexual orientation
- Pregnancy and maternity
- Socio-economic status



All these characteristics may be inter-linked and impact one another in different ways. We are committed to achieving the highest standards of equality in the way we relate to the people who use our services or work for us.

We will continue to support our board and committee members, leaders, managers and employees to demonstrate the principles of EDI in their everyday activities, roles and functions.

Equality, Diversity and Inclusion Plan

The review of our overall strategic plan in 2023 extended to our EDI plan. This included developing our EDI plan to include clear goals and timescales. The focus of our work was to cement our foundations and to develop further insight to enable us to celebrate where we are doing well and identify areas where we need to improve further.

We have set KPIs in four key areas aligned with our charitable objectives:

1. Increasing the number of people that can benefit from our services (i.e. grow our bed numbers)
2. Increasing the number of people that are under the age of 30
3. Increasing the number of beneficiaries whose experiences mean they could benefit most from our services
4. Ensuring that our residents, volunteers and staff reflect the communities we serve

To support and guide the delivery of the plan we have developed four themes:

1. Promoting diversity and inclusion
2. Raising awareness
3. Embracing and celebrating differences
4. Fostering vibrant, inclusive communities

We have expanded our collation of data about residents, volunteers and staff to provide insight across all 10 of the identified characteristics within our policy statement.

Additionally, we have launched the employee forum, which is made up of a diverse group of employees from all levels of the charity. The aim of the employee forum is to provide a platform that fosters idea sharing and gathers feedback from our diverse workforce, ensuring that we are focused on continuous improvement and that changes are collaborative, positive and aligned with the desired outcomes.

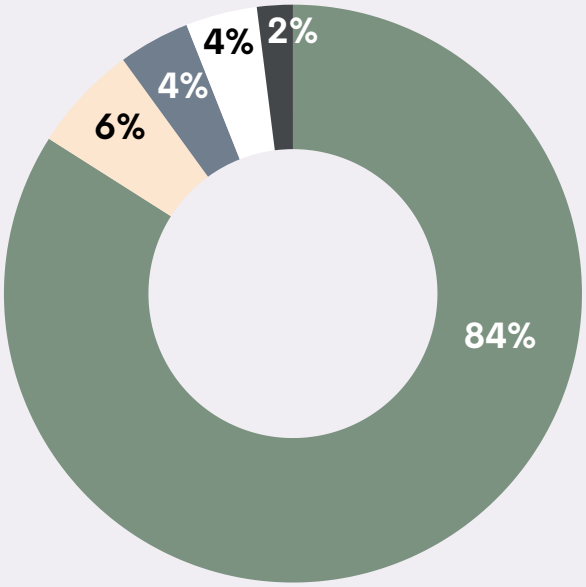
Work has commenced on a comprehensive review of our existing policies and procedures, with the aim being that EDI is central to our approach across all parts of the charity. To ensure transparency and accountability, we have designated the People Committee to oversee and receive reports on progress.

Priorities for 2024 will focus on the following:

- Completing the review and implementation of revised policies and procedures
- Building engagement in the Employee Forum and its value
- Analysing new data to identify areas for improvement
- Communicating the plan to all relevant stakeholders

Exploring Diversity at LHA

Marital Status



- Single, never married
- Prefer not to say
- Living with partner
- Married/civil partnership (including separated
- Widowed or surviving civil partnership partner

Ethnicity



30% White

25% Mixed/ Multiple ethnicities

13% Asian/ Asian British

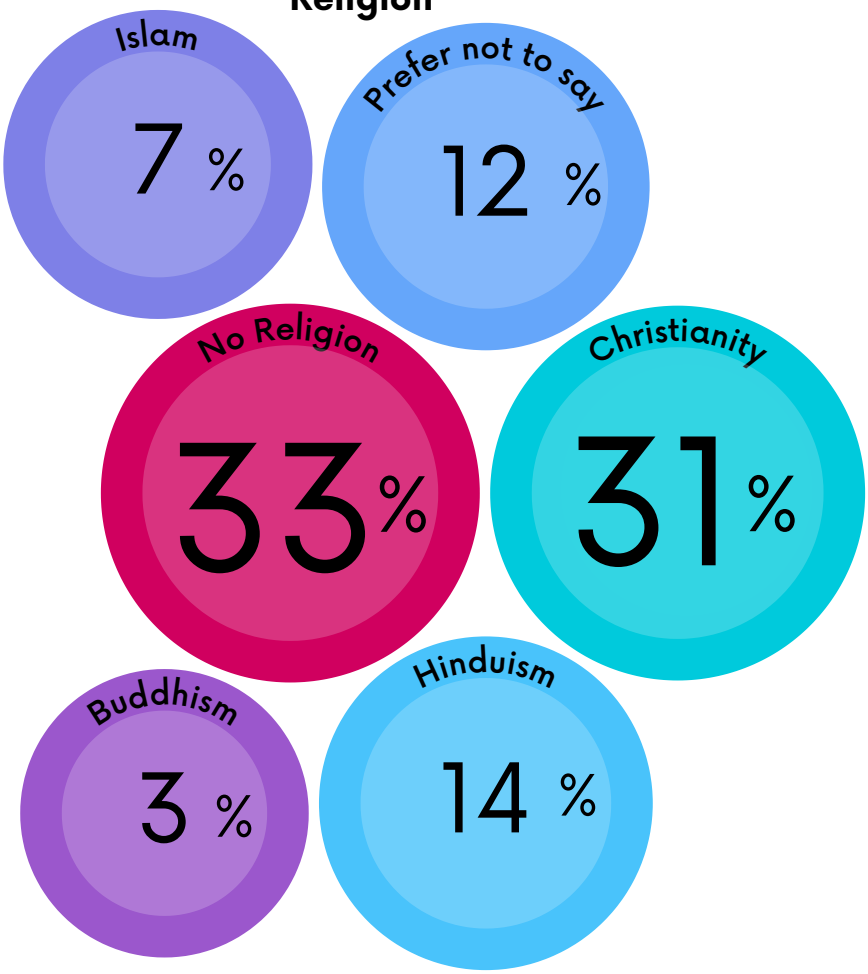
12% Other Ethnic group

10% Black / African/ Caribbean

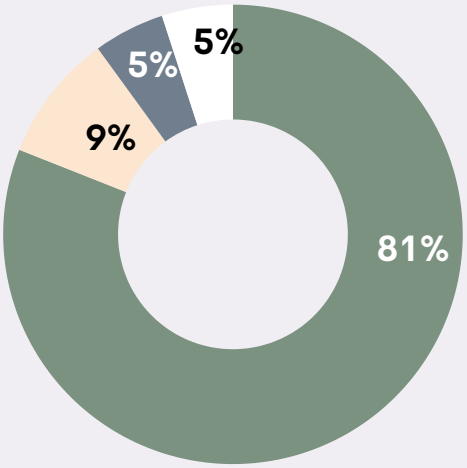
7% Prefer not to say

3% EEA

Religion



Sexual Orientation



- Heterosexual/ Straight
- Prefer not to say
- Bisexual
- Gay / Lesbian

Gender



51% Male

47% Female

2% Prefer not to say

Education

51% Attended school outside the UK

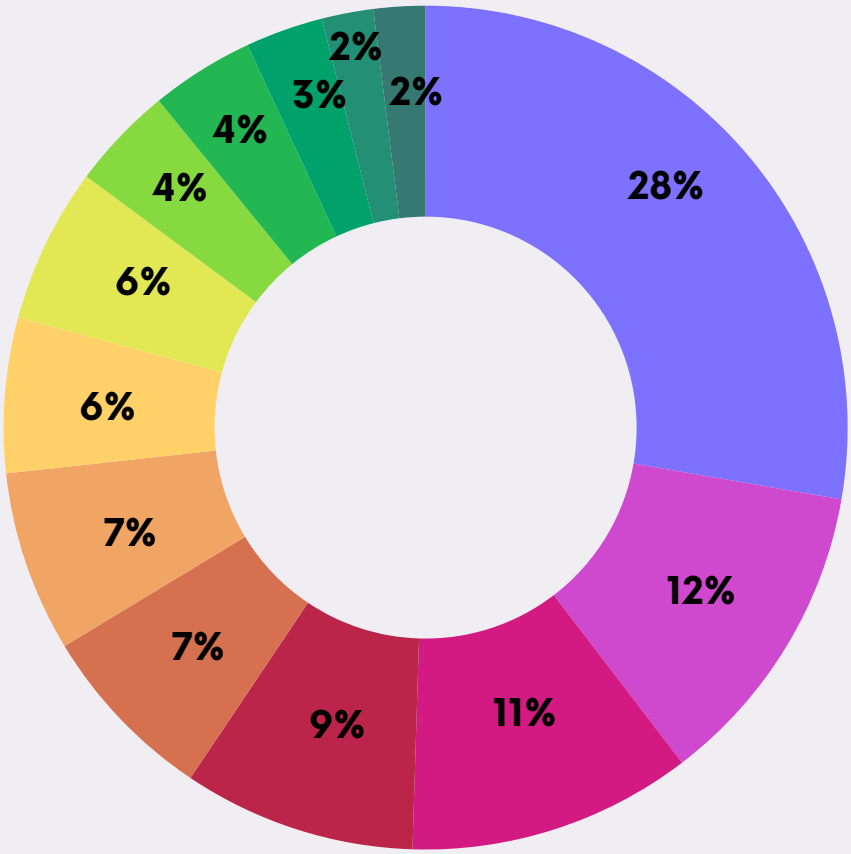
21% A state-run school non selective

10% Independent or fee paying school

7% State-run or state funded school
Selective on academic, faith or other

6% Prefer not to say
4% Independent or fee paying school, where I received a 90%+ means-tested bursary
2% I don't know

Parent/Guardian's occupation



- Modern professional (e.g. teacher/lecturer, nurse, physiotherapist, social worker, welfare officer, artist, musician, police officer (sergeant or above) or software designer)
- Prefer not to say
- Traditional professional occupation (e.g. accountant, solicitor, medical practitioner, scientist or civil/ mechanical engineer)
- Senior managers and administrators (e.g. CFO or CEO)
- Clerical and intermediate occupations (e.g. secretary, personal assistant, clerical worker, office clerk, call centre agent, nursing auxiliary or nursery nurse)
- Middle or junior manager (e.g. office manager, retail manager, bank manager, restaurant manager, warehouse manager or publican)
- Non applicable
- Technical and craft occupation (e.g. motor mechanic, fitter, inspector, plumber, printer, tool maker, electrician, gardener or train driver)
- Semi-routine manual and service occupation (e.g. postal worker, machine operative, security guard, caretaker, farm-worker, catering assistant, receptionist or sales assistant)
- Routine manual and service occupation (e.g. HGV driver, driver, van driver, cleaner, porter, packer, sewing machinist, messenger, labourer, waiter/waitress or bar staff)
- Long-term unemployed
- Don't know
- Retired

77%

of residents think that they would not have been able to afford to stay in Central London if they had not stayed at LHA.



89%

of employees believe LHA's culture fosters a comfortable, supportive work environment.

> LHA is an amazing find. I moved after finishing my masters for an internship in London. LHA allowed me to walk to work and arrive on time.

7%

of residents combine a mix of part-time study and part-time employment.



94%

of residents and volunteers feel that in London, they are accepted for who they are.

> I have been able to start my new job with peace of mind and have my best performance. I had the time to share social moments with my colleagues I wouldn't have been able to attend without it.

70%

Residents earning London living wage or below.

25%

of residents are currently engaged in full or part-time study.

102

different nationalities were recorded as having stayed with LHA in the year 2022/23.

LHA Collaborations – **Publicis Groupe**

LHA's collaboration with Publicis Groupe started in August 2020, as part of Saatchi & Saatchi's 50th anniversary celebrations. The aim of the collaboration is to provide a roadmap designed to improve entry into the advertising industry for Black, Asian and Ethnic Minority, talents and those from low social mobility backgrounds.
Saatchi & Saatchi was founded in 1970 by two brothers, the sons of Iraqi Jews who escaped persecution in Iraq to come to Britain. Despite being outsiders to the industry, they created an ad agency and revolutionised the industry with the belief that as long as you could marry chutzpah (meaning the 'quality of audacity') with potential, 'nothing is impossible'.

Saatchi & Saatchi is transforming this founding ethos into future action with the launch of Saatchi Ignite, Saatchi Open and Saatchi Home – a suite of programmes aimed at inspiring, enabling and progressing more diverse talents from across the UK.
Saatchi Home provides tiered affordable accommodation in Zones 1–2 for interns, Saatchi Open candidates and junior team members. Saatchi Home is supported by the Advertising Association and is designed to be a blueprint for the industry in removing barriers to entry – one of those being affordable housing in London.

Saatchi Home

Tier 1	Rent-free/heavily subsidised accommodation for interns who live outside of London.
Tier 2	Subsidised accommodation for Saatchi Open candidates.
Tier 3	Preferential rates for all junior agency talent below a set salary threshold.

In 2022/23, LHA welcomed 13 Saatchi Home participants to a number of our properties – recording a total of 931 overnights. This means over the last two years, a total of 28 individuals have benefitted from the collaboration totalling 1,977 overnight stays.



Our Social Impact

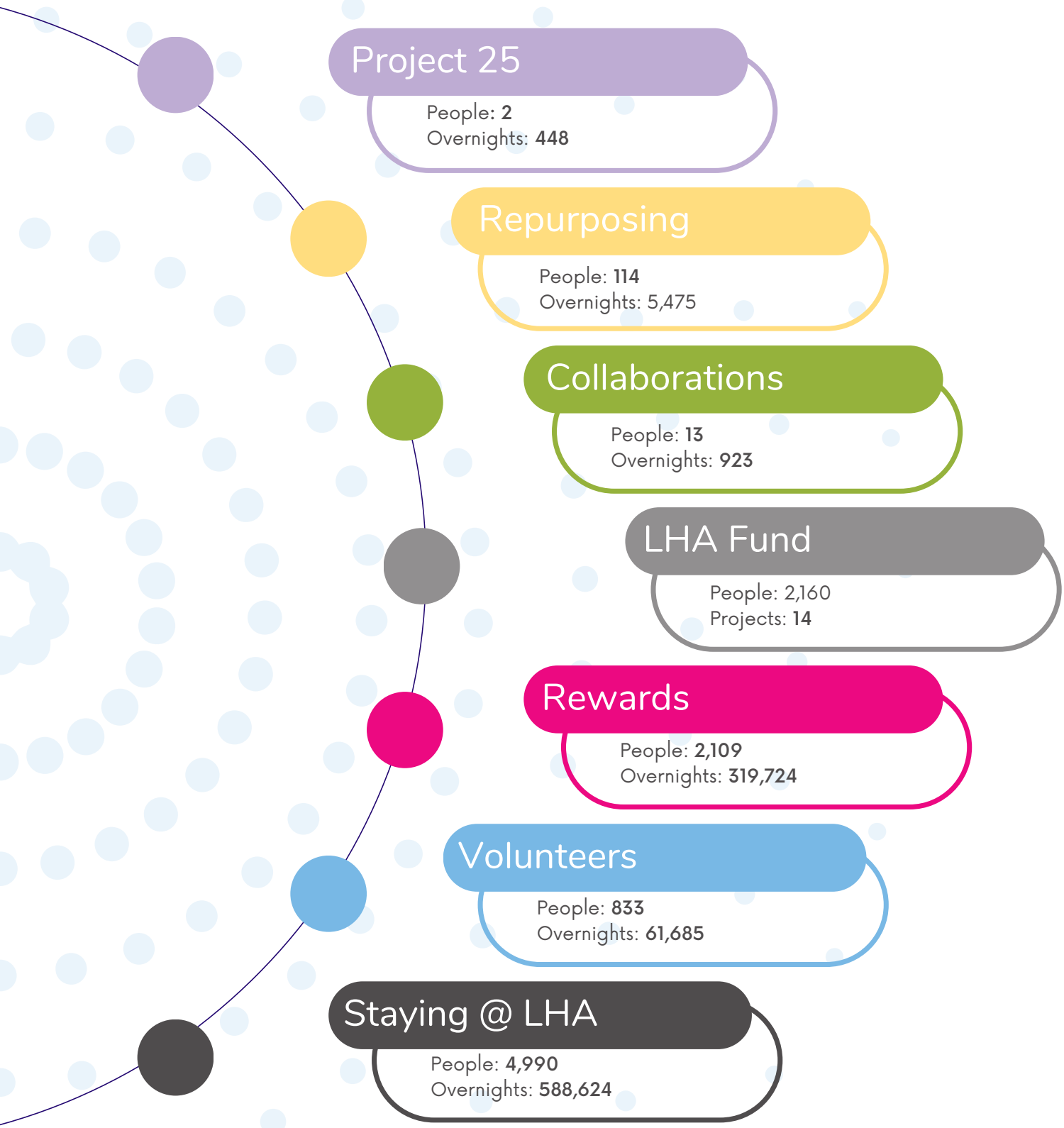
Our Impact

Accommodation young people can afford makes Central London more accessible to all young people, sustains diverse communities and enables sustainable livelihoods.

Our Outcomes

Through our places, programmes and activities, we create environments where **people gain new experiences, foster friendships with one another, improve their wellbeing and develop a sense of belonging.**

Our Year at a Glance



Project 25

People: **2**
Overnights: **448**

Repurposing

People: **114**
Overnights: 5,475

Collaborations

People: **13**
Overnights: **923**

LHA Fund

People: 2,160
Projects: **14**

Rewards

People: **2,109**
Overnights: **319,724**

Volunteers

People: **833**
Overnights: **61,685**

Staying @ LHA

People: **4,990**
Overnights: **588,624**

Our Year at a Glance

17,472 UNIQUE ENQUIRIES FOR ACCOMMODATION

70% OF RESIDENTS EARNING THE LONDON LIVING WAGE OR BELOW

£347,800 AWARDED IN GRANTS AS PART OF THE LHA FUND

77% OF YOUNG PEOPLE BENEFITTING FROM LHA REWARDS FELT THEY COULDN'T HAVE AFFORDED TO STAY IN LONDON WITHOUT LHA

89 VOLUNTEER ENGAGEMENT SCORE

83% OF RESIDENTS FEEL MORE CONFIDENT ABOUT THEIR FINANCIAL SITUATION NOW THAN BEFORE THEY STAYED WITH LHA

97% AVERAGE OCCUPANCY

92%
of young residents agree that their stay with LHA helped them to gain independence.

73%
of residents indicate that they have made friends with other LHA residents.

94%
of residents and volunteers feel that in London they are accepted for who they are.

52%
of residents feel they would have been at risk of homelessness if they had not been able to stay with LHA.

London and the World Around Us

London has historically been a magnet for young people seeking educational and professional opportunities. Several factors contribute to the city's dependence on the influx of young individuals to live and work:

- **Education and Universities:** London is home to some of the world's top universities, making it an attractive destination for students. Many young people come to the city for higher education and often choose to stay for work opportunities after graduation.
- **Job Opportunities and Economic Hub:** London serves as a global economic hub with a diverse range of industries, including finance, technology, fashion and the arts. This diversity creates a wealth of job opportunities, especially for those starting their careers.
- **Cultural and Social Scene:** The city's vibrant cultural scene, nightlife and social activities make it appealing to young people seeking an active and dynamic lifestyle. The diversity and richness of London's cultural offerings contribute to its allure.
- **Networking and Professional Development:** London provides extensive networking opportunities and professional development resources. Young professionals often find value in connecting with like-minded individuals and industry leaders, fostering career growth.
- **Global Connectivity:** London's international connectivity is a significant draw for young people. The city's airports, global business connections and multicultural environment make it an ideal location for those seeking a truly international experience.

However, this dependence on young people also poses challenges:

- **Housing Affordability:** The demand for housing in London can drive up prices, making it challenging for young individuals, especially those starting their careers, to find affordable accommodation.
- **Infrastructure Strain:** The influx of young residents can strain transportation, healthcare, and other public services. This can lead to challenges in maintaining and expanding infrastructure to accommodate a growing population.
- **Competition for Jobs:** The competitive job market in London can make it challenging for young professionals to secure positions, particularly in highly sought-after industries.
- **Quality of Life:** As the cost of living in London is relatively high, young people may face quality-of-life issues, including long working hours, high living expenses and the pressure to succeed in a competitive environment.

As many of us have observed, the COVID-19 pandemic introduced new dynamics, such as increased acceptance of remote work, which may impact London's traditional dependence on young people relocating to the city. It remains to be seen how these trends will evolve in the post-pandemic era.

In the meantime, the need to provide affordable accommodation for young people in London remains a priority. Sadly, LHA's ability to grow its impact continues to be limited by its bed stock, and there has never been a more pressing need for the organisation to acquire and establish more hostels in Central London to enable young people to pursue their passions and careers.



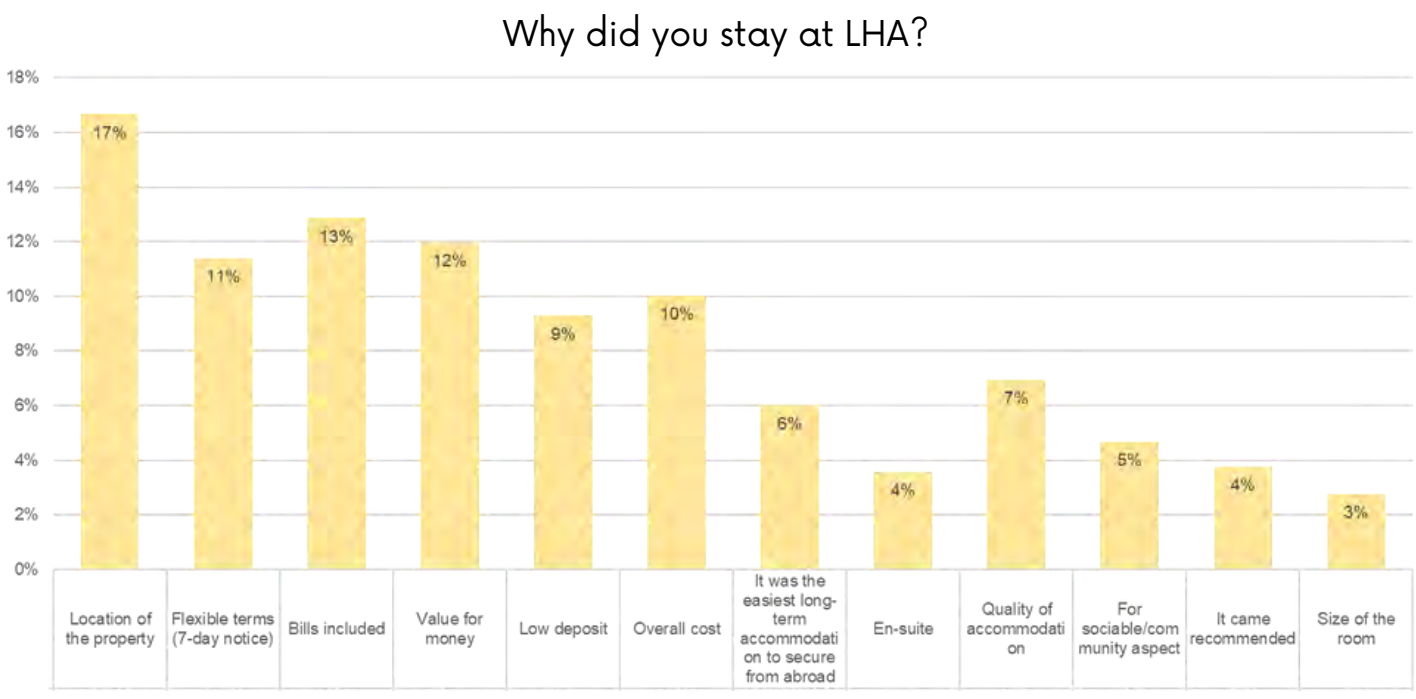
Staying at LHA

Between 2022 and 2023 nearly 5,000 individuals benefitted from staying with LHA with a total of over 588,000 overnight stays recorded.

The post-pandemic occupancy recovery continued into 2023, which included the successful re-opening of Holland House which underwent a full internal refurbishment and marked the final milestone in LHA returning to normal operations.

Holland House quickly achieved high occupancy levels of over 90%, with over 85% of residents under the age of 30. Throughout the year, average occupancy across all LHA sites achieved a staggering 99.43%. By the end of 2023, we had a total of 1,683 beds available for beneficiaries, excluding volunteers, which is an increase of 130 beds during the year due to the re-opening of Holland House.

The main reason for people choosing to stay with LHA continued to become more and more focused on the financial benefits of our core offer.



Unfortunately, once again, we saw demand for our services far outstrips supply, with close to 16,000 unique enquiries for accommodation received. Our ambition to acquire new sites and increase the number, affordability and range of facilities on offer to beneficiaries remains a priority.

Outcomes

Gain experience **77** living in a global city

Residents foster **66** friendships with one other

Improved wellbeing **73** among residents

Sense of belonging **74** to London among residents

overall **73** score

Impacts

Sustaining mixed,diverse **75** communities in London

Enabled sustained livelihood **74** for youth, homeless people and other groups living in London

We surveyed all our current and alumni residents and volunteers who benefitted from our services between October 2022 and September 2023 to understand their experiences. Once again it was a hugely rewarding experience which is reflected in some of the comments you will find throughout this report.

In terms of the quantitative information received, we saw an overall score increase from 72 in 2022 to 73 in 2023 and general positive improvements across all the indices measured, bar one.

Notably, the number of respondents who believed they could not have been able to stay in Central London without LHA rose to 77%, while the number of respondents who believed they were at risk of homelessness without LHA was 52%.

During the year, we actively focused on fostering friendships through hosting hostel events and improving our social spaces. While this remains the lowest scoring area, it is also notably the most improved score. We will continue to explore more ways to help foster friendships within our buildings in the year ahead.

As was the case in 2022, further analysis of scores for young people in receipt of LHA Rewards and responses from volunteers highlight that it is through these activities that we have the greatest social impact and deliver the strongest outcomes.
In the next section, you can see more details on our social impact and outcomes.

"I made good friends with other travellers and students with different cultural backgrounds. I gained a good reputation from colleagues and staff, including the manager, and that helped a lot to grow my self-esteem."

"I loved the opportunity to see the other volunteers fulfil their dreams and passions. Exploring the city with them and learning about the culture with the staff members was also really great!"

Staying at LHA – Outcomes: **Gaining New Experiences**

OVERALL SCORE 77

By providing affordable accommodation in Central London, we enable residents to experience the city to its fullest and thrive in the unique, diverse and exciting environment that Central London offers. For young people, LHA may be their first 'home away from home', providing a sheltered environment with access to support.

Gain experience living in a global city	2021/22 SCORE	2022/23 SCORE
I was able to connect with people with mixed, diverse backgrounds in LHA.	74	76
The experiences I have had in London (outside of LHA) have been valuable to me.	85	85
My stay with LHA has helped me to achieve my goals.	76	77
My stay with LHA has helped me to gain independence.	75	78
There were people at LHA that I could go to for support.	65	67

> ***"It has given me a sense of independence. It made me accountable for my things and taught me how to manage my finances. It also gave me more time to focus on studies and work."***

> **"It was my first time in this country and I felt safe in here. It is really good to have people in the reception who take care of us, helping us with our needs."**

> **"I have learnt I am able to support myself financially without help from anyone and can manage my life independently."**

Staying at LHA – Outcomes: **Improved Wellbeing**

> Staying at LHA helps me worry less about my living situation, food, money, etc., which really helps me focus more on my studies.

> I have a stress-free living environment, which has helped me maintain discipline in my lifestyle.

> It has given me mental peace and financial freedom during my education year, when it's difficult to work outside. Without LHA, I would have stressed out about working more to pay higher rent.

OVERALL SCORE 73

We believe that the combination of affordable accommodation, high-quality facilities, good locations, and sociable living helps to improve residents' overall wellbeing. Using the Short Warwick-Edinburgh Mental Wellbeing scale, we measured whether residents' well-being had improved since moving in with LHA.

As shown below, while we continue to see positive sentiment among all our residents with regard to their wellbeing, this is one of the few areas where scores have remained static or moved slightly backwards. This will be an area we seek to focus and improve on in 2024.

Compared to when you moved in with LHA, do you feel the following more or less frequently?	2021/22 SCORE	2022/23 SCORE
I feel optimistic about the future.	75	76
I feel useful.	75	75
I have been feeling interested in other people.	71	69
I have been feeling close to other people.	68	67
I have been feeling confident.	76	76
I have been feeling interested in new things.	77	76

Staying at LHA – Outcomes: **Fostering Friendships**

OVERALL SCORE 66

LHA living is all about community which is becoming increasingly important as young people start to realise the value of sharing affordable living. It has proven to be a great way to make friends and feel less lonely – something that young people new to the Capital can struggle with.

LHA is convenient and cost-effective because it offers individuals more than just a home. It offers a lifestyle, a social network and an opportunity to connect with others in increasingly isolating urban environments. This was one of the key areas we wanted to focus on in 2023 as we felt we could further support this activity as our communities learnt to reacclimatise to a world without restrictions on social interaction. We have focused on improving our social spaces and have encouraged inclusive hostel events, such as picnics in the park, pizza nights, table tennis tournaments and pumpkin carving competitions. While we're pleased with the progress, this will remain an area of focus during 2024 and likely go hand in hand with our focus on wellbeing.

Residents foster friendships with one other	2021/22 SCORE	2022/23 SCORE
Agree that they made friends with other residents.	66	70
Agree that they made friends with staff.	66	68
Agree that there was a strong sense of community at LHA.	62	65
feel part of a social network at LHA.	56	59
Feel that they are likely to stay in touch with other LHA residents.	65	69

> **"I had gained many things, as I made many good friends whom I go visit different places in this beautiful city. Before, I was an introvert, but now, I talk with many people, which also helps me to develop my confidence."**

> ***"It was a good experience; I got to make new friends in the new city. The staff were really helpful and friendly and made me feel welcome."***

> **"I have been able to meet my friends and socialise a lot more. I am not an introvert anymore. I am always on time for my job. I have saved a lot on transport. This has been a fantastic experience."**

Staying at LHA – Outcomes: **Sense of Belonging**

> Before moving to LHA, I didn't have a place to call home and have my things in one place. I now call Bowden Court my home; everyone is so lovely, the food is good and my mental health is amazing. I have now got my finances back on track and am able to go and see my family for a holiday over the Christmas break and return to a bed when I get back to continue my travels through Europe.

OVERALL SCORE 74

The need to have a sense of belonging is a basic human instinct. It is a core pillar in our values as we look to create environments that feel like home and connect people and places – along with the added freedom to live the way they want. We feel really honoured to be able to operate in the locations where we do. This clearly resonates with our residents and volunteers who continually fall in love with the city. In fact, over 90% say they want to live in London in the future, and 94% feel accepted for who they are.

Sense of belonging to london among residents	2021/22	2022/23
% that indicate they would like to live in London in the future.	91%	90%
% that feel accepted for who they are in London.	95%	94%

> I now feel more confident to establish friendships in London, thanks to the fact that in New Mansion House, I met many people I could talk to. This also helped me with the language. I loved staying at New Mansion House; it helped me a lot to feel at home. Thank you all.

Staying at LHA – Our Impact: **Sustaining Mixed, Diverse Communities in London**

> It connects me with how people can share common grounds despite having different backgrounds.

OVERALL SCORE 75

LHA London is open to all and welcomes people from across the globe, creating a community of individuals from all walks of life and backgrounds. In doing so, it allows people to experience all the best things about London. 95% of residents agree that connecting with people from mixed, diverse backgrounds has been valuable to them, and 83% agree that they have been able to experience this at LHA.

> **I have connected with people from diverse cultures and learn new things. I have become independent and am really happy to see my potential.**

Sustaining mixed, diverse communities in London	2021/22	2022/23
% that feel that connecting with people with mixed, diverse backgrounds has been valuable to them.	94%	95%
% that feel part of the LHA community.	59%	60%
% that have been able to connect with people with mixed, diverse backgrounds at LHA.	81%	83%

> **Staying in Central London with LHA's support has profoundly influenced my life. It has opened doors to diverse opportunities, enriched my cultural experiences and provided better access to work, shaping a more vibrant and fulfilling lifestyle for me.**

Staying at LHA – Our Impact: **Enabling Sustainable Livelihoods**

OVERALL SCORE 74

By providing a foothold in London and the ability to pursue a career or studies, we help to enable sustainable livelihoods in the long term. These may include a more stable financial or housing situation, better career opportunities or improved wellbeing.

When we asked residents about their housing situation prior to staying with LHA, we found that 6% of residents were living in temporary or emergency accommodation or were homeless. We consider this an important achievement for these individuals. LHA has been a helpful stepping stone towards a more sustainable livelihood.

We also asked alumni residents to think about how their lives may have been different if they hadn't stayed with LHA. Comments ranged from 'no difference' to 'LHA having had a tremendous impact on their lives'. For some, staying at LHA meant being able to pursue their studies or employment or getting to know London and meet new people. For others, it was a chance to save money towards a first deposit or to lead a more fulfilling life with less pressure.

Enabling sustainable livelihoods	2022/23	SCORE
% that feel that the volunteering experience has been valuable to their professional development.	92%	73
% that feel their stay with LHA has helped them to pursue their passions and/or careers.	88%	77
% that feel more confident about their financial situation now than before they were staying with LHA.	83%	76
% that feel more confident about their future prospects as a result of their stay with LHA.	87%	74

> My time has been much more useful and productive. I feel purposeful and have been saved from the exertion and exhaustion that my outer London accommodation had caused me.

> **I have been able to keep a job in Central London, progress my work career and apply for jobs in central areas that finish late that I wouldn't be able to do if I had to commute after 11pm. I have achieved much greater mental health due to proximity to the park and love the community.**

Staying at LHA – Our Impact: **Making London Accessible to Young People**

In a year when rental prices have continued to spiral in London, LHA has worked hard to minimise increases in accommodation charges and continued to offer up to 15% off accommodation for people aged under 30.

LHA continues to assess the affordability of its 'all-inclusive' offer on a regular basis, with 60% of its accommodation meeting the Mayor of London's affordable rent benchmark of no more than 30% of an individual's income being spent on housing for those earning national minimum wage. What's more, 90% of our accommodation is affordable to those on low incomes, i.e. London living wage or below.

Our surveys found that 54% of residents moved to LHA from outside London and that 60% had never lived in London before their stay with us.

Making London accessible to young people	2021/22	2022/23
% that feel they would not have been able to come and stay in Central London if they had not been able to stay at LHA.	58%	77%
% that feel they were at risk of homelessness if they had not been able to stay at LHA.	43%	52%

If I hadn't lived at LHA, I would have been struggling big time to find a place to stay or even afford to live in London. So, that in itself has been amazing. Also, meeting people from other countries and cities and cooking with them or trying new foods has been very rewarding and exciting.

LHA's Social Impact



As many of you will know, LHA London believes that the cost of accommodation should never be a barrier to a young person being able to study or work, and no one should have to live in poverty to achieve their life's goals.

However, for most Londoners, the impact of the cost-of-living and housing affordability crisis continues to be unavoidable. A toxic combination of soaring private rents and unaffordable deposits threatens to obstruct London's ability to remain a competitive global city in which to live, work and study.
According to the latest census, over the previous 10 years to 2021, there are 9.8% more households with three or more people living in them. This suggests that more Londoners are living in overcrowded accommodation that they cannot afford.

With London's population forecast to reach 9.4 million by 2030, we need to see a much more radical strategy in place that builds more homes for London, delivers genuinely affordable and high-quality homes, offers a fair deal for private renters and tackles the Capital's current homelessness crisis.
As Londoners (and the nation) continue to face the many challenges related to the cost of living, including the sharp increases in rent, I'm proud to report that we've been able to achieve continued impact by providing affordable accommodation to young people of limited means.
I would therefore like to thank everyone who has been involved in supporting more young people through our places, programmes and activities and look forwards to an equally impactful 2024.

For more information, please contact **annualreport@lhalondon.com**

Tony Perkins
Chief Executive and Company Secretary

Staying with LHA in Central London not only simplifies rent payments but also offers the advantage of proximity to my university. The walkable distance saves both time and money, allowing me to focus on my studies and other pursuits. LHA's comprehensive services cover everything, from bills to prompt resolution of issues like plumbing. This hassle-free experience adds to the overall convenience and quality of my stay.

Since moving to LHA, for nine months, I haven't had a place to call home and have my things in one place. I now call Bowden Court my home. Everyone is so lovely, the food is good and my mental health is amazing. I have now got my finances back on track and can go and see my family for a holiday over the Christmas break and return to a bed when I get back to continue my travels through Europe.



It has enabled me to keep my job; I recently graduated with a master's degree after a career change, and graduate jobs just do not pay enough to live in London. LHA is a lifeline for breaking out of this catch-22 situation.



LHA Rewards

Providing young people with their first stepping stone to independent living is at the centre of what we do and alongside our volunteer scheme. LHA Rewards is a key part of this. LHA Rewards offers young people under the age of 30 the opportunity to receive up to 15% discount on their accommodation.

Over 2,100 young people benefitted from LHA Rewards (an increase from 1,400 in 2022), which equated to over 320,000 overnight stays. This was up from 130,000 in 2022. When looking at the feedback received from rewards beneficiaries, we saw the largest fluctuations in impact and outcome scores when compared with other groups.

Notably, scores for 'Gaining Experience in a Global City' and 'Enabling Sustainable Livelihoods' were among the most increased scores across all groups whereas 'Improved Wellbeing' and 'Fostering Friendships' showed a slight decline in scores. This reinforces the need for us to look more specifically at the challenges faced by young people in London and how they differ from the wider population.

Also, there was a significant drop in the number of rewards beneficiaries who felt they could not have afforded to live in Central London without LHA. This dropped from 89% to 65%, which again suggests the concerns for young people differ from our wider beneficiary groups.



LHA Rewards

> It's evident that rent is affordable and the staff are truly helpful. Being an international student, it would have been challenging for me to stay in London and focus on study. Huge thanks and appreciation to LHA for providing such an excellent place for us.

Outcomes	2021/22 ALL	2021/22 REWARDS	2022/23 ALL	2022/23 REWARDS
Gain experience of living in a global city.	75	75	77	80
Improved wellbeing among residents.	74	75	73	73
Residents/volunteers foster friendships with each other.	63	72	66	70
Sense of belonging to London among residents.	73	76	74	76

*Using Likert scale

Impacts	2021/22 ALL	2021/22 REWARDS	2022/23 ALL	2022/23 REWARDS
Sustaining mixed, diverse communities in London.	74	76	75	77
Enabling sustainable livelihood for youth, homeless people and other groups living in London.	72	74	74	79

*Using Likert scale

> **As result of staying in LHA, I am able to live a safe environment at a very affordable price with diverse people.**

Providing Affordable Living in Central London for Those on Low Incomes	2021/22 ALL	2021/22 REWARDS	2022/23 ALL	2022/23 REWARDS
% that feel that they would not have been able to come to stay in Central London if they had not been able to stay with LHA.	58%	89%	77%	65%
% that feel they would be at risk of homelessness if they were not able to stay with LHA.	43%	58%	52%	51%

Volunteering at LHA

OVERALL SCORE 89

Volunteering at LHA London is not only an important part of us keeping the cost of accommodation affordable but also a huge part of our social impact. In fact, 833 individuals donated over 160,000 hours of their time to LHA during the year and over 60,000 overnight stays were recorded.

Volunteering at LHA	2021/22 SCORE*	2022/23 SCORE*
Overall, how would you rate your volunteer experience?	80	88
If you had another opportunity, how likely are you to volunteer with us again?	80	88
How likely are you to recommend volunteering with LHA to a friend?	80	91

We are delighted to report the volunteer engagement score has risen from 81 in 2022 to 89 in 2023. This was a direct result of the additional focus placed on supporting hostel teams and volunteers through the newly created role of 'Volunteer Scheme Advisor', alongside the ongoing improvements to our policies and procedures.

*All scores improved on the prior year
*Using Likert scale

> **I developed new skills and gained experience in my role. I met different people and had contact with other cultures. I had plenty of time to visit various tourist attractions in the city, among other benefits that volunteering gave me.**



> **The free accommodation and help with meals made my stay easier, with less worry about financial expenses. I had plenty of time and less expense to visit places I always wanted to visit. I met nice and helpful people who were very kind to me and contributed to happier days here in my place.**

Volunteering at LHA

The volunteer scheme, whereby people from across the globe stay with us for between 30 days and two years, offers opportunities to learn and develop core skills. In fact, individuals from 75 different nationalities participated in the scheme during the past 12-months.

- 92% of participants feel that the volunteering experience has been valuable to their professional development.
- 100% of participants feel they have improved their skills and expertise in hospitality because of their volunteering experience.

We asked volunteers specifically about which **other skills** they felt had improved as a result of their participation and positive improvements were recorded across all of the categories:

Which other skills you feel had improved as a result of you volunteering at LHA?	SCORE
English language	75
Time management skills	73
Communication skills	79
Attention to detail	81
Teamwork	81
Knowledge of hospitality	92

*Using Likert scale





We also asked volunteers the same questions as we did our residents and across all indices and a greater level of social impact was noted. This reinforces the importance of the volunteer scheme and meeting our charitable objectives.

2022/23 Outcomes	ALL	VOLUNTEERS ONLY
Gain experience living in a global city.	77	85
Improved wellbeing among residents.	73	81
Residents/volunteers foster friendships with one another.	66	77
Sense of belonging to London among residents.	74	83

*Using Likert scale

2022/23 Impacts	ALL	VOLUNTEERS ONLY
Sustaining mixed, diverse communities in London.	75	83
Enabling sustainable livelihood for youth, homeless people and other groups living in London.	75	77

*Using Likert scale

Providing affordable living in Central London for those on low incomes	ALL	VOLUNTEERS ONLY
% that feel that they would not have been able to come to stay in Central London if they had not been able to stay with LHA	77%	87%
% that feel they would be at risk of homelessness if they were not able to stay with LHA.	52%	44%



LHA Fund

LHA Fund

Since 2017, the LHA grant programme has supported approximately 600-700 beneficiaries per year and made a significant impact enabling its recipient charities to weather a series of storms, including funding projects that otherwise might not have seen the light of day, with 18 charities having been assisted, culminating in a grant programme of £1,741,644. In all cases, the feedback has been that these charities have valued LHA 'being there' at a time of need. In this round of funding (2022-2023), an amalgam of actual and indicative numbers of young people benefitting from 14 LHA grants is in the region of 2,160, with last year's figures being 693.

As LHA specialises in offering low-cost accommodation on flexible terms, allowing young people to live independently in safe and secure accommodation, we recognise that some young people need targeted support to be able to transition to independent living. We know that specialist charities are best placed to offer this, and our aim now is to provide grants to a small number of these through the LHA London Fund.

Therefore, 2023-24 marks a change in the LHA London Fund strategy with a view to providing larger, multi-year grants to a smaller number of organisations. These will build on successful funding relationships developed over several previous years, with criteria refocused on established charities working with young people with housing needs in London.

The two elements will include the following:

1. Project 25 - subsidised accommodation arrangement: £100,000 p.a. for three years
2. Three organisations receiving £70,000 p.a. grant for three years



2022/23 Projects

BEAM **£29,000**

Bromley and Croydon Women's Aid **£20,000**

C4WS **£30,000**

Cardinal Hume **£28,000**

Evolve **£25,000**

Glass Door **£25,100**

New Horizon **£30,000**

Project 17 **£20,000**

Refugees at Home **£16,000**

The Spire Centre **£30,000**

St Mary-Le-Bow **£14,700**

The Passage **£30,000**

Women and Girls Network **£25,000**

Z2K **£25,000**



Fund Case Study

LHA London has been supporting New Horizon Youth Centre for a number of years to help young Londoners experiencing homelessness personalise support to them to find a home. Below is Bella's story:

Bella was 18 years old when she presented at New Horizon Youth Centre. She was assessed by the housing team and referred to the youth hub on 28 July 2023. She was staying at a friend's house, as her mum had kicked her out. However, her friend could no longer let her stay due to overcrowding. Bella's mum was physically and emotionally abusive to her, and her dad died when she was 15 years old. Therefore, she had experienced a lot of past emotional trauma and distress, alongside not feeling safe in her own home.

Bella received universal credit, which meant referrals could be made quickly, as she already had access to money. Bella was offered a referral for counselling, but she felt that she wasn't yet ready to engage, yet she would look at doing this soon. Two housing referrals for supported accommodation were made, as the focus was on her having access to support but also being able to continue attending college.

The first referral came back quickly; however, when she went to view the property, the location was unsuitable, as it would have taken her nearly two hours to get to college each day. Bella was doing an access-to-nursing course, which was very important for her. The option of switching colleges at that time was likely to harm her studying, thus it was important to find a more fitting accommodation provider that wouldn't disrupt her education. Bella engaged well in the youth hub, and although she presented as very independent, she attended the cooking sessions and joined in with the other residents, eating as a group.

The second housing referral came back in a couple of weeks, she went for her assessment and was accepted the same day. The supported accommodation was female only and an easy commute to her college. Bella moved out on 24 October 2023, which was within her 56-day target.

Bella continues to work with New Horizon and regularly attends EAT club and boxing. Bella is looking forward to a future career in nursing.



NH YC NEW HORIZON YOUTH CENTRE

GIVING POTENTIAL A HOME

LHA Repurposing

The Women's Respite Service or Camden Respite Rooms, is a 15-bed project providing 28-day emergency accommodation to women who are homeless and impacted by domestic abuse and gendered violence.

The project was commissioned by Camden Council and originally funded by the Department of Levelling up, Housing, and Communities as part of a national pilot. Further funding was secured from the Mayor's Office for Policing and Crime for its second and third years. The project opened in November 2022, received six months of continuation funding until March 2023 and was recommissioned again for 2023-24.

The project is a women-only* space, and the location is strictly confidential to protect the safety of all residents and staff. The support is both gender and trauma-informed and assists women from all backgrounds and cultures through a holistic and person-centred case working model. Since opening, the respite has supported 114 women to date.

Criteria:
Women who are experiencing homelessness* or are fleeing/have experienced gendered abuse or violence*, with a particular focus on women who are at multiple disadvantages and/or who are marginalised from mainstream accommodation pathways, i.e. subject to NRPF conditions.

Homeless = rough sleeping, statutorily homeless, i.e. sofa surfing, trap houses and unsuitable accommodation (i.e. s.177 fear of violence).
Abuse and violence = as the woman understands and defines this.
We follow the safe space definition of VAWG (and expand upon this to include transphobia and institutional abuse).

Street-based violence, domestic violence and abuse, coercion and control, financial abuse, stalking, transactional sex, sexual violence including rape, sexual exploitation, sexual harassment, modern-day slavery, trafficking, so-called honour-based violence, harmful practices, including forced marriage and Female Genital Mutilation or gendered gang violence; transphobia; institutional abuse; and cuckooing.

- Women do not need a 'local connection' to Camden – they need to be working with a referral partner - a requirement that there is meaningful engagement with Camden services.
- Twenty per cent of placements are refunded, allowing us to assist women who are NRPF Trans* inclusive.
- No 'evidence' of homelessness or violence is required i.e. Chain ID or Crime References.

Project 25

Project 25 is a legacy project born out of the pandemic. During our outreach work around the repurposing of our hostels, we identified a longer-term provision of move-on accommodation for young people.

A recurring theme through our conversations was the challenges faced by young people (under the age of 35) experiencing single-person homelessness – both through the limitations imposed on them due to the benefits cap and the maximum housing allowance they can claim. Furthermore, the severe lack of move-on accommodation once individuals complete a period in supported accommodation and are ready for independent living is an issue.

During the year, two individuals have benefitted from Project 25 which equated to 445 overnight stays. Since its interception in September 2021, a total of 10 individuals have benefitted from the project, totalling 1,574 overnight stays. We aim to continue growing the reach of the project and benefit more individuals.

The Future of the Fund in 2024

To improve the sustainability of charities, the aim in 2024 is to focus on a smaller number of charities over a three-year funding period. This will provide £70,000 p.a., per charity. The selection process for the new style of funding is aimed at providing grants in April 2024.

As part of the LHA Fund review, we have ringfenced circa £100,000 p.a. to provide subsidised accommodation in our buildings. This will allow for several 16–25-year-olds to receive up to a year's transitionary support into long-term, private-sector housing by offering accommodation at local housing allowance rates. To grow the project's reach and support its delivery, LHA will work under an arrangement with two existing grantees: NHYC and St-Mary-Le-Bow.

In 2024, Project 25 will consist of ten ensuite rooms being offered at Torquay House. LHA will also cover the cost of two rooms that NHYC currently rents from St-Mary-Le-Bow for the same purpose and NHYC will provide wrap-around support to all the relevant young people. In addition, this subsidised accommodation and the LHA Fund will also contribute to the cost of their resettlement team as part of the arrangement.

Appendix 1: LHA Theory of Change

Our Theory of Change has enabled us to articulate and measure the social impact and the outcomes achieved through our core activities.

Activities

Accommodation
- Develop, refurbish and purchase property
- Provide high-quality, affordable and flexible accommodation in Central London to diverse young people

Volunteers
- Recruit to and support the LHA volunteers' programme

Partners
- Administer LHA Fund and support LHA Fund partners

Outputs

- Number of quality hostels and beds provided
- Number of residents living across LHA hostels
- Diversity of residents
- Number of volunteers
- Number of LHA Fund partners
- Total resources/grants provided
- Number of young people indirectly supported through LHA grants

Impact

Accommodation
- Central London is more accessible to all young people
- Mixed, diverse communities are sustained in London
- Sustainable livelihoods are enabled

Impact

Creating an environment where:
- Residents gain new experiences
- Residents foster friendships with each other
- Residents have improved wellbeing
- Residents develop a sense of belonging in London
- LHA volunteers gain skills and expertise in hospitality
- LHA Fund partners support young people experiencing homelessness enabled by LHA Fund grants

Appendix 2: Measuring Our Social Impact

The Measurement
In this year's report we wanted to look more closely at the overall sentiment of people's responses to our social impact survey. In order to support our future activities we wanted to better understand where our opportunities are to grow and improve our social impact. In this report, we have included the percentage of positive responses to questions (for the comparison to the preceding year) and have also applied the Likert scale to responses to gain a better understanding of how respondents feel overall.
We have used the below summary table to interpret the scores:

67–100	Strive & Celebrate
51–66	Monitor to Further Improve
34–50	Improve to Monitor
0–33	Focus to Improve



Our Governance





Board of Trustees' **Governance**

We take the governance responsibilities of the Board of Trustees seriously. We observe the Charity Commission's governance code. Our Board comprises trustees with professional qualifications in planning, construction, project management, economics and finance, HR, social policy and law, providing a great breadth of skills at this level. Trustee training is an ongoing process: it includes external courses as appropriate for specific needs and the circulation of newsletters and updates from the Charity Commission.

We enhance our board performance by careful analysis of complementary skill-sets and through an independently conducted annual self-appraisal process.
While preserving continuity, diversity and experience, we seek an orderly rotation of trustees to refresh the Board's skill-set. LHA conducts a rigorous review should a trustee consider standing for the Board for a fourth term. Recruitment of new trustees is carried out through a bilateral approach of networking and using professional recruitment services, including agencies that specialise in finding excellent trustee-level candidates for the charitable sector.

Prior to appointment, potential trustees follow the LHA three-phase selection process, which comprises an interview with the chairman and chief executive and a tour of LHA facilities, an interview by a selection panel of trustees and, finally, an invitation to shadow a board meeting and be formally appointed at the appropriate board meeting. There is a formal induction process for new trustees, which includes a trustee familiarisation pack.

The Board follows Charity Commission Governance guidelines on trustee tenure, governance training packages and onboarding. The board members complete an annual board effective survey and appraisal with the chair.



Our Trustees



David Conroy, Chair
BA, MCIPD

Chartered member of the Institute of Personnel and Development. Currently an independent management consultant.



Alexandra Whiston-Dew, Vice Chair
MA

Practising solicitor advising on privacy, media and commercial litigation matters. Graduate of Edinburgh University and BPP University. Member of the Honourable Society of Lincolns Inn.



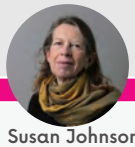
Peter Frackiewicz
BSc FRICS

Extensive built environment experience as Projects Director at Land Securities PLC. Now retired but serves as non-executive director in other organisations.



Petra Green
BA (Hons), PGDip

Marketing and publishing professional. Has held senior roles at various publishing and media companies, including Haymarket Media and Forbes Media.



Susan Johnson
BA (Hons) DIP Arch

Retired architect. Partner in private practice with 30 years' experience in Central London redevelopment projects, particularly in residential work and listed buildings. Previous director of Wren Insurance Association.



Gareth Moody
BA (Hons), PGDipSurv, MRICS

Chartered surveyor and managing director of Tila Commercial, specialising in property management, facilities management, asset management and building consultancy. Previously held roles with CBRE and Knight Frank in Central London.



Adam Poole

Chartered surveyor and investment director at British Land. Graduate of Newcastle University and the University of Reading.



Harkamaljeet Sandhu Shinger
BA (Hons), MA, PGDIP

Housing professional with 30 years of experience in local government and the social housing sector. Particular focus on equality, diversity and inclusion - specialising in strategy, policy and business planning.



David Sawer

Member of the Institute of Chartered Accountants in England and Wales. Currently working as chief accountant at Metro Bank. Graduate of the London School of Economics



Helen Wyeth
MEng, CA

Chartered accountant, currently working at British Land as head of finance for their Campus Joint Ventures. Previously held various roles at British Land and PwC.



Simon Tarr
Appointed 28/03/2023

Chartered accountant with over 30 years of commercial and not-for-profit experience. Held various senior executive positions across multiple and diverse organisations.



Elizabeth Nyawade
BA (Hons), MA, MSc
Appointed 05/12/2023

Chartered fellow of the Chartered Institute of Personnel and Development. Currently an executive director at Surrey and Sussex NHS Healthcare Trust



Toyin Miller
BA (Hons)
Retired 14.12.2022

Social investment professional with experience in support of the Third Sector, focusing on innovative investment and finance to enable charities to deliver and grow their social impact.



Alec McTavish
MSc (Econ), BSc (Econ), FRSA
Retired 14.02.2023

Worked as an economic adviser in various government departments. At rail privatisation, was appointed a director at the Association of Train Operating Companies.



Bonnie Chiu
BBA, MSc
Retired 27/06/2023

Award-winning social entrepreneur, gender equality advocate and social impact consultant. Recognised as a Forbes 30 Under 30, she is also a senior contributor to Forbes writing on gender and diversity.



Ali Mohammed
BA (Hons), MSc
Retired 31.12.2023

Chartered fellow of the Chartered Institute of Personnel and Development. Over 30 years' senior experience in HR in the NHS and currently an executive director at the South East Coast Ambulance Service.

KEY

- Current board member
- Newly appointed board member
- Retired board member

Our Committee **Structure**

LHA London Ltd

Registered Charity No. 169428

Company Registration No. 363816

Registered Office:
54 Eccleston Square
London, SW1V 1PG

Finance, Audit & Risk Committee

Peter Frackiewicz chair
David Conroy
Alexandra Whiston-Dew
Helen Wyeth
David Sawer
Toyin Miller retired 04.12.22

Property Oversight and Projects Committee

Sue Johnson chair
Peter Frackiewicz
Gareth Moody
Adam Poole
Jeremy Estop co-opted member 05.10.2023

People Committee

Ali Mohammed chair, retired 31.12.2023
David Conroy
Alexandra Whiston-Dew
Simon Tarr appointed 09.11.2023
Elizabeth Nyawade appointed 05.12.2023
Alec McTavish retired 14.02.2023

Social Policy Committee

Petra Green chair
Harkamaljeet Sandhu Shinger
Simon Tarr appointed 24/04/2023
Toyin Miller retired 04.12.22
Alec McTavish retired 14.02.2023
Bonnie Chiu retired 27.06.2023
Lynn Vickery co-opted member 12/10/2023

LHA Services Ltd

Company Registration No. 3424128

Registered Office:
54 Eccleston Square
London, SW1V 1PG

LHA Services Limited

Directors:
Alexandra Whiston-Dew chair
David Conroy
David Sawer appointed 28.02.2023
Alec McTavish retired 14.02.2023

Executive:
Tony Perkins, FRSA
Chief executive & company secretary
Marsha Gair, FCCA, Finance Director

Our Management Team



Tony Perkins - Chief Executive



Marsha Gair - Finance Director



Ben Atwell - Director of Operations



Andy Gatrell - Director of Estates

Our management team provides a great combination of skill sets. We are working hard to move the charity forward. We recognise that it is important to invest in people if the business is to progress. The year ahead will bring new challenges, but we believe our strategy is sound.

The Board determines the policy, ensures the proper management of the LHA and provides effective guidance and leadership to the chief executive, EMT and employees of LHA. The Board appoints the chief executive who reports to the Board at their meetings. The Board sets senior management remuneration by reference to market benchmarking.

Trustees are, individually and collectively, responsible for the overall governance and strategic direction of the organisation.



Trustees' Review and Strategic Report

Trustees' Review and **Strategic Report**

The trustees, who are also directors of the charity for the purpose of the Companies Act, submit their annual report with the balance sheet for the company on 30 September 2023 and the statement of financial activities for the year ending on that date, approved by the Board of Trustees, on 28 February 2023. The charity is governed by its Memorandum and Articles of Association. The charity is managed by Trustees who meet formally five times a year.

Trustees and Members
The trustees who served during the year are named on Page 55 of this report. Additional or replacement trustees are appointed by the remaining trustees.
Insurance against trustees' and officers' liabilities in relation to the charity was maintained during the year 2022/2023, as cited in the Memorandum and Articles of Association, Para 60 (1).

Strategic Report
The charity achieved surplus net incoming resources before transfers of £6,723,067 (2022; £4,255,721), which is approx. £1,190,000 over budget due to savings on utility costs, depreciation and also increased interest rates, resulting in a £500,000 surplus of interest received against budget.
There was a spend of £950,004 (2022; £890,588) on repairs and maintenance.
Donations of £347,800 (2022; £276,810) were made during the year.



Trustees' Review and **Strategic Report**

Investments

Barclays Wealth and HSBC were the managers of the charity's investment portfolio.
The investment policy remained unchanged during the year, having the following objectives:
The charity's assets should be invested and held in order to grow their value over time. Because the charity does not rely on investment income for operational purposes, a total return approach (capital growth and income generation) can, therefore, be adopted for the investment portfolio.
The financial objective of the investment portfolio is to maintain the real value of the assets, keeping them at least in line with inflation while generating a stable and sustainable return to grow capital over the long term. The long-term target return set by the charity is at least the Bank of England base rate plus 5%.
Separately, cash deposits held by the charity are deemed shorter-term and used to maintain liquidity. The split between longer-term capital growth investments and shorter-term cash investments will be reviewed by the committee on a regular basis and be adjusted according to the charity's requirements.
Investment decisions should aim to optimise the total return of the portfolio in line with the charity's risk appetite. The charity has defined this as moderate for the purposes of its investment approach and has accepted a degree of risk to its capital. The charity is able to tolerate volatility in the capital value of the investment portfolio and has a long-term time horizon of over five years.
To minimise risk to an acceptable level, any assets invested should be held within a diversified portfolio that does not have excessive exposure to any specific sector or country. The committee expects that the volatility experienced by investment portfolios should be no more than two-thirds of the volatility of global equities (in sterling).

It should be noted that there is no specified exposure limit at the sector or country level. However, the committee reserves the right to set this if it feels appropriate. Asset classes may include cash, fixed income/bonds, equities, property funds, hedge funds, commodities, or any other asset that is deemed suitable for the charity. The base currency of the investment portfolio is sterling; however, investments may be made in non-sterling assets.

Withdrawals can be made from the investments as and when required by LHA to fund its charitable purposes and objectives, such as buying or refurbishing property. LHA also allows for the invested assets to be held as collateral against a lending facility.

In line with the above policy, the Board decided to sell the investments due to the increasing volatility in the market as well as its main objective of finding a suitable property to create more beneficiary beds.

The cash generated from investments is currently being placed in short-term deposits to maximise interest returns.

The investment policy will be reviewed in 2023/24.

Trustees' Review and **Strategic Report**

Fixed Assets

We are pleased to provide an overview of the significant capital works completed during the financial year, demonstrating our commitment to enhancing our facilities and ensuring the continued wellbeing of our residents. The following key projects were undertaken, showcasing our dedication to maintaining and improving our housing properties:

1 **Electrical Works:**
- Completed at a cost of £122,000. The majority of sites were completed in 2022/23.
- Enhancements to electrical infrastructure for improved safety and efficiency.

2 **Refurbishment Projects:**
- Ongoing refurbishment efforts initiated in 2022/23 at Holland House with a total expenditure of just over £700,000.
- The addition of four beds in the gym area on the ground floor, creating a more versatile and accommodating space.

3 **Plant Room Renovation:**
- Renovates a plant room at Halpin House with approximately £165,000 spent.
- Ensured optimal functionality and efficiency of the facility's systems.

4 **Toilet and Shower Upgrade:**
- £92,000 was spent on upgrading toilet and shower facilities at Belvedere.
- The project was successfully completed during the financial year , enhancing resident amenities.

5 **Expansion and Refurbishment at Bowden Court:**
- £126,000 investment in the basement, resulting in additional resident beds.
- Strategically expanding capacity to meet growing demand.

6 **Friendship House Roof Project:**
- Investment of £190,000 towards the roof project.
- the project aims to add extra beds, currently in the planning stage with Southwark's planning department.

7 **Underspend on Capital Works:**
- Significant underspend attributed to a £2.2 million provision at Davies Court.
- Cladding works deemed unnecessary due to meeting all safety requirements after extensive investigation.

These capital works not only enhance the quality of our housing accommodation but also represent a strategic investment in the wellbeing and satisfaction of our residents. We look forwards to continuing these efforts in the upcoming budget year, ensuring that our properties remain safe, comfortable, and equipped to meet the evolving needs of our community.

Trustees' Review and **Strategic Report**

Payment Policy
It is the charity's policy to pay creditors in accordance with contracted terms, normally within 30 days.

Results
The net movement in funds during the year was a surplus of £6,723,067 compared with the previous year's surplus of £12,491,557. There were no movements on the pension scheme as in the previous year due to there being a surplus in the scheme again as at 30 September 2023. There was no adjustment to the values of the LHA property portfolio as in the previous year, when there had been an increase of £9,446,795 due to a revaluation, but having carried out a review of the value of the properties and given market conditions no adjustment was considered necessary this year.

Reserves
As of 30 September 2023, charitable funds stand at £36,457,865 and designated funds at £250,526,549. Within Designated Funds, there is a fixed asset reserve of £250,526,549, which represents the net book value of the fixed assets. All other reserves are available to maintain and develop the future work of the charity and are considered adequate by the trustees for these purposes. The reserves in the profit and loss account of LHA Services Ltd(LHAS), the subsidiary company, were £180,154 as of 30 September 2023, compared to £299,889 in 2022.

As a charity, LHA is obliged by the Charities Commission to set a policy on reserves, and this establishes a level that is appropriate for LHA for the year. LHA's reserve policy is set to adequately support the continuation of the charity's current activity and future capital expenditure. The charity's aim is to monitor the reserves policy throughout the year through the budgetary process and to review the reserves policy to ensure it meets LHA's changing needs and circumstances.

Our reserves policy is reviewed annually when we review our sources of income and balance the impact of future plans, commitments, our pension schemes and any management of financial risk involved. LHA's target reserve level is set at six months' working capital, which currently stands at approximately £4.8m. Our current reserve levels are higher than this because we expected to start two major projects. One of the projects has now been put on permanent hold due to escalating building costs. The other project a roof extension at Friendship House - is currently in the planning development at Southwark. The director of estates is currently in the due diligence process for the acquisition of a new site, which will require a substantial amount of the LHA reserves in 2023/24.

Trustees' Review and **Strategic Report**

Risk Management
The trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining adequate resources, combined with conducting an annual review of the control of key financial systems, will enable the charity to cope with any future adverse conditions. The trustees reviewed the annual risk matrix in December 2023. The trustees have also examined other business operation risks faced by the charity and confirmed they have established systems to mitigate significant threats. The Finance Audit and Risk Committee reviews and updates the Trustee Board as necessary and has identified the following as the highest risks:

- The economic and political environment presents a challenging outlook characterised by pressures on margins and a diminishing scope for strategic planning. Factors such as political and regulatory changes add an additional layer of complexity, potentially impacting costs and sustainability initiatives. In response to these challenges, there is an increased emphasis on profit and loss reviews, with a focus on forecasting. The Board and EMT are closely monitoring these aspects with the financial director, who provides regular reports to the Financial, Risk and Audit (FAR) Committee. This heightened scrutiny reflects a commitment to maintaining stability in the face of economic and political uncertainties.

- Ensuring statutory compliance across assets, operations, and the workplace, particularly by focusing on safeguarding and security, is a multifaceted task. The organisation faces potential legal challenges, claims and financial losses associated with injuries, damages and other unforeseen events. To mitigate these risks, there is an ongoing review and update of policy documents and management processes. Attention is given to maintaining up-to-date H&S policies, implementing reporting procedures, and conducting regular assessments overseen by the H&S Committee and monitored by the FAR Committee. Fire prevention and management controls include annual fire risk assessments, testing of disaster recovery plans, and certification of fire appliances. Specific concerns, such as fire safety in Friendship House and Davies House and the potential significant capital expenditure associated with cladding renewal, are addressed through ongoing evaluations. Regular reporting from the POPC committee ensures transparency, and board presentations include up-to-date H&S and fire assessments, affirming the commitment to maintaining statutory compliance and preventive maintenance schedules.

Trustees' Review and **Strategic Report**

LHA Services Limited for 2022/23
LHA Services Ltd (LHAS), wholly owned by the charity and acting under a licence and agreement signed in 1991, fills casual room vacancies, particularly during holiday times and between long-term bookings.
LHAS has a taxable trading surplus and, in accordance with the covenant signed on 1 October 1997, an amount of £16,888 is to be transferred to the charity in 2023/24.

In preparing these financial statements, the trustees are required to

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statements of Recommended Practice (SORPs).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charitable company will not continue in business.

The trustees are responsible for keeping 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 2006. They are also responsible for safeguarding the assets of the charitable company and the group and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware,

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By Order of the Board



Tony Perkins
Company Secretary
27 February 2024

Opinion

We have audited the financial statements of LHA London Limited (the 'parent company') and its subsidiary ('the group') for the year ended 30 September 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, the Consolidated Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 30 September 2023 and of the group's 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees and 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 Report of the Trustees has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the Report of the Trustees.

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 returns adequate for our audit have not been received from branches not visited by us; 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, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity'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 charity 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

Based on our understanding of the charity and its sector, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006, and the Charities Act 2011.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of property, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;

- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

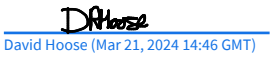
There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:


David Hoose (Mar 21, 2024 14:46 GMT)

David Hoose (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS
Date: 21-Mar-2024

LHA London Limited
Financial statements for the year ended 30 September 2023
Consolidated statement of financial activities

	Notes	General Funds	Designated Funds	Total 2023	Total 2022
Income		**£**	**£**	**£**	**£**
Income from charitable activities:					
Operation of hostels		15,155,587	-	15,155,587	13,521,194
Income from other trading activities	4	242,568	-	242,568	270,768
Income from investments		1,182,959	-	1,182,959	367,633
Total income		16,581,114	-	16,581,114	14,159,595
Expenditure					
Raising funds:					
Commercial trading operations		230,554	-	230,554	133,730
Investment management fees		-	-	-	41,723
Charitable activities:					
Operation of hostels	5	9,627,493	-	9,627,493	9,728,421
Total expenditure		9,858,047	-	9,858,047	9,903,874
Net income before transfers		6,723,067	-	6,723,067	4,255,721
Gross transfers between funds		(584,069)	584,069	-	-
Net income after transfers		6,138,998	584,069	6,723,067	4,255,721
Revaluation of property	10	-	-	-	9,446,795
(Losses) on investment assets	11	-	-	-	(1,252,959)
Net income before actuarial movements		6,138,998	584,069	6,723,067	12,449,557
Actuarial gain on pension scheme	15	-	-	-	42,000
Net movement in funds		6,138,998	584,069	6,723,067	12,491,557
Fund balances brought forward at 1 October 2022		30,318,867	249,942,480	280,261,347	267,769,790
Fund balances carried forward at 30 September 2023		36,457,865	250,526,549	286,984,414	280,261,347

All amounts relate to continuing activities; there were no recognised gains or losses other than those included above.

LHA London Limited
Financial statements for the year ended 30 September 2023
Balance sheets

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Intangible assets	9	-	3,029	-	3,029
Tangible assets	10	250,526,549	249,942,480	250,526,549	249,942,480
Investments	11	-	-	150,000	150,000
		250,526,549	249,945,509	250,676,549	250,095,509
Current assets					
Stocks	12	16,390	11,594	16,390	11,594
Debtors	13	772,710	574,768	798,764	649,406
Short term deposits		36,122,771	30,774,966	36,122,771	30,774,966
Cash at bank and in hand		1,861,429	1,877,005	1,640,730	1,488,040
		38,773,300	33,238,333	38,578,655	32,924,006
Creditors: amounts falling due within one year	14	(2,315,435)	(2,922,495)	(2,300,944)	(2,908,057)
Net current assets		36,457,865	30,315,838	36,277,711	30,015,949
Total assets less current liabilities		286,984,414	280,261,347	286,954,260	280,111,458
Pension (liability)	15	-	-	-	-
Net assets		286,984,414	280,261,347	286,954,260	280,111,458
The funds of the charity					
Unrestricted funds:					
General		36,457,865	30,318,867	36,427,711	30,168,978
Designated	16	250,526,549	249,942,480	250,526,549	249,942,480
	17	286,984,414	280,261,347	286,954,260	280,111,458

The financial statements were approved by the Trustees on 27th February 2024 and signed on their behalf by:

D Sawer
Trustee

D Conroy
Trustee

	2023	2022
	£	£
Reconciliation of net income to net cash inflow from operating activities		
Net income for the year	6,723,067	12,491,557
Depreciation charges	979,268	841,006
Amortisation charge	1,136	4,545
Loss on disposal of intangible fixed assets	1,893	-
Loss on disposal of fixed assets	-	1,136,833
(Gain) on revaluation of fixed assets	-	(9,446,795)
Loss on investment assets	-	1,252,959
(Increase) in stocks	(4,796)	(1,764)
(Increase)/decrease in debtors	(197,942)	263,897
(Decrease)/Increase in creditors	(607,060)	844,833
(Decrease) in pension liability	-	(42,000)
Net cash generated from operating activities	6,895,566	7,345,071
Investing activities		
Purchase of tangible fixed assets	(1,563,337)	(2,062,600)
Increase in Short term deposits	(5,347,805)	(30,774,966)
Purchase of investments	-	(7,108,689)
Proceeds from sale of investments	-	30,379,141
Net cash generated used in investing activities	(6,911,142)	(9,567,114)
Net cash (outflow)	(15,576)	(2,222,043)
Decrease in cash in the period	(15,576)	(2,222,043)
Cash and cash equivalents at 1 October 2022	1,877,005	4,099,048
Cash and cash equivalents at 30 September 2023	1,861,429	1,877,005

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention with the exception of investments, functional freehold properties and long leasehold properties which have been included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Companies Act 2006. LHA London Limited meets the definition of a public benefit entity under FRS 102.

The principal accounting policies adopted in the preparation of the accounts are set out below. The trustees consider that it is appropriate for these accounts to be prepared on the going concern basis.

Group accounts

These accounts consolidate the results of the Association and its wholly owned subsidiary, LHA Services Limited on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the Association itself following exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The financial activities of the charity are disclosed in note 3 to the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts. Investment income and gains or losses are allocated to the appropriate fund.

Valuation of properties

Functional freehold and long leasehold properties were included in the accounts at valuation for the first time in 2012/13. These have been valued by Colliers International Valuers UK LLP in September 2021. The properties will be revalued every three years.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold and long leasehold buildings	Nil
Short leasehold land and buildings	
Furniture, fixtures and equipment	10 - 20 % p.a Straight line method
Motor vehicles	
Computer equipment	20 - 33.3 % p.a Straight line method

Moveable furniture and equipment is written out of the accounts after ten years as the Trustees consider that it has a negligible residual value.

Amortisation
Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Website costs	20% pa straight line method

Investments
Fixed asset investments are stated at mid-market value at the balance sheet date. Gains and losses on revaluation of investments held as fixed assets are included in the statement of financial activities as unrealised. Where investments have been sold during the year the difference between sale proceeds and market value at the beginning of the period is included in the statement of financial activities.

Income
Income for operation of hostels relates to income received in the letting of beds for long stays, catering income, sundry income and is shown net of value added tax and discounts.

Expenditure
All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing LHA London Limited to the expenditure. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expenses headings on the basis of time spent.

Stocks
Stocks, which consist of consumables are valued at the lower of cost and net realisable value.

Cash at bank and in hand
Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of 3 months or less from the date of opening of the deposit.

Short-term deposit
Shirt-term deposit includes investments with a maturity of over three months but not longer than twelve months from the date of the opening of the deposit.

Pensions

The Charity operates a pension scheme providing benefits based on final pensionable pay. The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the Statement of Financial Activities, so as to spread the costs of pensions over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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 both current and future periods.

The key estimates and assumptions made in these accounts are considered to be

(a) Depreciation, which is provided at rates calculated to write off the cost, less the estimated residual value, of each fixed asset over its estimated useful life. This is of particular relevance to freehold properties which have not been depreciated as the residual value is deemed to be in excess of cost.

(b) The assumptions made in the revaluation of the charitable properties. The principal assumptions are the estimated rental potential in each area, the level of demand for similar properties and the degree of discounting applied to reflect the level of shared occupancy rooms.

(c) The pension scheme assets are valued at market rate. A pension scheme deficit is recognised in full on the balance sheet, but where there is a pension scheme asset this is not recognised unless the asset can be realised through reduced future contributions. The actuarial gains are therefore limited to the gain required to bring the liability to zero.

3 Financial activities of the charity

A summary of the financial activities undertaken by the charity is set out below:

	2023	2022
	£	£
Total income	16,650,295	14,027,650
Total expenditure on charitable activities	(9,807,493)	(9,818,421)
Investment managers' fees	-	(41,723)
Investment (losses)/gains	-	(1,252,959)
Revaluation of property	-	9,446,795
Actuarial gain on final salary pension scheme	-	42,000
Net income	6,842,802	12,403,342
Total funds brought forward	280,111,458	267,708,116
Total funds carried forward	286,954,260	280,111,458
Represented by:		
General funds	36,427,711	30,168,978
Designated funds	250,526,549	249,942,480
	286,954,260	280,111,458

4 Income from other trading activities

The Charity's one wholly owned trading subsidiary, LHA Services Limited, which is incorporated in the UK, distributes all of its taxable profits to the Charity. The activities of this subsidiary are the provision of short term accommodation and catering services together with the provision of amenities to the residents of LHA London Ltd. The charity owns the entire issued share capital of 150,000 ordinary shares of £1 each. A summary of the trading results is shown below.

Profit and Loss Account	2023	2022
	£	£
Turnover	242,568	270,768
Cost of sales and administrative expenses	(230,554)	(133,730)
Gross profit	12,014	137,038
Interest receivable	4,874	327
Net profit	16,888	137,365
Amount distributed to LHA London Limited	(136,623)	(49,150)
Retained (loss)/profit in subsidiary	(119,735)	88,215

The assets and liabilities of the subsidiary were:

	2023 £	2022 £
Current assets	226,570	388,965
Creditors: amounts falling due within one year	(46,416)	(89,076)
Total net assets	180,154	299,889
Aggregate share capital and reserves	180,154	299,889

Included in administrative expenses are rent of £48,000 (2022 - £24,000) and management charges of £132,000 (2022 - £66,000) payable to LHA London Limited and these charges have been eliminated on consolidation.

5 Analysis of charitable expenditure

	Staff costs (note 8) £	Other £	Depreciation (notes 9&10) £	Total 2023 £	Total 2022 £
Charitable expenditure					
House operating costs	2,020,222	4,313,434	970,579	7,304,235	6,289,452
Support costs	1,555,032	363,575	9,825	1,928,432	3,125,656
Governance costs (note 6)	-	47,026	-	47,026	36,503
Donations (note 7)	-	347,800	-	347,800	276,810
Total	3,575,254	5,071,835	980,404	9,627,493	9,728,421

Charitable expenditure

Details of other costs	House operating costs £	Support costs £	Total 2023 £	Total 2022 £
Repairs & maintenance	947,382	2,622	950,004	890,588
Utilities	1,439,935	2,921	1,442,856	1,124,746
Catering	352,458	-	352,458	196,529
Insurance	314,339	5,614	319,953	274,408
Security	204,579	-	204,579	212,822
Rent and rates	107,675	136,874	244,549	141,461
Cleaning, laundry, waste, pest control	388,356	2,553	390,909	672,622
Other costs	558,710	212,991	771,701	1,934,820
	4,313,434	363,575	4,677,009	5,447,996
Governance costs (note 6)			47,026	36,503
Donations (note 7)			347,800	276,810
Total other costs			5,071,835	5,761,309

6 Governance costs

Governance costs include:	2023 £	2022 £
Audit fees	36,430	21,895
Insurance against Trustees' and Officers' liabilities	10,289	13,907
Trustees' expenses	307	701
	47,026	36,503

7 Donations

All donations were made to institutions and these are broken down as follows:	2023 £	2022 £
Albert Kennedy Trust	-	28,810
New Horizons	30,000	-
Glass Door	25,100	-
C4WS	30,000	30,000
The Spires Centre	30,000	30,000
St Mary Le Bow	14,700	-
Evolve	25,000	25,000
Zacchaeus 2k Trust	25,000	25,000
Project Seventeen	20,000	20,000
Women & Girls Network	25,000	25,000
Refugees at Home	16,000	16,000
BEAM	29,000	29,000
Cardinal Hume	28,000	28,000
Bromley & Croydon Women's Aid	20,000	20,000
The Passage	30,000	-
	347,800	276,810

8 Staff costs

	2023 £	2022 £
Wages and salaries	2,737,847	2,228,682
Social security costs	258,569	218,955
Other pension costs	578,838	678,469
	3,575,254	3,126,106

Average number of employees during the year

Head office staff	18	16
Direct maintenance staff	7	6
Hostel staff	59	52
	84	74

Number of employees with emoluments in excess of £60,000:

£60,000 - £70,000	1	1
£70,000 - £80,000	-	1
£80,000 - £90,000	2	-
£90,000 - £100,000	-	1
£130,000 - £140,000	-	1
£140,000 - £150,000	-	1
£150,000 - £160,000	1	-
£160,000 - £170,000	1	-

The total of employee benefits, including employer pension contributions received by Key Management Personnel in 2023 is £544,537 (2022: £473,436). Key Management Personnel are the Chief Executive Officer, Finance Director, Director of Estates and Director of Operations.

9 Intangible fixed assets – Group & Charity

	Website
Cost	
At 1 October 2022	22,723
Additions	-
Disposals	(22,723)
At 30 September 2023	-
Amortisation	
At 1 October 2022	19,694
Charge for the year	1,136
Released on disposal	(20,830)
At 30 September 2023	-
Net book value	
At 30 September 2023	-
At 30 September 2022	3,029

10 Tangible fixed assets – Group and Charity

	Freehold land and buildings	Leasehold land and buildings	Property improvements	Plant and machinery	Total
	£	£	£	£	£
Cost					
At 1 October 2022	234,613,165	9,862,421	16,434,804	1,128,111	262,038,501
Additions	-	-	1,488,898	74,439	1,563,337
At 30 September 2023	234,613,165	9,862,421	17,923,702	1,202,550	263,601,838
Depreciation					
At 1 October 2022	-	-	11,134,068	961,953	12,096,021
Charge for the year	-	-	938,972	40,296	979,268
At 30 September 2023	-	-	12,073,040	1,002,249	13,075,289
Net book value					
At 30 September 2023	234,613,165	9,862,421	5,850,662	200,301	250,526,549
At 30 September 2022	234,613,165	9,862,421	5,300,736	166,158	249,942,480

The Trustees undertook a valuation of all the freehold and long leasehold properties in September 2021. The valuation was undertaken by Colliers CRE and the properties were valued at £239,300,000 (this includes freehold property, leasehold properties and property improvements above). The valuation of the properties were updated in 2021/22 using House Prices Index, resulting in a revaluation of £9,446,795. During 2022/23, the Director of Estates carried out a review of the value of the properties and given market conditions believes they have not changed materially.

Property improvements include £297,835 (2022: £107,418) of assets under construction.

11 Investments

	Investments in subsidiary undertakings	Total
	£	£
Market value		
At 1 October 2022 and 30 September 2023	150,000	150,000

12 Stocks

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Household equipment and food	16,390	11,594	16,390	11,594

13 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	131,665	87,386	131,665	87,386
Other debtors	83,662	41,983	83,662	41,983
Amounts owed from group companies	-	-	26,054	74,638
VAT recoverable	59,612	59,724	59,612	59,724
Prepayments and accrued income	497,771	385,675	497,771	385,675
	772,710	574,768	798,764	649,406

14 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	823,028	1,119,718	822,463	1,118,835
Other taxes and social security costs	72,086	85,540	72,086	85,540
Amounts owed to group companies	-	-	-	-
Other creditors	32,774	28,438	32,774	28,438
Fees and deposits in advance	756,342	779,340	756,342	779,340
Accruals	631,205	909,459	617,279	895,904
	2,315,435	2,922,495	2,300,944	2,908,057

15 Pension commitments

The charity makes contributions to a defined contribution pension scheme on behalf of a number of employees who are not included within the defined benefit pension scheme. Contributions in the year totalled £148,120 (2022: £135,328).

The Charity operates a defined benefit scheme in the UK. The scheme is closed to new entrants. As a consequence the current service cost calculated under the projected unit method can be expected to increase over time, as the average age of the membership increases. A full actuarial valuation was carried out at 1 April 2021 and updated to 30 September 2023 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.
The Charity currently pays contributions at the rate of 41.3% of pensionable pay following the actuary valuation on 1st April 2021.

Present values of scheme liabilities, fair value of assets and surplus/(deficit)

	At 30/9/23	At 30/9/22	At 30/9/21
	£'000	£'000	£'000
Fair value of scheme assets	9,594	9,327	10,911
Present value of scheme liabilities	(5,485)	(5,547)	(10,953)
Surplus/(Deficit) in scheme	4,109	3,780	(42)

15 Pension commitments (continued)

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2023	2022
	£'000	£'000
Scheme liabilities at start of period	5,547	10,953
Current service cost	53	102
Interest cost	291	222
Actuarial (gains)	(402)	(5,895)
Experienced losses on liabilities	100	358
Changes to demographic assumptions	-	27
Benefits paid & death in service insurance premiums	(104)	(220)
Scheme liabilities at end of period	5,485	5,547

Reconciliation of opening and closing balances of the fair value of the scheme assets

Fair value of scheme assets at start of period	9,327	10,911
Interest on assets	499	226
Expected return on scheme assets	(410)	(2,029)
Contributions by employer	282	439
Benefits paid	(104)	(220)
Fair value of scheme assets at end of period	9,594	9,327

The actual return on the scheme assets over the year ending 30 September 2023 was £89,000 (2022: £1,803,000).

Total expense recognised in the statement of financial activities

Current service cost	53	102
Interest cost	291	222
Expected return on scheme assets	(499)	(226)
Total expense recognised in the statement of financial activities	(155)	98

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS17 is a loss of £1,707,000 (2022: £1,707,000 loss).

15 Pension commitments (continued)

Assets	2023 £'000	2022 £'000	2021 £'000
Total assets	9,594	9,327	10,911

None of the fair values of the assets shown above include any of the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Assumptions

The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2023 % per annum	2022 % per annum
Rate of discount	5.60	5.30
Inflation (RPI)	3.25	3.50
Inflation (CPI)	2.65	2.90
Salary increases	2.65	2.90
Pension increases		
Accrued before 1 July 2016	5.00	5.00
Accrued after 1 July 2016	2.65	2.90
Revaluation rate for deferred pensioners	5.00	5.00
Commutation	Nil	Nil

Life expectancy

Male retiring at age 65 in 2022	22.3	22.3
Female retiring at age 65 in 2022	24.7	24.6
Male retiring at age 65 in 2042	23.4	23.3
Female retiring at age 65 in 2042	25.8	25.7

Expected long term rate of return

The scheme's assets are invested in a unitised with profit fund. It is assumed that the long term rate of return on the fund will be 5.6% per annum (2022: 5.3%).

15 Pension commitments (continued)

Amounts for the current and previous four periods

	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Fair value of assets	9,594	9,327	10,911	10,016
Present value of scheme liabilities	(5,485)	(5,547)	(10,953)	(11,307)
Surplus/(Deficit) in scheme	4,109	3,780	(42)	(1,291)
Notional asset not recognised	4,109	3,780	-	-
Amount recognised on Balance Sheet	-	-	(42)	(1,291)
Experience adjustment on scheme assets		-	-	(396)
Experience adjustment on scheme liabilities	(100)	(358)	(217)	-

16 Designated funds

	Balance at 1 October 2022 £	Transfers £	Revaluation £	Balance at 30 September 2023 £
Fixed asset reserve	249,942,480	584,069	-	250,526,549
	249,942,480	584,069	-	250,526,549

17 Analysis of group net assets between funds

	General Funds £	Designated Funds £	Total Funds £
Intangible fixed assets	-	-	-
Tangible fixed assets	-	250,526,549	250,526,549
Short term deposits	36,122,771	-	36,122,771
Cash at bank and in hand	1,861,429	-	1,861,429
Other net current liabilities	(1,526,335)	-	(1,526,335)
Pension deficit	-	-	-
	36,457,865	250,526,549	286,984,414

18 Operating lease commitments

At 30 September 2023 the group's commitments under non-cancellable operating leases were as follows:

	Land & Buildings	
	2023	2022
	£	£
Less than 1 year	137,281	137,281
Between 2 and 5 years	335,116	472,397
After more than 5 years	-	-
Total	472,397	609,678

At 30 September 2023, the group's had no capital commitments (2022: the group had no capital commitments).

19 Limited liability

The charitable company is limited by guarantee and does not have a share capital. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up during the time he or she is a member, or within a year after he or she ceases to be a member, such amounts as may be required, not exceeding £10.

20 Related Party Transactions

The Trustees receive no remuneration. Travel expenses of £307 (2022: £701) were reimbursed to 4 (2022: 6) Trustees during the year.

Included in administrative expenses are rent of £48,000 (2022 - £24,000) and management charges of £132,000 (2022 - £66,000) payable to LHA London Limited by LHA Services Limited. The charges were eliminated on consolidation.



LhaLondon

the heart of London Living

LHA LONDON LTD

England & Wales - Charity number 1069428

Accounts

LhaLondon

the heart of London Living

2021
2022

Annual Report

Proud of Our Social Impact

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Chair's Statement

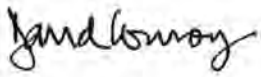


The current cost-of-living crisis has again brought into focus how challenging life is for people on low incomes, which makes our commitment to be a leading provider of secure, low-cost accommodation in London even more crucial. All of this has made the last year a very challenging one and has meant we have had to balance coping with significantly increased costs while maintaining resident fees at a reasonable and affordable level. We have continued to focus on increasing and demonstrating our social impact and are pleased with the progress we have made.

As part of this initiative, we have continued our partnerships with a number of charities, with direct grant funding for some through the LHA Fund and allocation of some of our accommodation to others. In the summer, we held a very successful round table conference with all these organisations to establish even closer links and to increase our understanding of their needs. During the coming year, we are committed to reviewing the LHA Fund and to plotting its future development and enhancement. You will find elsewhere in this report a summary of our social impact during the year.

We have also this year adopted a long-term focus for our property acquisition programme and the financial strategy needed to deliver it. I am confident that this approach will make our planned growth in bed numbers highly achievable.

During the year, a number of our trustees have left us following the completion of their tenure, and we are grateful to them for all their hard work and commitment. Also, this year we have strengthened our leadership group by creating two new roles – a newly established Director of Estates role and an enhanced role at Director level to head our Operations Department. These appointments join our Chief Executive and Finance Director in a new Executive Team. With the full Executive Team all now attending Board meetings and each Director attending their relevant committees, I believe we will forge an even better partnership between trustees and executives.



David Conroy
Chair of the Board of Trustees

OUR VISION

To be a leading provider in the charity sector of secure, low-cost accommodation in London.

OUR MISSION

In order to achieve our vision, we will expand our offering with a mission to acquire, develop, maintain and manage secure, low-cost hostel accommodation.

OUR CHARITABLE OBJECTIVE

To help relieve poverty by acquiring, establishing, maintaining and managing hostels that provide low-cost living accommodation for both students and working people of limited means who either study or work in the UK or Northern Ireland. We also aim to further any charitable purpose recognised by English law by the provision of housing.

OUR BRAND VALUES

Safety

Whether it's a young person's first time away from home or they're well-traveled, safety matters. We have staff and security on site 24/7. Our entrances are secure, and we provide safe places for belongings.

We also provide contents insurance as standard.

We genuinely care about the people who come to stay with us.

Freedom

We offer young people the ultimate flexibility. We want them to have the freedom to choose exactly how they want to live by making things it as easy as we can.

We have the best locations in the heart of London – ideal for work, study, or just exploration.

We offer a range of room types, facilities, and catering options to suit all needs and all budgets. Everything is included from bills and council tax to cleaning and WIFI.

A Home Away from Home

We have a warm friendly family of 'awesome' multilingual staff who take the time to get to know our residents. They talk people's languages, making them feel at home.

We strive to create an environment that feels familiar, like home. Our residents tell us that living here is the closest thing to home. Our staff have walked in our residents' shoes.

They are there to offer young people support and advice, to reassure them and make them feel at home.

Connecting People with Places

Our knowledge, expertise and experience help us to connect. We connect young people to work and their place of study. We connect young people to the very heart of London and all the wonderful experiences it has to offer.

We help bring people together in communities to enable them to make new connections with people and friendships that last a lifetime.

Affordability

As a charity, we aim to make our accommodation accessible to all. Prices start from as little as £90 per week and there are options for catered accommodation too, providing two meals a day. Some of our sites also include a gym that residents can use for free.

All of our rooms are fully inclusive of utilities, internet access, personal belongings insurance, and all benefit from 24-hour security.



Our Governance

Our Trustees



David Conroy, Chair
BA, MCIPD

Chartered member of the Institute of Personnel and Development. Currently an independent management consultant.



Alexandra Whiston-Dew, Vice Chair
MA

Practising solicitor advising on privacy, media and commercial litigation matters. Graduate of Edinburgh University and BPP University. Member of the Honourable Society of Lincolns Inn.



Bonnie Chiu
BBA, MSc

Award-winning social entrepreneur, gender equality advocate and social impact consultant. Recognised as a Forbes 30 Under 30, she is also a senior contributor to Forbes writing on gender and diversity.



Peter Frackiewicz
BSc FRICS

Extensive built environment experience as Projects Director at Land Securities PLC. Now retired but serves as Non-Executive Director in other organisations.



Petra Green
BA (Hons), PGDip

Marketing and publishing professional. Has held senior roles at various publishing and media companies, including Haymarket Media and Forbes Media.



Susan Johnson
BA (Hons) DIP Arch

Retired architect. Partner in private practice with 30 years' experience in Central London redevelopment projects, in particular in residential work and listed buildings. Previous Director of Wren Insurance Association.



Ali Mohammed
BA (Hons), MSc

Chartered Fellow of the Chartered Institute of Personnel and Development. Over 30 years' senior experience in HR in the NHS and currently also an executive director at the South East Coast Ambulance Service.



Gareth Moody
BA (Hons), PGDipSurv, MRICS
Appointed 29.03.2022

Chartered Surveyor and Managing Director of Tila Commercial, specialising in Property Management, Facilities Management, Asset Management, Building Consultancy. Previously held roles with CBRE and Knight Frank in Central London.



Adam Poole
Appointed 29.03.2022

Chartered Surveyor and investment director at British Land. Graduate of Newcastle University and the University of Reading.



Harkamaljeet Sandhu Shinger
BA (Hons), MA, PGDIP
Appointed 29.03.2022

Housing professional with 30 years of experience in local government and the social housing sector. Particular focus on equality, diversity, inclusion; specialising in strategy, policy and business planning.



Helen Wyeth
MEng, CA
Appointed 27.09.2022

Chartered Accountant, currently working at British Land as Head of Finance for their Campus Joint Ventures. Previously held various roles at British Land and PwC.



David Sawer
Appointed 27.09.2022

Member of the Institute of Chartered Accountants in England and Wales currently working as Chief Accountant at Metro Bank. Graduate of the London School of Economics



Toyin Miller
BA (Hons)
Retired 14.12.2022

Social investment professional with experience in support of the Third Sector, focusing on innovative investment and finance to enable charities to deliver and grow their social impact.



Alec McTavish
MSc (Econ), BSc (Econ), FRSA
Retired 14.02.2023

Worked as an Economic Adviser in various Government Departments. At rail privatisation, was appointed a Director at the Association of Train Operating Companies.



Kay Buxton
BA (Hons), BTP, MRTPI
Retired 24.03.2022

Chartered town planner specialising in urban policy and regeneration. Currently heading up Paddington developments and two neighbouring Business Improvement Districts.



Annalise Jalland
BSc (Hons), MSc, MRICS
Retired 26.03.2022

Chartered Surveyor currently working as an asset manager at British Land. Previously held various roles at British Land and CBRE. Graduate of York University and the University of Reading.



Giles Byford
MA (Hons), M.Sci, ACA
Retired 28.06.2022

Chartered accountant currently working as Strategy Group Director for BGL. Previously held various roles at RBS, Barclays and PWC.

Board of Trustees' **Governance**

We take the governance responsibilities of the Board of Trustees seriously. We observe the Charity Commission's governance code. Our Board comprises trustees with professional qualifications in planning, construction, project management, economics and finance, HR, social policy and law, providing a great breadth of skills at this level. Trustee training is an ongoing process: it includes external courses as appropriate for specific needs and circulation of newsletters and updates from the Charity Commission.

We enhance our Board performance by careful analysis of complementary skill-sets and through an independently conducted annual self-appraisal process.
While preserving continuity, diversity and experience, we seek an orderly rotation of trustees to refresh the Board skill-set. LHA considers a rigorous review should a trustee consider standing for the Board for a fourth term. Recruitment of new trustees is carried out through a bilateral approach of networking and using professional recruitment services, including agencies that specialise in finding excellent trustee-level candidates for the charitable sector.

Prior to appointment, potential trustees follow the LHA three-phase selection process, which comprises an interview with the Chairman and Chief Executive and a tour of LHA facilities, an interview by a Selection Panel of trustees and, finally, an invitation to shadow a Board meeting and be formally appointed at the appropriate Board meeting. There is a formal induction process for new trustees, which includes a trustee familiarisation pack.

The Board follows Charity Commission Governance guidelines by limiting Board numbers to twelve members. The Board has completed the process of appointing the Vice-Chair. Charity Commission Governance training has also been completed by an external consultant.



Our Committee **Structure**

Finance, Audit & Risk Committee

Peter Frackiewicz Chair
David Conroy
Alexandra Whiston-Dew
Helen Wyeth Appointed 27.09.2022
David Sawer Appointed 27.09.2022
Giles Byford Retired 28.06.22
Toyin Miller Retired 04.12.22

Property Oversight and Projects Committee

Sue Johnson Chair
Peter Frackiewicz
Gareth Moody Appointed 29.03.2022
Adam Poole Appointed 29.03.2022
Annalise Jalland Retired 26.03.22
Kay Buxton Retired 24.03.22

People Committee

Ali Mohammed Chair
David Conroy
Alexandra Whiston-Dew
Alec McTavish Retired 14.02.2023

Social Policy Committee

Petra Green Chair
Bonnie Chiu
Harkamaljeet Sandhu Shinger Appointed 29.03.2022
Toyin Miller Retired 04.12.22
Alec McTavish Retired 14.02.2023

LHA London Ltd

Registered Charity No. 169428

Company Registration No. 363816

Registered Office:
54 Eccleston Square
London, SW1V 1PG

LHA Services Limited

Tony Perkins, FRSA
Chief Executive & Company Secretary
Marsha Gair, FCCA Finance Director
Alexandra Whiston-Dew Chair
David Conroy
Alec McTavish Retired 14.02.2023

LHA Services Ltd

Company Registration No. 3424128

Registered Office:
54 Eccleston Square
London, SW1V 1PG

Our Management Team

Our management team provides a great combination of skill sets. We are working hard to move the charity forward. We recognise that it is important to invest in people if the business is to progress. The year ahead will bring new challenges, but we believe our strategy is sound.

The Board determines the policy, ensures the proper management of the LHA and provides effective guidance and leadership to the Chief Executive, the executive management team and employees of LHA. The Board appoints the Chief Executive who reports to the Board at their meetings. The Board sets senior management remuneration by reference to market benchmarking.

Trustees are, individually and collectively, responsible for the overall governance and strategic direction of the organisation.

From left: Ben Atwell - Director of Operations, Tony Perkins - CEO, Marsha Gair FCCA - Finance Director, Andy Gatrell - Director of Estates

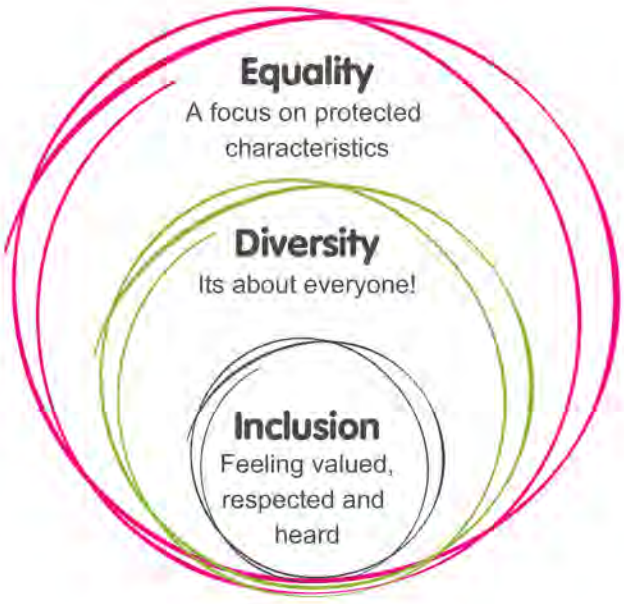


Our Equality, Diversity and Inclusion Statement and Strategy

At LHA London, we are committed to supporting and promoting Equality, Diversity and Inclusion (EDI). This has long been our approach, and we aim to ensure it continues to be embraced by our staff and management team.
It informs and shapes our business activities and the impact on our residents, employees and other stakeholders.

We aim to

- Prevent discrimination of all sorts including indirect discrimination and unconscious bias, eliminate prejudice, promote inclusion and embrace and celebrate diversity within our organisation and our wider community through awareness, reviews and continual learning.
- Treat people equally and fairly in our dealings, respecting and embracing diversity.
- Recruit and promote people fairly while proactively ensuring equal access to job opportunities as well as professional and personal development for existing staff.
- Actively listen and learn about the needs of our residents to ensure that our services are suitable and accessible.



In 2022, we continued to increase the provision of EDI.
Diversity and inclusion start at the top of our organisation. EDI is embedded in the Charity Governance Code. LHA has set dedicated training for Board members and staff in 2023. We will agree on a work plan for 2023 with clear goals and timescales. The Board and Executive Management team will develop viable plans for the future. During 2022, we continued our EDI training programme. LHA has made a significant social impact through the provision of accommodation, the volunteer scheme and the LHA Fund. Because employees live alongside residents and volunteers, creating supported social spaces within the buildings, the issue of how to embed EDI is an essential part of their work. Hence, we will continue to train our staff on EDI to create a dynamic, inclusive culture.

This plan will continue to

- Develop confidence in all areas of equality, diversity, and inclusion.
- Understand the current UK legislation and protected characteristics.
- Explore inclusive language in the workplace and what it means.
- Provide an opportunity to discuss and understand both conscious and unconscious biases and explore the next steps that one can take in tackling them.

In 2022, we have developed our Equality Diversity and Inclusion Strategy:

LHA is committed to

- Monitoring our residents' diversity needs to ensure the contributions, presence, and perspectives of different groups of people are valued and integrated into our hostels.
- Creating an environment in which individual differences and the contributions of our staff, volunteers and residents are recognised and valued.
- The provision of a working environment that promotes dignity and respect for all. No form of intimidation, bullying or harassment will be tolerated.
- Providing training, development, and progression opportunities to all staff.
- Ensuring that equality and inclusion in the workplace are good management and business practice.
- Reviewing all our employment practices and procedures to ensure fairness and inclusion for all.
- Taking steps to ensure equity of treatment among our workforce and ensure that our vacancies are advertised to a diverse range of candidates and, where relevant, to groups identified as disadvantaged or underrepresented; taking positive action to recruit disabled people; and ensuring there are no unlawful barriers to accessing our employment opportunities, training, progression opportunities, benefits and facilities.
- Ensuring diversity in our workforce is regularly monitored to provide equal opportunities throughout the organisation. Where appropriate, measures will be taken to identify and remove unnecessary obstacles and to meet the special needs of disadvantaged or underrepresented groups.
- Encouraging our residents and other stake holders to participate in reviews of our services, thereby helping us to shape the charity to meet the various needs of our residents.
- Ensuring our LHA Fund recipients, consultants and contractors echo our approach and can demonstrate their commitment to delivering and embracing our EDI principles.



Progress with Our Plans

Strategic Plan - **Our Aims and Objectives**

LHA's strategic objectives and vision are to own and manage secure, diverse, good-quality and affordable accommodation comprising more than 500 additional beds by 2026. The Trustees held their annual Trustee Strategy Day in February 2023 to consider implementing a revised five-year plan and reassess the strategic growth plan. The outputs of the Strategy Day will also aim to include reviewing of the existing property portfolio, introducing a mechanism for measuring and improving of social impact and reviewing the housing needs for London and the needs of young people of limited means. The global pandemic, Brexit's effect on accommodation needs and work/life balance changes will be closely assessed to ensure LHA's future offer in London is fit for purpose.

We offer accommodation services that provide a stepping stone for young people to advance their careers and education while meeting their reasonable needs and enhancing their well-being. In addition, LHA will develop a concept providing even more affordable accommodation for less well-off beneficiaries, possibly outside zone 1 and 2 but within the M25.

The minimum standards will be defined by research carried out by the Social Policy Committee – a committee of the main Board. This year's Social Impact section within this report will guide our impact benchmarking, and the search for suitable properties will be coordinated by the Property Oversight and Projects Committee to ensure that the appropriate technical considerations are taken into account.

The Social Policy Committee, chaired by Ms Petra Green, continued to monitor the affordability of our offer, and this year's report provides an overview of the extensive hostel re-purposing initiative in place to provide much-needed accommodation to vulnerable young people. The LHA Fund has provided support to many charities over the years, and this year's round-table event formed the basis to reassess the direction and purpose of the Fund for 2023-24.

The year's objectives focused on full recovery from pandemic. Our occupancy has recovered fully, and our volunteer programme is well supported with high enquiries to join the scheme.

The Central Office Team moved into its new office location to enable a hybrid working environment and to support our hostel operation.

Our land acquisition programme is now spear-headed by our newly appointed Director of Estates, and the search for suitable additional bed numbers is a high priority for the Charity. The **Property and Projects Oversight Committee**, chaired by Mrs Sue Johnson, continues to oversee the bid processes, lease negotiations and existing site extensions. LHA's strategic Sustainability pillars are progressing well and are now to be fully integrated into our key performance indicators. Capital expenditure during the year has provided for a full external redecoration of the Halpin House in South Kensington and site mobilisation for next year's major internal refurbishment at Holland House in Victoria. A comprehensive programme of electrical systems upgrades across the portfolio has also been successfully completed.

The **Finance Audit and Risk Committee**, chaired by Mr Frackiewicz, has continued to monitor the finance function. The Trustee risk register and Health and Safety compliance is reviewed at its meetings. This year, our strategic funding initiatives for new land and building acquisitions were at the forefront of the objectives. We aim to implement a tender process for external statutory auditors for the 2023/24 financial year. Energy and supply chain costs have impacted our operating margins. These costs have been budgeted for in the 5-year plan.

The **People Committee**, chaired by Mr Ali Mohammed, received comprehensive reports on both employed and volunteering team members. We pride ourselves on having a diverse and inclusive team. The volunteer programme gives young people an opportunity to experience a safe London living environment. We have successfully met the challenges of inflationary wage pressure in the hospitality sector.

Our objectives for next year also include full external redecordation at Belvedere House in South Kensington and completion of the Holland House internal upgrade. Submission of the planning application for 62-bed spaces at Friendship House in Southbank is also on the list, as are the introduction of new aims for the LHA Fund and completion of lease terms for the Hounslow site. Social Impact measurement will continue to provide greater alignment with our objectives through a new set of key performance indicators. We are committed to expanding our bed numbers to provide yet more affordable quality accommodation in London. We continue to monitor the skill set of our Board to ensure the appropriate governance is in place.



Tony Perkins
Chief Executive and Company Secretary

Our Sustainability **Strategy**

Our eight strategic pillars continue to inform and drive our sustainability ambitions. It is our intention to encapsulate most of this work within our overarching net zero target –for our properties by 2050 and sooner for our business operations – by 2030.

These eight pillars are



Under these pillars, we have developed a system to determine our carbon footprint and monitor the waste, water, and energy use from each of our properties. This allows us to make interventions to reduce our consumption and conserve energy by altering how buildings are operated and used and through physical interventions.

Planned physical interventions – from minor to major – range from ensuring all low-energy lighting, aerated taps, and PIRs (passive infrared sensors) through to the use of biomass heating, photovoltaic energy generation and grey water usage.

Through our building programme, we will enhance our outdoor spaces for the benefit of our residents and wildlife, allowing both to flourish. For example, greening and planting spaces will benefit the environment and mental well-being.

The impacts of the COVID-19 lockdowns on the mental health and well-being of everyone are well recognised. We continue to take our duty seriously as responsible employers.

Our focus on the well-being of staff and residents includes the implementation of the "thriving at work" principles. In addition, we have provided all staff with mental health awareness training, and all hostels now have a team of trained mental health first aiders.

We have implemented our new people values: supportive, open and honest, welcoming, professional, passionate and knowledgeable.

Our focus on health and well-being and our people values are woven through our performance assessment system, where an equal emphasis is placed upon behaviours and targets.

Our focus on health and well-being continues to be a key contributor to our productivity and the satisfaction of staff, residents and volunteers and to embedding alignment of our values in everything we do.

We continue to engage with key beneficiary groups that help us deliver our charitable purpose best and support our purpose through the LHA fund and to partner with key charities such as the Single Homeless Project.

Our Performance **Is Based On**

1
Providing quality, affordable accommodation for over 1700 residents and volunteers

2
Keeping our accommodation well-maintained

3
Providing high standards of services and facilities

4
Achieving consistently high levels of customer satisfaction

5
Being in sound financial health with a history of strong financial management and planning

6
Having an impressive set of performance indicators

7
Displaying a commitment to placing diversity at the heart of our organisation



LHA's Social Impact

A year ago, when I was composing the foreword for our 2021 report, I recall being filled with both pride and optimism. Pride at the incredible work that our teams were doing throughout the pandemic and of the individuals we'd been able to support and optimism that we were seeing the first glimmers of recovery post COVID-19. It seemed the world was indeed finding a way to 'live with COVID', and that an extended period of uncertainty, fear and, at times, panic was coming to an end.



Little did I know that a year later we would be faced with yet further uncertainty, fear and panic – now in the form of the cost-of-living crisis. This report highlights the impact we've been able to make during this period, which covers the end of the pandemic and the start of the sharp rise in the cost of living that is impacting all of our lives.

However, given all of this, I continue to be assured by the nation's ability to innovate and adapt by creating new initiatives in response to world events and by the positive legacy that we, at LHA London, are focused on building.

With that in mind, I'm immensely proud of our achievements over the last year and want to thank everyone who has been involved. We will continue to strive to support more young people and to have a greater impact through our places, programmes and activities.

For more information, please contact **annualreport@lhalondon.com**



Chief Executive and Company Secretary

Who Are We?



We firmly believe **everyone** should be able to follow their dreams. The the cost of accommodation should never be a barrier to a young person being able to study or work, and that no one should have to live in poverty in order to achieve their goals.

As a charity, we operate 13 hostels in the heart of one of the world's most diverse and energetic cities, and we provide a central and safe base for young people to 'Live their London Life'. Our 14th hostel in Hounslow is currently under development review.

We believe London is the place to be for work, study and have adventures. From the hottest bands to the coolest bars, the finest galleries to the most amazing views, London is exciting, inspiring and, at times, moving. We offer a wide range of accommodation in some of the best central locations and attractive all-inclusive rates.

However, we offer so much more than just a place to stay. We create safe and relaxed living environments whereby all young people can live the life they want.
We also help young people to make new connections, learn about different cultures and create lasting memories.

LHA People Values

Our people values are at the heart of everything we do and critical to the continued growth and success of LHA.

Supportive

We encourage ourselves and those around us to overcome challenges

Open and Honest

We are open to all and believe everyone should be able to express their views

Welcoming

We act with integrity in everything we do

Professional

We take ownership when we should

Passionate

We are passionate about delivering an exceptional residents experience

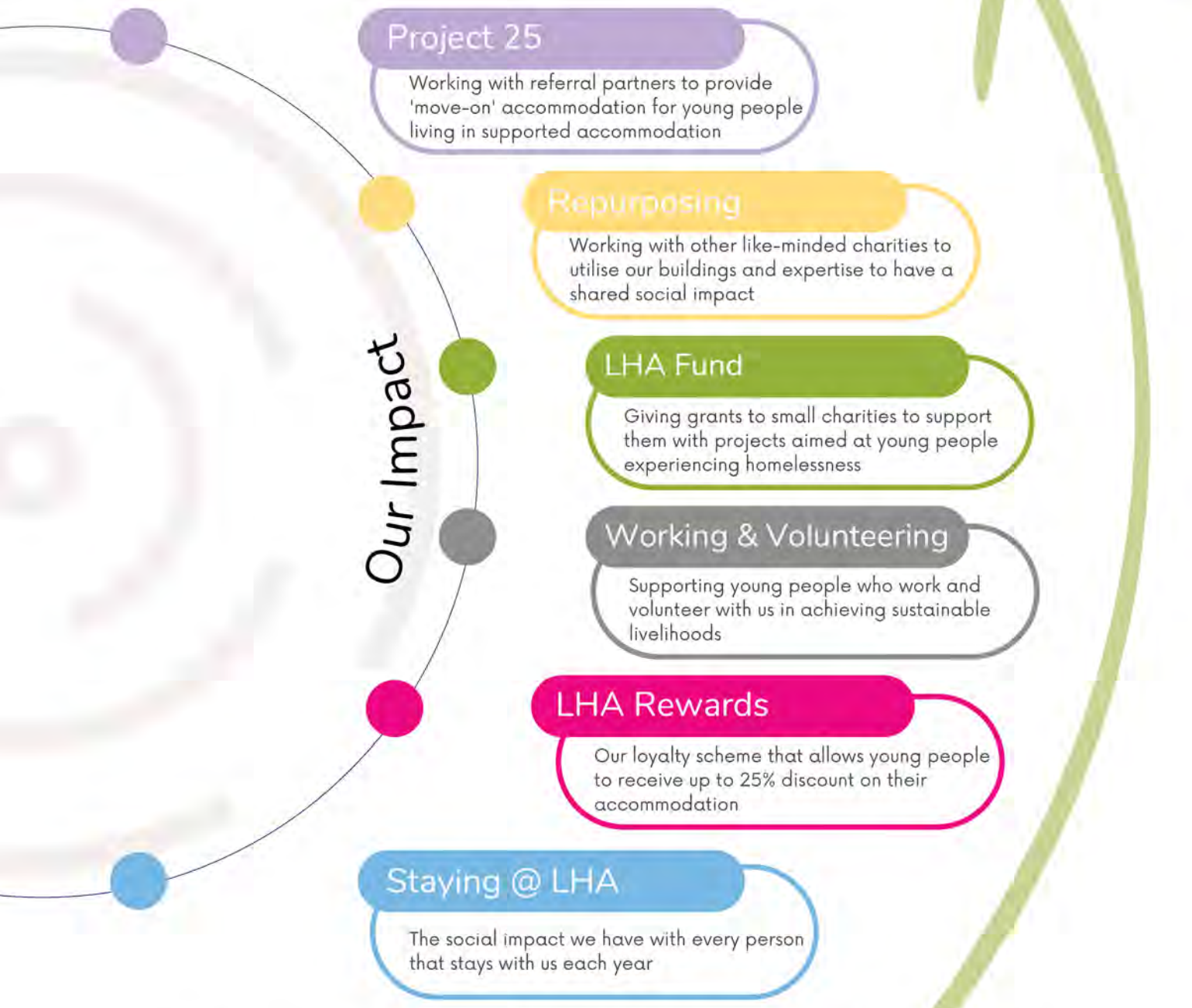
Knowledgeable

We take pride in our expertise



Measuring Our **Social Impact**

As a charity, we are determined to be a driver of social benefit by providing young people with affordable, safe and secure accommodation in London.
Following our first Social impact report in 2021, we have looked more closely at how we view and measure social impact. Our overall ambition is to ensure we generate positive social impact through all of our places, programmes and activities. At the same time, we also want to acknowledge that we have a greater social impact through some of our more focussed programmes and activities, which are defined below.



For our first report, we designed a theory of change that has enabled us to articulate and measure the social impact and the outcomes achieved through our core activities.

Our Social Impact

Accommodation young people can afford makes **Central London more accessible to all young people, sustains diverse communities and enables sustainable livelihoods.**

Our Outcomes

Through our places, programmes and activities, we create environments where **people gain new experiences, foster friendships with one another, improve their well-being and develop a sense of belonging.**



The Measurement

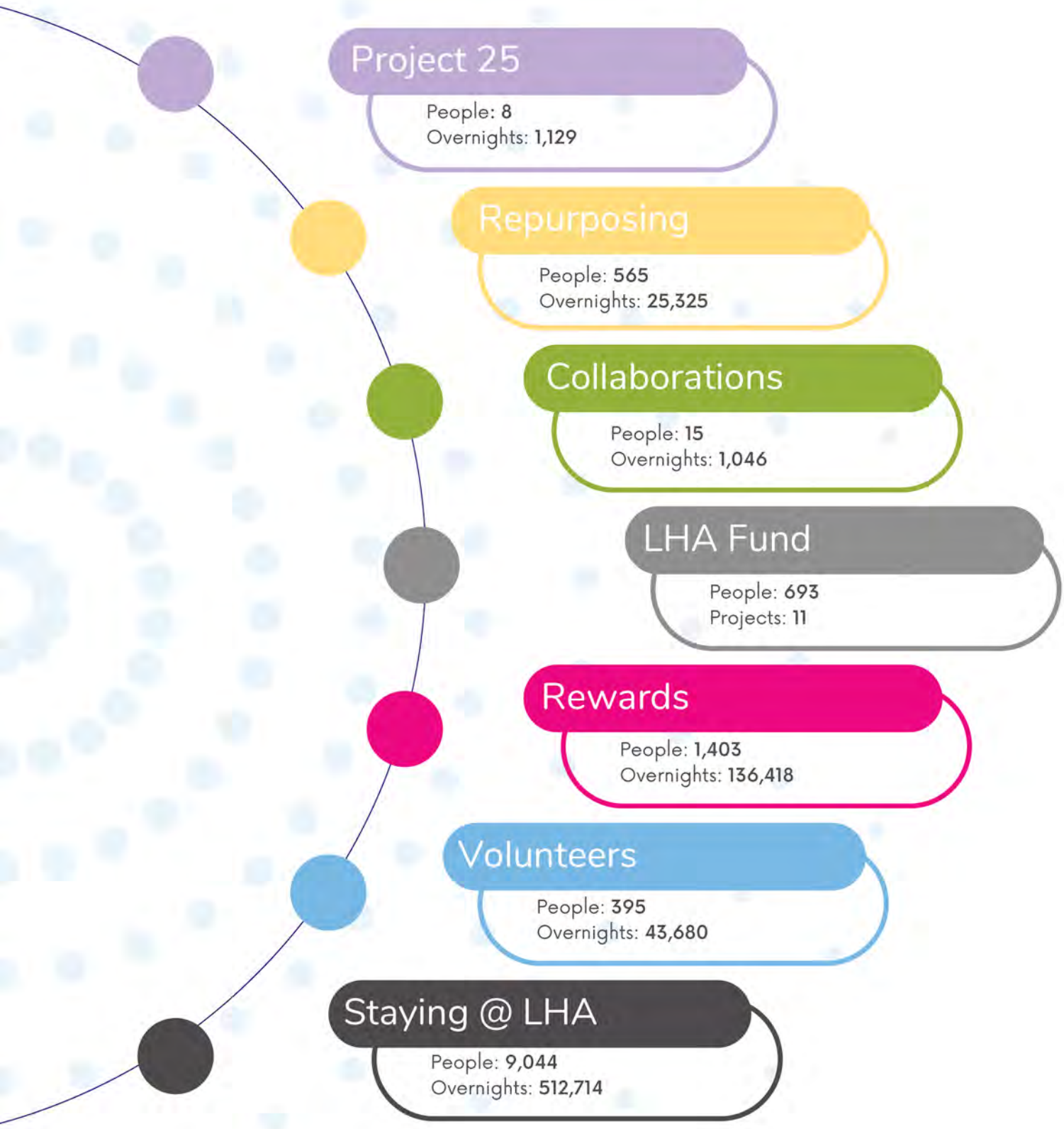
In this year's report, we wanted to look more closely at the overall sentiment of people's responses to our social impact survey. In order to support our future activities, we wanted to better understand where our opportunities are to grow and improve our social impact. In this report, we have included the percentage of positive responses to questions (for comparison to last year) and have also applied the Likert scale to responses to gain a better understanding of how respondents feel overall.

We have used the below summary table to interpret the scores:

67–100	Strive & Celebrate
51–66	Monitor to Further Improve
34–50	Improve to Monitor
0–33	Focus to Improve



Our Year at a Glance



Our Year at a Glance

16,168 UNIQUE ENQUIRIES FOR ACCOMMODATION

OF RESIDENTS EARNING THE LONDON LIVING WAGE OR BELOW **64%**

£276,810 AWARDED IN GRANTS AS PART OF THE LHA FUND

OF YOUNG PEOPLE BENEFITTING FROM LHA REWARDS FELT THEY COULDN'T HAVE AFFORDED TO STAY IN LONDON WITHOUT LHA **89%**

81 VOLUNTEER ENGAGEMENT SCORE

OF RESIDENTS FEEL MORE CONFIDENT ABOUT THEIR FINANCIAL SITUATION NOW THAN BEFORE THEY STAYED WITH LHA **81%**

97% AVERAGE OCCUPANCY

91%
of young residents agree that their stay with LHA helped them to gain independence

55%
of residents indicate that they have made friends with other LHA residents

95%
of residents and volunteers feel that in London they are accepted for who they are

43%
of residents feel they were at risk of homelessness if they had not been able to stay with LHA

The World Around Us

London's post-pandemic recovery was swift, and remarkably, its GDP recovered to pre-pandemic levels by Quarter 3 of 2021 *(6)*.
As early as September 2021, there were clear signs that young people in the form of the student population were returning to London in large numbers. We must also remember that post-pandemic London is also post-Brexit London and, as such, there is limited meaningful data on what this means for young people moving to and living in the Capital.
Thankfully, London's dependence on young people for it to thrive has remained unchanged. Since the turn of the century, there has been a net inflow of young residents from the rest of England who move to London to study or begin work in their early careers *(1)*. With its international appeal, London also draws hundreds of thousands of young people from across the globe for studies and employment *(2,3)* , bringing huge economic, intellectual and social capital to the city.

The Value of International Students *(4)*

Annual Net Benefit	Jobs Supported
£6.04 Billion	140,000

The policy environment in the UK remains positive. In March 2019, the Government published its International Education Strategy, committing itself to increasing the number of international higher education students choosing the UK as their study destination to 600,000 and to increasing the value of education exports to £35 billion per year by 2030. After a decade of rhetoric and policy changes that suggested the Government's aim was the contrary, this commitment was welcomed throughout the higher education sector *(4)*. It is notable that the 600,000 international students target was exceeded for the first time in 2020/21 *(5)* .
However, data from 2021's admissions cycle suggests that the UK's exit from the European Union has severely affected EU student recruitment, with acceptances in early August 2021 to undergraduate degree courses 56% lower than at the equivalent point in 2020. This suggests the UK (and therefore London) cannot take its attractiveness as a 'study destination' for international students for granted *(4)*.
The caveat to this overall positive outlook on young people travelling to London for study has been the onset of the cost-of-living crisis which has served to exacerbate the housing crisis even further. With inflation rising and Londoners experiencing staggering increases to their energy bills, the rise in the cost of living is putting increased pressure on Londoners. Additionally, on the back of the COVID-19 pandemic, this has particularly affected those on the lowest incomes and those without secure work.
Poverty was a serious issue in London prior to the pandemic, and many struggled with the cost of housing, heating and food. During this period, more Londoners both in and out of work needed benefits to make ends meet. Falling incomes, in real terms, and increases in the cost of living are expected to worsen living standards for many. In this context, the mental well-being of Londoners has been significantly eroded *(6)* .

London's Poverty Profile (6)

London Poverty Rate (Projected 2022)	28.1% (16% Rest of UK)
Londoners Living Below the Minimum Income Standard (MIS) (Estimate April 2022)	38% (3.6 Million)
Londoners Experiencing Fuel Poverty (2019) Pre-2022 Inflation	15%
Londoners with Low or Very Low Food Security	1 in 5

Unemployment rates in London returned close to pre-pandemic levels in the latter half of 2022. Unemployment rates for all age groups are higher in London than in the rest of England, something that has been true since the turn of the century. Unemployment in London has always been most prevalent among those aged between 16 and 24 at 17.6%, compared to just 4.2% of those aged between 25 and 64.

As we approached the peak of winter 2022, 77% of Londoners believed the cost of living was one of the most important issues facing the Capital – with one in four Londoners finding it difficult to manage financially. *(7)*

The March 2021 census showed a 7.7% increase in London's population since 2011 (i.e. 8.8 million people). It should be noted that London was still in the midst of the pandemic, so it is likely the population is now even higher. London's housing stock has continued to fail to meet the extra demand. *(8)*This has led to spiralling rental costs in the Capital and caused the Mayor of London to call for an enforced rent freeze in London to prevent the issue from worsening. *(9)*

In the wider context of what constitutes affordable housing, the Government released a report in March 2022 entitled 'What is Affordable Housing?' This highlighted the many issues that need to be tackled and recognised. There is no agreed definition of what 'affordable housing' is going to be.

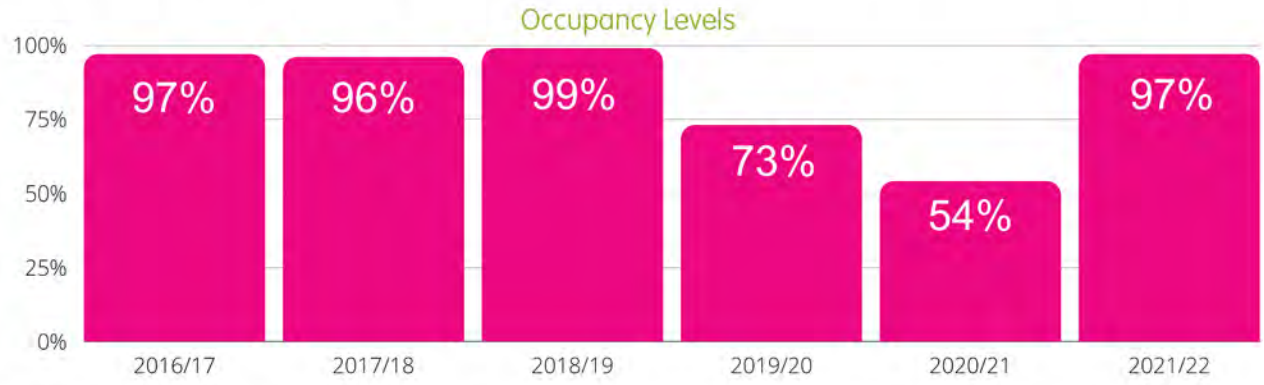
The most commonly referred to definition of affordable housing is set out in Annex 2 to the National Planning Policy Framework (NPPF). This is the definition used by local planning authorities when making provision within their areas to meet the local demand/need for affordable housing. The NPPF definition incorporates social rent, as well as a range of intermediate rent and for-sale products. The Affordable Housing Commission (2020) concluded that 'many of these products are clearly unaffordable to those on mid to lower incomes'. *(10)*

Providing affordable accommodation for young people in London has never been more relevant. Sadly, LHA's ability to grow its impact continues to be limited by its bed stock, and there has never been a more pressing need for LHA to acquire and establish more hostels. The hostels that LHA provides ensure that young people from across the UK (and beyond) continue to have access to affordable accommodation in central London enabling them to pursue their passions and their careers.

Staying at LHA

Over **9000** people benefitted from staying with LHA in 2021/22, and a total of **over half a million** overnight stays were recorded.

Occupancy recovery was exceptionally fast following the lifting of the COVID-19 restrictions, with young people flocking back to London. The majority of our hostels have been over 95% occupied since October 2021 and, in the latter part of the year, we have consistently operated at over 99% occupancy.
From April 2022, we saw enquiry volume exceed pre-pandemic levels, peaking in September 2022 with over 2,800 unique enquiries for accommodation received in the month - that's an increase of 83% compared to 2019. Sadly, though, we do not have sufficient bed stock to meet the current demand, this has only increased our ambition to acquire new sites and to increase the number, affordability and range of facilities on offer to our residents only increased as a result.





Staying at LHA
Our Residents

LHA continues to operate an open-access policy that attracts people from diverse backgrounds and locations.



> "I was on the verge of homelessness and losing everything that I had worked towards; it is so inspiring to live in Central London, to see new people and races every day."

114
different nationalities were recorded as having stayed with LHA in the year 2021/22

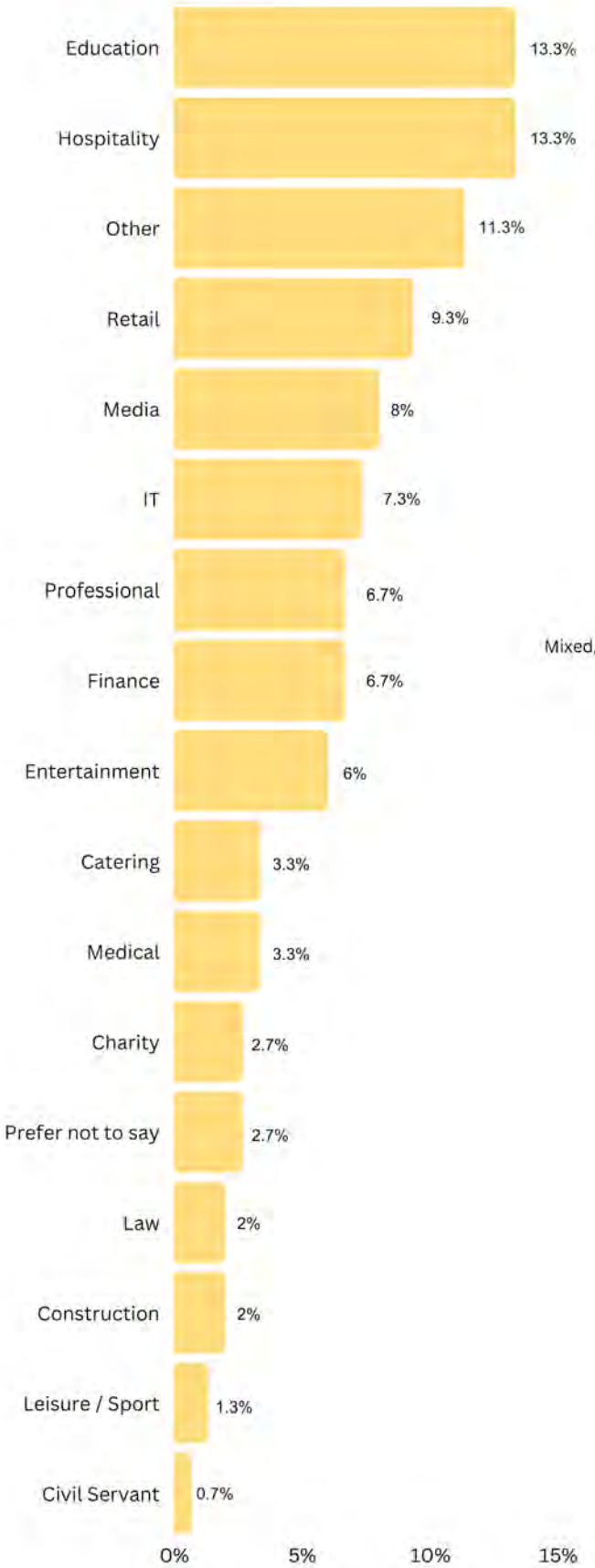
Employment

53%
of residents are currently engaged in full or part-time work

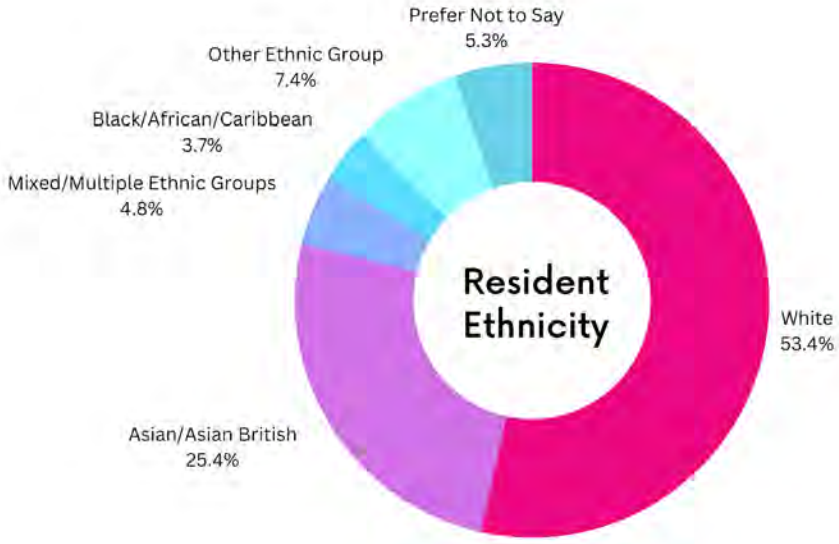
27%
of residents are currently engaged in full or part-time study

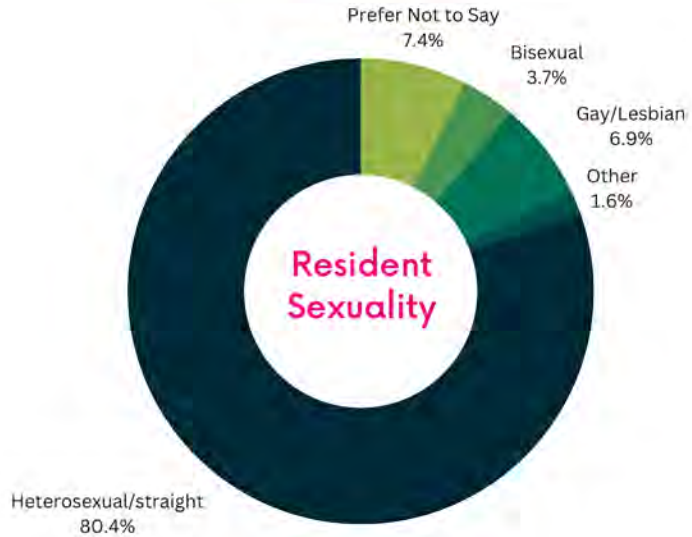
Exploring Resident **Diversity & Background**

Resident Employment Industry









Staying at LHA – Outcomes: **Gaining New Experiences**

OVERALL SCORE 75

By providing affordable accommodation in Central London, we enable residents to experience the city to its fullest and thrive in the unique, diverse and exciting environment that Central London offers. For young people, LHA may be their first 'home away from home', providing a sheltered environment with access to support. Our key findings:*

Gain experience living in a global city	2021	2022	SCORE
I was able to connect with people with mixed, diverse backgrounds in LHA	n/a	81%	74
To what extent do you feel that the volunteering experience has been valuable to your professional development?	n/a	90%	81
The experiences I have had in London (outside of LHA) have been valuable to me	85%	92%	85
My stay with LHA has helped me to achieve my goals	n/a	88%	76
My stay with LHA has helped me to gain independence	75%	87%	75

*All scores improved on prior year

"Being able to stay in Central London with LHA has allowed me to attend my wonderful full-time internship at Christian Dior. The services included like on-site laundry room, bed sheet changing, and daily room cleaning, have all helped me manage my time and focus on my internship. Staying with LHA in Central London has also allowed me to go to regular workout classes after work and then be able to walk back home to LHA. I was also able to meet friends and go out after work with colleagues and return home at a reasonable time as there are great dinner, drink, cafes and shopping malls in walking proximity which made me feel safe."

Staying at LHA – Outcomes: **Improved Well-Being**

OVERALL SCORE 74

We believe that the combination of affordable accommodation, high-quality facilities, good locations, and sociable living helps to improve residents' overall well-being. Using the Short Warwick-Edinburgh Mental Wellbeing Scale, we measured whether residents' well-being had improved since moving in with LHA. As shown below, there was a really positive sentiment among all our residents with regard to their well-being whilst staying at LHA:

Compared to when you moved in with LHA, do you feel the following more or less frequently?	SCORE
I feel optimistic about the future	75
I feel useful	75
I have been feeling interested in other people	71
I have been feeling close to other people	68
I have been feeling confident	76
I have been feeling interested in new things	77

"Overall, it has meant peace of mind whilst working towards my career goals. I come from a low-income family and staying with LHA has made all the difference. Before I came across LHA online, I was looking at house shares situated much further away, and the rent was more than what I currently pay (and bills were not included). They were not well maintained and were owned by private landlords whose main concern was money. Whilst there have been some rent increases at LHA, it is clear that these were the minimum necessary and plenty of notice was given. When I previously rented privately, I lived in different places where there were a variety of issues which just made day-to-day life quite difficult. For example, these places had issues with mice/rats, people using drugs, noise, no hot water, etc. I know at LHA this is not going to be the case and if an issue does arise (very rarely), it will be dealt with by the fantastic and hardworking staff. This has resulted in better well-being overall. I am working towards achieving financial security (I am currently on a fixed-term contract) and LHA has meant I can do so without excessive worrying about money and accommodation. I think there should be more organisations like LHA and it is a shame there aren't. I appreciate that this is a challenging time economically, but I really hope that LHA is able to continue for many years to come!"

Staying at LHA – Outcomes: **Fostering Friendships**

OVERALL SCORE 63

During the course of 2021/22, our hostels came back to life after two years of reduced social interaction. LHA Living is all about community and is becoming increasingly important as young people start to realise the value of sharing affordable living. It has proven a great way to make friends and feel less lonely – something that young people new to the Capital can struggle with.

LHA is convenient and cost-effective because it offers individuals more than just a home. It offers a lifestyle, a social network and an opportunity to connect with others in increasingly isolating urban environments. Whereas the majority or residents indicated that they had made friends with other residents and/or staff, they were less positive about a wider social network or community. This represents a key area of focus for the year ahead.

Residents foster friendships with each other	2021	2022	SCORE
% that agree that they made friends with other residents	54%	71%	66
% that agree that they made friends with staff	n/a	73%	66
% that agree that there was a strong sense of community at LHA	52%	72%	62
% that feel part of a social network at LHA	n/a	59%	56
% that feel that they are likely to stay in touch with other LHA residents	47%	70%	65

"I've met friends that will stay connected for years. I met a partner with whom I spent some of the most valuable time in London. LHA has given me the freedom to live worry free in London as I can afford the rent and not have to worry about meals."

"Staying in LHA made me achieve a good balance of work and life. Being close to Central London makes me explore new things within the city and make new friends."

"LHA have changed my life in sucha way that I have become more positive in tackling challenges moving from the countryside to London. It made me more friendly."

Staying at LHA – Outcomes: **Sense of Belonging**

OVERALL SCORE 73

The need to have a sense of belonging is a basic human instinct. It is a core pillar in our values as we look to create environments that feel like a home from home and connect people and places - with the added freedom to live their lives the way they want. We feel really honoured to be able operate in the locations that we do. This clearly resonates with our residents and volunteers who time and time again fall in love with the city. In fact, over 90% state they want to live in London in the future and 95% feel accepted for who they are.

> Living in this place makes me realize that we don't need much to have amazing life experiences. We often fail to do and have experiences for not knowing places like LHA that provide "living at home". I was glad I chose to live here! Thanks.

> Change my life because I feel more confident about my finances. Changed my life because I love staying here. Right now in my situation I cannot find a better place to move to. LHA is by far the best bargain in London, too good to be true, but it actually is a reality. Thank you all.

Sense of belonging to london among residents	2021	2022	SCORE
% that indicate they would like to live in London in the future	60%	91%	80
% that indicate they feel part of a social network at LHA	n/a	59%	56
% that feel accepted for who they are in London	73%	95%	82

Staying at LHA – Our Impact: **Sustaining Mixed, Diverse Communities in London**

> ***It was easier for me to get to places physically due to the overground connection and buses connecting to Manor Park and Angel underground stations. It meant I could work at a more varied location of workplaces. It's well located to get a bus to Waterloo or London Bridge train stations for trips to the beach just outside of London. I think I took up several acting jobs I wouldn't have otherwise considered due to the location and the building being quieter than most, because getting a good night's sleep is really important to me. I made friends with people I lived near or with in the same flat. One of them was an actress/singer, so we had a lot in common even though she was from Argentina.***

OVERALL SCORE 74

LHA London is open to all and welcomes people from across the globe, creating a community of individuals from all walks of life and all backgrounds. In so doing, it allows people to experience all the best things about London. 91% of residents and volunteers indicate they would like to live in London again; 94% of residents agree connecting with people with mixed, diverse backgrounds has been valuable to them and 81% agree they have been able to do this at LHA.

Sustaining mixed, diverse communities in London	2021	2022	SCORE
% that indicate they would like to live in London in the future	60%	91%	80
% that feel that connecting with people with mixed, diverse backgrounds has been valuable to them	n/a	94%	84
% that feel part of the LHA community	n/a	59%	56
% that have been able to connect with people with mixed, diverse backgrounds at LHA	n/a	81%	74

Staying at LHA – Our Impact: **Enabling Sustainable Livelihoods**

OVERALL SCORE 72

By providing a foothold in London with the ability to pursue a career or studies, we help to enable sustainable livelihoods in the long term. These may include a more stable financial or housing situation, improved career opportunities or improved well-being. We asked residents about their housing situation prior to staying with LHA. We found that 12% of residents were living in temporary or emergency accommodation or were homeless prior to LHA. We consider this an important achievement for these individuals. LHA has been a helpful stepping stone towards a more sustainable livelihood. We asked alumni residents to think about how their life may have been different if they hadn't stayed with LHA. Comments ranged from 'no difference' all the way to 'LHA having a tremendous impact on their lives'. For some, staying at LHA meant being able to pursue their studies or employment or getting to know London and meet new people. For others, it was a chance to save money towards a first deposit or to lead a more fulfilling life with less pressure.

Enabling sustainable livelihoods	2021	2022	SCORE
% that feel that the volunteering experience has been valuable to their professional development	74%	90%	79
% that feel their stay with LHA has helped them to pursue their passions and/or careers	66%	85%	74
% that feel more confident about their financial situation now than before they were staying with LHA	53%	84%	71
% that feel more confident about their future prospects as a result of their stay with LHA	47%	83%	70

> Saving 80% of my salary consistently. Start investing and building my financial future. Living below my means to start a company in the next few months. Lots of cash available. Without LHA, I would fulfill my ambitions at a lower pace. 10 minutes by bike or 20 minutes by foot in my workplace. Being able to access Hyde Park and enjoy nature. I can say many things. I am grateful to LHA.

I have been able to move back to London, which has enabled me to pursue my career goals. Although I am still working towards a number of goals (such as obtaining a permanent/longer-term contract), I am in a much better position now than previously. I have been able to live in a convenient location (i.e. I have not had to live outside of London and spend lots of money and time commuting each day) in a safe, comfortable, well-maintained building, with a friendly and welcoming atmosphere, which I have been able to afford. This has meant I have been able to go to work each day knowing that I have good accommodation to come back to in the evening, and I have not had the worry and stress of trying to rent from a private landlord. This has meant I have been able to focus on my work. I had accumulated private debt on a couple of credit cards when I was training, and I had been planning on paying that debt back quickly when I started working. Because of the pandemic, I was earning a very low income and was therefore unable to do that. However, living at LHA has meant I was able to clear that private debt over time, rather than paying all of my money to a private landlord and making minimum credit card repayments each month. Because I live in Central London, I have also been able to avail of work opportunities that would not have been open to me otherwise. Also, living in central London with LHA means I can spend my free time getting to know the city really well, which has had a positive impact on my mental health.



Staying at LHA – Our Impact: **Making London Accessible to Young People**

LHA seeks to make London accessible to young people by providing affordable accommodation, facilities and support to its residents. During a year where rental prices have spiralled in London, leading to calls for a rent freeze in the Capital (and even to people taking to the streets to protest about the unaffordable increases being made by private landlords), LHA has worked hard to minimise increases in accommodation charges and continued to offer up to 25% off on accommodation for people aged under 30.

LHA continues to assess the affordability of its 'all-inclusive' offer on a regular basis. 56% of its accommodation meets the Mayor of London's affordable rent benchmark of no more than 30% of an individual's income being spent on housing (for those earning National Minimum Wage), and 90% of its accommodation is affordable to those on low incomes (i.e. £29.5k or less per annum).

Our surveys have shown that 54% of residents who stayed with LHA moved here from outside London. 60% had never lived in London prior to their stay with LHA; thus, for many, LHA was an introduction and stepping stone into the city.

Making London accessible to young people	2021	2022
% that feel they would not have been able to come and stay in Central London if they had not been able to stay at LHA	57%	58%
% that feel they were at risk of homelessness if they had not been able to stay at LHA	16%	43%

“I decided to stay in LHA as with the cost of living it allows me to save a bit more money. There's no contract/bands when staying long term. The accommodation is near my workplace and transport links are easy. LHA comes with people who clean the property every week and this has been difficult for me working 14 hours a day. The overall cost of the accommodation has been affordable as it allows me to pay weekly, especially if my salary comes a bit later than expected.”



LHA Rewards

Providing young people with their first stepping stone to achieving independent living in London is at the centre of what we do. Alongside our volunteer scheme, LHA Rewards is central to us meeting that aim. LHA Rewards offers young people under the age of 30 the opportunity to receive a discount of up to 25% on their accommodation.

Over **1,400** young people benefited from LHA Rewards – that's over **135,000** overnight stays.

The need to support and understand young people has never been greater. The cycles of insecurity they can suffer from because of interconnected problems can seem inescapable. They have faced waves of crises since 2008 (financial crisis, COVID-19 etc), and their voices are mainly absent from public policy, so policymakers do not fully understand and cater to their issues. (11)

We looked at responses specifically from residents benefitting from LHA Rewards. Broadly, scores were comparable to those received from all residents, but the improving well-being score was slightly lower, whereas the fostering friendships score was significantly higher. This emphasises the need to look specifically at the challenges faced by young people in London and how they differ from those faced by the wider population, as discussed in 'Cycles of Insecurities'. (11)

Most notably, 89% of young people benefitting from Rewards felt they would not have been able to afford to come to stay in Central London if it had not been for LHA.



LHA Rewards

> I have been able to complete an apprenticeship at *The Times* newspaper as a journalist. I would not have been able to do this without LHA's affordable accommodation.

> I love LHA, all the boxes I tick I truly mean it. I am proud and grateful to say to people that I am paying the cheapest rent in London. LHA saves me my money. Amenities are outstanding, location is perfect. It is really hard to find negatives.

2022 Outcomes	ALL	REWARDS
Gain Experience of Living in a Global City	75	75
Improved Well-being Among Residents	74	73
Residents/Volunteers Foster Friendships with Each Other	63	72
Sense of Belonging to London Among Residents	73	76

2022 Impacts	ALL	REWARDS
Sustaining mixed, diverse communities in London	74	76
Enabling sustainable livelihood for youth, homeless people and other groups living in London	72	74

Providing Affordable Living in Central London for Those on Low Incomes	ALL	REWARDS
% that feel that they would not have been able to come to stay in Central London if they had not been able to stay with LHA	58%	89%
% that feel they were at risk of homelessness if they had not been able to stay with LHA	43%	58%

Volunteering at LHA

OVERALL SCORE 81

Volunteering at LHA London is an important part of not only keeping the cost of accommodation affordable but also making a social impact. Over 600 people donated their time to LHA during the year.

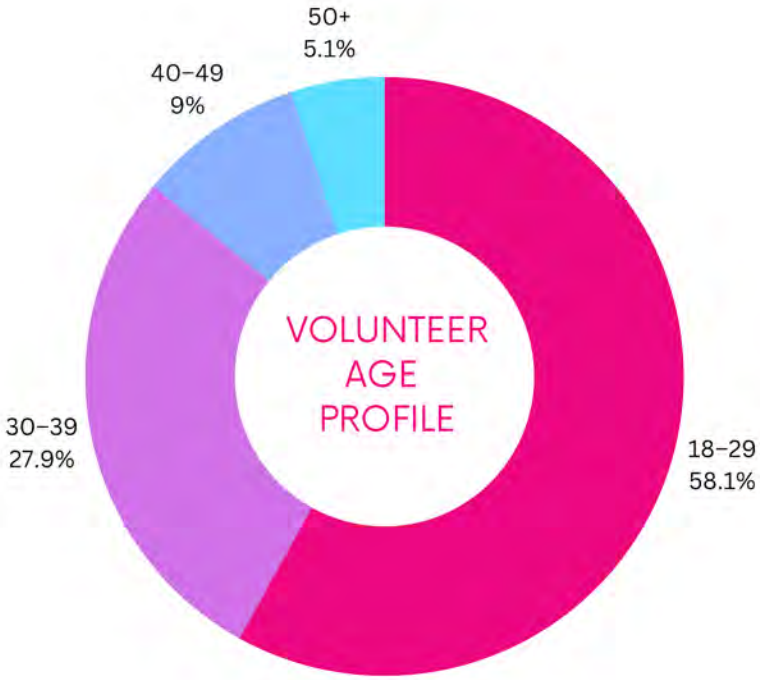
Volunteering at LHA	SCORE
Overall, how would you rate your volunteer experience?	84
If you had another opportunity, how likely are you to volunteer with us again?	80
How likely are you to recommend volunteering with LHA to a friend?	80

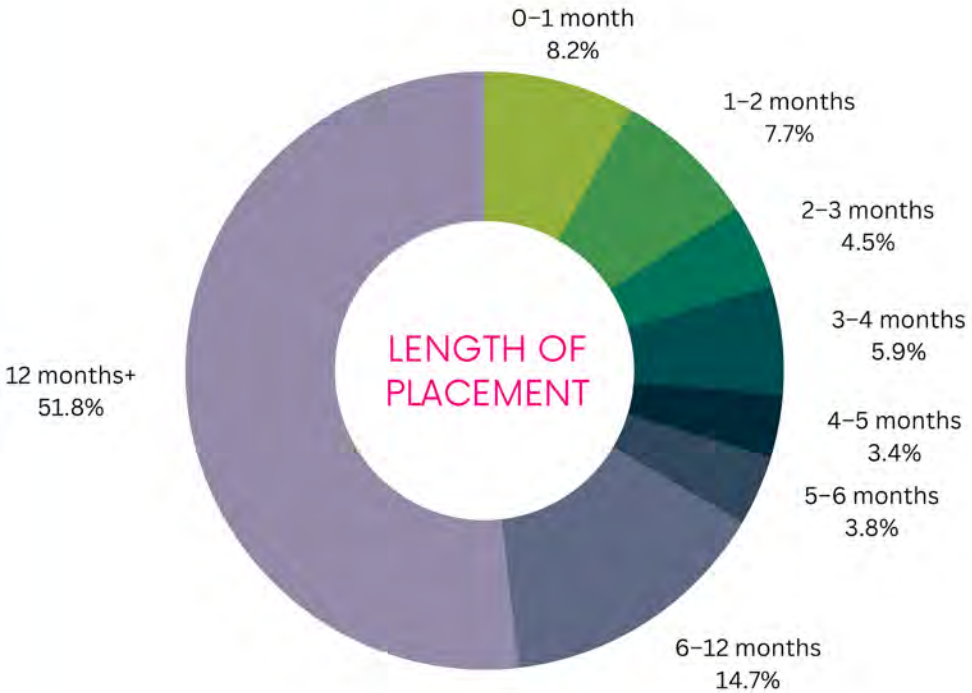
> In the first place, I was able to to accomplish my dream of visiting UK and a beautiful city as London. I have increased my network with people around the world and I have made good friends. I have learned to give real value to my time, job, friends and relatives. I have had time to develop both personal and professional skills, and even to improve spiritually. And finally I have received more than I expected from this volunteering experience.



While I have been in LHA, I have been able to pursue my master's degree, which is a two-year degree. My experience in LHA, especially in Halpin House, has been great because of the role I have as a night porter and the people I am surrounded with. In terms of the room, it has been great since I can study without problems because of the time in which I can volunteer. My manager is a great person, always attentive, willing to support, always working with people and very supportive. My all gratitude for him. Without the support of LHA, I would not be able to sustain myself in terms of money to study.







Volunteering at LHA

By volunteering with LHA, people are able to develop new skills and improve existing ones. 90% of participants feel that the volunteering experience has been valuable to their professional development. 100% of participants feel they have improved their skills and expertise in hospitality as a result of their volunteering experience. We asked our volunteers specifically about which other skills they felt had improved as a result of their participation. Positive improvements were recorded across all of the categories:

Which other skills you feel had improved as a result of you volunteering at LHA	SCORE
English Language	72
Time Management Skills	84
Communication Skills	88
Attention to Detail	85
Teamwork	84
Knowledge of Hospitality	87





We asked all volunteers the same questions (as we did our residents), and across all indices, a greater level of social impact was noted. This reinforced the importance of the volunteer scheme to us meeting our charitable objectives.

2022 Outcomes	ALL	VOLUNTEERS ONLY
Gain Experience Living in a Global City	75	84
Improved Well-Being Among Residents	74	83
Residents/Volunteers Foster Friendships with Each Other	63	78
Sense of Belonging to London Among Residents	73	81

2022 Impacts	ALL	VOLUNTEERS ONLY
Sustaining mixed, diverse communities in London	74	84
Enabling sustainable livelihood for youth, homeless people and other groups living in London	72	78

Providing affordable living in Central London for those on low incomes	ALL	VOLUNTEERS ONLY
% that feel that they would not have been able to come to stay in central London if they had not been able to stay with LHA	58%	62%
% that feel they were at risk of homelessness if they had not been able to stay with LHA	43%	56%

LHA Collaborations – **Publicis Groupe**

LHA's collaboration with Publicis Groupe started in August 2020, as part of Saatchi & Saatchi's 50th anniversary celebrations. The aim of the collaboration is to provide a roadmap designed to improve entry into the advertising industry for Black, Asian and Ethnic Minority talent, and those from low social mobility backgrounds.
Saatchi & Saatchi was founded in 1970 by two brothers, the sons of Iraqi Jews who escaped persecution in Iraq to come to Britain. Despite being outsiders to the industry, they created an ad agency and revolutionised the industry with the belief that as long as you could marry chutzpah (meaning the 'quality of audacity') with potential, 'nothing is impossible'.

Saatchi & Saatchi is transforming this founding ethos into future action with the launch of Saatchi Ignite, Saatchi Open and Saatchi Home – a suite of programmes aimed at inspiring, enabling and progressing more diverse talent from across the UK.
Saatchi Home provides tiered affordable accommodation in zones 1–2 for interns, Saatchi Open candidates and junior team members. Saatchi Home is supported by the Advertising Association and is designed to be a blueprint for the industry in removing barriers to entry – one of those being affordable housing in London.

Saatchi Home

Tier 1	Rent-free/heavily subsidised accommodation for interns who live outside of London.
Tier 2	Subsidised accommodation for Saatchi Open candidates.
Tier 3	Preferential rates for all junior agency talent below a set salary threshold.

In 2021/22, LHA welcomed 15 Saatchi Home participants to a number of our properties – recording a total of 1046 overnights.

The ambition is to now share this blueprint for success which can be replicated, at scale, by partners and competitors alike while inspiring, enabling and progressing more diverse talent from across the UK by providing either rent-free or subsided short-term accommodation as they settle into London and their new role.

Hemi Patel, participant on the Saatchi Home and Saatchi Open programme said, 'This opportunity wouldn't have been possible without the support of LHA London and the Saatchi Open and Home programmes. Like many students, I'd not heard of advertising as a career choice. It was only thanks to chance that my university lecturer was an ex-creative director, who recommended I give it a shot. It's why I'm also really keen to get involved in Saatchi Ignite'.

Stephen Woodford, CEO of the Advertising Association said, 'The advertising industry is determined to make access to the industry as wide as possible and that means opening up to talent from every kind of background across the UK and overseas. The Saatchi Home initiative with LHA is exactly the kind of innovative solution we need to see to make a move to London much more affordable, so removing what is a major barrier for many. I'd be delighted to see more agencies, production companies and media owners build on this pioneering partnership'.

Sarah Jenkins, managing director of Saatchi & Saatchi said, 'We have deep-rooted barriers preventing too many brilliant and talented people from entering our industry. These are challenges made harder as a result of the pandemic and those already having to navigate London living costs, often without the welcome support of Bank of Mum & Dad. I'm super proud of what we are doing with LHA through Saatchi Home, but this can and should be much bigger than that. Change will only come with the industry working together, at scale. Saatchi Home is a fantastic blueprint for any organisation who wants to create demonstrable and sustainable change'.



LHA Fund

The LHA Fund, in its current form, was established in 2014. The purpose of the fund is to make financial grants (up to £30k per annum) to small charities operating in London who are working with young people (under 35) and supporting them with issues of homelessness. Through the fund, LHA seeks to grow its social impact beyond its own buildings and to help tackle complex issues beyond its own internal expertise. Through the fund, LHA has made grants for capital improvements, revenue costs (funding for salaries) and schemes, offering mentoring and advisory services to help young people access housing.

In 2021/22, **eleven** projects received grant awards with a total value of **£276,810**, and **693 people** were directly impacted by the fund projects. Each fund is monitored through conversations with project leads and grant beneficiaries (where appropriate). Additionally, projects capture case studies and track outputs and outcomes. Key considerations include grant use, outcomes and impacts, circumstances affecting grant use and future changes ahead.

2021/22 Projects



Each year, the LHA monitoring conversation includes contextual changes that affect or are likely to affect strategic direction and operational issues of organisations receiving LHA grants. Although COVID-19 is still relevant, projects have moved on from crisis mode and many have made the operational adjustments required. However, the Government's substantial funding for projects directly dealing with shelters or other forms of shared accommodation is now at an end, and there is as yet no comparable emphasis or action on provision of secure affordable accommodation in London at the volume needed. The housing crisis in London therefore continues. There is still an over-reliance on the private rented sector, and there is no significant change in the policy underlying Local Housing Allowance levels for single people; that is, there is still a tendency to see shared accommodation as suitable for most young people.

For disturbing reasons, some of the organisations funded this year have hit media headlines, notably Refugees at Home (Ukraine) and Bromley and Croydon Women's Aid (at the launch of the new Tackling Domestic Abuse Plan), which indicates that charities, however small and local, can be seen as the experts in national and international crises.



BEAM Case Study

One person who has benefitted from LHA funding is 25-year-old Detta, who was referred to Beam by Islington Council in early 2022. Detta became homeless when her dad kicked her out and she ended up in temporary accommodation. Beam helped Detta raise £1,931 from 18 supporters – including LHA – to fund a rental deposit, first month's rent, moving van and housing essentials. With Beam's support, Detta moved into a property in April 2022 and since then her life has been completely transformed.

Detta shared this update with her Beam supporters: 'Through your donations I have been able to secure a better home and continue working towards getting a better and greater place to call home!'

Read the full update on her campaign page here:
https://beam.org/campaigns/detta

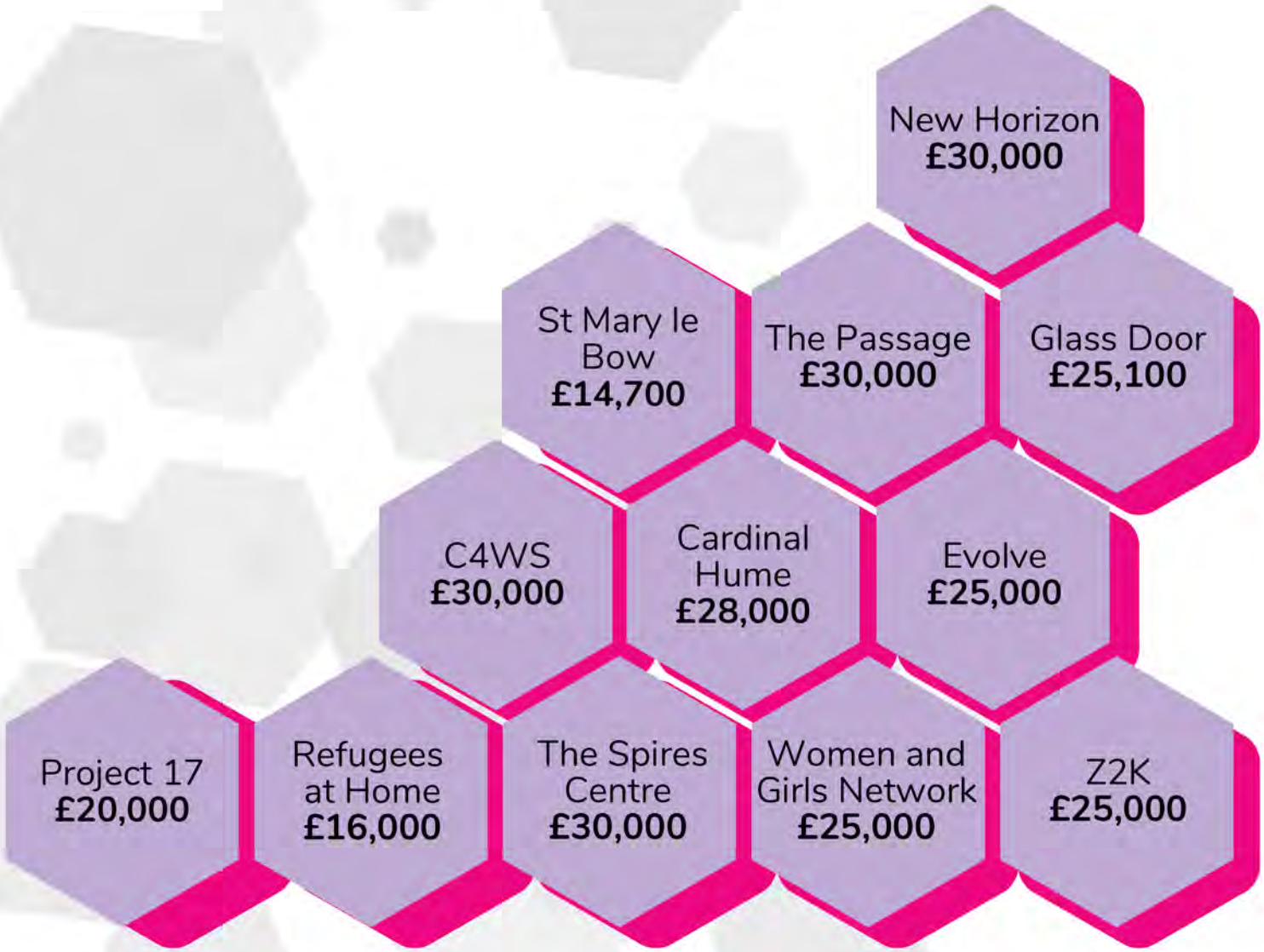
For more information on LHA Fund projects, please visit
www.lhalondon.com/our-programmes/



LHA Fund
Looking Ahead

Looking ahead to 2022/23, it is proposed that grants be made to **14 charities** (three more than the prior year). The total value of the proposed grants is **£347,800** (an increase of £70,990 from the prior year).

2022/23
Proposed Funding



LHA Repurposing

In late 2020, as the world started to understand the full impact of the pandemic and came to terms with the fact that in all likelihood there was no quick or easy fix to the crisis, LHA found itself in a new situation. We had empty bedrooms (over 200) and empty beds (nearly 800). With none of our hostels ever mandated to close, we were determined to provide as much support as possible to house those that needed it most. LHA Repurposing was born. We reached out to the various charities we had worked with through the LHA Fund and our network of contacts soon grew, as did the requests for support.

This was a period of innovation for everyone involved, and we repurposed our hostels in a number of different ways, ranging from simply providing a safe, secure and well-maintained building for other charities to operate in, through to supporting charities in utilising our operational buildings all the way to our teams working alongside teams from other charities to fill the void left by the closing of night shelters. We view this work as a positive legacy of the pandemic that has continued into our post-pandemic operating plan.

In 2021/22, **565** individuals benefitted from our various repurposing projects, and a total of **25,325** overnight stays were recorded. For the majority of individuals, this meant that rather than having to sleep rough on the streets of London, they were provided with the safety and security of their own room and bed to sleep in. They were fed three meals a day and were able to access mentoring and advice services to help them find a route out of homelessness.



Who We Worked With

GLASSDOOR

The team from Glass Door worked alongside LHA's team at New Mansion House to deliver night shelter services between November 2021 and May 2022.

THE PASSAGE to ending homelessness

They transferred their entire operation to our Holland House site up until August 2022, which enabled them to fully refurbish their existing hostel on Longmore Street.

New Horizon Youth Centre

DEPAUL Homelessness has no place

DePaul and New Horizon Youth Centre partnered to utilise our Hounslow Central building to create 'Hub 18-24' – a dedicated service for young people aged 18-24 experiencing or at risk of experiencing homelessness.

shp Single Homeless Project

This charity has been able to provide refuge and support to women escaping violence through our buildings since September 2021.

robes

Robes took up allocation of rooms at our Davies Court site to deliver night shelter services between October 2021 and March 2022.

'Being able to utilise Holland House has been instrumental in allowing us to bring 125 people from the street into the assessment centre. We were able to provide an additional 15 emergency health bed spaces during this period and successfully moved 85 people from Holland House into accommodation, achieving a 73% positive move-on in this period. We can't thank LHA enough for the support we have received from the team and are incredibly grateful to have been given the opportunity to provide our service out of Holland House while we undertook our refurbishment. It has been such a pleasure working with you all, and I do hope we can continue to build our relationship with LHA for the future."

Midori Hol, Head of Housing and Progression, The Passage

For more information on our repurposing projects, please visit **www.lhalondon.com/our-programmes/**

Project 25

Very much in its infancy, Project 25 is a legacy project born out of the pandemic. During our outreach work around the repurposing of our hostels, we identified a longer-term need to identify a percentage of our single rooms for reservation specifically for the provision of move-on accommodation for young people.

A recurring theme through our conversations was the particular challenges faced by young people (under the age of 35) experiencing single person homelessness – both through the limitations imposed on them due to the benefits cap and the maximum housing allowance they are able to claim, and the severe lack of move-on accommodation once individuals complete a period in supported accommodation and are ready for independent living.

In early 2022, we identified an opportunity, through the network of charities we have built, to develop a concept for allocating a percentage of our single rooms subsidised specifically for use by young people under 30 years of age who are seeking move-on accommodation after having completed a period in a supported hostel or other accommodation.

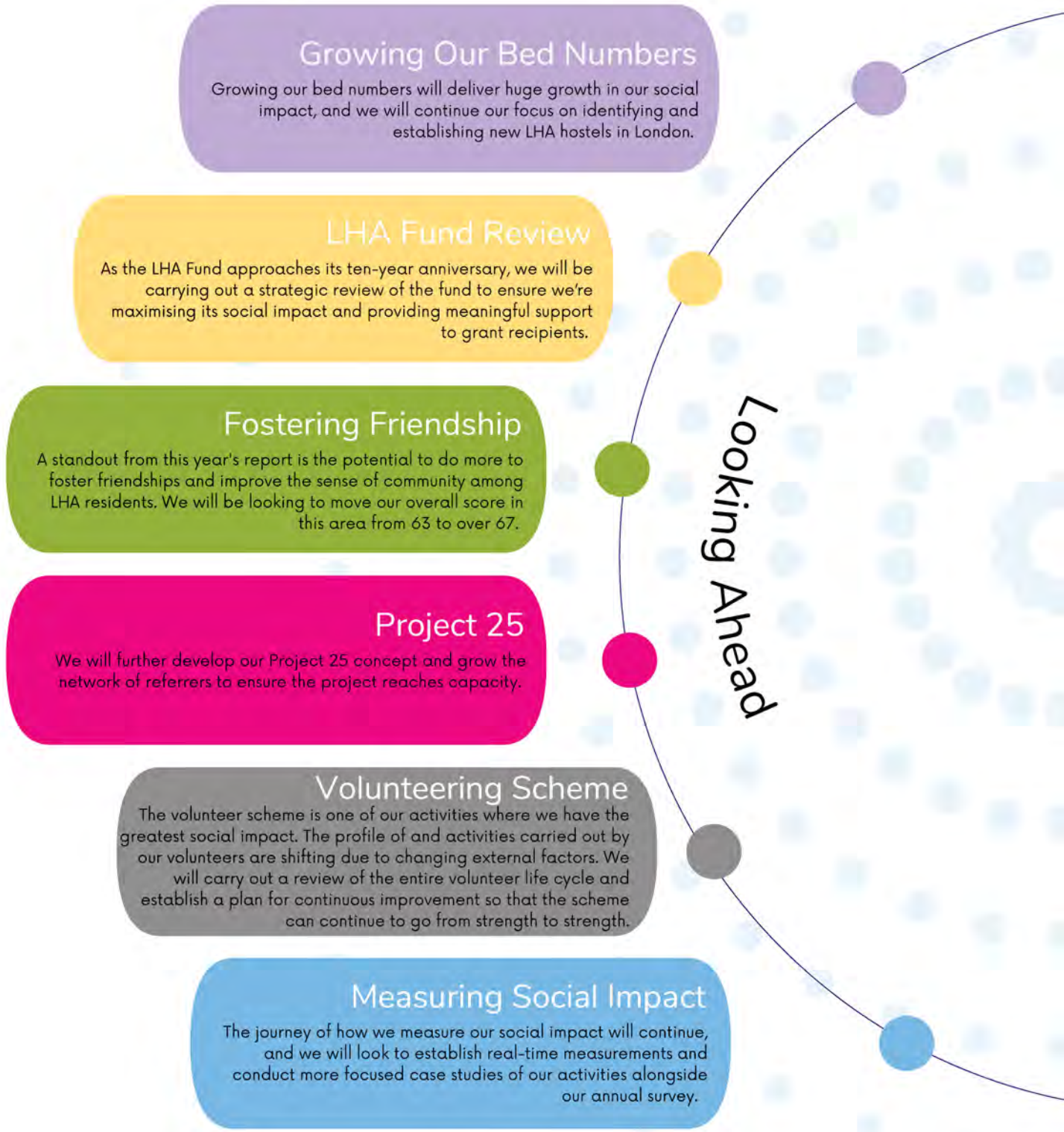
We initially offered 25 of our single bedrooms at a subsidised all-inclusive rate of £150 per week to a select number of referring charities in order to test the concept.

During 2021/22, there have been eight people referred to the scheme and a total of 1129 overnights have been recorded. We will be trialling the concept further in 2022/23 to better understand how to achieve the best impact for beneficiaries.



Looking Ahead

Although we're hugely proud of the social impact which we've been able to highlight in this report and the demonstrable growth of our social impact compared to last year, we're acutely aware there is still so much more we can do. Therefore, priorities for our 2022/23 plan include the following:



Growing Our Bed Numbers

Growing our bed numbers will deliver huge growth in our social impact, and we will continue our focus on identifying and establishing new LHA hostels in London.

LHA Fund Review

As the LHA Fund approaches its ten-year anniversary, we will be carrying out a strategic review of the fund to ensure we're maximising its social impact and providing meaningful support to grant recipients.

Fostering Friendship

A standout from this year's report is the potential to do more to foster friendships and improve the sense of community among LHA residents. We will be looking to move our overall score in this area from 63 to over 67.

Project 25

We will further develop our Project 25 concept and grow the network of referrers to ensure the project reaches capacity.

Volunteering Scheme

The volunteer scheme is one of our activities where we have the greatest social impact. The profile of and activities carried out by our volunteers are shifting due to changing external factors. We will carry out a review of the entire volunteer life cycle and establish a plan for continuous improvement so that the scheme can continue to go from strength to strength.

Measuring Social Impact

The journey of how we measure our social impact will continue, and we will look to establish real-time measurements and conduct more focused case studies of our activities alongside our annual survey.



Trustees' Review and Strategic Report

Trustees' Review and **Strategic Report**

The Trustees, who are also Directors of the charity for the purpose of the Companies Act, submit their Annual Report with the Balance Sheet for the Company on 30 September 2022 and the Statement of Financial Activities for the year ending on that date, approved by the Board of Trustees, on 28 February 2023. The charity is governed by its Memorandum and Articles of Association. The charity is managed by Trustees who meet formally five times a year.

Trustees and Members

The Trustees who served during the year are named on page 5 of this report. Additional or replacement Trustees are appointed by the remaining Trustees.
Insurance against Trustees' and Officers' liabilities in relation to the charity was maintained during the year 2021/2022, as cited in the Memorandum and Articles of Association, Para 60 (1).

Strategic Report

The charity achieved surplus net incoming resources before transfers of £4,255,721 (2021; £1,741,270), which is appro £500,000 over budget due to increased occupancy but taking into account losses on sale of investments.
There was a spend of approximately £890,588 (2021; £666,168) on repairs and maintenance.
Donations of £276,810 (2021; £383,833) were made during the year.



Trustees' Review and **Strategic Report**

Investments

Barclays Wealth and HSBC were the managers of the charity's investment portfolio.
The investment policy remained unchanged during the year, having the following objectives:
The charity's assets should be invested and held in order to grow their value over time. Because the charity does not rely on investment income for operational purposes, a total return approach (capital growth and income generation) can therefore be adopted for the investment portfolio.
The financial objective of the investment portfolio is to maintain the real value of the assets, keeping it at least in line with inflation while generating a stable and sustainable return to grow the capital over the long term. The long-term target return set by the charity is at least the Bank of England base rate plus 5%.
Separately, cash deposits held by the charity are deemed shorter term and are used to maintain liquidity. The split between longer-term capital growth investments and shorter-term cash investments will be reviewed by the Committee on a regular basis and will be adjusted according to the charity's requirements.
Investment decisions should aim to optimise the total return of the portfolio in line with the charity's risk appetite. The charity has defined this as moderate for the purposes of its investment approach and has accepted a degree of risk to its capital. The charity is able to tolerate volatility in the capital value of the investment portfolio and has a long-term time horizon of over five years.
To minimise risk to an acceptable level, any assets invested should be held within a diversified portfolio which does not have excessive exposure to any specific sector or country. The Committee expects that the volatility experienced by investment portfolios should be no more than two-thirds of the volatility of global equities (in sterling).

It should be noted that there is no specified exposure limit at the sector or country level. However, the Committee reserves the right to set this if it feels appropriate. Asset classes may include cash, fixed income/bonds, equities, property funds, hedge funds, commodities, or any other asset that is deemed suitable for the charity. The base currency of the investment portfolio is sterling; however, investments may be made in non-sterling assets.

Withdrawals can be made from the investments as and when required by LHA to fund its charitable purposes and objectives, such as buying or refurbishing property. LHA also allows for the invested assets to be held as collateral against a lending facility.

In line with the above policy, the Board decided to sell the investments due to the increasing volatility in the market as well as its main objective of finding a suitable property to create more beneficiary beds.

The cash generated from investments is currently being placed in short-term deposits to maximise interest returns.

Trustees' Review and **Strategic Report**

Fixed Assets
Around £400,000 was spent on Bowden Court for bedroom upgrades and refurbishment of showers and toilets. Additional works included a lift refurbishment and a new servery.

Davies Court saw improvements to the showers and toilets in Foundation Court at the cost of £91,000. Investigations have started to review options to improve the cladding at Davies Court.

The planning works started at Holland House, which will see refurbishment in 2022/23 before the site reopens to LHA residents after being re-purposed during COVID-19. Major electrical works were carried out across several sites at the cost of £698,000. The remaining sites will be completed in 2022/23.

A sum of £37,000 was spent on creating offices and a meeting room at the new Central Office in Wilton Road, Victoria.

Payment Policy
It is the policy of the charity to pay creditors in accordance with contracted terms, normally within 30 days.

Results
The net movement in funds during the year was a surplus of £12,491,557 compared with the previous year's surplus of £3,377,609. This was after allowing for realised and unrealised gains on investments and the actuarial gain on the charity's pension scheme, which was a loss of £1,252,959 and a gain of £42,000 respectively, compared to the 2021 gains of £2,638,599 and £1,391,000. In 2022, there was also an evaluation of the LHA properties, resulting in a gain of £9,446,795.



Trustees' Review and **Strategic Report**

Reserves

As of 30 September 2022, Charitable Funds stand at £30,318,867 and Designated Funds at £249,942,480. Within Designated Funds, there is a fixed asset reserve of £249,942,480, which represents the net book value of the fixed assets. All other reserves are available to maintain and develop the future work of the charity and are considered adequate by the Trustees for these purposes. The reserves in the profit and loss account of LHA Services Ltd, the subsidiary company, were £299,899 as at 30 September 2022, compared to £211,674 in 2021.

As a charity, LHA is obliged by the Charities Commission to set a policy on reserves, and this establishes a level which is appropriate for LHA for the year. LHA's reserve policy is set to adequately support the continuation of the charity's current activity and future capital expenditure. The charity's aim is to monitor the reserves policy throughout the year through the budgetary process and to review the reserves policy to ensure it meets LHA's changing needs and circumstances.

Our reserves policy is reviewed annually when we review our sources of income and balancing the impact of future plans, commitments, our pension schemes and any management of financial risk involved. LHA's target reserve level is set at six-months' working capital, which currently stands at approximately £4.5m. Our current reserve levels are higher than this because we expected to start two major projects. One of the projects has now been put on permanent hold due to escalating building costs. The other project a roof extension at Friendship House is being prepared for planning. The newly appointed Director of Estates is actively looking for suitable properties so it seems appropriate to hold larger cash balances to enable LHA to expand its portfolio.



Trustees' Review and **Strategic Report**

Risk Management

The Trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining adequate resources, combined with conducting an annual review of the control of key financial systems, will enable the charity to cope with any future adverse conditions. The Trustees reviewed the Annual Risk Matrix in December 2022. The trustees have also examined other operation business risks faced by the charity and confirmed they have established systems to mitigate significant risks. The Finance Audit and Risk Committee reviews and updates the Trustee Board as necessary and have identified the following as high risk:

Inflationary pressures on utility, labour and supply chain costs

The following actions have been taken to mitigate this risk.

LHA has made prudent budget assumptions for both the 2022-23 financial year and within the five-year strategic plan. The Board has also strengthened the Executive Management Team with the recruitment of a Director of Estates. The new role will involve overseeing the long-term sustainability targets of the charity and focusing on the initiatives available to offset rising utility costs.

Food and labour cost have also been carefully budgeted and monitored, and with the support of the successful volunteer programme, the charity will continue to provide the appropriate level of support within its operational activities.



Trustees' Review and **Strategic Report**

LHA Services Limited for 2021/22

LHA Services Ltd (LHAS), wholly owned by the charity and acting under a licence and agreement signed in 1991, fills casual room vacancies, particularly in holiday times and between long-term bookings.

The rental and management fees were suspendedas a result of the pandemic. This suspension was reviewed in 2021/22 because there was a material increase in short-term bookings and then was re-introduced. LHAS has a taxable trading surplus and, in accordance with the covenant signed on 1st October 1997, an amount of £137,365 is to be transferred to the charity in 2021/22.

In preparing these financial statements, the Trustees are required to

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statements of Recommended Practice (SORPs).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charitable company will not continue in business.

The Trustees are responsible for keeping 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 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware,

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By Order of the Board



Tony Perkins
Company Secretary
28 February 2023

Opinion

We have audited the financial statements of LHA London Limited (the 'parent company') and its subsidiary ('the group') for the year ended 30 September 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, the Consolidated Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2022 and of the group's 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees and 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 Report of the Trustees has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the Report of the Trustees.

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 returns adequate for our audit have not been received from branches not visited by us; 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, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity'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 charity 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

Based on our understanding of the charity and its sector, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006, and the Charities Act 2011.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of property, income recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;

- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

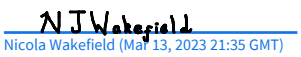
There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:



Nicola Wakefield (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS
Date: 13-Mar-2023

LHA London Limited
Financial statements for the year ended 30 September 2022
Consolidated statement of financial activities

	Notes	General Funds	Designated Funds	Total 2022	Total 2021
Income		£	£	£	£
Income from charitable activities:					
Operation of hostels		13,521,194	-	13,521,194	8,689,201
Income from other trading activities	4	270,768	-	270,768	62,773
Income from investments		367,633	-	367,633	299,157
Total income		14,159,595	-	14,159,595	9,051,131
Expenditure					
Raising funds:					
Commercial trading operations		133,730	-	133,730	12,736
Investment management fees		41,723	-	41,723	106,634
Charitable activities:					
Operation of hostels	5	9,728,421	-	9,728,421	7,190,491
Total expenditure		9,903,874	-	9,903,874	7,309,861
Net income before transfers		4,255,721	-	4,255,721	1,741,270
Gross transfers between funds		(84,761)	84,761	-	-
Net income after transfers		4,170,960	84,761	4,255,721	1,741,270
Revaluation of property	10	-	9,446,795	9,446,795	(2,288,260)
(Losses)/Gains on investment assets	11	(1,252,959)	-	(1,252,959)	2,638,599
Net income before actuarial movements		2,918,001	9,531,556	12,449,557	2,091,609
Actuarial gain on pension scheme	15	42,000	-	42,000	1,286,000
Net movement in funds		2,960,001	9,531,556	12,491,557	3,377,609
Fund balances brought forward at 1 October 2021		27,358,866	240,410,924	267,769,790	264,392,181
Fund balances carried forward at 30 September 2022		30,318,867	249,942,480	280,261,347	267,769,790

All amounts relate to continuing activities; there were no recognised gains or losses other than those included above.

LHA London Limited
Financial statements for the year ended 30 September 2022
Balance sheets

	Notes	Group 2022	Group 2021	Charity 2022	Charity 2021
		£	£	£	£
Fixed assets					
Intangible assets	9	3,029	7,574	3,029	7,574
Tangible assets	10	249,942,480	240,410,924	249,942,480	240,410,924
Investments	11	-	24,523,411	150,000	24,673,411
		249,945,509	264,941,909	250,095,509	265,091,909
Current assets					
Stocks	12	11,594	9,830	11,594	9,830
Debtors	13	574,768	838,665	649,406	838,665
Cash at bank and in hand		32,651,971	4,099,048	32,263,006	3,892,649
		33,238,333	4,947,543	32,924,006	4,741,144
Creditors: amounts falling due within one year	14	(2,922,495)	(2,077,662)	(2,908,057)	(2,082,937)
Net current assets		30,315,838	2,869,881	30,015,949	2,658,207
Total assets less current liabilities		280,261,347	267,811,790	280,111,458	267,750,116
Pension (liability)	15	-	(42,000)	-	(42,000)
Net assets		280,261,347	267,769,790	280,111,458	267,708,116
The funds of the charity					
Unrestricted funds:					
General		30,318,867	27,358,866	30,168,978	27,297,192
Designated	16	249,942,480	240,410,924	249,942,480	240,410,924
	17	280,261,347	267,769,790	280,111,458	267,708,116

The financial statements were approved by the Trustees on 28 February 2023 and signed on their behalf by:

P Frackiewicz
Trustee

D Conroy
Trustee

LHA London Limited
Financial statements for the year ended 30 September 2022
Consolidated Statement of Cash Flows

	2022	2021
	£	£
Reconciliation of net income to net cash inflow from operating activities		
Net income for the year	12,491,557	3,377,609
Depreciation charges	841,006	794,756
Amortisation charge	4,545	4,545
Loss/(Gain) on disposal of fixed assets	1,136,833	(2,598)
(Gain)/loss on revaluation of fixed assets	(9,446,795)	2,288,260
Loss/(gain) on investment assets	1,252,959	(2,638,599)
(Increase)/decrease in stocks	(1,764)	1,019
Decrease/(increase) in debtors	263,897	(288,469)
Increase in creditors	844,833	548,055
(Decrease) in pension liability	(42,000)	(1,249,000)
Net cash generated from operating activities	7,345,071	2,835,578
Investing activities		
Purchase of tangible fixed assets	(2,062,600)	(1,351,902)
Purchase of investments	(7,108,689)	(16,586,460)
Proceeds from sale of investments	30,379,141	10,941,570
Net cash generated from/(used in) investing activities	21,207,852	(6,996,792)
Net cash inflow/(outflow)	28,552,923	(4,161,214)
Increase/(decrease) in cash in the period	28,552,923	(4,161,214)
Cash and cash equivalents at 1 October 2021	4,099,048	8,260,262
Cash and cash equivalents at 30 September 2022	32,651,971	4,099,048

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention with the exception of investments, functional freehold properties and long leasehold properties which have been included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Companies Act 2006. LHA London Limited meets the definition of a public benefit entity under FRS 102.

The principal accounting policies adopted in the preparation of the accounts are set out below. The trustees consider that it is appropriate for these accounts to be prepared on the going concern basis.

Group accounts

These accounts consolidate the results of the Association and its wholly owned subsidiary, LHA Services Limited on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the Association itself following exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The financial activities of the charity are disclosed in note 3 to the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts. Investment income and gains or losses are allocated to the appropriate fund.

Valuation of properties

Functional freehold and long leasehold properties were included in the accounts at valuation for the first time in 2012/13. These have been valued by Colliers International Valuers UK LLP in September 2021. The properties will be revalued every three years.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold and long leasehold buildings	Nil
Short leasehold land and buildings	
Furniture, fixtures and equipment	10 - 20 % p.a Straight line method
Motor vehicles	
Computer equipment	20 - 33.3 % p.a Straight line method

Moveable furniture and equipment is written out of the accounts after ten years as the Trustees consider that it has a negligible residual value.

Amortisation
Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Website costs	20% pa straight line method

Investments
Fixed asset investments are stated at mid-market value at the balance sheet date. Gains and losses on revaluation of investments held as fixed assets are included in the statement of financial activities as unrealised. Where investments have been sold during the year the difference between sale proceeds and market value at the beginning of the period is included in the statement of financial activities.

Income
Income for operation of hostels relates to income received in the letting of beds for long stays, catering income, sundry income and is shown net of value added tax and discounts.

Expenditure
All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing LHA London Limited to the expenditure. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expenses headings on the basis of time spent.

Stocks
Stocks, which consist of consumables are valued at the lower of cost and net realisable value.

Pensions
The Charity operates a pension scheme providing benefits based on final pensionable pay. The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the Statement of Financial Activities, so as to spread the costs of pensions over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. The pension scheme assets are valued at market rate. A pension scheme deficit is recognised in full on the balance sheet, but where there is a pension scheme asset this is not recognised unless the asset can be realised through reduced future contributions. The actuarial gains are therefore limited to the gain required to bring the liability to zero.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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 both current and future periods.

The key estimates and assumptions made in these accounts are considered to be

(a) Depreciation, which is provided at rates calculated to write off the cost, less the estimated residual value, of each fixed asset over its estimated useful life. This is of particular relevance to freehold properties which have not been depreciated as the residual value is deemed to be in excess of cost.

(b) The assumptions made in the revaluation of the charitable properties. The principal assumptions are the estimated rental potential in each area, the level of demand for similar properties and the degree of discounting applied to reflect the level of shared occupancy rooms.

3 Financial activities of the charity

A summary of the financial activities undertaken by the charity is set out below:

	2022	2021
	£	£
Total income	14,027,650	8,997,465
Total expenditure on charitable activities	(9,818,421)	(7,190,491)
Investment managers' fees	(41,723)	(106,634)
Investment (losses)/gains	(1,252,959)	2,638,599
Revaluation of property	9,446,795	(2,288,260)
Actuarial gain on final salary pension scheme	42,000	1,286,000
Net income	12,403,342	3,336,679
Total funds brought forward	267,708,116	264,371,437
Total funds carried forward	280,111,458	267,708,116
Represented by:		
General funds	30,168,978	27,297,192
Designated funds	249,942,480	240,410,924
	280,111,458	267,708,116

4 Income from other trading activities

The Charity's one wholly owned trading subsidiary, LHA Services Limited, which is incorporated in the UK, distributes all of its taxable profits to the Charity. The activities of this subsidiary are the provision of short term accommodation and catering services together with the provision of amenities to the residents of LHA London Ltd. The charity owns the entire issued share capital of 150,000 ordinary shares of £1 each. A summary of the trading results is shown below.

Profit and Loss Account	**2022**	**2021**
	£	**£**
Turnover	270,768	62,773
Cost of sales and administrative expenses	(133,730)	(12,736)
Gross profit	137,038	50,037
Interest receivable	327	18
Net profit	137,365	50,055
Amount distributed to LHA London Limited	(49,150)	(9,125)
Retained profit in subsidiary	88,215	40,930

The assets and liabilities of the subsidiary were:	**2022**	**2021**
	£	**£**
Current assets	388,965	221,198
Creditors: amounts falling due within one year	(89,076)	(9,524)
Total net assets	299,889	211,674
Aggregate share capital and reserves	299,889	211,674

Included in administrative expenses are rent of £24,000 (2021 - £nil) and management charges of £66,000 (2021 - £nil) payable to LHA London Limited and these charges have been eliminated on consolidation.

Analysis of charitable expenditure

5

	Staff costs (note 8)	Other	Depreciation (notes 9&10)	Total 2022	Total 2021
	£	£	£	£	£
Charitable expenditure					
House operating costs	1,739,925	3,763,850	785,677	6,289,452	5,357,300
Support costs	1,386,181	1,684,146	55,329	3,125,656	1,411,735
Governance costs (note 6)	-	36,503	-	36,503	37,623
Donations (note 7)	-	276,810	-	276,810	383,833
Total	3,126,106	5,761,309	841,006	9,728,421	7,190,491

Charitable expenditure **Details of other costs**	House operating costs	Support costs	Total 2022	Total 2021
	£	£	£	£
Repairs & maintenance	887,588	3,000	890,588	666,168
Utilities	1,122,941	1,805	1,124,746	767,432
Catering	196,529	-	196,529	124,545
Insurance	266,958	7,450	274,408	196,511
Security	212,822	-	212,822	182,195
Rent and rates	111,415	30,046	141,461	261,902
Cleaning, laundry, waste, pest control	671,714	908	672,622	401,008
Other costs	293,883	1,640,937	1,934,820	731,485
	3,763,850	1,684,146	5,447,996	3,331,246
Governance costs (note 6)			36,503	37,623
Donations (note 7)			276,810	383,833
Total other costs			5,761,309	3,752,702

6 Governance costs

Governance costs include:	2022	2021
	£	£
Audit fees	21,895	21,045
Insurance against Trustees' and Officers' liabilities	13,907	16,578
Trustees' expenses	701	-
	36,503	37,623

7 Donations

All donations were made to institutions and these are broken down as follows:

	2022 £	2021 £
Albert Kennedy Trust	28,810	28,000
New Horizons	-	30,000
Glass Door	-	20,000
C4WS	30,000	30,000
The Spires Centre	30,000	30,000
St Mary Le Bow	-	14,000
Evolve	25,000	25,000
Zacchaeus 2k Trust	25,000	38,333
Project Seventeen	20,000	20,000
Women & Girls Network	25,000	25.500
Refugees at Home	16,000	16,000
BEAM	29,000	29,000
Cardinal Hume	28,000	28,000
Bromley & Croydon Women's Aid	20,000	20,000
Single Homeless Project	-	20,000
Whitechapel Mission	-	10,000
	276,810	383,833

8 Staff costs

	2022 £	2021 £
Wages and salaries	2,228,682	2,130,860
Social security costs	218,955	195,935
Other pension costs	678,469	311,693
	3,126,106	2,638,488

Average number of employees during the year

Head office staff	16	16
Direct maintenance staff	6	5
Hostel staff	52	51
	74	72

Number of employees with emoluments in excess of £60,000:

£60,000 - £70,000	1	1
£70,000 - £80,000	1	-
£80,000 - £90,000	1	-
£130,000 - £140,000	1	1
£140,000 - £150,000	1	-
£160,000 - £170,000	-	1

The total of employee benefits, including employer pension contributions received by Key Management Personnel in 2022 is £473,436 (2021: £418,670). Key Management Personnel are the Chief Executive Officer, Finance Director, Director of Estates and Director of Operations.

9 Intangible fixed assets – Group & Charity

	Website
Cost	
At 1 October 2021	22,723
Additions	-
Disposals	-
At 30 September 2022	22,723
Amortisation	
At 1 October 2021	15,149
Charge for the year	4,545
Released on disposal	-
At 30 September 2022	19,694
Net book value	
At 30 September 2022	3,029
At 30 September 2021	7,574

10 Tangible fixed assets – Group and Charity

	Freehold land and buildings	Leasehold land and buildings	Property improvements	Plant and machinery	Total
	£	£	£	£	£
Cost					
At 1 October 2021	225,316,210	9,712,581	15,476,569	1,322,072	251,827,432
Additions	-	-	2,062,600	-	2,062,600
Disposals/write off	-	-	(1,104,365)	(193,961)	(1,298,326)
Transfers	-	-	-	-	-
Revaluation	9,296,955	149,840	-	-	9,446,795
At 30 September 2022	234,613,165	9,862,421	16,434,804	1,128,111	262,038,501
Depreciation					
At 1 October 2021	-	-	10,348,393	1,068,115	11,416,508
Charge for the year	-	-	785,675	55,331	841,006
On disposals	-	-	-	(161,493)	(161,493)
At 30 September 2022	-	-	11,134,068	961,953	12,096,021
Net book value					
At 30 September 2022	234,613,165	9,862,421	5,300,736	166,158	249,942,480
At 30 September 2021	225,316,210	9,712,581	5,128,176	253,957	240,410,924

The Trustees undertook a valuation of all the freehold and long leasehold properties in September 2021. The valuation was undertaken by Colliers CRE and the properties were valued at £239,300,000 (this includes freehold property, leasehold properties and property improvements above). The valuation of the properties were updated in 2021/22 using House Prices Index, resulting in a revaluation of £9,446,795.

Property improvements include £107,418 (2021: £856,967) of assets under construction.

11 Investments

	Investments in subsidiary undertakings £	Other investments £	Total £
Market value			
At 1 October 2021	150,000	24,523,411	24,673,411
Additions	-	7,108,689	7,108,689
Disposals	-	(30,379,141)	(30,379,141)
Net (losses) for the year	-	(1,252,959)	(1,252,959)
At 30 September 2022	150,000	-	150,000
Historic cost at 30 September 2022	150,000	-	150,000

12 Stocks

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Household equipment and food	11,594	9,830	11,594	9,830

13 Debtors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	87,386	223,947	87,386	223,947
Other debtors	41,983	6,189	41,983	6,189
Amounts owed from group companies	-	-	74,638	-
VAT recoverable	59,724	136,631	59,724	136,631
Prepayments and accrued income	385,675	471,898	385,675	471,898
	574,768	838,665	649,406	838,665

14 Creditors: amounts falling due within one year

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	1,119,718	722,940	1,118,835	722,940
Other taxes and social security costs	85,540	47,185	85,540	47,185
Amounts owed to group companies	-	-	-	14,799
Other creditors	28,438	-	28,438	-
Fees and deposits in advance	779,340	830,356	779,340	828,531
Accruals	909,459	477,181	895,904	469,482
	2,922,495	2,077,662	2,908,057	2,082,937

15 Pension commitments

The charity makes contributions to a defined contribution pension scheme on behalf of a number of employees who are not included within the defined benefit pension scheme. Contributions in the year totalled £135,328 (2021: £116,121).

The Charity operates a defined benefit scheme in the UK. The scheme is closed to new entrants. As a consequence the current service cost calculated under the projected unit method can be expected to increase over time, as the average age of the membership increases. A full actuarial valuation was carried out at 1 April 2021 and updated to 30 September 2022 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.
The Charity currently pays contributions at the rate of 41.3% of pensionable pay following the actuary valuation on 1st April 2021.

Present values of scheme liabilities, fair value of assets and surplus/(deficit)

	At 30/9/22	At 30/9/21	At 30/9/20
	£'000	£'000	£'000
Fair value of scheme assets	9,327	10,911	10,016
Present value of scheme liabilities	(5,547)	(10,953)	(11,307)
Surplus/(Deficit) in scheme	3,780	(42)	(1,291)

15 Pension commitments (continued)

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2022 £'000	2021 £'000
Scheme liabilities at start of period	10,953	11,307
Current service cost	102	123
Interest cost	222	180
Actuarial (gains)	(5,895)	(806)
Experienced losses on liabilities	358	217
Changes to demographic assumptions	27	-
Benefits paid & death in service insurance premiums	(220)	(68)
Scheme liabilities at end of period	5,547	10,953

Reconciliation of opening and closing balances of the fair value of the scheme assets

Fair value of scheme assets at start of period	10,911	10,016
Interest on assets	226	161
Expected return on scheme assets	(2,029)	697
Contributions by employer	439	105
Benefits paid	(220)	(68)
Fair value of scheme assets at end of period	9,327	10,911

The actual return on the scheme assets over the year ending 30 September 2022 was (£1,803,000) (2021: £858,000).

Total expense recognised in the statement of financial activities

Current service cost	102	123
Interest cost	222	180
Expected return on scheme assets	(226)	(161)
Total expense recognised in the statement of financial activities	98	142

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS17 is a loss of £1,707,000 (2021: £1,749,000).

15 Pension commitments (continued)

Assets	2022 £'000	2021 £'000	2020 £'000
Total assets	9,327	10,911	10,016

None of the fair values of the assets shown above include any of the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Assumptions

The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2022 % per annum	2021 % per annum
Rate of discount	5.30	2.05
Inflation (RPI)	3.50	3.45
Inflation (CPI)	2.90	2.85
Salary increases	2.90	2.85
Pension increases		
Accrued before 1 July 2016	5.00	5.00
Accrued after 1 July 2016	2.90	2.85
Revaluation rate for deferred pensioners	5.00	5.00
Commutation	Nil	Nil

Life expectancy

Male retiring at age 65 in 2022	22.3	22.1
Female retiring at age 65 in 2022	24.6	24.5
Male retiring at age 65 in 2042	23.3	23.4
Female retiring at age 65 in 2042	25.7	26.1

Expected long term rate of return

The scheme's assets are invested in a unitised with profit fund. It is assumed that the long term rate of return on the fund will be 5.3% per annum (2021: 2.4%).

15 Pension commitments (continued)

Amounts for the current and previous four periods

	2022	2021	2020	2019
	£'000	£'000	£'000	£'000
Fair value of assets	9,327	10,911	10,016	10,244
Present value of scheme liabilities	(5,547)	(10,953)	(11,307)	(10,296)
Surplus/(Deficit) in scheme	3,780	(42)	(1,291)	(52)
Experience adjustment on scheme assets	-	-	(396)	301
Experience adjustment on scheme liabilities	(358)	(217)	-	-

16 Designated funds

	Balance at 1 October 2021	Transfers	Revaluation	Balance at 30 September 2022
	£	£	£	£
Fixed asset reserve	240,410,924	84,761	9,446,795	249,942,480
	240,410,924	84,761	9,446,795	249,942,480

17 Analysis of group net assets between funds

	General Funds	Designated Funds	Total Funds
	£	£	£
Intangible fixed assets	3,029	-	3,029
Tangible fixed assets	-	249,942,480	249,942,480
Investments	-	-	-
Cash at bank and in hand	32,651,971		32,651,971
Other net current liabilities	(2,336,133)	-	(2,336,133)
Pension deficit	-	-	-
	30,318,867	249,942,480	280,261,347

18 Operating lease commitments

At 30 September 2022 the group's commitments under non-cancellable operating leases were as follows:

	Land & Buildings	
	2022	2021
	£	£
Less than 1 year	137,281	360
Between 2 and 5 years	472,397	1,440
After more than 5 years	-	27,093
Total	609,678	28,893

At 30 September 2022, the group's had no capital commitments (2021: capital commitments related to the Hounslow site and Friendship House amounted to £363,433).

19 Limited liability

The charitable company is limited by guarantee and does not have a share capital. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up during the time he or she is a member, or within a year after he or she ceases to be a member, such amounts as may be required, not exceeding £10.

20 Related Party Transactions

The Trustees receive no remuneration. Travel expenses of £701 (2021: £nil) were reimbursed to 6 (2021: nil) Trustees during the year.

Included in administrative expenses are rent of £24,000 (2021 - £nil) and management charges of £66,000 (2021 - £nil) payable to LHA London Limited by LHA Services Limited. The charges were eliminated on consolidation.

LHA LONDON LTD

England & Wales - Charity number 1069428

Accounts

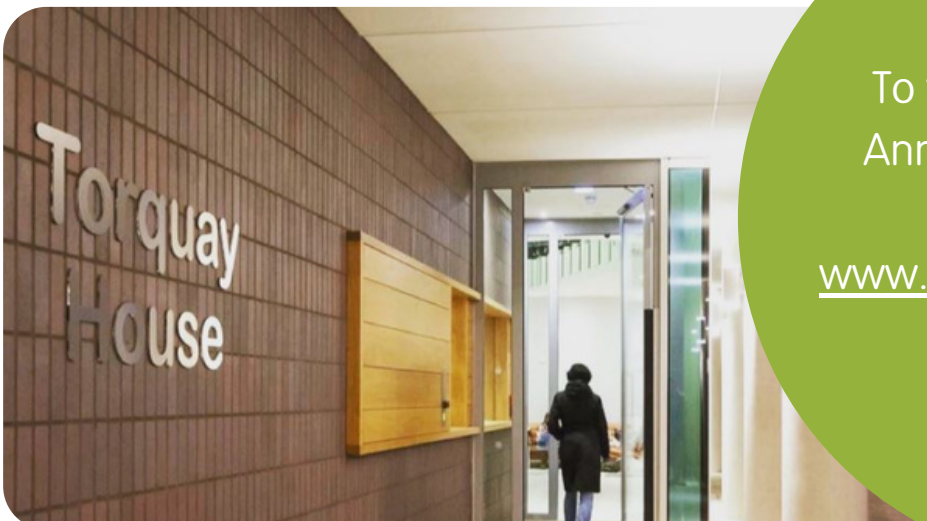


2020-21 Annual Report

LhaLondon
the heart of London Living

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To view previous years' Annual Reports, visit our website at www.lhalondon.com/about/

Message from our Chair and CEO



Tony Perkins
CEO



David Conroy
Chair

The global COCID-19 pandemic has continued to be a major challenge for us but we did not lose sight of our charitable objectives. Not only did we implement key changes to protect the hostel operation, and our staff, volunteers and residents, but we also launched an initiative to provide hundreds of beds for young homeless people in London. This year, we developed partnerships with a number of charities, which devote their efforts to reducing rough sleeping in London. LHA is proud to support this initiative, as many overnight centres have been forced to close during the pandemic. In times of adversity, our teams came together and proved, yet again, their ability and agility. As well as developing these partnerships, we have also managed, through the 'LHA Fund' to continue funding another 16 charities which support young homeless people or provide related initiatives'.

The financial impact on the charity was severe with our occupancy falling to its lowest ever recorded level. However, the bounceback in resident numbers improved occupancy levels toward the end of the financial year and gave us the ability to drive forward the development of our five-year strategic plan and to continue expanding our bed numbers in the capital. Our trustees, through our Board and its committees, have consistently shown a dedicated approach to the charity's strategic development. For this, we are grateful.

The Board of Trustees and Executive Management Team recognise the demands on our head office and frontline teams and the amazing contribution shown by them throughout such a difficult period. We implemented an LHA Wellbeing Solutions initiative to increase our support to our staff, including training a number of mental health first aiders. Without our people, we would not have been able to support young people in need of affordable accommodation so much. We also supported many of our residents with rent payment support plans as the pandemic took hold and jobs were lost or furloughed.

This year saw the production of the first dedicated LHA Social Impact Report. It can be found with our Annual Report at lhalondon.com/about/ The impact report will enable us to benchmark and improve our social impact as we move forward. Sustainability is also a vital part of our development: we have increased resources to help us plan and review our sustainability strategy and property portfolio as a fundamental part of the five-year strategic plan.

We were disappointed not to be able to celebrate our 80th anniversary in November 2020 due to COVID-19. Instead, our energies were focused on getting through these difficult times. However, we look forward to meeting the challenges of a changing world in terms of how agile working patterns will impact on the style of accommodation needed in London. LHA continue to monitor and assess the effects of the pandemic and Brexit's impacts. As a secure and resilient charity, we are ready to face the future.

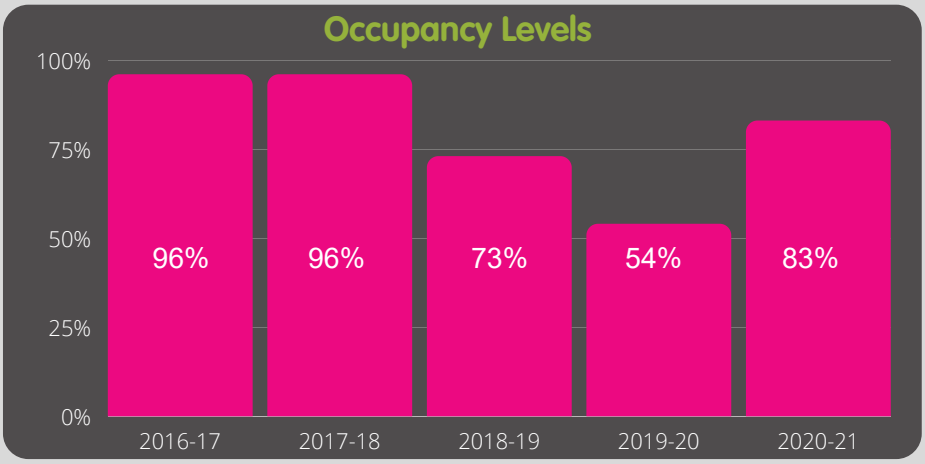


Tony Perkins
CEO



David Conroy
Chair

Our Social Mission



Median age of residents in the financial year

32.6

Number of properties across London

14

Number of beds in shared rooms

990

Supporting

16

charities through the LHA Fund

Number of volunteer placements in 2020-21

230

3

Number of properties re-purposed to help the homeless and vulnerable



Number of catered sites

4

* Two of our catered sites were handed over to charities to provide accommodation for the homeless

Our Vision, Mission and Values

LHA London Ltd (LHA) was originally created to give shelter to those made homeless by the Blitz. LHA has been providing high quality accommodation in Central London since 1940.

LHA is a London-based charity that provides young people with long-term, affordable co-living accommodation they love and can afford. Here, they can feel safe, socialise and decide whether to make London their permanent home. All without breaking the bank!

Our Charitable Objectives
The relief of poverty by provision of, acquiring, establishing, maintaining, managing and conducting hostels to provide low cost living accommodation for students and working people of limited means studying or working in the United Kingdom of Great Britain and Northern Ireland and to further and charitable purpose recognised by English Law by the provision of housing.

Our Vision (what we seek to achieve)
To be a leading provider in the charity sector of secure, low cost accommodation in London.

Our Mission (what we need to do to deliver the vision)
In order to achieve our vision we will expand our offering by acquiring, developing, maintaining and managing secure, low cost hostel accommodation. The accommodation will provide a diverse choice of living arrangements that meet the reasonable expectations of young people with limited means that wish to work or study in London.

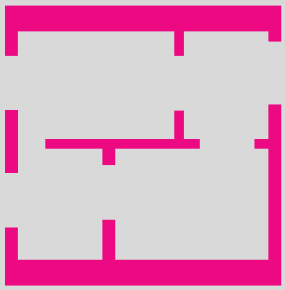
Our Values



Safety and Secure
All our hostels have secure key fob access, with CCTV coverage and a member of staff on hand 24 hours a day. You will also find that every guest has a lockable drawer or a safe in their room.



Affordable
Providing affordable accommodation, inclusive of all bills, Wi-Fi and contents insurance. Reward schemes and discounts available for 18- to 29 year-olds.



Flexibility
All our hostels operate a one-week notice period. Residents can stay for up to four years. Our hostels have the option of catered or self-catered accommodation. We combine freedom and safety in every hostel located within London Underground Zones 1 and 2.



Home from Home
Our co-living accommodation helps residents meet many like-minded people. But whatever the situation, we are here to help give all our guests a great start in London.

Our Trustees



David Conroy
Chair
BA, MCIPD

Chartered member of the Institute of Personnel and Development. Currently an independent management consultant.



Alexandra Whiston-Dew
Vice-Chair
MA

Practising solicitor advising on privacy, media and commercial litigation matters. Graduate of Edinburgh University and BPP University. Member of the Honourable Society of Lincolns Inn.



Sue Johnson
BA (Hons) DIP Arch

Retired architect. Partner in private practice with 30 years' experience in Central London redevelopment projects, in particular in residential work and listed buildings. Previous Director of Wren Insurance Association.



Alec McTavish
MSc (Econ); BSc (Econ); FRSA

Entered the Civil Service and worked as an Economic Adviser in various Government Departments. Joined British Rail and became Director of Business Systems. At rail privatisation was appointed a Director at the Association of Train Operating Companies



Giles Byford
MA (Hons), M.Sci, ACA

Chartered Accountant, currently working Strategy Group Director for BGL. Previously held various roles at RBS, Barclays and PWC.



Kay Buxton
BA (Hons), BTP, MRTPI

Chartered town planner specialising in urban policy and regeneration. Currently heading up Paddington developments and two neighbouring Business Improvement Districts.



Alison Craze
BA, Dip SW
Retired 30/03/21

Retired social worker specialising in children and families. Previously employed by the British Council working with overseas postgraduate students.



Petra Green
BA (Hons), PGDip

Marketing and publishing professional. Has held senior roles at various publishing and media companies, including Haymarket Media and Forbes Media.



Peter Frackiewicz
BSc FRICS MAPM

Extensive experience from working on challenging projects at Land Securities. Currently semi-retired and working on a variety of projects either voluntarily or as an independent consultant.



Annalise Jalland
BSc (Hons), MSc, MRICS

Chartered Surveyor currently working as an asset manager at British Land. Previously held various roles at British Land and CBRE. Graduate of York University and the University of Reading.



Bonnie Chiu
BBA, MSc

An award-winning social entrepreneur, gender equality advocate and social impact consultant. Recognised as a Forbes 30 Under 30, she is also a senior contributor on Forbes writing on gender and diversity.



Toyin Miller
BA (Hons)

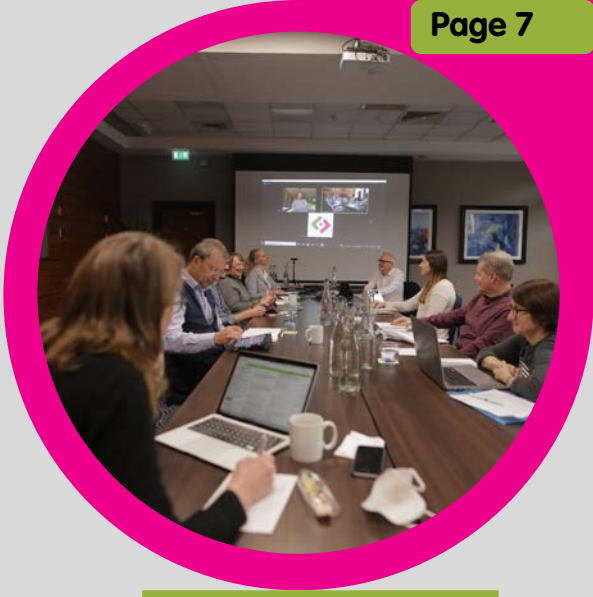
A social investment professional with significant experience in banking, loan structuring and real estate debt transactions. Experience in support of the Third Sector, focusing on delivery of innovative investment and finance to enable charities and social enterprises in the UK to deliver and grow their social impact.



Ali Mohammed
BA (Hons), MSc

Chartered Fellow of the Chartered Institute of Personnel and Development. Over 30 years' senior experience in HR in the NHS and currently also an executive director at the South East Coast Ambulance Service.

Our Committee Structure



Finance, Audit & Risk Committee

Alexandra Whiston-Dew
Chair

David Conroy

Giles Byford

Toyin Miller

Peter Frackiewicz
*Chair effective 07.12.21

Property Oversight and Projects Committee

Sue Johnson
Chair

Peter Frackiewicz

Annalise Jalland

Kay Buxton

People Committee

Ali Mohammed
Chair

Alec McTavish

David Conroy

Alexandra Whiston-Dew

Social Policy Committee

Alec McTavish
Chair

Alison Craze
Retired 30.03.21

Toyin Miller

Petra Green
*Chair effective 26.04.22

Bonnie Chiu

LHA Services Limited

Tony Perkins, FRSA
Chief Executive &
Company Secretary

Marsha Gair, FCCA
Finance Director

Alexandra Whiston-Dew
Chair

David Conroy

Alec McTavish

LHA London Ltd
Registered Charity No. 169428
Company Registration No. 363816
Registered Office: 54 Eccleston Square, London, SW1V 1PG

LHA Services Ltd
Company Registration No. 3424128
Registered Office: 54 Eccleston Square, London, SW1V 1PG

Message from the Property Oversight and Projects Committee

2020/21



Sue Johnson
Chair of Property Oversight and Projects Committee

The Property Oversight and Projects Committee is focused on the maintenance, upgrading and modernisation of LHA's important property assets in order to maximise their potential and support our charitable aims. It is also focused on a drive to expand via property acquisition and development.

Meeting frequency was increased during the year as appropriate to monitor progress on major construction design programmes. During the pandemic, a move to mission critical spends resulted in a brief pause to our projects. As we moved forward and reassessed our financial forecast, the capital budget was reviewed and increased to ensure repairs and renewals were completed according to requirements.

Our major project in Hounslow, West London, to provide 107 high quality, single en-suite rooms for young people on minimum wage working in the locality has received planning permission. We are working towards demolition and a start on the site in spring 2022. We have also completed a phase of due diligence on scoping airspace opportunities at existing sites. The aim is to maximise the bed numbers for beneficiaries in existing locations.

A goal in the five-year strategic plan is to increase our bed numbers by identifying suitable locations through land acquisitions and conversions. We aim to now focus on accelerating the acquisition process and reviewing our sustainability strategy on the existing portfolio with suitable sustainable initiatives.

This pandemic has not halted our phased hostel internal refurbishment programme. This year saw the completion of works at Halpin House, South Kensington, and further floors were refurbished at Bowden Court, Notting Hill.
External Health and Safety Audits have been completed in line with our annual cycle of surveys and inspection.

Sue Johnson – Chair of Property Oversight and Projects Committee



Bowden Court



Halpin House

Message from the Finance, Audit and Risk Committee



Peter Frackiewicz
Chair of Finance, Audit and Risk Committee

2020/21

The Finance, Audit and Risk Committee was established in February 2020. The LHA Board of Trustees (the Board) decided that the inclusion of finance as a subject for a subcommittee, along with audit and risk would support the Board's effective oversight and governance of these matters, creating a forum for in-depth examination of these matters.

In the same way as many organisations, LHA London Ltd was seriously affected by the COVID-19 pandemic over the past two years. Notwithstanding this, thanks to the actions of the executive and the staff, as well as the support of the residents and stakeholders, we have managed to evaluate and adapt to the risks presented and we have continued the operational business and maintained a level of financial sustainability which has allowed us to deliver our objectives as safely and effectively as possible.
The Finance, Audit and Risk Committee has been ably steered through this challenging time by my colleague, Alexandra Whiston-Dew, who now, due to increased workload, has stepped down as Chair but will continue on the Committee. As of December 2021, I will take over as Chair. The Board is grateful to Alexandra for all she has done.

Finance
As mentioned above, income declined as resident occupation levels fell during the pandemic. Despite a projected forecast of £948,497 for the year-end, our actual net income is £1,636,270. This improvement is even more notable when we factor in the increased capital expenditure on essential works to the properties, which were deferred from 2019/20, together with the commissioning of third party surveys, feasibility studies and research to assist us in our work on sustainability, social impact and asset development and performance. The latter work will prepare us well for our planned growth over the next few years.
Cash management over the year was controlled by the finance director and her team, ensuring that expenditure was within budget.
As advised in last year's report, our revised investment strategy has been successfully implemented and is regularly monitored. Performance has been good and, as at the end of the financial year 2021, we hold £24.5M in balanced portfolios with Barclays and HSBC, and £4.1M in cash which is used for day to day business, pre-contract project fees and minor capital works and repairs and as a contingency pot.
Since the purchase of Rosemount Hotel and achieving planning consent for its redevelopment we have allocated funds for the project from our investment holdings. The plans for extending Friendship House, if consented, will also be funded from these reserves. New capital assets are being sought and the Finance, Audit and Risk Committee and senior executive team are in discussions about how future project funding will be delivered.
In March 2021, the actuary for the LHA defined benefit pension scheme undertook the triennial valuation. Due primarily to the performance of investments as a result of the pandemic, the deficit is now approximately £1.6M. Increased deficit contributions will be required over the next five-year recovery period. Overall, this reported deficit is not viewed as a material risk to the organisation.

Message from the Finance, Audit and Risk Committee Continued

2020/21

Audit

This year's audit was again undertaken by external auditors, Mazars. The report and accounts were prepared by the executive team and have been reviewed by this Committee. The auditor has confirmed their approval. The accounts are included below.

Risk

The Finance, Audit and Risk (FAR) committee and the Executive undertake a regular review and update of the risk schedule for the organisation, which encompasses all aspects of its operations.

The predominant risk this year has again been COVID-19 and the effect it has on our people and services. Thanks to the national vaccination roll-out and the mitigation measures taken by the staff, the potential serious impact has been averted. Nevertheless, we need to continue to assess our business plan carefully for the future.

Health and safety matters are regularly challenged and reviewed. There are no issues to report here. A new Buildings Manager was recruited this year and this combined with additional property surveys has allowed us to ensure the organisation continues to keep the quality and compliance of our hostels up to date and safe. Following a small fire at Davies Court during the autumn, where there were no personal injuries and only minor physical damage, we are pleased to report that all the systems and processes worked as intended.

Notwithstanding the above key issues, the FAR Committee also raises other matters of a financial or risk nature such as scope and cover of insurance policies, resourcing, reputational risk and compliance.

Peter Frackiewicz – Chair of Finance, Audit and Risk Committee



Volunteer's Voice

What brought you to London?

The need of opportunities and the desire to live in a dynamic environment that could make me grow professionally and personally. But not only that: I come from a country with a still persistent lack of essential rights for LGBTQ+ community. London (and and this company) are sharing most of the principles and values that are essentials in my life. I feel safe and accepted.

What do you like best about being a volunteer?

I arrived at LHA in September 2020 as volunteer and I become a part of the staff after a few months. As a volunteer I liked the fact that I had time to volunteer and to work. Accommodation and two meals per day were provided so this was an opportunity for me to save money. The accommodation was clean, with Wi-Fi and a gym, and every day I have met people from all around the world.

Matteo

Message from the People Committee



Ali Mohammed
Chair of People Committee

2020/21

The People Committee determines, on behalf of the Board, the charity's policy on the remuneration, HR strategy, recruitment, succession and pensions of all employees and senior executives. It sets the annual level of remuneration of all employees. The People Committee is also consulted on the remuneration policy for hostel and head office staff.

This year saw unprecedented demands upon our teams as we supported our beneficiaries during the pandemic. The Committee met three times during the year. The charity prides itself on providing 24/7 staffing cover and optimising staff effectiveness at the hostels. LHA has continued to support our accommodation provision 365 days a year at both catered and self-catered sites. Our unique volunteer scheme has come under severe recruitment pressure since COVID-19 and Brexit.

The senior management team are planning several initiatives to re-energise the volunteer scheme. The HR Manager has introduced a new performance management system for paid staff together with annual / mid-term appraisals and a defined set of people values which will track the performance of our teams consistently and measurably. It will allow us to ensure that teams and departments across the organisation are working effectively towards achieving the charity's strategic goals.

The Committee reviews the outputs from our key people dashboards and makes appropriate recommendations on the annual salary review to the main Board.
Death in service insurance was introduced this year, along with a suite of training to support mental health at work.

The Committee also takes the lead on trustees' governance training, succession planning, the trustee recruitment process and the group personal pension arrangements.

Ali Mohammed – Chair of the People Committee





Volunteer's Voice

What brought you to London?
I was studying at the University of Bristol for my master's degree in 2020/2021, but I would like to explore more about this country while still waiting for my final programme results. Because London is one of the most prosperous cities in the UK and has a great number of job opportunities, I believe London will be a great place for me to stay by getting involved in more activities here and be equipped for the skills required for job opportunities in the future.

What do you like best about being a volunteer?
I find that I have had more confidence since I started volunteering in LHA. By interacting with other staff and the residents, I notice that I am gradually improving as time passed by. This includes social networking and problem-solving skills. I also find that I have identified some of the weaknesses I have never noticed before, which includes how to have a better interaction with others. Overall, the improvements of skills and the identification of weaknesses give me more confidence to be prepared for my career in the future.

Yu-Chen

Message from the Social Policy Committee



Alec McTavish
Chair of Social Policy Committee

2020/21

The primary aim of the Social Policy Committee is to understand the housing needs of young people with limited means who wish to live in London and to determine the best way to meet these housing needs through the provision of affordable and appropriate accommodation.
The Social Policy Committee meets four times a year. We have overseen the re-purposing of hostels to provide accommodation for the homeless. Details of this re-purposing and the LHA Fund initiative are contained in this report.

The global pandemic in 2020-2021 resulted in unprecedented demands on our staff, volunteers and residents. We immediately introduced a payment support plan to assist those residents who had fallen on hard times due to COVID-19 unemployment or furlough. Many of our young residents work in the hospitality sector and became the first to be significantly affected. The payment support plan was well received. We held our room rates at pre-pandemic levels throughout the financial year.

LHA prides itself on providing a wide range of room types and services. During the pandemic, we continued to provide breakfast and evening meals at our catered site 365 days a year. COVID-19 stretched our resources, and so our thanks go to our bold, brave teams, who adapted to the fast-changing situations as Government directives changed.
We introduced LHA 'safe and secure' throughout our hostels. During the pandemic, we tackled the issue of self-isolation by moving all residents from shared living into single-room accommodation.
Our gyms closed and our catering staff switched to operating a service to allow all residents to take meals in their rooms.

Our operations team ensured all hostels were cleaned and controlled to protect everyone.
LHA has commissioned research to examine our accessibility to those living in towns and cities in the UK. The research will be available early next year.

We have completed our detailed work to dig deeper into our offer and assess the social impact of the charity. This year marks the launch of the first comprehensive social impact report, which identifies the excellent work being done and gives us a benchmark for the future.

Our volunteer scheme has been a cornerstone of our residents' support services for many years. The year past has been a difficult period to recruit in the post-Brexit and mid-pandemic period. Our People Committee and Executive team are developing strategies to support the needs of hostel services.
Towards the end of the year, we saw a positive bounce back in our occupancy. We thank our sales and marketing teams for rapidly adjusting our campaigns to ensure LHA was able to provide the maximum number of affordable beds to those wishing to work and study in London.

Alec McTavish – Chair of the Social Policy Committee

LHA's 81 Year Legacy

LHA is a charity with an 81-year legacy of helping people through its belief that affordable accommodation in London can be made better and less costly through continual innovation.

We have always kept to our values of flexible, affordable, safe and secure home-from-home accommodation. Respect and personal attention at the heart of our strategy. The charity is committed to increasing social impact through its core activity. Through the LHA Fund we have dedicated ourselves to charitable initiatives that reflect the core mission. Since the LHA was founded in 1940, it has continually reinvented itself but remains consistent in its vision to become the most trusted name in London's affordable hostel solutions.

LHA's Advisers

Auditors
Mazars LLP
6 Sutton Plaza, Sutton Court Road,
Sutton, Surrey SM1 4FS

Investment Advisors
Barclays Wealth - No.1 Colmore Square,
Birmingham B4 6ES
HSBC Plc - 8 Cork Street, London, W1S 3LJ

Bankers
Barclays Bank Plc. - Level 27, 1 Churchill Place,
London E14 5HP
Allied Irish Bank Plc. - 4 Tenterden Street,
London W1S 1TE

Solicitors
Batt Broadbent - Minster Chambers, 42/44
Castle Street, Salisbury, Wiltshire SP1 2TX



Volunteer's Voice

What brought you to London?

I am pursuing my masters and the reason I choose London is because there is diversity in culture with many people from different parts of the world.

What do you like best about being a volunteer?

LHA has given me this beautiful opportunity to help the needy and its very satisfying. Moreover, the team members are very supportive and are always there to help. LHA has made it very easy for me to start the London chapter of my life. I love different cultures, food and languages, and here at LHA there are many ways to know about the world with many volunteers from different nationalities working together. Merci, Gracias, Danke and Namaste LHA London for this opportunity!

Raghav

Our Management Team

Our management team provide a great combination of skill sets. We are working hard to move the charity forward. We recognise that it is important to invest in people if the business is to progress. The year ahead will bring new challenges but we believe our strategy is sound.

The Board determines the policy, ensures the proper management of the LHA and provides effective guidance and leadership to the Chief Executive, the executive management team and employees of LHA. The Board appoints the Chief Executive who reports to the Board at their meetings. The Board set senior management remuneration by reference to market benchmarking.

Trustees are, individually and collectively, responsible for the overall governance and strategic direction of the organisation.



Tony Perkins
CEO



Marsha Gair
Finance Director



Ben Atwell
Head of Operations

Volunteer's Voice



Eryk

What brought you to London?
I moved to the UK from Poland back in 2017 for my undergraduate studies In Media Production in Leicester. After having lived there for three years, I started to crave for more social life and professional perspectives. London is certainly one of the most challenging cities to live in. but it's also exceptionally beautiful and incredibly rewarding. Ever since I visited it for the first time back when I was a teenager, I knew I would end up in London eventually – so here I am

What do you like best about being a volunteer?
The pandemic has allowed us all to take a deep breath, slow down and think what is really important in life – it's not always about chasing material goods, there is more than just that in life. Not everyone has the comfort of having a safe place or enjoying a hot meal – but New Mansion House is trying to provide these to people in need. Being a part of such a dedicated and kind-hearted team feels truly amazing. Working with a charity helping homeless people is a great opportunity to learn new skills, but also grow as a person – to be able to give support and bring a smile to someone's face is a gift on its own.
Also, I can confidently say that our little volunteer community feels like a second family – and I feel honoured to be a part of it.

Our Continued Improvements

This year we consolidated our position, with a real focus on improving social impact during the pandemic through our hostel re-purposing scheme. Our sustainability strategy workshop has set the scene for sustainability throughout our five-year plan and beyond. Our refurbishment programme continued with the major upgrade work at our Notting Hill site. We moved from our leased central office team location to a temporary hub to ensure continuity of service and support during the lock down restrictions. The Board of Trustees holds an annual strategy day to review the charity's objective and impact and revise the five-year plan.

Next year sees a focus on the refurbishment of Railton House and Holland House, both Grade Two listed buildings, which form part of our ongoing major internal refurbishment programme. We will also complete external repairs and redecorations at Halpin House in South Kensington. We will continue with our two current development schemes – an additional new build 107 single en-suite rooms in Hounslow, West London, and an airspace development of 62 single en-suite rooms in Southwark.

Expansion of bed numbers is part of the strategic plan. We aim to increase our bed numbers by 500 before the end of the five-year plan in 2026. A focus on the future needs of young people has given us the opportunity to undertake a major research project to look at our accessibility for young working people wishing to begin their career in the capital. This research will be completed in spring 2022. It forms part of our strategy for future site location and style of rooms and social space. Our investment strategy will be reviewed to ensure we are able to support our five-year plan.

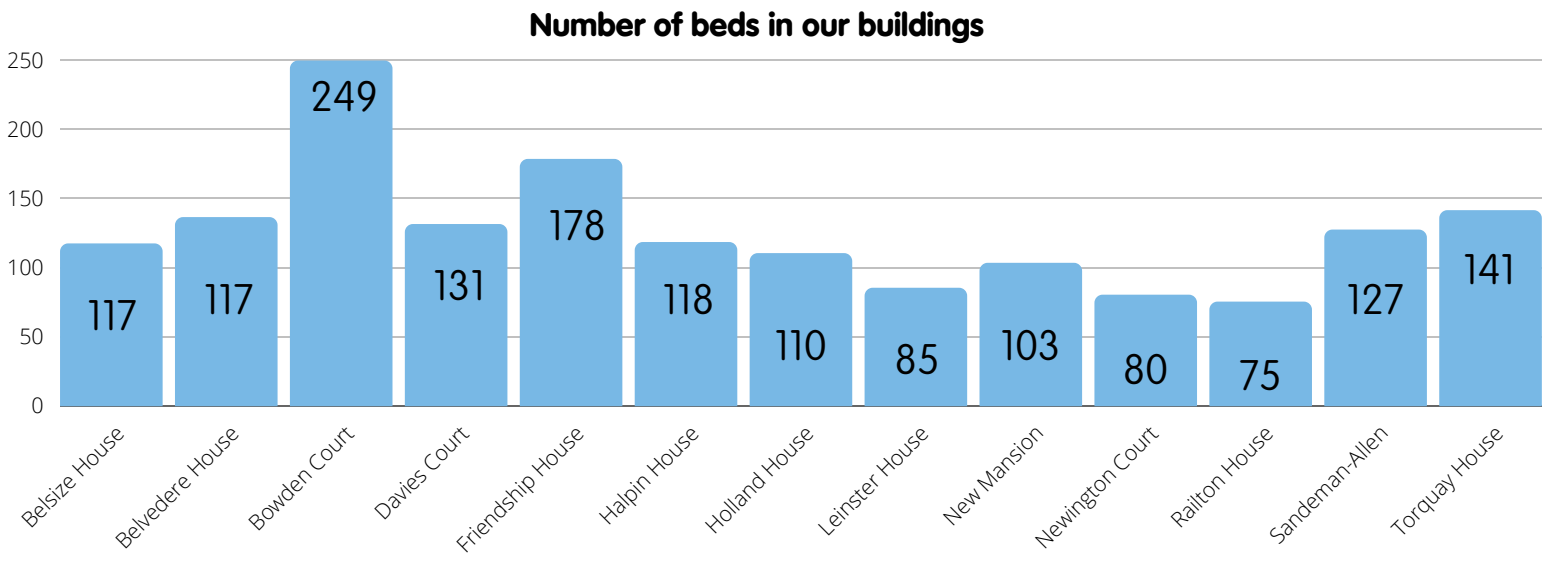
2022 will mark the first year that we will be able to fully benchmark our social impact. Our 2020-21 Social Impact report is available at https://lhalondon.com/about/

We have continued to develop our senior management team and are looking to strengthen our property department with additional senior staff to oversee our sustainability strategy, land acquisitions programme and construction/refurbishment projects.

Digital transformation is also a focus in our 2022 financial year. There will be a move to online payments/bookings, and customer relationship management (CRM), and a full review of our digital platforms will also be completed.
Our central office team will be relocated to suitable office accommodation with a review and the introduction of agile working practices to fully meet the charity's objective.

We will introduce a performance appraisal scheme to reinforce our people values.

In November 2021, the Trustees will develop the 'LHA-2026 Strategic Plan' to secure, expand and improve the charity's future. Governance is also at the heart of organisation. Trustees' will undergo annual governance training/workshops and will also review the Board's effectiveness on an annual basis.



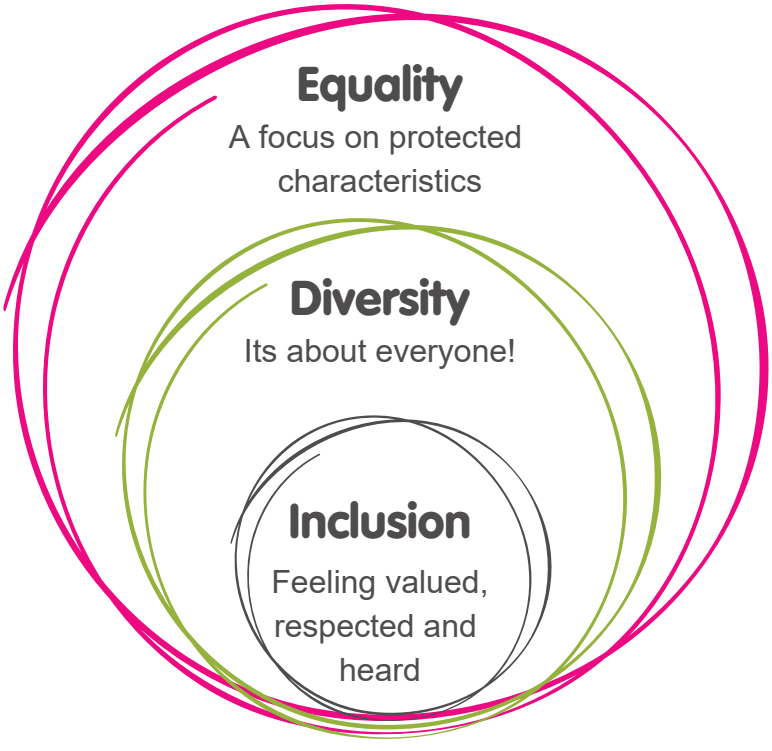
Our Equality, Diversity and Inclusion Statement



At LHA London we are committed to supporting and promoting Equality, Diversity and Inclusion (EDI). This has long been our approach and we aim to ensure it continues to be embraced by our staff and management team. It informs and shapes our business activities and the impact on our residents, employees and other stakeholders.

We aim to:

- Prevent discrimination of all sorts including indirect discrimination and unconscious bias, eliminate prejudice, promote inclusion and embrace and celebrate diversity within our organisation and our wider community through awareness, reviews and continual learning.
- Treat people equally and fairly in our dealings, respecting and embracing diversity.
- Recruit and promote people fairly while proactively ensuring equal access to job opportunities as well as professional and personal development for existing staff.
- Actively listen and learn about the needs of our residents to ensure that our services are suitable and accessible.



In 2021, we increased the provision of EDI and Unconscious Bias training to our teams.

In August 2021, we rolled out the EDI training for our staff. LHA has made a significant social impact through the provision of accommodation, the volunteer scheme and the LHA Fund. As employees live alongside residents and volunteers, creating supported social spaces within the buildings, the issue of how to embed EDI is an essential part of their work. Hence, we saw the need to train our staff on EDI to create a dynamic, inclusive culture.

This training aimed to :

- Develop confidence in all areas of equality, diversity, and inclusion.
- Understand the current UK legislation and protected characteristics
- Explore inclusive language in the workplace and what it means.
- Provide an opportunity to discuss and understand both conscious and unconscious biases and explore the next steps that one can take in tackling them.

Resident's Voice

I stayed at Sandeman-Allen just before coming to Belsize House – the management team at Sandeman-Allen is superb! The long-term residents at Belsize House are amazingly nice and friendly. I feel really, really safe here; I also love the residential atmosphere of Belsize Park.

Belsize House Resident

Our Equality, Diversity and Inclusion Statement Cont.



In 2022 we will develop our Equality Diversity and Inclusion Strategy:

LHA is committed to:

- Monitoring our residents' diversity needs to ensure the contributions, presence, and perspectives of different groups of people are valued and integrated into our hostels.
- Creating an environment in which individual differences and the contributions of our staff, volunteers and residents' are recognised and valued.
- The provision of a working environment that promotes dignity and respect for all. No form of intimidation, bullying or harassment will be tolerated.
- Providing training, development, and progression opportunities to all staff.
- Ensuring that equality and inclusion in the workplace are good management and business practice.
- Reviewing all our employment practices and procedures to ensure fairness and inclusion for all
- Taking steps to ensure equity of treatment amongst our workforce and that our vacancies are advertised to a diverse range of candidates and, where relevant, to groups identified as disadvantaged or underrepresented, taking positive action to recruit disabled people, and ensuring there are no unlawful barriers to accessing our employment opportunities, training, progression opportunities, benefits and facilities.
- Ensuring diversity in our workforce is regularly monitored to ensure equal opportunities throughout the organisation. Where appropriate, measures will be taken to identify and remove unnecessary obstacles and to meet the special needs of disadvantaged or underrepresented groups.
- Encouraging our residents and other stake holders to participate in reviews of our services, thereby helping us to shape the charity to meet the various needs of our residents.
- Ensuring our LHA Fund recipients, consultants and contractors echo our approach and can demonstrate their commitment to delivering and embracing our EDI principles.



Volunteer's Voice

What brought you to London?

Actually, it was a stroke of luck, I was going to Europe to do an exchange, and I got a much cheaper flight if I went to London in advance. When I found out that there was a way to have accommodation for free, I thought, 'That's it, I'm going to visit London'.

What do you like best about being a volunteer?

The best part is being in contact with other people with amazing travel and adventure stories. It opens your mind to new possibilities and ways of life. And, of course, you can get to know an amazing place while saving a lot of money. This was, for sure, an incredible exchange experience; the people were welcoming and kind and the exchange was fair and beneficial.

Gabrielle

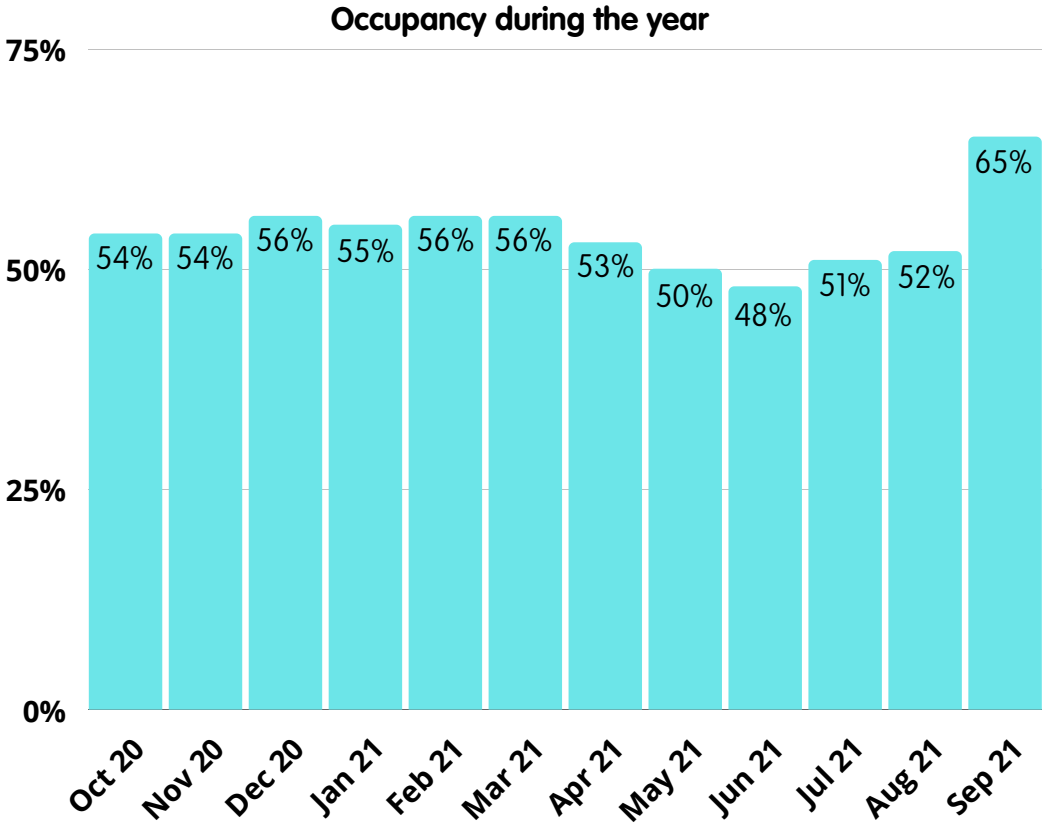
Thriving Through a Global Pandemic

After lockdown was introduced in March 2020, our occupancy was reduced to 87%. As many sectors in London closed or reduced their operations, we saw a mass exodus from the hostels. Many of our residents employed in essential services were grateful to have a Central London base so as to avoid the risk of commuting.

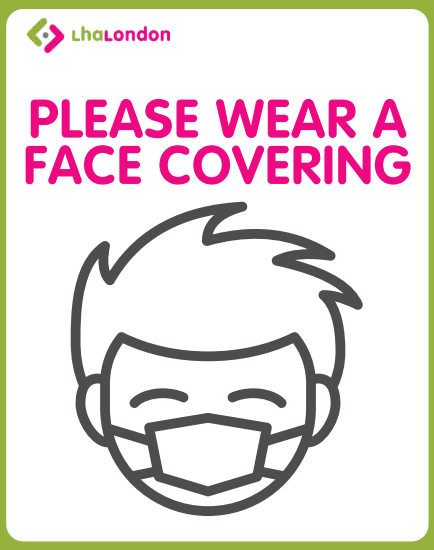
We moved to essential spends only and closed our two smallest catered sites as their viability was in question. The residents from these sites were safely housed in other central catered locations. We had minimal need for the Government's furlough support scheme and concentrated on applying the LHA Safe and Secure protocol to protect our teams and residents.

Occupancy dropped to an all-time low of 45% in July 2020. This gave us the flexibility to use our shared rooms as single-use safe accommodation. Students started booking and existing residents began to book or return to London in August and September. Our September 2020 figures bounced back to 52%.

Our central admin team worked from home in a seamless transition, using cloud-based technology. Our operations and facilities teams continued to support the hostels with on-site visits throughout the year. Governance from our Board continued with virtual Board and committee meetings. We are proud of our brave and bold staff and volunteers.











Supporting our Staff Through the Pandemic

During the year we supported our staff as they dealt with the pandemic. Keeping our frontline staff safely equipped to continue our operation was a critical part of our 'COVID Safe and Secure' initiative.



We teamed up with Mind to provide additional support for mental health training and introduced an enhanced level of support by providing mental health first aider training to selected staff. We also enhanced our employee assistance programme to provide free confidential 24/7 help line support.

LHA has a high percentage of live-in staff and volunteers, and this gave our teams easy access to the workplace, helping to avoid the COVID-19 risks associated with commuting on public transport. This also ensured consistent team attendance. We moved our staff who used shared accommodation into single rooms and ensured self-isolation measures as directed by the legislation, were adhered to.





We continued with our staff forums, using virtual meetings and our staff health and safety meeting also continued via teams calls.

Our central office team continued to be home-based and our temporary hub gave the opportunity for team cohesion when it was safe to do so. Home working can be a lonely existence in some circumstances, and so we carefully monitored the needs of our remote workers.

It was also important that we monitored annual leave throughout the year to ensure staff took the appropriate rest from the demanding setting.

As we began to experience pressure on recruitment to our volunteer scheme, we quickly supported the teams with contract staff. We continue to ensure we support our teams.







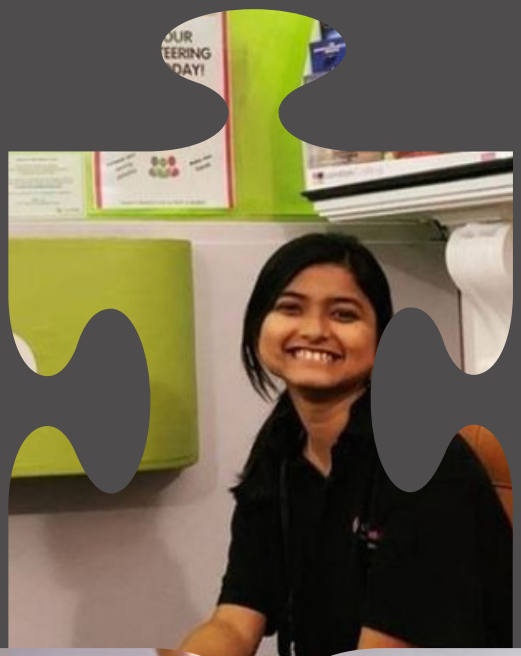


Staff Voice

My name is Caterina C. I am the Assistant Manager of Davies Court house - I've been in the company for almost 15 years starting my career as a Volunteer in one of the LHA Hostels.

I was once a resident of Regina House, a hostel belonging to the chain and located in Gloucester Road. During my volunteering period, there has been a moment when an opportunity arose and, thank you to the training received in Regina House, LHA gave me the opportunity to become an Office Receptionist. At that time I wasn't looking for a long-term job situation. My aim was to learn English to my best ability and return home to Italy, where I could resume my career there. After being selected and passed the final interview, I decided to take on the job offer as a sign to expand my working experiences. To have the opportunity to work in a multilingual environment in a foreign country was for me, a new challenge, where I accumulated new knowledge and LHA was the right place where to do so. Since then, my career has been a long learning curve by all means – LHA has given me a excellent training.

Supporting our Staff







LHA LONDON

People Values

Supportive

We encourage ourselves and those around us to overcome challenge

Open and honest

We are open to all and believe everyone should be able to express their views

Welcoming

We act with integrity in everything we do

Professional

We take ownership when we should

Passionate

We are passionate about delivering exceptional residents experience

Knowledgeable

We take pride in our expertise

Our Sustainability Strategy

This year we began a series of workshops to develop our eight strategic sustainability pillars. Green refurbishment/ new build stewardship, volunteer scheme, external stakeholder engagement, impact reporting, quality management, well-being strategy, living our values and living our purpose.

We will continue to develop Management Frameworks for Green Refurbishments and New Builds, underpinned by a set of stewardship principles. Our properties are our key source of environmental impact. There are some easy gains and some more long-term incremental improvement areas to consider. Frameworks offer a structured way of improving the environmental performance of buildings, helping to identify and mitigate risks, and reducing operational costs and environmental impact. The outcome will a reduction of environmental impacts and the associated costs of buildings. This will bring about a reduction in carbon emissions and operational costs. Consistent management standards across our assets will be developed.

We need a volunteer strategy that allows us to adapt to the new political and societal shifts, and adds value to our charitable purpose, helping to deliver impact through our core operations. Brexit, COVID-19 and recessions may limit access to EU volunteers. International travel is down and the next few years will likely continue to be volatile. Our day-to-day operations are vulnerable. The Volunteer Scheme can also be better leveraged to deliver our purpose.
We will develop ways to supply a sufficient number of volunteers and reduce risk and vulnerability to shocks. Our reputation benefits as volunteers strengthen the credibility of our charitable purpose.

We will identify and develop an engagement strategy for our key external stakeholders. We need better sight of the world from our stakeholder's perspectives. Rapid social change is happening, and we have identified some gaps in how we manage stakeholders.
We will identify and engage our most crucial external stakeholders, that is, residents – both local and global communities – and be aware of what is important for them and their expectations of us.
We will work towards a better awareness of risks and opportunities, as well as of changes in perception and the importance of stakeholder issues.



Our Sustainability Strategy Cont.

We will identify, measure and report all environmental and social impacts. Reporting LHA environmental and social impacts is key to reducing reputational risks, strengthening the organisation's credibility and brand value. This feeds back into our planning and risk assessments. It will provide reputational benefits through clear visibility and transparency of impact creation. We will track efficiency opportunities and our success in capitalising on those opportunities.

We have a responsibility to make sure staff, residents and communities are healthy and well – that are not negatively affected by our operations – to understand our responsibilities in a COVID-19 world, and to know what is disrupting our operations. Already on the agenda for HR are issues related to those living on-site: staff and volunteers. Addressing wellbeing can encourage longer-term residents. We need to create enabling conditions for good health and wellbeing. COVID-19 has created challenges on wellbeing, increased loneliness and mental health issues. A wellbeing strategy is when we identify new responsibilities, health risks and what is impacting the charity, and then develop a plan to manage and reduce these.
The outcome will be the identification of wellbeing risks and impacts, increasing the health, productivity and satisfaction of staff, residents and volunteers, the development of insights into planning refurbishments/ new builds. This will produce improvements to brand and reputation.
We wish to create a culture of working together to drive performance and standards. We will review how we approach developing and managing our people, to drive better performance for both individuals and the charity. The aim is that everyone feels enabled and empowered to fulfil the charitable purpose and that it becomes part of our culture, control systems and decision making. Unlocking the potential of our people by giving opportunities for improving skills, performance and engagement is critical. This will link every activity and everyone to the charitable purpose. We wish to show our responsibility to our people and engage them as active contributors to the change we want to create.
The outcome will be a better alignment of values and competencies, improved skills, increased productivity, clear responsibilities and ownership, and improved work outcomes, engagement and loyalty.

We wish to engage with beneficiary groups and view our operations through the lens of our charitable purpose.

We will identify and engage with key beneficiary groups that help us deliver our charitable purpose best and support our residency goals. This will maximise our impact and show the contribution of our charitable obligation, improve our reputation, focus our efforts on beneficiaries and relevant residents, and support a more secure residency pipeline.

LHA Volunteers

Volunteers are a big part of the success of LHA London and we greatly value the contributions they make.

Becoming a volunteer at LHA opens the doors to gaining experience and developing new skills whilst giving back, fulfilling LHA's charitable aims of LHA.

Volunteers can make a positive impact on the experience of the young people staying with us, from giving the best possible service at check-in to dealing with customer enquiries to helping the chefs serve delicious meals.

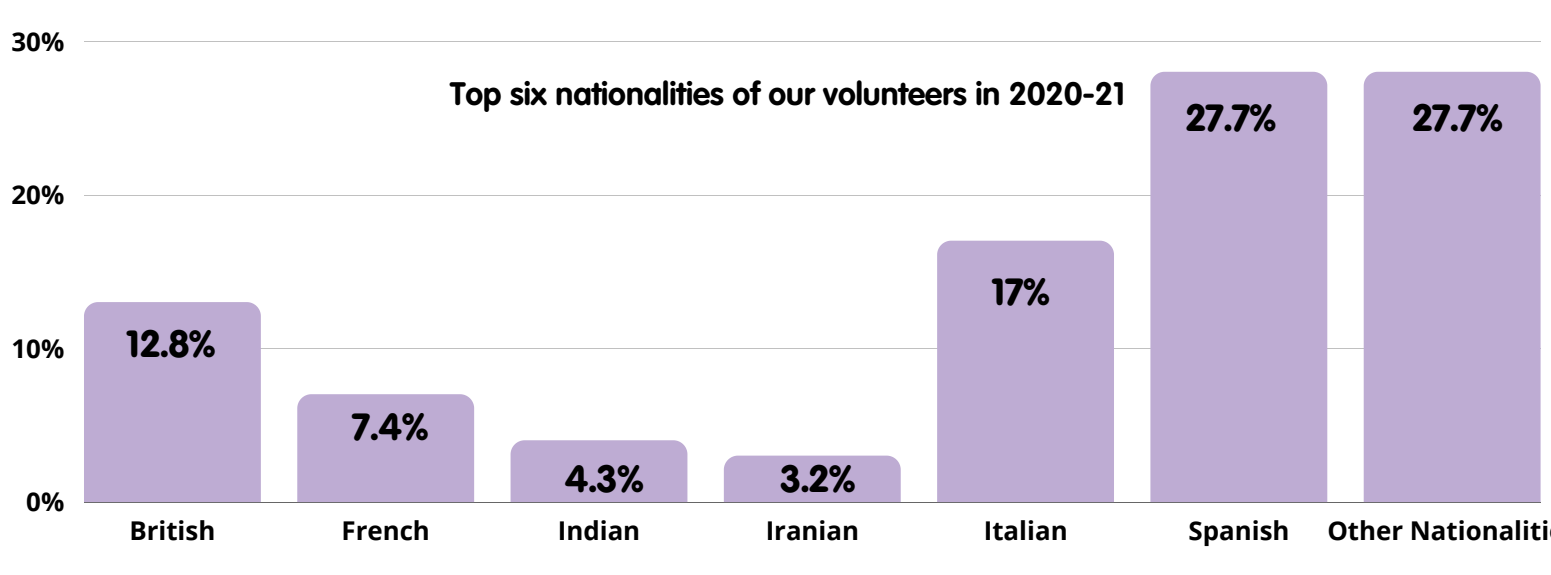
Volunteers at LHA not only improve their English and gain valuable training, but also make some amazing friends along the way. Plus, the experience will look great on their CV. It is a win-win for anyone starting their new London adventure.

We recommend our volunteers give us a minimum of 20 hours a week to make the most of their volunteering experience. They can then stay with us for free in shared accommodation with other friendly volunteers.

Volunteering can be done at any one of our properties where volunteers get the opportunity to make friends and contacts within the LHA community. They experience the same flexible living benefits as our residents do and they also get their food included.

The types of duties which form part of a volunteer's role vary by property and can change from day-to-day. Usually, volunteers in catered properties:

- Help set up, serve and clear away at meal times – breakfast and evening meals, and lunch at weekends. They keep the kitchen, dining room and other catering areas clean. This includes washing up, cleaning appliances and operating the dishwasher.
- Help the cook with basic food preparation, put away deliveries and keep the kitchen and cooking utensils clean and tidy.
- Do everyday general cleaning and portering duties, covering all areas, including cleaning showers, toilets, bedrooms, public and communal areas, immediate external areas, kitchens and dining rooms.
- Do occasional special cleaning, for example, carpet cleaning, deep cleaning areas, oven cleaning, washing down walls, laundry, and cleaning vents and the insides of windows.
- Change bed linen, and count and prepare laundry for collection.
- Perform office duties, including check-in/out, dealing with enquiries, taking bookings, responding to complaints, logging/reporting problems and maintenance issues.
- Conduct night porter duties, offering basic office cover and contact for residents after office hours. Some cleaning duties may also be required.



LHA Volunteers Cont.





James Ismael Jose Gale Gbagbe, France

What brought you to London?
I was referred by a friend who was working for LHA Railton House.

What did you volunteer at in LHA?
I volunteered as a receptionist.

Describe a typical "day in the life of a volunteer' at LHA?
As a receptionist at Railton House, I mostly cover evening shifts. I start my duties at four in the afternoon. My first task when I get to the office is to check that the printed statement is balanced out correctly; then I ask the staff on duty if there is anything I should know before taking over the shift, such as new arrivals, resident departures, which task to assign to the evening cleaners or anything out of the ordinary that happened before my arrival.

Then I check the dirty laundry basket if any laundry needs to be done. Then I walk around the hostel to make sure the kitchen, corridors and stairs are up to the company standard of cleanliness, so I can better direct the evening cleaners where to focus when assigning tasks. While walking around the building, I also check for any damaged, hazardous or faulty electrical equipment so I can report it to maintenance.

Throughout my shift, I answer phone queries, reply to emails and take payments from residents wanting to pay their rent.

And finally, before I pass over my shift to the night porter, I walk around the hostel to check if the cleaners have done their duty up to the expected standard and then close the till for the day.





Volunteer's Voice

Volunteering for LHA at Halpin House:
'I have been a volunteer in Halpin House for four months now. So far it has been great! It's a safe and secure place to live and work, with a friendly environment. I did improve my English and skills as well.'
Maria

LHA Family

Volunteers are a big part of the success of LHA London and we greatly value the contributions they make.

Becoming a volunteer at LHA opens the door to gaining experience and developing new skills whilst giving back, fulfilling the LHA's charitable aims.

Volunteers can help make a positive impact on the experience of the young people staying with us, from giving the best possible service upon check-in, to dealing with customer enquiries, to helping the chefs serve delicious meals.

We have a long list of staff who started their LHA journey as a volunteer and now hold various positions in the company, ranging from House Manager to Business Support Manager.

Chi – Residential Services Manager
'I have been with LHA since 2004,first as a volunteer at Sandeman-Allen House and Friendship House, then as a supervisor at Bowden Court. I was made Assistant Manager of Davies Court, where I worked from 2010 to 2016, before being appointed Manager of Torquay House. I was promoted to a position at Head Office as Residential Services Manager in June 2018. The opportunities and training that LHA have provided me have helped my career progress immensely.'

Laura – House Manager
'I have been with LHA since 2010, I learned a lot from volunteering at LHA which gave me the opportunity to climb the ladder during those years which I'm very grateful for. I'm now a House Manager at one of LHA's hostels. I started as a volunteer cleaner for a couple of months and then as a volunteer receptionist. After that, as a paid staff member, as a supervisor, an Assistant Manager and now House Manager.'

Franco – Assistant Manager
'2022 will mark my tenth anniversary in LHA, which is something quite extraordinary as it is common these days to change employers quite often. I am grateful to LHA London as it gave me the opportunity to work and live in Central London, one of the most vibrant and cosmopolitan cities in the world. It started as a part-time job. Then I was given the opportunity to be employed full time and also had an opportunity to get a further promotion as Assistant Manager when we opened a new hostel, Torquay House, in 2015.
I am privileged to have worked in different types and sizes of hostels, from Victorian houses to new state-of-the-art modern buildings, and to have met and interacted with many different people, from all walks of life and backgrounds. This has helped me in developing such skills as empathy, patience and emotional intelligence. Further, during these years, the work flexibility within the company allowed me to get a Bachelor's Degree in Leadership and Management with the Open University Business School.'



Board of Trustees' Governance

We take the governance responsibilities of the Board of Trustees seriously. We observe the Charity Commission's governance code. Our Board comprises trustees with professional qualifications in planning, construction, project management, economics and finance, HR, social policy and law, providing a great breadth of skills at this level. Trustee training is an ongoing process: it includes external courses as appropriate for specific needs and circulation of newsletters and updates from the Charity Commission.

We enhance our Board performance by careful analysis of complementary skill-sets and through an independently conducted annual self-appraisal process.

Whilst preserving continuity, diversity and experience, we seek an orderly rotation of trustees to refresh the Board skill-set. LHA considers a rigorous review should a trustee consider standing for the Board for a fourth term. Recruitment of new trustees is carried out through a bi-lateral approach of networking and using professional recruitment services, including agencies that specialise in finding excellent trustee-level candidates for the charitable sector.

Prior to appointment, potential trustees follow the LHA three-phase selection process, which comprises an interview with the Chairman and Chief Executive and a tour of LHA facilities, an interview by a Selection Panel of trustees and, finally, an invitation to shadow a Board meeting and be formally appointed at the appropriate Board meeting. There is a formal induction process for new trustees, which includes a trustee familiarisation pack.

The Board follows Charity Commission Governance guidelines by limiting Board numbers to twelve members. The Board has completed the process of appointing the Vice-Chair. Charity Commission Governance training has also been completed by an external consultant.

Volunteer's Voice



Vidina

What brought you to London?

I've wanted to travel and live in a different place where I was born and raised for a long time. I had a map and London was one of my most desired trips. I have always had an open mind and I thought that knowing other cultures, other ways of living, thinking about other parts of the world enriches me a lot. So it has been. Undertaking and having an initiative has been one of my values.

What do you like best about being a volunteer?

During these six months, I have grown and learned a lot at New Mansion House. The learning has been a pleasant and honest experience since the manager, assistant manager, supervisor, chef and night porter have instilled in me the values of the company and working as a team, they are involved in teaching you. In these moments we work with a charity with homeless and, therefore, growth and learning is multiplied by two. We collaborate with the charity, helping people who really need support. Giving a service and doing it well will be grateful and therefore is rewarding.

LHA Benefits to Residents in Central London

The Board has considered the general guidance on public benefit issued by the Charity Commission, has taken due regard of the guidance and is satisfied that the charity's activities provide a wider public benefit.

The public benefit arising from LHA's work is clear in the services delivered. The assistance given to young working people and students to help them reside in prime locations at below market rent with easy entry low deposits and easy exit, together with just seven days' notice, is clearly a benefit to society as a whole, not just the beneficiaries themselves.

We provide key benefits to our residents to ensure that the LHA remains well placed in the affordable accommodation sector. Benchmarking our room rates continues to demonstrate significant advantages to those with limited means. Our low deposit of £200 opens the door to young working people and students with limited reserves.

We are proud to continue our 'easy entry' policy, which is one of the lowest deposits for long-term accommodation provision in the capital. We are committed to an 'all-inclusive deal'. LHA weekly room rates include the television and license package and we also provide contents insurance, inclusive of laptop cover, with free gym facilities at our LHA life option sites.

A simple seven-day notice requirement to departing residents, gives a rare opportunity for young people new to London to have genuine flexibility when planning to move on.

We are keen to maintain our 'Family Feel' by providing safe and secure accommodation. During the year all LHA sites had 24-hour 'live-in' staff. Affordable packages across a range of room formats places LHA in a strong position to continue to benefit working people and students in the Capital.

Room cleaning services, with linen provided and laundered, are much valued by our residents. We effectively support the community by providing affordable accommodation in London, reducing costs for young working people and students in the capital.

Volunteer's Voice

What brought you to London?
I lived in London before and have travelled around the UK and parts of Europe. I think it is a great city with many opportunities.

What do you like best about being a volunteer?
Helping others, meeting new people whilst gaining valuable work experience.

Jade

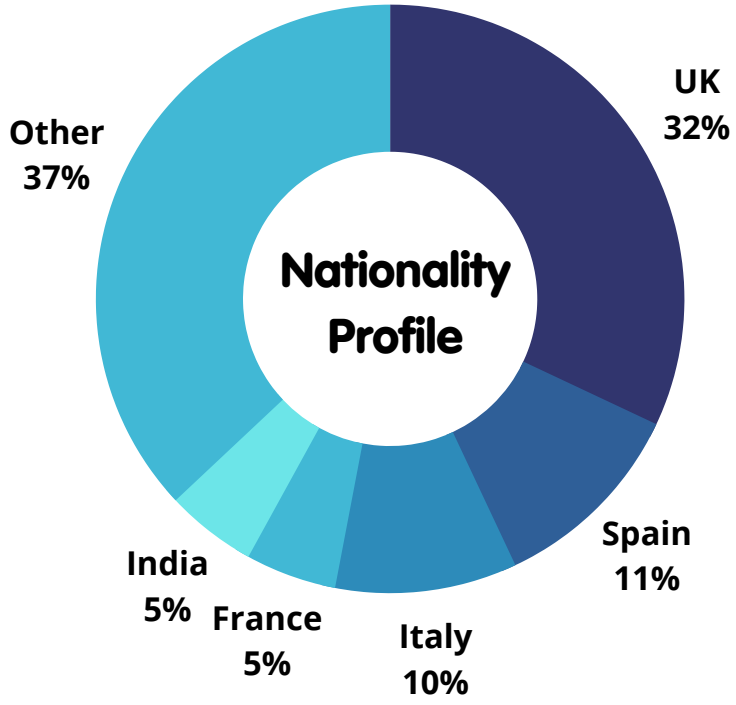
'The measures taken during the COVID-19 pandemic were great. I received good financial aid when I was not able to pay my whole rent.'
Belsize House Resident

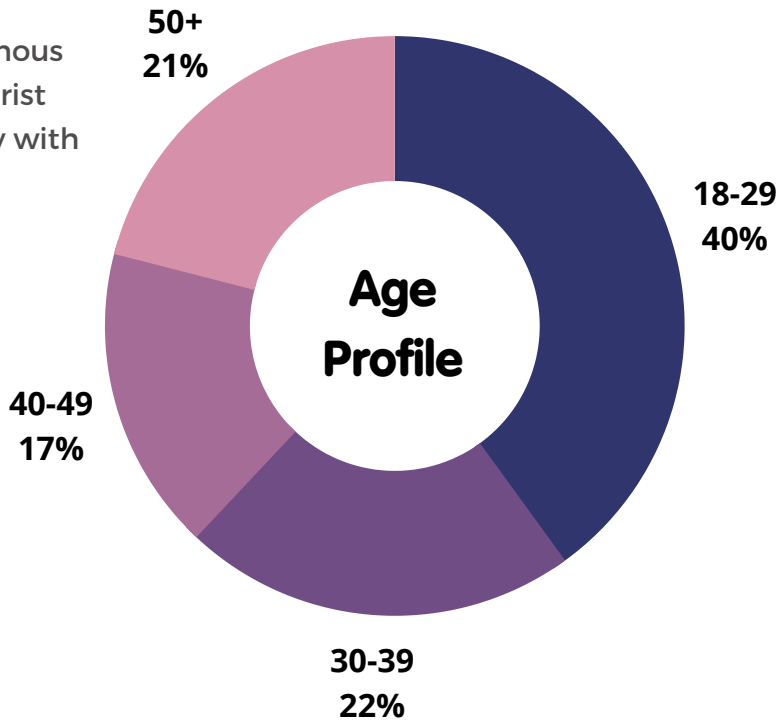
Our Residents

Typically, LHA's residents fit into one of our categories: interns, young working people, domestic students and international students.

LHA London provides affordable long-term accommodation in the city centre. We have accommodation for every need, taste and budget with private rooms as well as shared accommodation. All room formats are complemented by communal living space.

The hostels are strategically situated near universities and tube stations, so you can easily get to university or work with minimal transport time and cost. With accommodation also being near to famous London parks, museums, pubs and tourist spots, we ensure our beneficiaries' stay with us will is fun and enriching.





Percentages reflect average across the financial year

Resident's Voice

Torquay House Management are exceptional and have made our stay here a great experience! Also, they have handled COVID-19 in the best possible way and have made sure that all safety measures are kept.

Torquay House Resident

Resident's Voice

I am extremely happy. In two-and-half years in Bowden Court, and 16 years in Halpin House I've never had one bad neighbour or bad manager. Everybody always has been so nice and kind to me, I made very good friends here. I am very, very grateful.

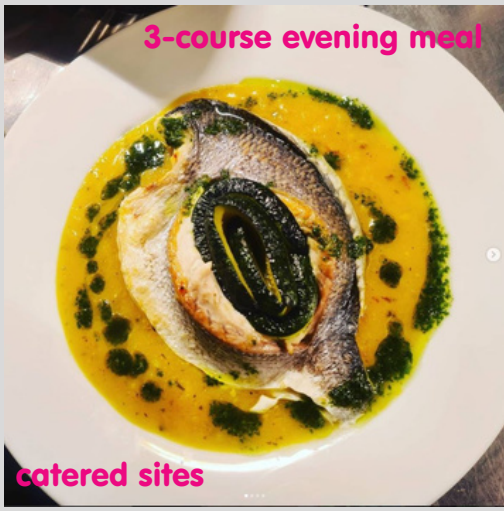
Halpin House Resident

Residents' Wellbeing

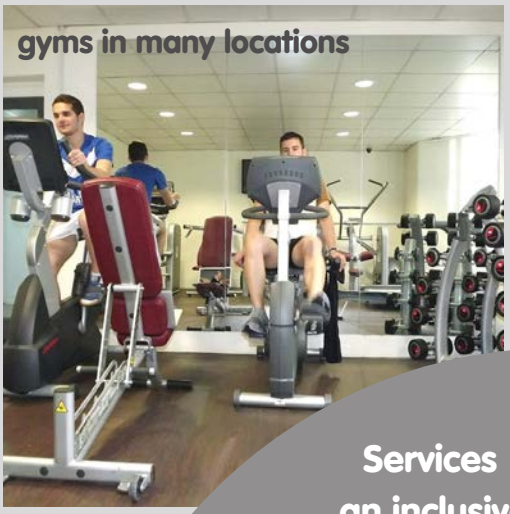




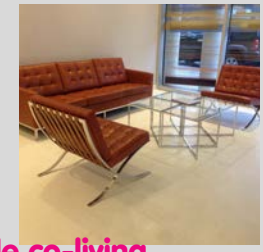




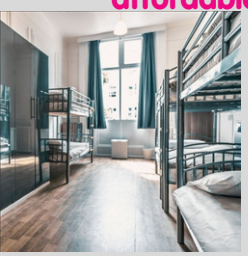


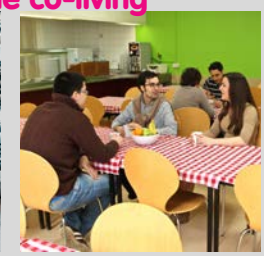






affordable co-living





Services provided on an inclusive charge basis

- Senior hostel staff and volunteers who live on-site are always available to offer help and assistance. Health & Safety is paramount to the organisation.
- In our catered sites, we provide breakfast and a three-course evening meal.
- High-speed, fibre-optic Wi-Fi connectivity, with 100% coverage in all rooms and communal areas.
- Bed linen and room cleaning.
- Resident contents insurance, including laptop cover.
- The LHA loyalty scheme to provide an incentive for 18-29 year olds, rewarding long stay.
- Communal washroom and kitchen cleaning.
- Free membership of LHA gyms where available.
- All utilities and council tax paid.
- Comprehensive maintenance service.
- Communal room with TV.

Our Strategic Plan

Statement of Principal Activities

LHA provides affordable accommodation for young working people and students living in Central London. LHA operates 14 London hostels providing nearly 2000 bed spaces. LHA provides accommodation in the boroughs of Westminster, Kensington and Chelsea, Camden, Southwark, Tower Hamlets, Hounslow and Islington. A structure of 70 paid staff and over 170 volunteers provide support services.

Our Vision (what we seek to achieve)

To be a leading provider in the charity sector of secure, low-cost accommodation in London.

Our Mission (what we need to do to deliver the vision)

In order to achieve our vision, we are expanding our offering by acquiring, developing, maintaining and managing secure, low-cost hostel accommodation. The accommodation provides a diverse choice of living arrangements that meet the reasonable expectations of young people with limited means who wish to work or study in London.

Strategic Plan

LHA's strategic objectives and vision is to own and manage secure, diverse, good quality and affordable accommodation comprising more than 500 additional beds by 2026. The Trustees held their annual Trustee Strategy Day in November 2020 to consider implementing an appropriate five-year plan and have already updated the plan at a subsequent meeting. The outputs of the Away Day included commissioning a review of the existing property portfolio, introducing a mechanism for the measurement and improvement of social impact, reviewing the housing needs for London and the needs of young people of limited means. The global pandemic and Brexit's effect on accommodation needs and work/life balance changes will be closely assessed to ensure LHA's future offer is fit for purpose.

We offer accommodation services that provide a stepping stone for young people to advance their careers and education whilst meeting their reasonable needs and enhancing their wellbeing. In addition, LHA will develop a concept providing even more affordable accommodation for less well-off beneficiaries, possibly outside zone1and2 but within the M25. Our zone for the project will be the first with eligibility criteria to focus solely on those under 25 who are earning the London living wage.

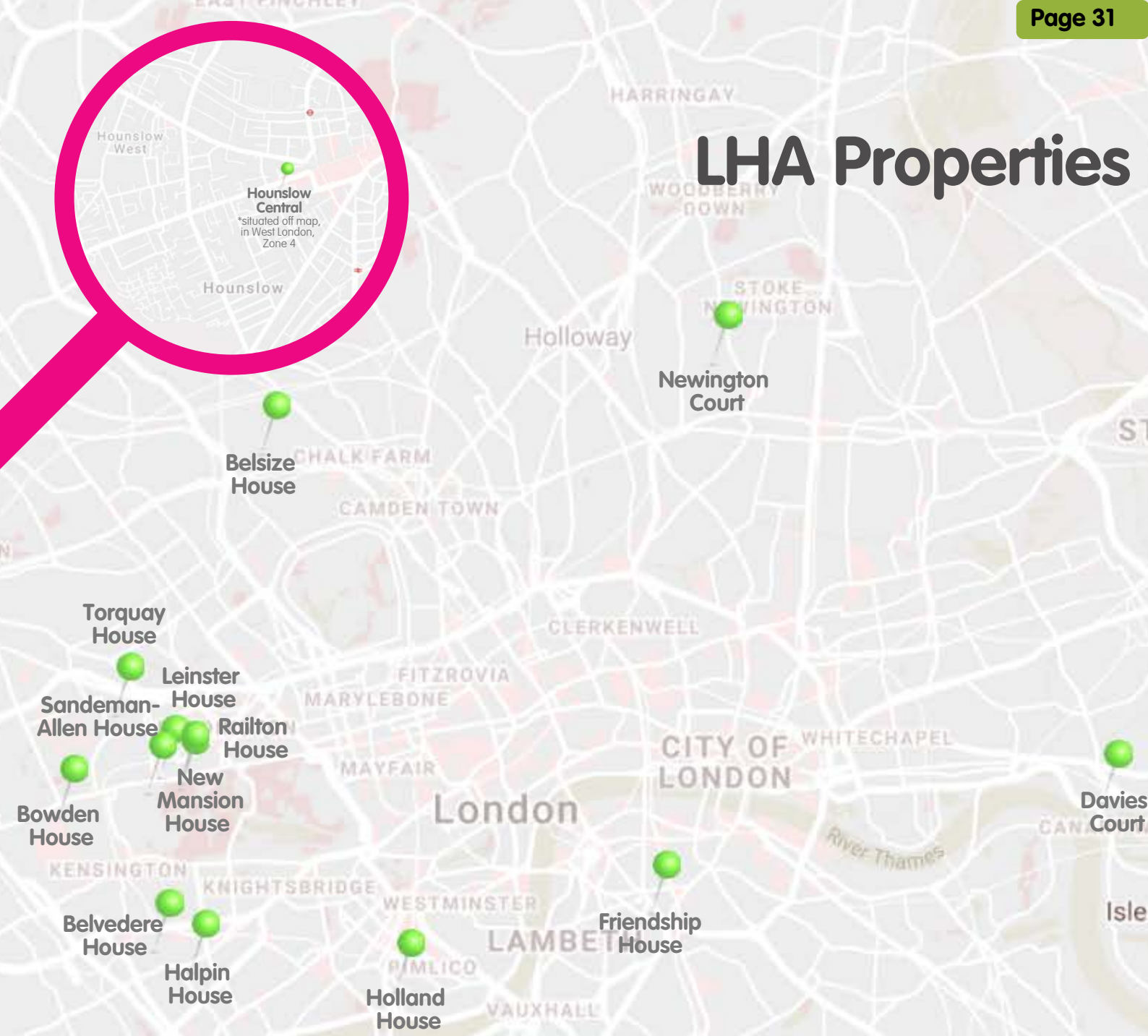
The minimum standards will be defined by research carried out by the Social Policy Committee – a Committee of the main Board. This year's Social Impact Report will guide our impact benchmarking and the search for suitable properties will be coordinated by the Property Oversight and Projects Committee to ensure that the appropriate technical considerations are taken into account.



Our performance is based on:

- Provision of quality, affordable accommodation for over 1700 residents and volunteers
- Keeping our accommodation well-maintained
- Providing high standards of services and facilities
- Achieving consistently high levels of customer satisfaction
- Being in sound financial health with a history of strong financial management and planning
- Having an impressive set of performance indicators
- A commitment to placing diversity at the heart of our organisation

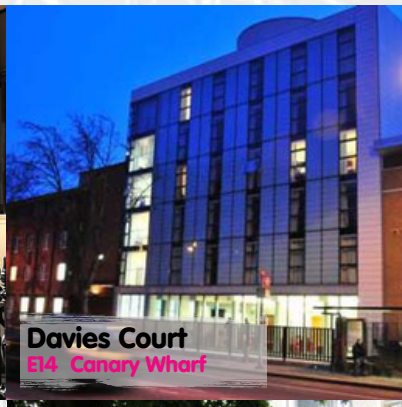
LHA Properties







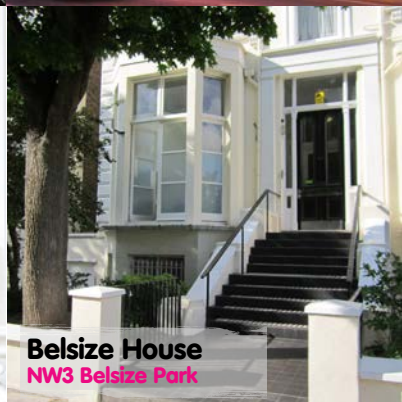










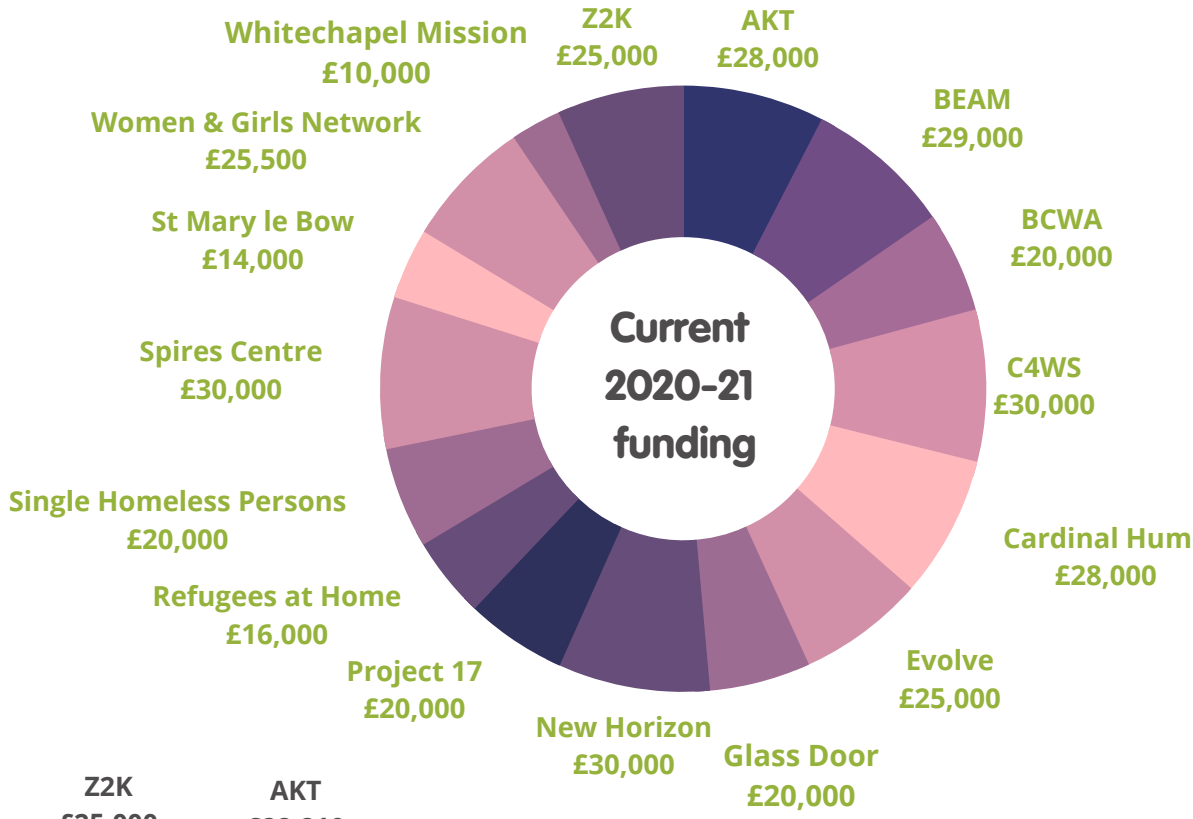


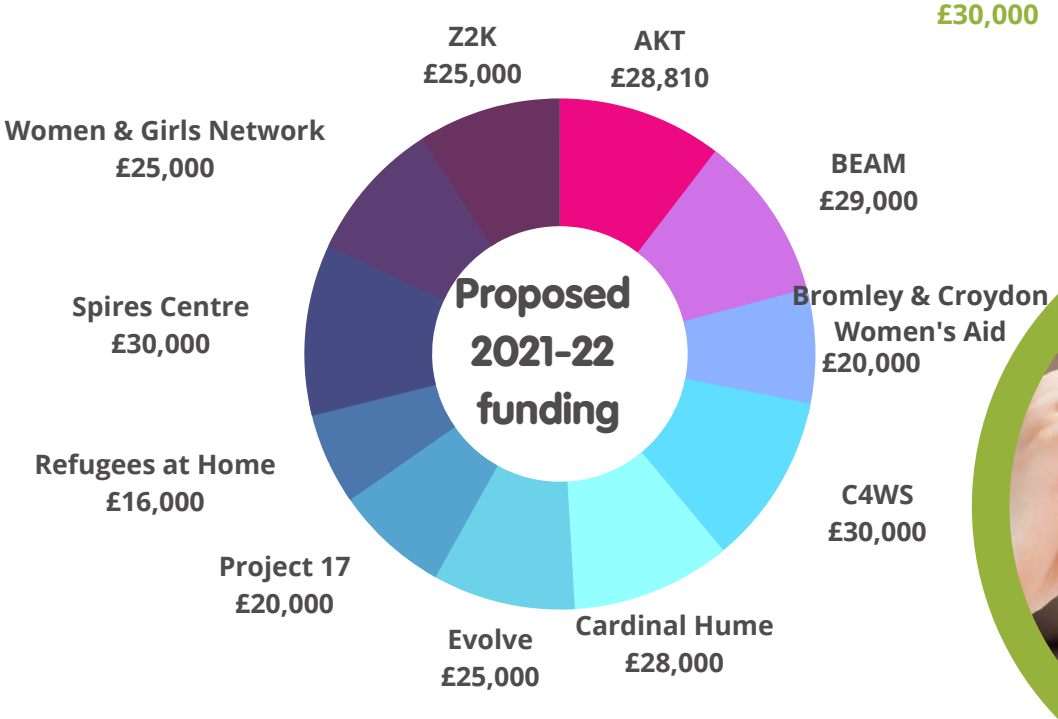
LHA Fund and Communities

LHA does not make use of direct fund-raisers and does not undertake fundraising activities. There is therefore no requirement to register with the Fundraising Regulator, but the charity is aware of the regulations and will register if this becomes necessary in the future.

We are committed to supporting London charities with similar objectives. During the year, we provided grants totalling £370,500.

Since its implementation, the LHA Fund has gone from strength to strength and has increased in size over the years. Successful recipients of the Fund are listed below, together with the intended recipients for the 2021/22 funding round.







LHA: Supporting the Homeless and Vulnerable in London

During the COVID-19 pandemic we re-purposed three of our hostels to provide much-needed accommodation for the homeless and vulnerable. We responded quickly to the needs of other London charities who specialise in the homeless. This year we worked with Glass Door, The Passage, New Horizon, and De Paul. This produced over 100-bed spaces which in turn gave hundreds of young homeless people a safe place to stay with in-house dedicated support. Working closely with these organisations has increased both our social impact and our charitable objectives. We intend to explore additional re-purposing initiatives throughout 2022. We have assisted these projects using some of our LHA hostels teams and catering staff.

THE PASSAGE to ending homelessness

The Passage Homeless is a well-respected Westminster charity, which closed their Pimlico site for major refurbishment in May 2021. Holland House was offered to The Passage to ensure they could continue their mission to provide resources that encourage, inspire and challenge homeless people to transform their lives.

'We would like to thank everyone at LHA especially Tony, Ben, and his team for all their help in supporting us to settle into the building at Holland House. We had as smooth a move as could have been hoped for at the beginning of June and our residents, staff and volunteers are delighted with our temporary home. The environment is light, bright, and spacious and this has had a significant positive impact on everyone.
Holland House has enabled us to enhance our support by increasing the number of groups and activities we can offer, and it has been wonderful to be able to bring back activities that had to be stopped prior to the lifting of all restrictions. Bringing in security has also helped to manage any issues that might arise in the community because of our presence, and I am pleased to report that, so far, we have not had any complaints from neighbours.
We moved into Holland House with 24 residents and have since moved a further 36 people off the streets into the service to the end of August. During this same period 25 people moved out of the service of whom 18, or 72%, experienced a positive move on into accommodation.
We were also able to provide a further six people with short term six-week stays in specialist beds to recuperate following hospital stays or periods of illness.
We so appreciate the opportunity you have given us to use Holland House while we are refurbishing our own building, it has allowed us to continue our offer our rapid'

New Horizon Youth Centre

DEPAUL
Une vie sans toit n'est pas une vie

Given the growing need for emergency accommodation, the Greater London Authority, London Councils, Depaul and New Horizon have been meeting to discuss developing an emergency accommodation hub for under-25s sleeping rough in the capital.

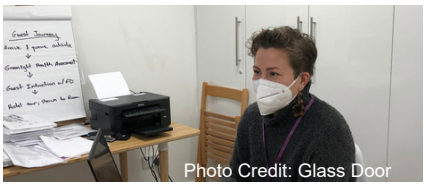
Launched in late March 2021 and making use of the LHA Hounslow site, the hub accommodates up to 350 young people and, in turn, save lives. This provision strengthened the safety net for the most at risk, giving young people in London at danger of sleeping rough a safe place to stay in the short-term until they find somewhere to call home in the long term.

The project gives residents complete wrap-around support. Depaul use their experience delivering accommodation projects for young people to run the property and provide 24/7 on-site support workers. Alongside its youth-focused street outreach, New Horizon offer specialist advice, help young people into move-on options and provide a range of services, such as counselling, healthcare, independent life skills development, and education and employment support. Young people are also able to access family mediation and immigration advice from the Cardinal Hume Centre.

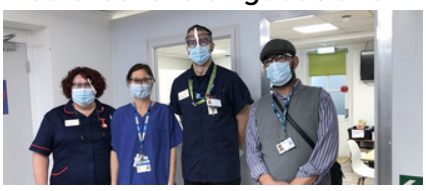
GLASSDOOR

Since opening in November 2020, 183 individuals in need of emergency accommodation have found a safe room and means. In all, Glass Door were able to provide over 11,850 bed spaces.

With caseworkers help, 26 guests moved into more permanent accommodation. Nine guests found work, 13 secured benefits and 11 applied to the EU Settlement Scheme.


Photo Credit: Glass Door

94% of the 66 hostels guests responded to an anonymous survey rating the service overall as 'excellent' or 'good'. One guest said One guest said:
'I was treated by all the staff with respect at all times. You all help a lot. Thank you very much.'


Photo Credit: Glass Door

LHA Fund – a Selection of Case Studies 2020-21

akt

Sarah went to akt fleeing violence from her current partner. She had nowhere to go that evening and a void at Purple Door had become available that morning. After a short assessment Sarah was issued a temporary four-week licence in the project.

Sarah engaged well with her keyworker in weekly sessions and positively contributed to resident meetings. As a result, Sarah was granted a six-month licence.

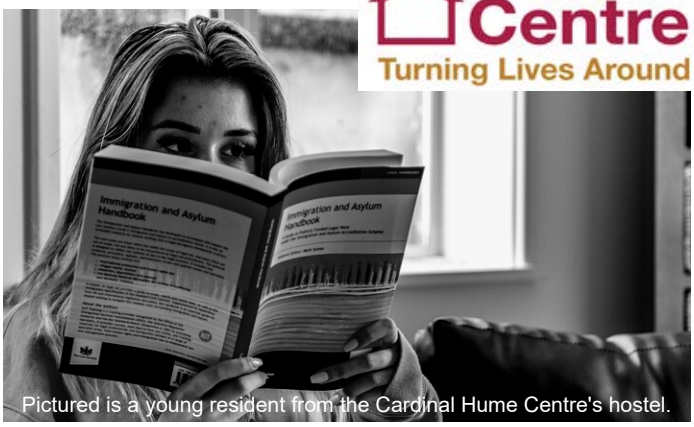


Over the course of her time Sarah grew in confidence and positively engaged with akt's youth engagement programme.

Sarah secured work and started a new relationship as a result of the boost in her confidence. Sarah's confidence grew and at the end of her licence period was eligible for an akt Rainbow Starter Pack grant to access private accommodation.

Sarah secured a promotion into management at work and relocated outside of London to take the job and get a fresh start. Sarah made use of the grant to access accommodation close to her new job and was assisted with furniture items to furnish her new property.

Sarah is currently successfully maintaining her new property and enjoying her new job role



Pictured is a young resident from the Cardinal Hume Centre's hostel.

Passionate about animal rights and wildlife, Natasha, 19, started a science-based degree at university. Academically very capable, she found the transition into higher education challenging. She was particularly reserved and ultimately, social anxiety led to her leaving the university.

Natasha's mother who had been supported by the Cardinal Hume Centre's employment team, suggested she get in touch. Natasha began working with Employment Specialist Jeanita. She completed the pre-employment training programme and joined the professional mentoring scheme.

She was matched with a mentor, a young professional working in HR. They quickly established a rapport and her mentor began working with Natasha, to maintain her momentum and stay focused on her long-term career goals.

Natasha says: 'Without my mentor, I wouldn't be on the right track, starting a new job, pursuing education and dream. She helped me so much to gain confidence and take the next steps. She really listened to me and made me feel less anxious about all the COVID stuff.'

Jeanita explains: 'To truly support a young person facing many challenges, there is no "quick fix". As in Natasha's case, often we have to compromise by setting 'short' and 'long' term goals however, ultimately, our mission is to ensure that those we work with have viable, secure, long-term careers – not simply a job. I am so proud to work for the Cardinal Hume Centre where we can see our clients on a journey without compromise. It makes all the difference to those we are here to help.'

Thank you LHA London for supporting the Cardinal Hume Centre to help young people like Natasha.

*We have changed the client's name to protect their identity.

Z2K's vision is that no individual in the UK should be living in poverty. We believe adequate, secure income and housing are key to creating a more equal society, where everyone has the chance of a stable and dignified life. We offer Londoners with low-income – those most at risk of poverty, homelessness and destitution, support to overcome their social welfare and housing problems.

Funding from LHA allows us to support more individuals such as Abeo*: Abeo is a 34-year-old former refugee who approached Z2K for advice on Universal Credit. But we quickly identified that he had several other needs – he had been a victim of torture and has extensive health problems as a result. We supported him with his homeless application and gave advice about his entitlement to benefits.

He was placed by the local authority in temporary accommodation during the COVID-19 pandemic, and we applied for a hardship fund to provide him with basics such as a kettle, microwave, and bedding. Unfortunately, in the temporary accommodation Abeo was a victim of harassment by another tenant. We helped Abeo address this with management within the council and supported him during the subsequent investigation. The other tenant was placed somewhere else.

Over the next couple of months, we supported him to take this forward with an investigation, providing emotional and practical support so that he was able to advocate for himself, and ultimately the council admitted that their processes had failed, including in giving him the support they should have after the incidents. We continued to work with Abeo until he was placed in permanent accommodation by the council. We supported with his housing benefit and accessed council tax reduction on his behalf, as well as applying for more grants to get him a washing machine and fridge freezer. Abeo is not alone in his experiences, and we continue to ensure these experiences shape our campaigns and policy work.

*The name has been changed to protect the client's identity

Katrina was still living with an abusive partner but knew she wanted to leave. She referred herself to our outreach service for support around relocating and better understanding of domestic abuse.

She was experiencing regular physical abuse and complete isolation from her friends and family, and was desperate to move her son closer to her family and away from the abuser. First she tried several local council housing departments and a housing charity for advice, and then came to BCWA for specialist advice support in notifying housing about the abuse so that they would help her to move to safety.

Katrina was also struggling with her mental health. Our outreach workers supported her into counselling and helped make a homelessness application to move to temporary accommodation – the first step to being rehoused. The next stage was for Katrina to gather enough evidence to support her case for relocation due to domestic abuse, which we were able to provide in the form of letters and professional testimony.

In the weeks that followed, with support, Katrina rose to the challenges in front of her; registering her son for a local nursery, accessing welfare grants to buy him new supplies, exercising and working on her temporary home.

Before Katrina was finally able to settle, another curveball came in the form of being asked to move to another temporary home at short notice which meant moving her son again. Fortunately, our outreach worker was able to negotiate extra time for the move and then support transition into her more permanent home. The team referred her for domestic abuse support and longer term counselling in her new local area. We are thrilled that her little family is now safe and thriving!

Ruby's story

A young care leavers came into the service working as a barista in a service station but unfortunately, Ruby lost this position due to the pandemic. This hit her especially hard, causing her to feel hopeless and isolated. Ruby already had a long history of feeling abandoned due to being in care. Therefore, Evolve connected her with an in-house wellbeing therapist to help her address past traumas. They also worked with Croydon College to get her into a fast access course and back into education. She is now studying Digital Marketing and thriving. She hopes to secure an apprenticeship within a few weeks' time of writing this. She now feels like she has a plan and stated she 'feels supported to achieve whatevershe wants to'.

J.J's story

J.J. informed Evolve he had a passion for art. The work he showed them demonstrated he had a real talent. Although J.J. previously had displayed his artwork in Lambeth Art Gallery, he never attended the exhibitions due to his anxiety. Unfortunately, he was also suffering from severe depression before the first lockdown in 2020 and felt that his depression was taking over his life. To help break the downward spiral he was experiencing, he was linked with Massimo of the Wild Style Graff café. This enabled him to help lead two of the graffiti workshops. He is now following his passion by volunteering and getting back into formal learning in art college.

Photos from Evolve's Graffiti Workshop for young people. This workshop helped them to use creative expression as a vehicle for fostering community, personal values, and design skills. They believe these opportunities help to empower young people by giving them a voice while offering space to confirm their own beliefs. This, in turn, becomes a stepping stone for a clearer direction in work and learning and to foster sustainable independence.



Refugees At Home ran a social media sequence called #LockdownLights which featured some of the host and guest pairings still happening through pandemic/lockdown. It also sought to bring cheer to an unusually depressing festive season.

Dr A is an asylum-seeking Syrian, who was in the grim Napier barracks near Folkestone, where conditions are very bad – particularly for anyone who experienced military action or war in their home country. He's here seeing the West End lights with his new host, Magda, just days after moving in with her.

Ibrahim is dressing his host's tree. He's still an asylum seeker, hosted for 18 months and pretty much part of Victoria and Pete's family.

Then there's D from El Salvador, another survivor of the Folkestone barracks and on the doorstep in Acton, West London, for a few weeks with a Spanish-speaking New Yorker and his family.

Left of him is the multicultural Canadian, Karina, with her two Syrian guests – B has stayed there for over three years while he has learned English and found work. Plus W, whose been hosted in Notting Hill for over a year. Note the Islamic crescent and star of David on top of the Christmas tree.

Finally, in the centre is Refugees at Home's co-founder Sara, her husband Malcolm and Egyptian refugee Mohammed lighting the Hanukkah candles. Moha teaches Koranic Arabic, wants to teach PE in an English school and works as a Starbucks barista. He knows it's time he moved on after 18 months as a guest. But finding affordable accommodation in London is so hard to do.



WOMEN&GIRLS NETWORK

Thanks to LHA funding In 2021 Women& Girls Network have...

Provided crisis financial support to 35 young women & girls who had to flee their homes/accommodation due to violence and abuse



Supported 118 self-identifying young women, girls &non-binary YP experiencing VAWG via our web-chat



Co-created a network of specialist VAWG advocates, housing & public law solicitors- providing immediate access to housing legal advice and consultations for VAWG cases





The Housing Champion have provided crisis/emergency housing advocacy & support to 63 survivors, supporting them to access appropriate safe accommodation solutions

SPIRES

William (32) presented to Spires as a rough sleeper in September 2021.
He was living in Brighton and had become heavily involved in the chem sex scene. He was injecting crystal meth and dealing, and came to London to get away from all his connections.

Spires completed an assessment and various referrals as he had complex needs. He is HIV positive, with the added health complications of the Kaposi sarcoma associated with this and is currently undergoing chemotherapy due to the additional complication of Kaposi sarcoma. Spires supported him across all of his issues – he was placed in Temporary Accommodation, registered with the HIV team at the Caldecott Centre and linked him with the DAAT team at Lorraine Hewitt House.



Spires have continued to support him with managing his addictions, health and benefits.

Sometimes this is only by a catch up or chat to keep him on track with his sobriety.

Lambeth Council disputed a local connection and William feared he would have to return to Brighton and all the things that he'd worked hard to stay away from.

Spires have challenged Lambeth, supported by William's consultants at the Caldecott centre.

He is doing well and we are now awaiting a response from Lambeth regarding the homeless duty. They have reassured him whatever the outcome he will be supported to challenge this if necessary.



Project 17 works to reduce homelessness and extreme poverty among families excluded from mainstream welfare by their immigration status. LHA has supported their frontline advice and advocacy service for several years, enabling them to work directly with people in crisis and supporting them to access housing and financial support.
Their specialist work focuses on a limited form of support available from social services under section 17 of the Children Act 1989. Section 17 allows councils to support families with children in need. This can mean that they have a duty to provide housing and money to prevent children from facing destitution, even if their parents are excluded from mainstream services. Their clients face huge difficulties trying to access this support: local authorities are often unaware of their duties; are under financial pressure because of budget cuts; or sometimes foster a culture of disbelief, all leading to wrongful refusals of support. Funding from LHA enables them to work with families to approach local authorities for support and challenge refusals. They also work in partnership with immigration advice providers ensuring that people can regularise their immigration status and find longer term stability for themselves and their families. With help from LHA and other funders, they provide emergency destitution support in the form of emergency cash, grants and support in kind.



Case study:
Nike and her baby had been staying with her aunt, but the flat was crowded and her aunt could no longer support them. The baby had a heart condition and Nike was extremely worried about what would happen to them. They had nowhere else to go, and as Nike did not have leave to remain, she was unable to access homelessness support, even though her baby was a British citizen. She had been told that she could make an immigration application, but could not afford to pay for a lawyer. She was on a long waiting list for free advice.
When she approached Project 17, Nike and the baby were about to be made homeless. She had no money, and was struggling to survive on foodbank vouchers, often having to skip meals. Project17 provided some emergency cash support and helped her ask social services for support under section 17 of the Children Act. The family was accommodated and given some financial support. Their room was in a shared house. It was very small and there was no room for a cot. It was at the top of a tall building, and Nike was unable to lift the buggy up the stairs. With further advocacy, the family was moved to more suitable accommodation. They are still waiting for immigration advice.

Beam gives homeless people a new support network, ranging from caseworkers to people who fund their campaigns.

Beam believes when people, charities, government and companies work together, millions of homeless people can benefit.

Meet Agnes
One person to benefit from the LHA's funding was 25-year-old Agnes. Agnes initially had housing issues after her mum fell behind on rent and they were evicted from the property they shared. Agnes had no choice but to sofa surf with friends, as she didn't have a stable job to support with a rental deposit. With support from LHA and other donors, Agnes raised £3,022 through Beam's platform. This went towards a rental deposit, the first month's rent, a laptop and other essentials. In March 2021, she moved into a private rented property and is no longer homeless. The funding also paid for a Level 3 safeguarding course, enabling Agnes to start a new job as a support worker in January 2022.

Meet Julieta
Another person who has benefitted from the LHA's partnership with Beam is 35-year-old single mum of five, Julieta. When she was referred to Beam in February 2021, she was living in a cramped two-bedroom flat with her kids. She previously had a job as a cleaner, but the pandemic made it difficult to find clients and she had to home-school her children during the lockdown. Beam helped Julieta raise £7,106 to pay for a rental deposit, the first month's rent, a moving fan and homeware essentials. The funding also contributed towards care training, a laptop and work attire for a new job. Beam then supported Julieta's move into a five-bedroom house in June 2021 and helped her find a job as a carer with one of Beam's employer partners.



Julietta and her young family benefitted from Beam's support

New Horizon Youth Centre

New Horizon is a vital support network for 16–24 year-olds with nowhere else to go. There are many reasons why thousands of young people across the capital find themselves homeless or needing help, whether due to family breakdown, domestic abuse, poverty, experiences of violence, or war and persecution in their home country. For as long as young people are homeless and underserved in London, New Horizon will be on a mission to give them a potential home.

The day centre is a one-stop shop, offering activities and services to improve the wellbeing and circumstances of young people in need. It is available in person, over the telephone or online.
Help is offered with accommodation, employment, education and training, personal development, health and wellbeing and prison and outreach.

Brett's Story
Brett went to New Horizon as an 18 year old after experiencing issues within his immediate family and overcrowding with his extended family. Brett was very young and had not had any role models or help from family or peers to show him how to pay bills or learn basic life skills.

For this reason, our Advice Team felt he would be a good fit for a New Horizon Accommodation Project. After an assessment he was placed in a semi-supported accommodation project, a shared house where young people receive floating support from a Housing Support Worker. Brett did well in this environment: he made friends with other residents, contributed to the cleaning rota and accessed counselling through New Horizon's wrap-around services to work through some of his residual feelings towards his family. He also completed a security guard training course with funds from New Horizon.

Brett applied for university as he had completed a BTEC whilst living in the home, and the Housing Support Worker assisted him to find and accessing a room in a Private Rental Scheme (PRS), with one of the landlord partners we have. Brett received a loan for his deposit and one month's rent in advance from funds New Horizon received from LandAid.

Brett has been living in this shared accommodation for six-months now, he has made friends with his house mates, is happily enjoying studying engineering at a university nearby and works as a security guard for popular nightclubs in central London on his weekends. Brett no longer receives benefits. He is self-reliant and independent and has been paying off his loan on time without any reminders.



Trustees' Review and Strategic Report

The Trustees, who are also Directors of the charity for the purpose of the Companies Act, submit their Annual Report with the Balance Sheet for the Company at 30 September 2021 and the Statement of Financial Activities for the year ending on that date, which were approved by the Board of Trustees on 22 February 2022. The charity is governed by its Memorandum and Articles of Association. The charity is managed by Trustees who meet formally five times a year.

Trustees and Members

The Trustees who served during the year are named on page 6 of this report. Additional or replacement Trustees are appointed by the remaining Trustees.

Insurance against Trustees and Officers liabilities in relation to the charity was maintained during the year 2020/2021, as cited in the Memorandum and Articles of Association, Para 60 (1).

Strategic Report

The charity achieved a surplus net incoming resources before transfers of £1,636,270 (2020; £4,222,719) which is approximately £690,000 over budget due to the improved occupancy and re-purposed sites during the year.

There was a spend of approximately £666,168 (2020; £561,775) on repairs and maintenance.

Donations of £383,833 (2020; £336,953) were paid during the year.

Investments

Barclays Wealth and HSBC are the managers of the charity's investment portfolio. They reported that at the year end the charity held investments at a valuation of £24,523,411 (2020; £16,239,921). During the year, £4,000,000 cash was moved into the Barclays investment portfolio.

The investment policy remained unchanged during the year, having the following objectives:

The charity's assets should be invested and held in order to grow the value over time. As the charity does not rely on investment income for operational purposes, a total return approach (capital growth and income generation) can therefore be adopted for the investment portfolio.

The financial objective of the investment portfolio is to maintain the real value of the assets, keeping it at least in line with inflation, whilst generating a stable and sustainable return to grow the capital over the long term. The long-term target return set by the charity is at least the Bank of England base rate plus 5%.

Separately, cash deposits held by the charity are deemed shorter-term and are used to maintain liquidity. The split between longer-term capital growth investments and shorter-term cash investments will be reviewed by the Committee on a regular basis and will be adjusted according to the charity's requirements.

Investment decisions should aim to optimise the total return of the portfolio in line with the charity's risk appetite. The charity has defined this as moderate for the purposes of their investment approach and has accepted a degree of risk to their capital. The charity is able to tolerate volatility in the capital value of the investment portfolio and has a long-term time horizon of over five years.

To minimise risk to an acceptable level, any assets invested should be held within a diversified portfolio which does not have excessive exposure to any specific sector or country. The Committee expects that the volatility experienced by investment portfolios should be no more than two-thirds of the volatility of global equities (in sterling).

Trustees' Review and Strategic Report

It should be noted that there is no specified exposure limit at a sector or country level, however the Committee reserves the right to set this if they feel appropriate. Asset classes may include cash, fixed income/bonds, equities, property funds, hedge funds, commodities, or any other asset that is deemed suitable for the charity. The base currency of the investment portfolio is sterling; however, investments may be made in non-sterling assets.
Withdrawals can be made from the investments as and when required by LHA to fund their charitable purposes and objectives, such as buying or refurbishing property. LHA also allows for the invested assets to be held as collateral against a lending facility.

Fixed Assets
The refurbishment at Halpin House was completed with a spend of approximately £514,000 during the year. The cladding safety remedial works at Newington Court was started with a spend of approximately £75,000. This will be completed in the 2021/22 financial year. The planning phase for development for Hounslow was completed in the financial year at a cost of £160,000. The detailed design and tender stage were commenced with a cost of £346,820. This would be completed around January 2022. The development of extra rooms on the roof of Friendship House, is at the technical due diligence stage. The sum of £38,000 was expended during the year. This would be continued in the next financial year.
Some additional amounts were approved by the Board during the year, which included lift refurbishments, kitchen canopy upgrades and water heaters installations.

Payment Policy
It is the policy of the charity to pay creditors in accordance with contracted terms, normally within 30 days.

Results
The net movement in funds during the year was a surplus of £3,377,609 compared with the previous year's surplus of £3,820,250. This was after allowing for realised and unrealised gains on investments and the actuarial gain on the charity's pension scheme, which was a gain of £2,638,599 and a gain of £1,391,000 respectively compared to the 2020 gains of £823,531 and loss of £1,226,000. In 2021 there was also an evaluation of the LHA properties resulting in a loss of £2,228,260. This had been brought forward a year to enable the Trustees to view the impact of the pandemic on-site valuations.

Reserves
At the 30 September 2021, Charitable Funds stood at £27,358,866 and Designated Funds at £240,410,924. Within Designated Funds there is a fixed asset reserve of £240,410,924 which represents the net book value of the fixed assets. All other reserves are available to maintain and develop the future work of the charity and are considered adequate by the Trustees for these purposes.
LHA London Ltd has a defined benefit pension scheme managed by Aviva Insurance and had total assets of £10,911,000 as at 30 September 2021, compared to £10,016,000 in year 2020. The reserves in the profit and loss account of LHA Services Ltd, the subsidiary company, were £211,674 as at 30 September 2021 compared to £170,744 in 2020.

As a charity, LHA is obliged by the Charities Commission to set a policy on reserves and this establishes a level which is appropriate for LHA for the year. LHA's reserve policy is set to adequately support the continuation of the charity's current activity and future capital expenditure. The charity's aim is to monitor the reserves policy throughout the year through the budgetary process and to review the reserves policy to ensure it meets LHA's changing needs and circumstances.

Trustees' Review and Strategic Report

Our reserves policy is reviewed annually whilst reviewing our sources of income, and balancing the impact of the future plan, the commitments, our pension schemes and any management of financial risk involved. LHA's target reserve level is set at six-months working capital which currently stands at approximately £1.4m. Our current reserve levels are higher than this as we are about to start two major projects and have a high capital expenditure in 2021/22. It, therefore, seems appropriate to hold larger cash balances.
The level of free reserves currently stands at £2,827,881.

Risk Management
The Trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining adequate resources, combined with an annual review of the control of key financial systems, will enable the charity to cope with any future adverse conditions. The Trustees reviewed the Annual Risk Matrix in December 2021. The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate significant risks. The FAR Committee reviews and updates the Trustee Board as necessary and have identified the following as the highest risks:
1. COVID-19
2. Brexit and the impact on the LHA Volunteer Scheme

The following actions have been taken to mitigate these risks:
1. COVID-19
LHA successfully implemented a COVID-19 safe and secure protocol to enable the hostels to remain open throughout the global pandemic. LHA has worked with the appropriate local authority compliance teams and introduced comprehensive staff and volunteer training.
2. Brexit and the impact on the LHA Volunteer Scheme
LHA has taken the appropriate action to review visa implications post-Brexit and introduced a marketing strategy to mitigate the potential restrictions.

LHA update related to the coronavirus disease 2019 (COVID-19) outbreak
The impact of the coronavirus outbreak on public life and the London accommodation sector has resulted in reduced occupancy within the LHA portfolio during 2020/21. However signs of recovery towards the end of the financial year started to show. The month of September showed occupancy levels increase to 75% (they had been around 50% during the year) with an increase of some £300,000 on the September budget. The first quarter of the new financial year has continued to improve and the 2020/21 forecasted income is now only showing a £1.3m difference to pre-pandemic levels of income.
LHA hold substantial reserves to support the charitable objective. LHA continues to monitor and assess its business operations daily, and will provide an update to stakeholders as appropriate. In connection with the COVID-19 outbreak, LHA has continued to implement precautionary measures and protocols based on recommendations from official health authorities.

Trustees' Review and Strategic Report

LHA Services Limited for 2020/21

LHA Services Ltd (LHAS), wholly-owned by the charity, acting under a licence and agreement signed in 1991, fills casual room vacancies particularly in holiday times and between long-term bookings. It also provides residents with amenities such as laundry provisions and vending machines.

There has been a suspension of the rental and management fees as a result of the pandemic. This will be reviewed in 2021/22 if there is a material increase in short term bookings. LHAS has a taxable trading surplus and, in accordance with the covenant signed on 1st October 1997, an amount of £50,055 is to be transferred to the charity in 2021/22.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charitable company will not continue in business.

The Trustees are responsible for keeping 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 2006. They are also responsible for safeguarding the assets of the charitable company and the group, and, hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board



Tony Perkins
Company Secretary
22nd February 2022

Opinion

We have audited the financial statements of LHA London Limited ('the parent charity') and its subsidiary ('the group') for the year ended 30 September 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, the Consolidated Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30 September 2021 and of the group's 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees 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 Report of the Trustees has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Report of the Trustees.

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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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 43, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity'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 charity 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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws

and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed: NJ Wakefield
Nicola Wakefield (Mar 9, 2022 14:14 GMT)

Nicola Wakefield (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS

Date: 9 March 2022

LHA London Limited
Financial statements for the year ended 30 September 2021
Consolidated statement of financial activities

	Notes	General Funds	Designated Funds	Total 2021	Total 2020
Income		£	£	£	£
Income from charitable activities:					
Operation of hostels		8,689,201	-	8,689,201	11,031,293
Income from other trading activities	4	62,773	-	62,773	249,728
Income from investments		299,157	-	299,157	221,633
Total income		9,051,131	-	9,051,131	11,502,654
Expenditure					
Raising funds:					
Commercial trading operations		12,736	-	12,736	54,689
Investment management fees		106,634	-	106,634	53,690
Charitable activities:					
Operation of hostels	5	7,190,491	-	7,190,491	7,171,556
Total expenditure		7,309,861	-	7,309,861	7,279,935
Net income before transfers		1,741,270	-	1,741,270	4,222,719
Gross transfers between funds		(559,743)	559,743	-	-
Net income after transfers		1,181,527	559,743	1,741,270	4,222,719
Revaluation of property	10	-	(2,288,260)	(2,288,260)	-
Gains on investment assets	11	2,638,599	-	2,638,599	823,531
Net income/(expenditure) before actuarial movements		3,820,126	(1,728,517)	2,091,609	5,046,250
Actuarial gain/(loss) on pension scheme	15	1,286,000	-	1,286,000	(1,226,000)
Net movement in funds		5,106,126	(1,728,517)	3,377,609	3,820,250
Fund balances brought forward at 1 October 2020		22,252,740	242,139,441	264,392,181	260,571,931
Fund balances carried forward at 30 September 2021		27,358,866	240,410,924	267,769,790	264,392,181

All amounts relate to continuing activities; there were no recognised gains or losses other than those included above.

LHA London Limited
Financial statements for the year ended 30 September 2021
Balance sheets

	Notes	Group 2021	Group 2020	Charity 2021	Charity 2020
		£	£	£	£
Fixed assets					
Intangible assets	9	7,574	12,119	7,574	12,119
Tangible assets	10	240,410,924	242,139,441	240,410,924	242,139,441
Investments	11	24,523,411	16,239,921	24,673,411	16,389,921
		264,941,909	258,391,481	265,091,909	258,541,481
Current assets					
Stocks	12	9,830	10,849	9,830	10,849
Debtors	13	838,665	550,196	838,665	549,979
Cash at bank and in hand		4,099,048	8,260,262	3,892,649	8,087,984
		4,947,543	8,821,307	4,741,144	8,648,812
Creditors: amounts falling due within one year	14	(2,077,662)	(1,529,607)	(2,082,937)	(1,527,856)
Net current assets		2,869,881	7,291,700	2,658,207	7,120,956
Total assets less current liabilities		267,811,790	265,683,181	267,750,116	265,662,437
Pension (liability)	15	(42,000)	(1,291,000)	(42,000)	(1,291,000)
Net assets		267,769,790	264,392,181	267,708,116	264,371,437
The funds of the charity					
Unrestricted funds:					
General		27,358,866	22,252,740	27,297,192	22,231,996
Designated	16	240,410,924	242,139,441	240,410,924	242,139,441
	17	267,769,790	264,392,181	267,708,116	264,371,437

The financial statements were approved by the Trustees on 22nd February 2022 and signed on their behalf by:

P. Frackiewicz Trustee

D Conroy Trustee

Date: 22nd February 2022

Consolidated Statement of Cash Flows

	2021	2020
	£	£
Reconciliation of net income to net cash inflow from operating activities		
Net income for the year	3,377,609	3,820,250
Depreciation charges	794,756	738,919
Amortisation charge	4,545	4,545
(Gain)/loss on disposal of fixed assets	(2,598)	771
Loss on revaluation of fixed assets	2,288,260	-
(Gain) on investment assets	(2,638,599)	(823,531)
Decrease in stocks	1,019	1,937
(Increase)/decrease in debtors	(288,469)	60,679
Increase/(decrease) in creditors	548,055	(508,268)
(Decrease)/increase in pension liability	(1,249,000)	1,239,000
Net cash generated from operating activities	2,835,578	4,534,302
Investing activities		
Purchase of tangible fixed assets	(1,351,902)	(6,031,335)
Proceeds on disposal of property, plant and equipment	-	-
Purchase of investments	(16,586,460)	(16,239,920)
Proceeds from sale of investments	10,941,570	2,164,882
Net cash (used in) investing activities	(6,996,792)	(20,106,373)
Net cash (outflow)	(4,161,214)	(15,572,071)
(Decrease) in cash in the period	(4,161,214)	(15,572,071)
Cash and cash equivalents at 1 October 2020	8,260,262	23,832,333
Cash and cash equivalents at 30 September 2021	4,099,048	8,260,262

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention with the exception of investments, functional freehold properties and long leasehold properties which have been included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Companies Act 2006. LHA London Limited meets the definition of a public benefit entity under FRS 102.

The principal accounting policies adopted in the preparation of the accounts are set out below. The trustees consider that it is appropriate for these accounts to be prepared on the going concern basis.

Group accounts

These accounts consolidate the results of the Association and its wholly owned subsidiary, LHA Services Limited on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the Association itself following exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The financial activities of the charity are disclosed in note 3 to the accounts.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts. Investment income and gains or losses are allocated to the appropriate fund.

Valuation of properties

Functional freehold and long leasehold properties were included in the accounts at valuation for the first time in 2012/13. These have been valued by Colliers International Valuers UK LLP in September 2021. The properties will be revalued every three years.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold and long leasehold buildings	Nil
Short leasehold land and buildings	
Furniture, fixtures and equipment	10 - 20 % p.a Straight line method
Motor vehicles	
Computer equipment	20 - 33.3 % p.a Straight line method

Moveable furniture and equipment is written out of the accounts after ten years as the Trustees consider that it has a negligible residual value.

Amortisation
Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Website costs	20% pa straight line method

Investments
Fixed asset investments are stated at mid-market value at the balance sheet date. Gains and losses on revaluation of investments held as fixed assets are included in the statement of financial activities as unrealised. Where investments have been sold during the year the difference between sale proceeds and market value at the beginning of the period is included in the statement of financial activities.

Income
Income for operation of hostels relates to income received in the letting of beds for long stays, catering income, sundry income and is shown net of value added tax and discounts.

Expenditure
All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing LHA London Limited to the expenditure. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expenses headings on the basis of time spent.

Stocks
Stocks, which consist of consumables are valued at the lower of cost and net realisable value.

Pensions
The Charity operates a pension scheme providing benefits based on final pensionable pay. The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the Statement of Financial Activities, so as to spread the costs of pensions over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. The pension scheme assets are valued at market rate. A pension scheme deficit is recognised in full on the balance sheet, but where there is a pension scheme asset this is not recognised unless the asset can be realised through reduced future contributions. The actuarial gains are therefore limited to the gain required to bring the liability to zero.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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 both current and future periods.

The key estimate and assumption made in these accounts are considered to be

(a) Depreciation, which is provided at rates calculated to write off the cost, less the estimated residual value, of each fixed asset over its estimated useful life. This is of particular relevance to freehold properties which have not been depreciated as the residual value is deemed to be in excess of cost.

(b) The assumptions made in the revaluation of the charitable properties. The principal assumptions are the estimated rental potential in each area, the level of demand for similar properties and the degree of discounting applied to reflect the level of shared occupancy rooms.

3 Financial activities of the charity

A summary of the financial activities undertaken by the charity is set out below:

	2021 £	2020 £
Total income	8,997,465	11,711,022
Total expenditure on charitable activities	(7,190,491)	(7,171,556)
Investment managers' fees	(106,634)	(53,690)
Investment gains	2,638,599	823,531
Revaluation of property	(2,288,260)	-
Actuarial gain/(loss) on final salary pension scheme	1,286,000	(1,226,000)
Net income	3,336,679	4,083,307
Total funds brought forward	264,371,437	260,288,130
Total funds carried forward	267,708,116	264,371,437
Represented by:		
General funds	27,297,192	22,231,996
Designated funds	240,410,924	242,139,441
	267,708,116	264,371,437

4 Income from other trading activities

The Charity's one wholly owned trading subsidiary, LHA Services Limited, which is incorporated in the UK, distributes all of its taxable profits to the Charity. The activities of this subsidiary are the provision of short term accommodation and catering services together with the provision of amenities to the residents of LHA London Ltd. The charity owns the entire issued share capital of 150,000 ordinary shares of £1 each. A summary of the trading results is shown below.

Profit and Loss Account	**2021**	**2020**
	£	**£**
Turnover	62,773	249,728
Cost of sales and administrative expenses	(12,736)	(144,689)
Gross profit	50,037	105,039
Interest receivable	18	189
Net profit	50,055	105,228
Amount distributed to LHA London Ltd	(9,125)	(368,285)
Retained profit/(loss) in subsidiary	40,930	(263,057)

The assets and liabilities of the subsidiary were:	**2021**	**2020**
	£	**£**
Current assets	221,198	177,264
Creditors: amounts falling due within one year	(9,524)	(6,520)
Total net assets	211,674	170,744
Aggregate share capital and reserves	211,674	170,744

Included in administrative expenses are rent of £nil (2020 - £24,000) and management charges of £nil (2020 - £66,000) payable to LHA London Ltd and these charges have been eliminated on consolidation.

5 Analysis of charitable expenditure

	Staff costs (note 8)	Other	Depreciation (notes 9&10)	Total 2021	Total 2020
	£	£	£	£	£
Charitable expenditure					
House operating costs	1,628,593	2,694,172	764,535	5,357,300	5,369,509
Support costs	1,009,895	367,074	34,766	1,411,735	1,437,451
Governance costs (note 6)	-	37,623	-	37,623	27,643
Donations (note 7)	-	383,833	-	383,833	336,953
Total	2,638,488	3,752,702	799,301	7,190,491	7,171,556

Charitable expenditure **Details of other costs**	House operating costs	Support costs	Total 2021	Total 2020
	£	£	£	£
Repairs & Maintenance	653,675	12,493	666,168	561,775
Light and heat	556,850	-	556,850	563,065
Catering	124,545	-	124,545	208,519
IT costs	129,688	48,646	178,334	209,872
Water	210,582	-	210,582	240,948
Cleaning	338,494	768	339,262	281,167
Insurance	196,511	-	196,511	190,122
Security	182,195	-	182,195	198,282
Rates	48,297	48,290	96,587	187,841
TV Licenses	8,146	-	8,146	14,560
Defined benefit pension scheme charge	49,921	40,845	90,766	117,705
Other costs	465,268	216,032	681,300	239,300
	2,964,172	367,074	3,331,246	3,013,156
Governance costs (note 6)			37,623	27,643
Donations (note 7)			383,833	336,953
Total other costs			3,752,702	3,377,752

6 Governance costs

Governance costs include:	2021	2020
	£	£
Audit fees	21,045	16,391
Insurance against Trustees' and Officers' liabilities	16,578	10,315
Trustees expenses	-	937
	37,623	27,643

7 Donations

All donations were made to institutions and these are broken down as follows:

	2021 £	2020 £
Albert Kennedy Trust	28,000	38,750
New Horizons	30,000	30,000
Glass Door	20,000	35,000
C4WS	30,000	27,500
The Spires Centre	30,000	37,500
CAYSH	-	28,000
St Mary Le Bow	14,000	18,453
204 Project	-	20,000
Evolve	25,000	10,000
Zacchaeus 2k Trust	38,333	26,250
Project Seventeen	20,000	12,500
Women & Girls Network	25.500	33,000
Refugees at Home	16,000	20,000
BEAM	29,000	-
Cardinal Hume	28,000	-
Bromley & Croydon Women's Aid	20,000	-
Single Homeless Project	20,000	-
Whitechapel Mission	10,000	
	383,833	336,953

8 Staff costs

	2021 £	2020 £
Wages and salaries	2,130,860	2,233,388
Redundancy costs	-	107,226
Social security costs	195,935	195,628
Other pension costs	311,693	312,924
	2,638,488	2,849,166

Average number of employees during the year

Head office staff	16	15
Direct maintenance staff	5	7
Hostel staff	51	52
	72	74

Number of employees with emoluments in excess of £60,000:

£60,000 - £70,000	1	1
£130,000 - £140,000	1	1
£160,000 - £170,000	1	1

2 employees (2020: 1) with emoluments in excess of £60,000 are accruing retirement benefits under defined benefit schemes which amount to a total of £10,347 (2020: £3,265).

The total of employee benefits received by Key Management Personnel in 2021 is £383,670 (2020: £371,918). Key Management Personnel are the Chief Executive Officer, Finance Director and Operations Manager.

9 Intangible fixed assets – Group & Charity

	Website
Cost	
At 1 October 2020	22,723
Additions	-
Disposals	-
At 30 September 2021	22,723
Amortisation	
At 1 October 2020	10,604
Charge for the year	4,545
Released on disposal	-
At 30 September 2021	15,149
Net book value	
At 30 September 2021	**7,574**
At 30 September 2020	12,119

10 Tangible fixed assets – Group and Charity

	Freehold land and buildings	Leasehold land and buildings	Property improvements	Plant and machinery	Total
	£	£	£	£	£
Cost					
At 1 October 2020	226,514,012	10,873,534	14,153,325	1,320,555	252,861,426
Additions	-	-	1,348,473	3,429	1,351,902
Disposals	-	(70,495)	(25,229)	(1,912)	(97,636)
Revaluation	(1,197,802)	(1,090,458)		-	(2,288,260)
At 30 September 2021	225,316,210	9,712,581	15,476,569	1,322,072	251,827,432
Depreciation					
At 1 October 2020	-	63,019	9,665,627	993,339	10,721,985
Charge for the year	-	10,503	707,995	76,258	794,756
On disposals	-	(73,522)	(25,229)	(1,482)	(100,233)
At 30 September 2021	-	-	10,348,393	1,068,115	11,416,508
Net book value					
At 30 September 2021	225,316,210	9,712,581	5,128,176	253,957	240,410,924
At 30 September 2020	226,514,012	10,810,515	4,487,698	327,216	242,139,441

The Trustees undertook a valuation of all the freehold and long leasehold properties in September 2021. The valuation was undertaken by Colliers CRE and the properties were valued at £239,300,000 (this includes freehold property, leasehold properties and property improvements above).

Property improvements include £856,967 (2020: £287,670) of assets under construction.

10 Tangible fixed assets – Group and Charity (continued)

Analysis of leasehold land and buildings (charity and group)	2021 £	2020 £
Long leasehold	9,600,000	10,800,000
Short leasehold	-	10,505
	9,600,000	10,810,505

11 Investments

	Investments in subsidiary undertakings £	Other investments £	Total £
Market value			
At 1 October 2020	150,000	16,239,921	16,389,921
Additions	-	16,586,460	16,586,460
Disposals	-	(10,941,570)	(10,941,570)
Net gains for the year	-	2,638,599	2,638,599
At 30 September 2021	150,000	24,523,411	24,673,411
Historic cost at 30 September 2021	150,000	20,939,518	21,089,518

Other investments comprise:	
Bonds	3,263,173
Equities	19,022,680
Commodities	345,718
Real Estate	457,999
Other investments	1,125,687
Cash for re-investment	308,154
	24,523,411

At 30 September 2021 there were no investments which represented more than 5% of the quoted investments portfolio by market value.

12 Stocks

	--------- Group ----------		-------- Charity ---------	
	2021 £	2020 £	2021 £	2020 £
Household equipment and food	9,830	10,849	9,830	10,849

13 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	223,947	35,205	223,947	35,205
Other debtors	6,189	85,493	6,189	85,493
VAT recoverable	136,631	148,228	136,631	148,228
Prepayments and accrued income	471,898	281,270	471,898	281,053
	838,665	550,196	838,665	549,979

14 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	722,940	503,980	722,940	503,980
Other taxes and social security costs	47,185	55,004	47,185	55,004
Amounts owed to group companies	-	-	14,799	4,769
Fees and deposits in advance	830,356	553,714	828,531	552,667
Accruals	477,181	416,909	469,482	411,436
	2,077,662	1,529,607	2,082,937	1,527,856

15 Pension commitments

The charity makes contributions to a defined contribution pension scheme on behalf of a number of employees who are not included within the defined benefit pension scheme. Contributions in the year totalled £116,121 (2020: £117,705).

The Charity operates a defined benefit scheme in the UK. The scheme is closed to new entrants. As a consequence the current service cost calculated under the projected unit method can be expected to increase over time, as the average age of the membership increases. A full actuarial valuation was carried out at 1 April 2018 and updated to 30 September 2021 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.
The Charity currently pays contributions at the rate of 31.5% of pensionable pay following the actuary valuation on 1st April 2018.

Present values of scheme liabilities, fair value of assets and deficit

	At 30/9/21	At 30/9/20	At 30/9/19
	£'000	£'000	£'000
Fair value of scheme assets	10,911	10,016	10,244
Present value of scheme liabilities	(10,953)	(11,307)	(10,296)
(Deficit) recognised in scheme	(42)	(1,291)	(52)

15 Pension commitments (continued)

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2021	2020
	£'000	£'000
Scheme liabilities at start of period	11,307	10,396
Current service cost	123	152
Interest cost	180	195
Actuarial (gains)/losses	(806)	830
Experienced losses on liabilities	217	-
Benefits paid & death in service insurance premiums	(68)	(266)
Scheme liabilities at end of period	10,953	11,307

Reconciliation of opening and closing balances of the fair value of the scheme assets

Fair value of scheme assets at start of period	10,016	10,344
Interest on assets	161	281
Expected return on scheme assets	697	301
Contributions by employer	105	186
Benefits paid	(68)	(23)
Fair value of scheme assets at end of period	10,911	10,016

The actual return on the scheme assets over the year ending 30 September 2021 was £858,000 (2020: £201,000).

Total expense recognised in the statement of financial activities

Current service cost	123	152
Interest cost	180	195
Expected return on scheme assets	(161)	(195)
Total expense recognised in the statement of financial activities	142	152

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS17 is a loss of £1,749,000 (2020: £3,140,000).

15 Pension commitments (continued)

Assets	2021 £'000	2020 £'000	2019 £'000
Total assets	10,911	10,016	10,244

None of the fair values of the assets shown above include any of the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Assumptions

The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2021 % per annum	2020 % per annum	2019 % per annum
Rate of discount	2.05	1.60	1.90
Inflation (RPI)	3.45	2.90	3.15
Inflation (CPI)	2.85	2.10	2.15
Salary increases	2.85	2.10	2.15
Pension increases			
Accrued before 1 July 2016	5.00	5.00	5.00
Accrued after 1 July 2016	2.85	2.10	2.15
Revaluation rate for deferred pensioners	5.00	5.00	5.00
Commutation	Nil	nil	Nil

Life expectancy

Male retiring at age 65 in 2020	22.1	22.1	22.1
Female retiring at age 65 in 2020	24.5	24.5	24.5
Male retiring at age 65 in 2040	23.4	23.4	23.4
Female retiring at age 65 in 2040	26.1	26.1	26.1

Expected long term rate of return

The scheme's assets are invested in a unitised with profit fund. It is assumed that the long term rate of return on the fund will be 2.4% per annum (2020: 2.4%).

15 Pension commitments (continued)

Amounts for the current and previous four periods

	2021	2020	2019	2018	2017
	£'000	£'000	£'000	£'000	£'000
Fair value of assets	10,911	10,016	10,244	9,599	9,307
Present value of scheme liabilities	(10,953)	(11,307)	(10,296)	(7,759)	(8,105)
(Deficit)/surplus in scheme	(42)	(1,291)	(52)	1,840	1,202
Experience adjustment on scheme assets	-	(396)	301	(3)	189
Experience adjustment on scheme liabilities	(217)	-	-	(144)	(979)

16 Designated funds

	Balance at 1 October 2020	Transfers	Revaluation	Balance at 30 September 2021
	£	£	£	£
Fixed asset reserve	242,139,441	559,743	(2,288,260)	240,410,924
	242,139,441	559,743	(2,288,260)	240,410,924

17 Analysis of group net assets between funds

	General Funds	Designated Funds	Total Funds
	£	£	£
Intangible fixed assets	7,574	-	7,574
Tangible fixed assets	-	240,410,924	240,410,924
Investments	24,523,411	-	24,523,411
Cash at bank and in hand	4,099,048	-	4,099,048
Other net current liabilities	(1,229,167)	-	(1,229,167)
Pension deficit	(42,000)	-	(42,000)
	27,358,866	240,410,924	267,769,790

18 Operating lease commitments

At 30 September 2021 the group's commitments under non-cancellable operating leases were as follows:

	Land & Buildings	
	2021	2020
	£	£
Less than 1 year	360	27,881
Between 2 and 5 years	1,440	1,440
After more than 5 years	27,093	27,453
Total	28,893	56,774

At 30 September 2021, the group's capital commitments related to the Hounslow site and Friendship House amounted to £363,433 (2020: £nil).

19 Limited liability

The charitable company is limited by guarantee and does not have a share capital. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up during the time he or she is a member, or within a year after he or she ceases to be a member, such amounts as may be required, not exceeding £10.

20 Related Party Transactions

The Trustees receive no remuneration. Travel expenses of £nil (2020: £937) were reimbursed to no (2020: 6) Trustees during the year.

Included in administrative expenses are rent of £nil (2020 - £24,000) and management charges of £nil (2020 - £66,000) payable to LHA London Ltd by LHA Services Limited. The previous year's charges were eliminated on consolidation.

LHA Annual Report & Accounts - optimised

Final Audit Report 2022-03-09

Created:	2022-03-07
By:	Emma Nolan (enolan@lhalondon.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAFxqZmn1kZnhLV57oOeDo_JBNf7OFXg9L

"LHA Annual Report & Accounts - optimised" History

Document created by Emma Nolan (enolan@lhalondon.com)
2022-03-07 - 4:03:51 PM GMT

Document emailed to Nicola Wakefield (nicola.wakefield@mazars.co.uk) for signature
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LHA LONDON LTD

England & Wales - Charity number 1069428

Accounts



LHA LONDON LTD

ANNUAL REPORT

2019/2020

LhaLondon

the heart of London Living

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To view previous years Annual Report visit our website at www.lhalondon.com/about/

Our Values

LHA London Ltd (LHA) was originally created to give shelter to those made homeless by the Blitz; LHA London has been providing high quality accommodation since 1940 in Central London.

LHA is a London based charity that provides young people with long-term, affordable co-living accommodation they love and can afford. Here, they can feel safe, socialise and decide whether or not to make London their permanent home. All without breaking the bank!



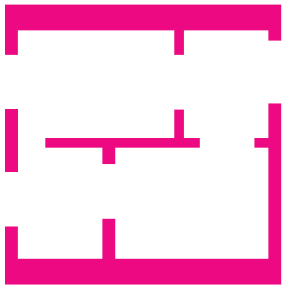
Safety and Secure

All our hostels have secure key fob access, with CCTV coverage and a member of staff on hand 24 hours a day. You'll also find every guest has a lockable drawer and/or a safe in their room.



Affordable

Providing affordable accommodation, inclusive of all bills, Wi-Fi and contents insurance. Reward schemes and discounts available for 18-29 year-olds.



Flexibility

All our hostels operate a 1 week's notice period. Residents can stay up to 4 years. Our hostels have the option of catered or self-catered accommodation. We combine freedom and safety at every hostel located within London Underground Zones 1 and 2.



Home from Home

Our co-living accommodation helps our residents meet many like-minded people. But whatever your situation, we're here to help provide a great start in London for all our guests.

Message from our Chair & CEO



Tony Perkins
CEO



David Conroy
Chair

London is undoubtedly a different place now than it was just a few short months ago. As we face a new set of challenges, we are grateful for all who have worked so hard to make our charity as strong as it is. The LHA 2019-20 Annual Report captures a moment in time, as we celebrated our 80th anniversary. It also illustrates that we are well positioned to navigate the challenges we are facing in the current environment.

We have managed the pandemic with the support of resourceful hostel teams, but the impact of the coronavirus is unlike anything we have ever seen. The hospitality and other industries, so critical to our young residents, has virtually shut down. As a result, we have had to take quick and decisive action to mitigate the impact of this pandemic – including relentlessly managing all costs and introducing our LHA Covid19 safe and secure safeguarding to ensuring we have been able to continue operating every day during these unprecedented times.

Throughout this period, we have been vigilant in keeping our Team Members and our residents safe. And while the near-term accommodation environment may be challenging, we believe the fundamentals of what we do – protecting our residents – will only grow in importance in the months and years to come. To prepare for recovery, we are actively engaging with all of our stakeholders to ensure we are ready to respond to the changing travel and work preferences that will inevitably result from this pandemic. Our residents have appreciated us working day and night to support their LHA home environment. We have been able to support our residents during the early stages of the pandemic with rent deferral and discount schemes and continue to provide our full catered service where appropriate.

We continue to provide support to partner charities through the LHA Fund and this year saw the expansion of the LHA Fund to an all time high of 13 charities to whom we provided over £300,000 of funding. We were also proud to provide additional emergency Covid19 support to our LHA Fund partner charities with targeted donations at this most critical time.

Residents' Voice

"I'd like to thank all the staff and organization for supporting me on this complicated times, I really appreciate it. "
Bowden Court Resident

"I arrived earlier in the year with a view to staying perhaps a few weeks only. Then Covid-19 struck and lockdown came into effect. I really wish to say how thankful I am that I came across such a wonderful place to stay, offering a safe and secure 'sanctuary' whist the pandemic spread and caused havoc everywhere."
Belsize House Resident

"All the front of house staff are great. Manager and assistant manger are excellent. Volunteers do a great job. The extra cleaning during the COVID pandemic is good. Staff at Railton take COVID seriously."
Railton House Resident

"Volunteers are gems. The building looks clean and well maintained. The rent allows me to afford a decent life and minimize travels to work."
Belvedere House Resident

Message from our Chair & CEO continued

We took the opportunity in September 2020 to prepare two of our hostels to provide nearly 100 beds for emergency accommodation with our LHA Fund recipient partner Glass Door homeless charity. The provision commenced in November 2020 and will continue over the winter period.

As a London centric charity, we are mindful of a post-Brexit and Covid world and have strengthened our processes to prepare for potential impact on our staff, residents and volunteers.

We have continued our quest for new opportunities to provide hostels in new locations. Our recent purchase of a hotel in West London is currently moving through the planning process to provide over 100 new single en-suite rooms. We are also developing innovative strategies to increase bed numbers at existing sites.

Our thanks extend to the Board of Trustees, our staff and our volunteers for their support throughout the year. This year has seen 3 Trustees undertaking their first year of tenure. LHA prides itself in the selection and deployment of appropriate skill sets to ensure excellent governance. Also this year, Board of Trustees recognised the need to develop new strategies for our challenging times in order to ensure that we are in touch with the developing needs of our target residents. Accordingly, we set up a Trustee Strategy Working Group to guide our thoughts and to outline a programme of work for the coming year. This programme will have a series of work streams focused on equipping the charity to continue to develop and thrive sustainably into the future.

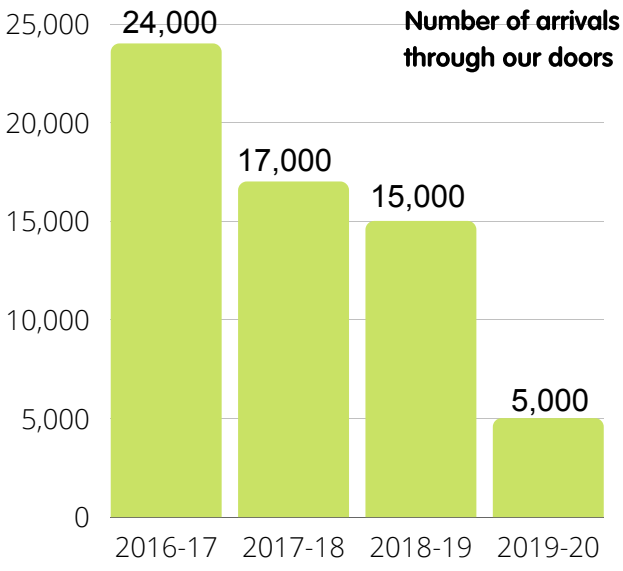
We are confident that we will emerge from this period a stronger, more resilient charity. And when our residents are able to travel again, we will be ready, once again, to fully achieve our charitable objectives that we have proudly pursued for the last 80 years.



Tony Perkins
CEO



David Conroy
Chair



Reduced number of arrivals year on year usually reflects improvement in length of stay and an increased number of long-term residents.
This year Covid-19 impacted the arrivals due to national lockdown from March 2020.

Building our Social Impact

Percentage of our staff prepared to go the extra mile

92%

Median age of our residents in the financial year

33

Number of properties across London

14

Number of beds in shared rooms

963

Percentage of our volunteers who feel their work is significant/impactful

93%

Number of arrivals over

4900

Number of volunteer placements

389



Number of catered sites

4

Building our Social Impact

We have continued to make significant social impact across our accommodation, volunteer programme and LHA fund.

By providing accommodation, we transform spaces into places and places into neighbourhoods. Our employees live alongside our residents and volunteers creating supported social spaces within our buildings. We survey our residents to gain feedback on our social impact and to monitor how our investments in services and programmes to improve people's quality of life, health and well-being. We continuously strive to further improve our social impact with the LHA Rewards Scheme making our shared rooms even more affordable. We pride ourselves on providing centrally located accommodation, allowing young people to combine working and studying in the local community.

We continue to deliver:

- A volunteer programme to deliver opportunities for young people to combine study and work in the local community
- All-inclusive weekly room fees providing full catered or self-catered services to encourage young people to meet in communal spaces.
- Initiatives with our partner charities to identify opportunities for housing and supporting more vulnerable young people in the community.
- Capital projects within our partner charities to further improve social impact in the community.



LHA's 80 Year Legacy

LHA London is a charity with an 80-year legacy of helping people through its strong belief that affordable accommodation in London can be made better and less costly through continual innovation.

We have always kept to our values of flexible, affordable, safe and secure, and home-from-home accommodation. Respect and personal attention is at the heart of our strategy. The charity is committed to increasing social impact through its core activity, Through the LHA Fund we have dedicated ourselves to charitable initiatives that reflect the core mission. Since the LHA was founded in 1940, it has reinvented itself over the decades but remains consistent in its vision to become the most trusted name in London affordable hostel solutions.

LHA Advisers

Auditors
Mazars LLP
6 Sutton Plaza, Sutton Court Road,
Sutton, Surrey SM1 4FS

Investment Advisors
Barclays Wealth - No.1 Colmore Square,
Birmingham B4 6ES
HSBC Plc - 8 Cork Street, London, W1S 3LJ

Bankers
Barclays Bank Plc. - Level 27, 1 Churchill Place,
London E14 5HP
Allied Irish Bank Plc. - 4 Tenterden Street,
London W1S 1TE

Solicitors
Batt Broadbent - Minster Chambers, 42/44
Castle Street, Salisbury, Wiltshire SP1 2TX



Volunteer's Voice

"Volunteering for LHA at Friendship House has been an amazing choice. The place is really near everything, with good bars and pubs around, and even with the supermarket just behind the hostel! We are really happy we can share this experience together, and with all the facilities and help that the hostel and other volunteers give us."

Volunteer Team

Committee Structure

Finance, Audit & Risk Committee

Alexandra Whiston-Dew
Chair

David Conroy

Giles Byford

Toyin Miller

Peter Frackiewicz

Property Oversight & Projects Committee

Sue Johnson
Chair

Peter Frackiewicz

Annalise Jalland

Kay Buxton

People Committee

Ali Mohammed
Chair

Alec McTavish

David Conroy

Alexandra Whiston-Dew

Social Policy Committee

Alec McTavish
Chair

Alison Craze

Toyin Miller

Petra Green

Bonnie Chiu

LHA Services Limited

Tony Perkins, FRSA
Chief Executive &
Company Secretary

Marsha Gair, FCCA
Finance Director

Alexandra Whiston-Dew
Chair

David Conroy

Alec McTavish

Trustees



David Conroy
Chair
BA, MCIPD

Chartered member of the Institute of Personnel and Development. Currently an independent management consultant.



Alexandra Whiston-Dew
Vice-Chair
MA

Practising solicitor advising on privacy, media and commercial litigation matters. Graduate of Edinburgh University and BPP University. Member of the Honourable Society of Lincolns Inn.



Sue Johnson
BA (Hons) DIP Arch

Retired architect. Partner in private practice with 30 years' experience in Central London redevelopment projects, in particular in residential work and listed buildings. Previous Director of Wren Insurance Association.



Alec McTavish
MSc (Econ); BSc (Econ); FRSA

Entered the Civil Service and worked as an Economic Adviser in various Government Departments. Joined British Rail and became Director of Business Systems. At rail privatisation was appointed a Director at the Association of Train Operating Companies



Giles Byford
MA (Hons), M.Sci, ACA

Chartered Accountant, currently working Strategy Group Director for BGL. Previously various roles at RBS, Barclays and PWC.



Kay Buxton
BA (Hons), BTP, MRTPI

Chartered town planner specialising in urban policy and regeneration. Currently heading up Paddington developments and two neighbouring Business Improvement Districts.



Alison Craze
BA, Dip SW

Retired Social Worker specialising in children and families. Previously employed by the British Council working with overseas postgraduate students.



Petra Green
BA (Hons), PGDip

Marketing and Publishing professional. Has held senior roles at various publishing and media companies, including Haymarket Media and Forbes Media.



Peter Frackiewicz
BSc FRICS MAPM

Extensive experience on working on challenging projects at Land Securities. Currently semi-retired and working on variety of projects either voluntarily or as an independent consultant.



Annalise Jalland
BSc (Hons), MSc, MRICS

Chartered Surveyor currently working as an Asset Manager at British Land. Previously held various roles at British Land and CBRE. Graduate of York University and the University of Reading.



Bonnie Chiu
BBA, MSc

An award-winning social entrepreneur, gender equality advocate and social impact consultant. Recognised as a Forbes 30 Under 30, she is also a Senior Contributor on Forbes writing on gender and diversity.



Toyin Miller
BA (Hons)

A social investment professional with significant experience in banking, loan structuring and real estate debt transactions. Experience in support of the Third Sector with main focus on delivery of innovative investment and finance to enable charities/social enterprises in the UK to deliver and growth their social impact.



Ali Mohammed
BA (Hons), MSc

Chartered Fellow of the Chartered Institute of Personnel and Development. Over 30 years' senior experience in HR in the NHS and currently also an executive director at South East Coast Ambulance Service.

Board of Trustees Governance

We take the Governance responsibilities of the Board of Trustees seriously. We observe the Charity Commission governance code. Our Board comprises trustees with professional qualifications in planning, construction, project management, economics and finance, HR, social policy and law, giving great breadth of skills at Board level. Trustee training is an ongoing process and includes external courses as appropriate for specific needs and circulation of newsletters and updates from the Charity Commission.

We enhance our Board Performance by careful analysis of complementary skill sets and through an independently conducted annual self-appraisal process.

Whilst preserving continuity, diversity and experience, we seek an orderly rotation of trustees to refresh the Board skill set. LHA considers rigorous review should a trustee consider standing for a fourth reelection. Recruitment of new trustees is carried out through a bi-lateral approach of networking and using the professional recruitment services of BAME Limited, one of the premier providers of trustee candidates for the Charity sector.

Prior to appointment, potential trustees follow the LHA three phase selection process, which comprises an interview with the Chairman and Chief Executive and a tour of LHA facilities, an interview by a Selection Panel of trustees and finally an invitation to shadow a Board Meeting and be formally appointed at the following AGM. There is a formal induction process for new trustees, which includes a trustee familiarisation pack.

The Board follows Charity Commission Governance guidelines by basing current Board numbers at twelve members. The Board has completed the process of appointing the Vice Chair. Charity Commission governance training has also been completed by an external consultant.



Resident's Voice

"I am a long-term resident here and would definitely recommend it. The location is a 15-20 minute walk to Hyde Park and there are plenty of places to eat close by and for other necessities Post/ GP/ Groceries etc. The staff are very friendly and helpful, and any problem is usually fixed soon. It's a really clean new building and some of the rooms on the higher floors have great views of London."

Torquay House

LHA Benefits to Residents in Central London

The Board has considered the general guidance on public benefit issued by the Charity Commission, has taken due regard of the guidance and is satisfied that the Charity's activities do provide wider public benefit.

The public benefit arising from LHA's work is clear in the services delivered. The assistance given to young working people and students to help them reside in prime locations at below market rent with easy entry low deposit and easy exit together with just 7 days' notice is clearly a benefit to society as a whole not just the beneficiaries themselves.

We provide key benefits to our residents to ensure that the LHA remains well placed in the affordable accommodations sector. Benchmarking our room rates continues to demonstrate significant advantages to those with limited means. Our low deposit of £200 opens the door to young working people and students with limited reserves.

We are proud to continue our 'Easy Entry' policy which is one of the lowest deposits for long term accommodation provision in the Capital. We are committed to an 'all-inclusive deal'. LHA weekly room rates include the television and license package and we also include contents insurance inclusive of laptop cover, with free gym facilities at our LHA life option sites.

Benefiting the public with just a simple seven day notice requirement to departing residents, gives a rare opportunity for young people new to London to have genuine flexibility when planning to move on.

We are keen to maintain our 'Family Feel' by providing safe and secure accommodation. All LHA sites have 24 hour 'live-in' staff. Affordable packages across a diverse range of room formats places LHA in a strong position to continue to benefit working people and students in the Capital.

Room cleaning services with linen provided and laundered is much valued by our residents. We will effectively support the community by providing affordable accommodation in London enabling reduced costs for young working people and students in the Capital.

Residents' Voice

"I would like to thank LHA for your assistance and support these past few months during the pandemic. It is very much appreciated!! I will definitely return to Davies Court as soon as possible."
Davies Court Resident

"Fantastic customer service at Leinster House. By far the most helpful and friendly staff ever. Everyone from management to receptionists and cleaners will go out of their way to help out and to make your stay easier. The level of cleaning is outstanding. All in all, this hostel exceeded my expectations, and they deserve a 10 out of 10 without any doubt."
Leinster House Resident

"The measures during Coronavirus pandemic were great. And received good financial aid when I was not able to pay my whole rent."
Belsize House Resident

Management Team

Our management team provide a great combination of skill sets. We are working hard to push the Charity forward. We recognise that it is important to invest in people if the business is to progress. The year ahead will bring new challenges but we believe our strategy is sound.

The Board determines the policy, ensures the proper management of the LHA and provides effective guidance and leadership to the Chief Executive, the executive team and employees of LHA. The Board appoints the Chief Executive who reports to the Board at their meetings. The Board set senior management remuneration by reference to market benchmarking.

Trustees are, individually and collectively, responsible for the overall governance and strategic direction of the organisation.



Tony Perkins
CEO



Marsha Gair
Finance Director



Ben Atwell
Head of Operations



Resident's Voice

"Great place to stay, in the heart of Bayswater, on a quiet residential road, in a friendly village atmosphere, with good restaurants and shops nearby. This property has excellent facilities, with friendly and helpful staff and professionally run by LHA, a first class reputable company."

Railton House

Building on our Current Success in 2019/20

Investing in and protecting our property portfolio is paramount. During the financial year we spent over a million pounds on major refurbishments and capital expenditure.

Our largest site, Bowden Court, benefited from major upgrades in shower, washroom and room upgrades. Our self-catered Kensington site, Halpin House, saw the continuation of a major internal refurbishment. Holland House external repairs and redecorations were also completed.

Alongside the above significant projects, we replaced and upgraded plant and equipment when necessary.



External repairs & redecorations at Holland House



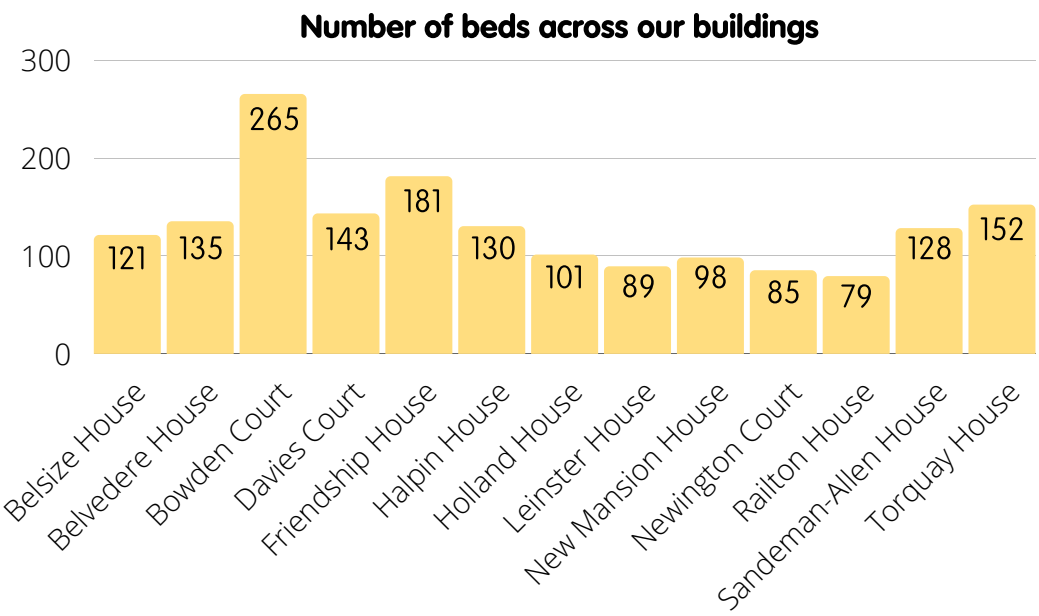




Major internal refurbishment at Halpin House



Room upgrades at Bowden Court

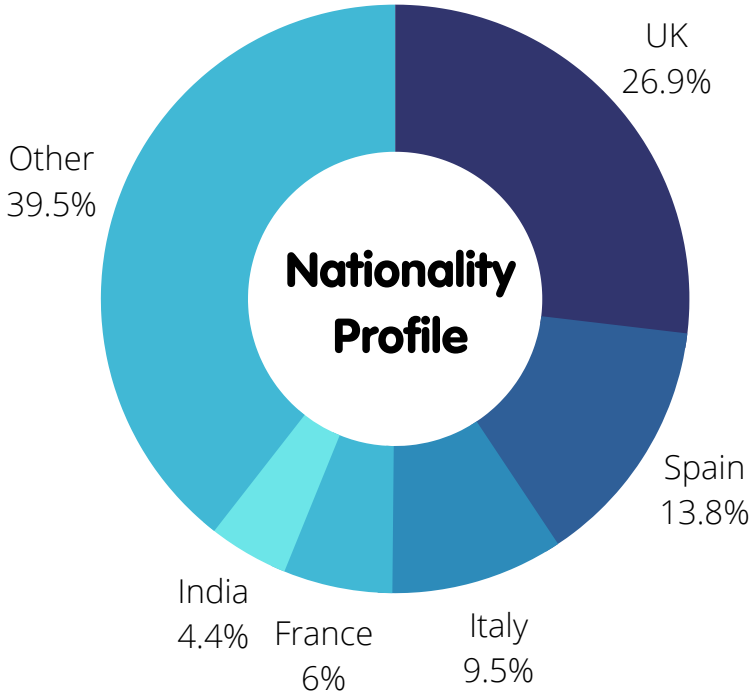


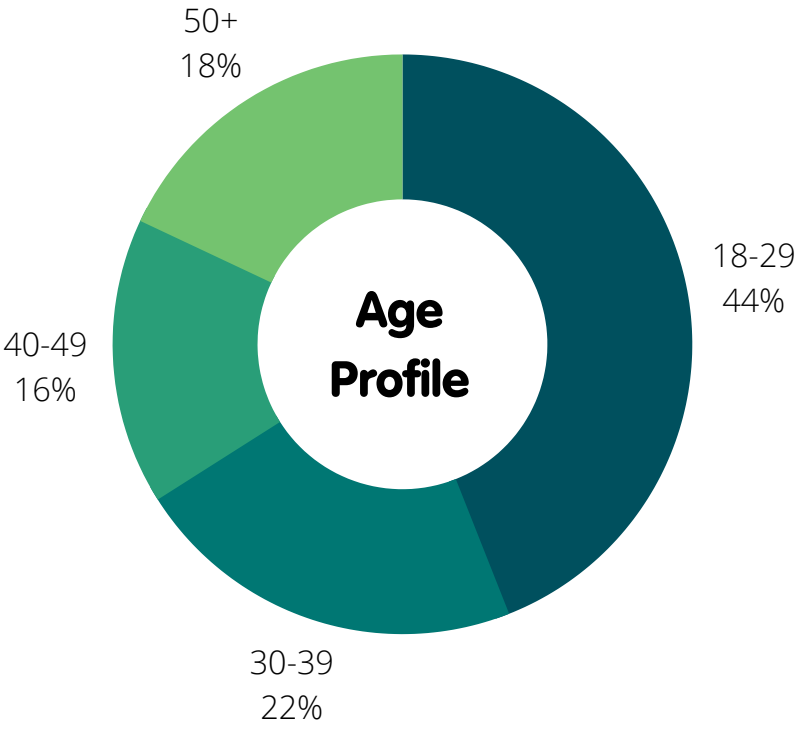
Residents

Typically, LHA's residents fit into 1 of 4 categories: interns, young working people, domestic students and international students.

LHA London provides affordable long-term accommodation in the city centre. We have accommodation for every need, taste and budget with private rooms as well shared accommodation with a co-living environment.

Strategically situated near universities and tube stations, you can easily get to university or work with minimal transport time and cost. With hostels near famous London parks, museums, pubs and tourist spots, we ensure our beneficiaries' stay with us will be much more fun and enriching.





Percentages reflect average across the financial year



Resident's Voice

Meet our resident from Halpin House

Debora and her new LHA friends! "I share my room with 3 other girls from different parts of the world. We have a lot of fun together and have become great friends. Now we go out together when we are free, and we also like to cook and share with our friend's dishes from our countries. It's comfortable and convenient in this accommodation, and we can find a lot of shops nearby and two underground stops."

Halpin House

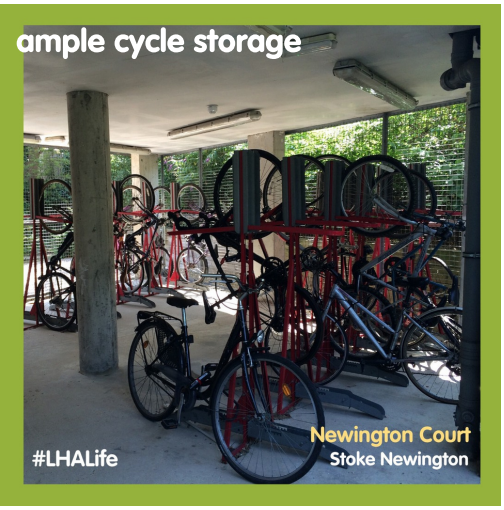
Residents' Well-being















Services provided on an inclusive charge basis

- Senior hostel staff and volunteers who live on-site are always available to offer help and assistance. Health and Safety is paramount to the organisation.
- In our catered sites, we provide breakfast and three-course evening meal
- High-speed fibre-optic wi-fi connectivity with 100% coverage in all rooms and communal areas
- Bed linen and room cleaning
- Resident contents insurance including laptop cover
- LHA Rewards loyalty scheme to provide an incentive for 18-29 year olds rewarding long stay
- Communal washroom and kitchen cleaning
- Free membership of LHA gyms where available
- All utilities and council tax
- Comprehensive maintenance service
- Communal room with TV facility

Keeping our Residents Safe Through a Global Pandemic





LHA continued to successfully operate its Covid-19 Safe and Secure protocol throughout the pandemic. Having around 1,000 residents and staff continuing to reside in the buildings throughout the year, we believe the extremely low number of residents testing positive was a reflection of the LHA safe and secure protocol.

As a precaution, to respond to a single positive result, we always introduced self-isolation in affected areas of the buildings.

Meal provision was available at those catered sites remaining open. We also supported our vulnerable residents with bespoke packages of support, ranging from shopping to one2one well-being sessions.

LHA carefully considered the financial well-being of its residents by introducing a range of fee deferral and discounts to suit the individual's circumstances. Following government guidelines and LHA's safe and secure system all residents were moved from shared to single rooms without financial penalty.

LHA was also able to expand its social impact by providing emergency accommodation at two of its sites. The initiative provided 92 single rooms for Glass Door, the Central London charity.

Many of our residents were employed in the low-paid hospitality, catering and leisure sector and had been furloughed. We received excellent feedback from residents at all sites for our compassion and organisation.

Our staff and volunteers worked tirelessly to protect our residents throughout these challenging times.



Residents' Voice

"The quarantine experience here was really well managed "

Torquay House Resident

"LHA London is truly an amazing company! It really looks after its residents in terms of health and safety. I was so happy to be offered a studio flat at Torquay House during the Lockdown."

Torquay House Resident

"LHA helped me a lot in the COVID 19 pandemic. Thank you!"

Belvedere House Resident

Strategic Plan

Statement of Principal Activities

LHA provides affordable accommodation for young working people and students living in Central London. LHA operates 14 London hostels providing nearly 2000 bed spaces. LHA provides accommodation in the boroughs of Westminster, Kensington and Chelsea, Camden, Southwark, Tower Hamlets, Hounslow and Islington. A structure of 70 paid staff and over 170 volunteers provide support services.

Our Vision (What are we seeking to achieve?)

To be a leading provider in the charity sector of secure, low-cost accommodation in London.

Our Mission (What do we need to do to deliver the vision?)

In order to achieve our vision, we will expand our offering by acquiring, developing, maintaining and managing secure, low-cost hostel accommodation. The accommodation will provide a diverse choice of living arrangements that meet the reasonable expectations of young people with limited means that wish to work or study in London.

Strategic Plan

LHA's strategic objectives and vision are by 2027 to own and manage secure, diverse, good quality and affordable accommodation of more than 1000 additional beds, to reach our target of 3000 beds. The Trustees held their annual Trustee Strategy Day in November 2020 to consider implementing an appropriate 5-year plan. The outputs of the Away Day included: commissioning a review of the existing property portfolio, introduce a mechanism for the measurement and improvement of social impact, a review of the housing needs for London and a comprehensive review of the needs of young people of limited means.

We offer accommodation services which provide a stepping stone to enable young people to advance their careers and education, whilst meeting the reasonable needs and enhancing the well-being of residents. In addition, LHA will develop a concept providing even more affordable accommodation for less well-off beneficiaries, possibly outside zone 1 and 2 but within the M25.

The minimum standards will be defined by research carried out by the Social Policy Committee - a committee of the main Board - and the search for suitable properties will be coordinated by the Property Oversight and Projects Committee to ensure that the appropriate technical considerations are taken into account.



Our performance is based on:

- Provision of quality, affordable accommodation for over 1700 residents and volunteers
- Keeping our accommodation well-maintained
- Providing high standards of services and facilities
- Achieving consistently high levels of customer satisfaction
- Being in sound financial health with a history of strong financial management and planning
- Having an impressive set of performance indicators
- Commitment to placing diversity at the heart of our organisation

Aims and Objectives for 2020/21

During the coming year we will progress two major initiatives to increase our bed numbers.



The purchase of a 40 room hotel in West London with a view to demolish and build a new, nine-storey 107-bed single, en-suite hostel. Planning has progressed throughout the year with a target date for planning determination in early 2021.



We have been keen to explore the maximization of space within current sites. To that end, we have worked on a scheme to build on available roof space using light-weight construction methods. We are currently in early stages of negotiations to provide additional space at our Southwark site.



We will continue to complete our major internal refurbishment at Halpin House during the early part of 2021.



Resident's Voice

Excellent Place For Mid-Long Term Living

"I stayed at Railton for almost 8 months. Excellent location, very clean bathrooms, toilets and kitchens, a couple of minutes walking distance to shops, Hyde park and underground. Volunteers and the management team are very hospitable and nice. Thank you Alcina, Laura and Isabel for helping me move to the Railton that I am really happy about it, thank you all for everything.

I recommend this place not only for students , young people but also for professionals. Thanks."

Ugar - Railton House

Aims and Objectives for 2020/21

We continue to work through the year on a major upgrade to our front of house, CRM and booking system. Full testing will be completed in early 2021.



In 2021 we aim to work with Glass Door homeless charity to provide over 90 beds for the homeless in London. The catered site will provide meals and single room accommodation with dedicated Glass Door support staff on site 24/7

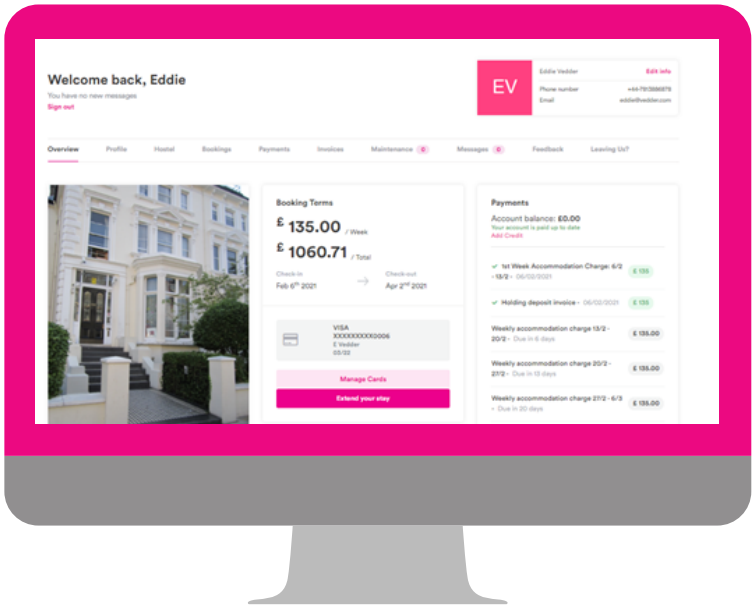
We have introduced and maintained our LHA Coronavirus Safe and Secure protocol to protect residents and staff. We have continued to monitor Government guidelines and ensure compliance with the ever-changing requirements. We will continue to ensure this is in place as we move through 2021





We will have completed a full external repair and redecoration at our Victoria SW1 hostel, Holland House

Aims and Objectives for 2021



New Booking System

We have continued development of our new booking system throughout 2020. Developers Coherent have now completed the majority of the work and we are in the final stages of testing ahead of integrating into the website. The as-yet unnamed system will revolutionise the user experience for both our residents and our hostel teams. Key improvements include:

- Residents will be able to search locations and real-time availability with refined search options available.
- Residents will be able to book and pay online or join a waiting list if availability is limited.
- Availability will be updated in real-time across all booking channels.
- Residents will be asked to complete an online induction process ahead of their stay, ensuring not only are they properly equipped with all the information they need to move in, but also allowing us to communicate and track key health and safety due diligence information.
- We will move to recurring card payments for the payment of accommodation charges, hugely reducing the time spent processing payments and reducing our late payers' liability.
- Residents will have access to their customer portal for the duration of their stay, giving them a full overview of their booking and payment history, the ability to amend their booking and report maintenance issues.

Much of the communication will be automated with the system able to send automated, booking confirmations, arrival surveys and various other reminders, giving our site teams more time to focus on customer-service excellence. The booking system will also provide significant improvements to the organisation's business intelligence, allowing us to quickly analyse trends and respond accordingly. We expect to be in a position to launch the new system in spring/summer 2021.



Volunteer's Voice

What brought you to London?

To have a new experience, improve my English and meet new people.

What do you like best about being a volunteer?

It gives you the opportunity to live in the centre of London.

What has it taught you / experience gained?

It certainly helps you to communicate in a language that is not your own.

Advice you'd give to any young person thinking of coming to London to work or study and volunteer at LHA?

Take it easy. Maybe at first it takes a bit of time to adapt but you'll soon realise the great opportunities that London living can offer.

Ezequiel, 23

Property Oversight and Projects Committee Statement

2019/20



Sue Johnson
Chair of Property Oversight and Projects Committee

The Property Oversight and Projects Committee is responsible for supporting the acquisition and development of new property for the charity, along with the refurbishment, upgrading and maintenance of LHA's substantial existing property portfolio.

We have made several important moves during 2020 to support our charitable ambition to acquire new sites and to increase the number, affordability and range of facilities on offer to our residents. In the final months of 2019, LHA purchased a new site in Hounslow. During 2020 a design has been developed and submitted for planning permission.

We plan to construct an exciting contemporary building with 107 highly affordable modern en-suite rooms and wide-ranging communal facilities; we hope to receive planning consent early in 2021. We are also pursuing the provision of "air space" development to construct additional accommodation at roof level on existing non-listed properties. In both these cases, positive engagement with the local planning authorities have yielded productive dialogue.



HOUNSLOW

We commenced a comprehensive and wide-ranging review of our sustainability ambitions, principles and strategy during the last year. With the help of external consultants, 4 key areas of ambition have been identified:

- Enhancing the performance of our properties
- Empowering our people teams and neighbourhoods
- Maximizing potential by building resilience
- Increasing impact through collaboration.

Two-year and five-year plans are under development to achieve real tangible targets in each area.

Refurbishment and modernisation plans for the existing building portfolio have inevitably been constrained by the practical and financial challenges of the Covid crisis in 2020. Nevertheless, we have invested almost £0.75 million on a comprehensive internal upgrade to rooms and bathrooms at Halpin House and deemed it prudent to progress planned major external repairs and redecorations at Holland House. These projects ensure that our property assets continue to be well maintained and to offer good quality, up-to-date accommodation.

Finance, Audit & Risk Committee Statement 2019/20



Alexandra Whiston-Dew
Chair of Finance, Audit & Risk Committee

The Finance, Audit and Risk Committee ("FAR Com") was established in February 2020. The LHA Board of Trustees ("Board") decided that the inclusion of Finance as a subject for a subcommittee along with Audit and Risk would support the Board's effective oversight and governance of these matters creating a forum for in-depth examination of these matters.

The FAR Com Terms of Reference have been established and set out clear parameters, responsibilities and reporting lines for the FAR Com. This year, the FAR Com have had to tackle exceptional challenges with respect to both Covid-19 and Brexit and have been pleased to report that the Executive team, staff and volunteers have maintained good governance despite the health and safety, cash-flow and operational challenges inherent in dealing with these unique circumstances.

Finance:

The accounts are reviewed in detail at the FAR Com in meetings that are scheduled to coincide with pertinent points in the financial year. Any questions or concerns are answered by the organisation's FD in the meetings. The FAR Com and the Board remain confident in the FD's management of the organisation's accounts and cash-flow, despite the challenges of this year. A carefully considered change in investment policy has led to the investment of cash assets, which has required an examination of long-term investment strategies and appropriate ethical investment policies. The FAR Com is confident that these new arrangements are in the best interests of the organisation and the residents.

The organisation's pension scheme continues to be run with careful oversight by the Executive, the Board and Pension Trustees and actuaries. Special thanks is given to Peter Frackiewicz, member of the FAR Com and Board, for lending his experience and expertise to a deeper oversight of the pension scheme.

A focus of the FAR Com which will carry through to next year will be the establishment of a longer term strategic plan with respect to the financing of the organisation's projects.



Volunteer's Voice

What brought you to London?

I have always loved this city and decided to come here to have a new experience in my life, explore a new culture and improve my English – which is almost the universal language!

What do you like best about being a volunteer?

Being part of a community. Eventually, you develop a sense of belonging.

What has it taught you / experience gained?

I've learnt new skills and gained new experiences such as how to become independent in another country and in a professional environment.

Iberia, 27

Finance, Audit & Risk Committee Statement continued

2019/20

Audit:
The organisation continues to refine its audit policies and procedures ensuring that the appropriate third-party professional advisers are engaged. I would like to thank both the staff, Executive and the Board for their continued commitment to ensuring proper governance and oversight.

Risk:
The FAR Com adopted the comprehensive risk analysis tools deployed by the previous Risk Committee. Changes have been made to the identification and measurement of risk with a stronger emphasis on risks and mitigation strategies identified by the Executive (who have a deeper knowledge of the organisation). Trustees remain forensic in their assessment of risk and oversight of the measures put in place to mitigate against risk.

Health and Safety:
Health and Safety has always been a foremost concern for the Board, but in this global pandemic, the focus has taken on a new resonance. The CEO has devised, implemented and communicated measures in connection with Covid-19 to great effect ensuring that staff, volunteers and residents remain as safe as possible. Communication with the Board has been exemplary often with the CEO reporting developments in real time so that the appropriate level of attention and urgency is apportioned to the safety and health of staff, beneficiaries and volunteers.

I would like to thank CEO and FD for their excellent work throughout the period and my fellow Trustees for their time, commitment and guidance in such difficult circumstances.



Volunteer's Voice

What brought you to London?
I came to London because I consider it to be the 'city of opportunities' – you can become whatever you want.

What do you like best about being a volunteer?
I have the opportunity to grow personally and become independent. This is very important for a young person who wants to experience a 'new world'.

Advice you'd give to any young person thinking of coming to London to work or study and volunteer at LHA?
Every young person should volunteer at LHA London at least once in their lifetime. If you want to study, learn a new language or save some money – LHA London is the answer.

Giuseppe, 23

People Committee Statement

2019/20



Ali Mohammed
Chair of People Committee

The People Committee determines, on behalf of the Board, the Charity's policy on the remuneration of all employees and senior executives. It sets the annual level of remuneration of all employees.

The People Committee is also consulted on the remuneration policy for hostel and head office staff.

To ensure that LHA's remuneration practices are market competitive, the People Committee annually calls on the Senior Executive Team for market assessments. The People Committee receives regular updates on the volunteer scheme and evaluates the impact of the post-Brexit implications.

The arrival of the qualified HR manager in November 2019 has enhanced the Charity's onboarding process with comprehensive one-to-one and online induction training. A new HR software system has also provided more detailed reporting.

A regular employee/volunteer drop-in session has been introduced to provide all employees with a one-one with the HR department on a regular basis. Direct access to the CEO is available 24/7 by using the asktony@ email address. Our employee engagement survey shows 92% of our employees would 'go the extra mile for LHA'.

The pandemic has presented significant demands on the teams. LHA's safe and secure protocol is in place and an Covid-19 update and impact report is received by both the People Committee and Board on a regular basis. On 13th March 2020, the central administrative function was switched to remote working and has followed Government guidelines throughout the pandemic. Our employees' mental health is taken seriously and constant feedback and contact is maintained between remote staff and line manager.



Volunteer's Voice

What brought you to London?

Sometimes you know when it's time to move on. When my company decided not to renew my contract (because of Covid-19), I realised that it was the right time to leave my country.

What do you like best about being a volunteer?

Being a volunteer gives me the opportunity to do something good for me and for others at the same time. One day I hope to work for LHA London full time.

Advice you'd give to any young person thinking of coming to London to work or study and volunteer at LHA?

Yes, pack your suitcases! We are waiting for you!

Matteo, 28

Social Policy Committee Statement

2019/20



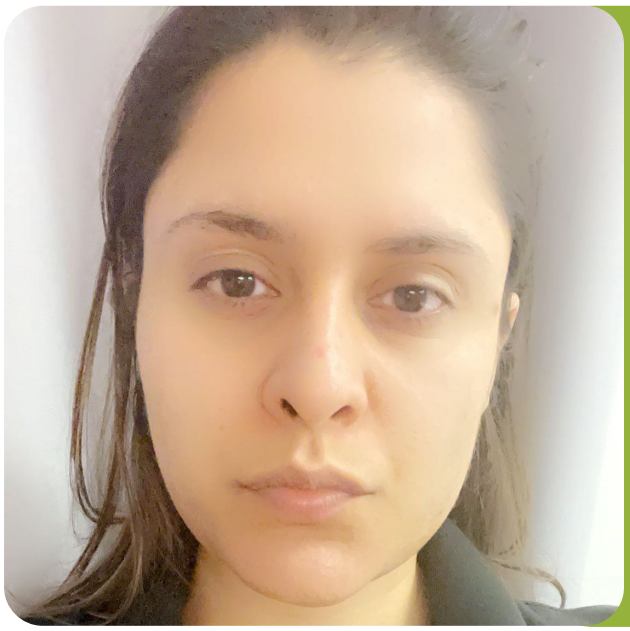
Alec McTavish
Chair of Social Policy Committee

The primary aim of the Social Policy Committee is to understand the housing needs of young people with limited means who wish to live in London, and to determine the best way to meet these housing needs through the provision of affordable and appropriate accommodation.

The past year has been particularly challenging as a consequence of the effect of Covid19. A number of our residents who are citizens of other countries returned to their homelands. We have, however, continued to serve the residential needs of young people throughout the year. To meet Government requirements on social distancing, we have ceased to offer shared rooms and instead accommodated each of our residents in a room of their own. This has reduced the total number of residents we are able to accommodate.

The Social Policy Committee has continued to support other housing charities in London through a grants programme. In 2019/20 we awarded £187,487 in grants to 11 housing charities. In addition to this and recognition of the significant impact of Covid19, we awarded additional financial support to these housing charities totalling £116,000.

Members of the Social Policy Committee are immensely grateful for the creative, flexible and timely way all of our staff have responded to the challenges presented by Covid and the effects of Brexit. They have enabled LHA to continue to meet the housing needs of young people in London.



Volunteer's Voice

What brought you to London?

I came to London to complete my masters degree at Glasgow Caledonian University. Upon completion of my degree, I decided to stay and settle in London.

What do you like best about being a volunteer?

I support the team at Davies Court with housekeeping duties, so majority of the tasks involve making sure guests feel welcome and facilities are maintained to a high standard.

What do you like best about being a volunteer?

I love the location. I love meeting residents and other volunteers too. I am very grateful for the flexibility that it provides, I am able to offer my 20 hours to support LHA but at the same time maintain a part-time job which unfortunately has been impacted due to COVID.

Sonia

LHA Fund and Communities

LA does not make use of direct fund-raisers and does not undertake fundraising activities. There is therefore no requirement to register with the Fundraising Regulator but the charity is aware of the regulations and will register if this becomes necessary in the future.

We are committed to supporting London charities with similar objectives. During the year we made grants totaling £336,953.

LHA also granted £116,000 in emergency funds due to Covid-19 impact on the charities we support.

Since its implementation, the LHA fund has gone from strength to strength and has increased in size over the years. Successful recipients of the Fund are listed below together with intended recipients for the 2020/21 funding round.

Current 2019-20 funding

- 240Project £20,000
- AKT £38,750
- C4WS £27,500
- CAYSH £28,000
- Evolve £10,000
- Glass Door £35,000
- New Horizon £30,000
- Project17 £12,500
- Refugees at Home £20,000
- Spires Centre £37,500
- St Mary le Bow £18,453
- Women and Girls Network £33,000
- Z2K £26,250

Proposed 2020-21 funding

- AKT £28,000
- new charity BEAM £29,000
- C4WS £30,000
- new charity Cardinal Hume £28,000
- Evolve £25,000
- Glass Door £20,000
- New Horizon £30,000
- Project17 £20,000
- Refugees at Home £16,000
- new charity Single Homeless Project £20,000
- Spires Centre £30,000
- St Mary le Bow £14,000
- Women and Girls Network £25,000
- new charity Whitechapel Mission £10,000
- Z2K £25,000

LHA Fund - a Selection of Case Studies 2019-20

HOMELESS PROJECT

Krys & Caitlin have taken part in the C4WS Mentoring and Befriending Scheme and here Caitlin shares some of her thoughts on their meet-ups. Krys was a guest of the C4WS Winter Night Shelter in 2018/19 and since leaving has secured a role at Ted Baker, one of our corporate supporters and is a values member of our Steering Group, who meet 6 times year to inform our work and help bring new ideas to the table so that we can continue to support the most vulnerable in our society.

"Krys and I both grew up in North London and quickly realised we shared not only geography, but a mutual interest in films, good food and exploring London's sights.

Before Sam paired us up, Krys had just secured his first job in Ted Baker's IT department through C4WS's Jobs Club and was excited to start. It quickly became clear that Krys was an incredibly bright and hard-working individual. Once Krys suggested we go visit the British Library where he talked me through the Leonardo da Vinci exhibition. He has also explained the entire inner workings of a computer and taken me through his impressive photography projects.

He even came to one of our meetings equipped with work phone and laptop, on call for Ted Baker. Krys's placement was going so well at Ted, he was offered a permanent position, plus funding to study IT at college.
We rented bikes to cycle through Regent's Park, and enjoyed deciding on the best burger in town from Dalston to London Bridge.
We spoke about settling into the new world of work, budgeting and navigating his new shared accommodation and life with housemates. He came to every meeting with a smile and was always up-beat with a funny story to tell and we had some great times getting to know each other. Krys and I extended our original placement by a further 6 months. We have also stayed in contact during lockdown and look forward to our chats and seeing where his wealth of knowledge, determination and resilience take him."

GLASSDOOR

Jasmin* moved to the UK in 2007 to pursue an internship and then got a job in London as a fashion designer.
She was sexually assaulted at work early last year and then lost her job.
"I felt violated and forced out of the company. It hit me hard. It also affected my mental health. Suddenly without an income, I quickly used up all my savings and then applied for universal credit. I could no longer afford my flat, so the council helped me find another property. At first I was so grateful. But when I arrived, I saw that the flat was unfinished. There was no electricity and maintenance people were coming in and out at all times of the day and night. The ceiling fell through in the bathroom and I discovered that the landlord had never had the right planning permission in the first place."
Jasmin's frustrations when she tried to complain about the property only grew: "I was told that it was easier to get rid of me than a landlord with a lot of properties. I felt powerless." she says.

"I had £1.50, the last bit of money on my Oyster card. I spent it to visit the partner drop-in at Chelsea Methodist Church to speak to a Glass Door caseworker."

Jasmin met with caseworker Michelle last summer. Michelle ensured she applied for and subsequently received "EU settled status" so that she would retain her right to support after the UK leaves the EU. Michelle also connected her to LawStop to prevent her from being unlawfully evicted.
"I was so relieved after that. But because he couldn't evict me, my landlord instead threatened to increase the rent to a level I could not afford. Thanks to Michelle's connection to the Public Interest Law Centre, this was also ruled unlawful and I am still in the flat now. Michelle has a gift. She is so patient and calm and gave me the reassurance and emotional support I needed during such a difficult time. She gave me courage."

Jasmin has spent lockdown volunteering at her local community centre and using her design skills to make masks for a hospital.
"I feel like my creativity is gradually coming back. I've been working on some design projects as well. But unfortunately my housing situation is still far from ideal. My new housemate has problems of her own and the police have been round to the flat eight times due to her substance misuse. If your home isn't safe, it impacts everything. I know things will get better when I find a safe place to live. I never thought all these things would happen to me. I used to enjoy running in Holland Park and oversaw a whole design team in a job I loved. Not only would I be homeless without Glass Door, but I would have lost my mind. Mental health can really pull you down. And when you're down, it is so hard to get back up again."

Abeo* is a 32 year old man who came to the UK as a refugee. He approached Z2K for advice on Universal Credit, but their Client Support Caseworker identified that he had a number of other needs – he had been a victim of torture and has health problems – so Z2K helped him apply for Personal Independence Payment.

His caseworker also helped him have a Council Tax Support application backdated as he had received a summons for non-payment despite being entitled to full Council Tax Support on account of his low income. Abeo made a homeless application and was placed in temporary accommodation, but he had very few belongings so Z2K's Support Caseworker applied for a hardship fund to provide him with basics like a kettle, a microwave, and some bedding. He found this particularly helpful, saying: "Providing me with the microwave was actually quite key. I do remember them every time I use the microwave. These are little things that you know sometimes can be taken for granted but they do go a long way."

The process of making a homeless application is confusing and difficult, so throughout he has had support from 2K's Tenants Voice Officer, explaining each stage along the way – in the end the council accepted a duty to house him, and he is now waiting for a place to become available.
Getting information was something he really appreciated: "sometimes it seems like murky waters because you don't really know what's available, and they've just been able to provide you with the means of getting the right information."

Abeo wanted to support Z2K's campaigning work, and so he got involved in the client voice project #LifeAfterLockdown, recording audio clips of himself and his experiences. He found the project "inspiring" and will continue to be involved in future.

Abeo has hopes to start his own business and has now been accepted onto the New Enterprise Allowance Scheme with the DWP. This scheme provides start-up costs to help Abeo establish his business before he can begin trading. Abeo was also really pleased to receive a new laptop funded by LHA London Ltd, he could not afford to buy a laptop himself but this will be integral to him to establish his business. Having received the laptop, Abeo said: "This is so amazing, I am extremely grateful. I have had a terrible year, you don't know how much this means to me."

Although Lashana* fell on difficult times, she was determined to overcome the challenges set before her.

Whilst living at Evolve's Crystal Palace hostel known as "The Fitze," Lashana took on part-time work at Legacy Youth Zone to further develop her skills. Legacy Youth Zone provides a safe place for young people in Croydon to advance their interests in areas such as sports, music recording, and video and art creation.

Her support worker was able to refer her to Croydon Council's 'Fast Track' programme as a result of Lashana's employment. Before long, she was allocated a one-bed housing association property.

However, also as a result of her job, Lashana now received reduced housing benefit payments and a lower Universal Credit allowance. Even with her commitment to strict budgeting, it would be impossible for her to pay both a deposit and first month's rent in advance, solely based on the money that she was earning. And so she would ultimately lose her housing placement.

The LHA Move-On Bursary helped her break past that barrier to seize the opportunity for permanent housing. With her deposit and first month's rent paid, the immense pressure she was under to find a home gave way to a path of continued personal and professional development. In other words: a life of independence.
This also meant that any savings Lashana accrued, she could spend on furniture for her flat, as this was another hurdle to surmount. Her new home was an unfurnished property. Something as basic but vital as a bed and fridge, she would have to buy herself.

Following Lashana's successful move into her new home, she was able to continue to pursue her dreams. She began volunteering as an ambassador for the Croydon Mayor, which is a new source of inspiration for her future. Her dream is to secure a role in Parliament in order to help others achieve their own potential.

*Names have been changed to protect identities

Tia* 25, initially made contact with W&GN in via their new online chat facility, which they were able to develop and launch thanks to the grant from LHA London. Tia needed support to access safe accommodation, she had no credit on her phone to call anyone but was able to connect to free WiFi and so was able to reach out for support via the chat. Tia then shared with the Caseworker who was (wo)manning the chat that she has fled three days ago from the home where she was living with her partner, following an incident where he physically assaulted her. Tia had been with her partner since she was 16 years old and he had been physically and emotionally abusive towards her throughout their relationship.

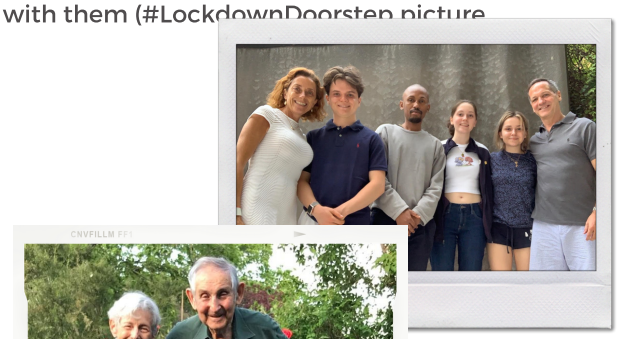
Tia had approached Lambeth Local Authority housing department (where she lived) for support, they told her she was not eligible for support as she is a single woman with no priority needs. Tia had stayed at a friend's house the first night and slept on the streets the past two nights. The caseworker carried a refuge search out, however unfortunately there were no suitable refuge spaces available that night.

With Tia's consent, WGN's caseworker then contacted Lambeth housing department and advocated on Tia's behalf requesting that Lambeth housing act on their duty to provide Tia with emergency safe accommodation as she was fleeing violence. WGN's caseworker was able to ensure Lambeth housing provide Tia with emergency accommodation for the following few nights until a refuge space could be secured.

Thanks to the LHA emergency fund dedicated to supporting young women and girls who are fleeing their homes, WGN was able to cover Tia's cost of travel to the emergency accommodation as well as top up of minutes for her phone, so she was able to communicate with the out-of-hours housing officer. WGN's worker then supported Tia to reconnect with a local support service that she was receiving support from in the past, and have supported this service to support Tia into a refuge accommodation, where she was then able to access ongoing support in a safe environment and start her journey towards recovery.

H is a refused asylum-seeker from Sierra Leone who has had a particularly rough time. He was referred to Refugees At Home by the Refugee Council. He was then quite poorly and had been street homeless and living in a tent for about eight months. He hates being moved around between hosts and much hosting may involve that. So Refugees at Home had placed him with a host early 2020 and it lasted successfully for a couple of months. Unfortunately Covid-19 struck. His hosts had to shield so he needed to move.

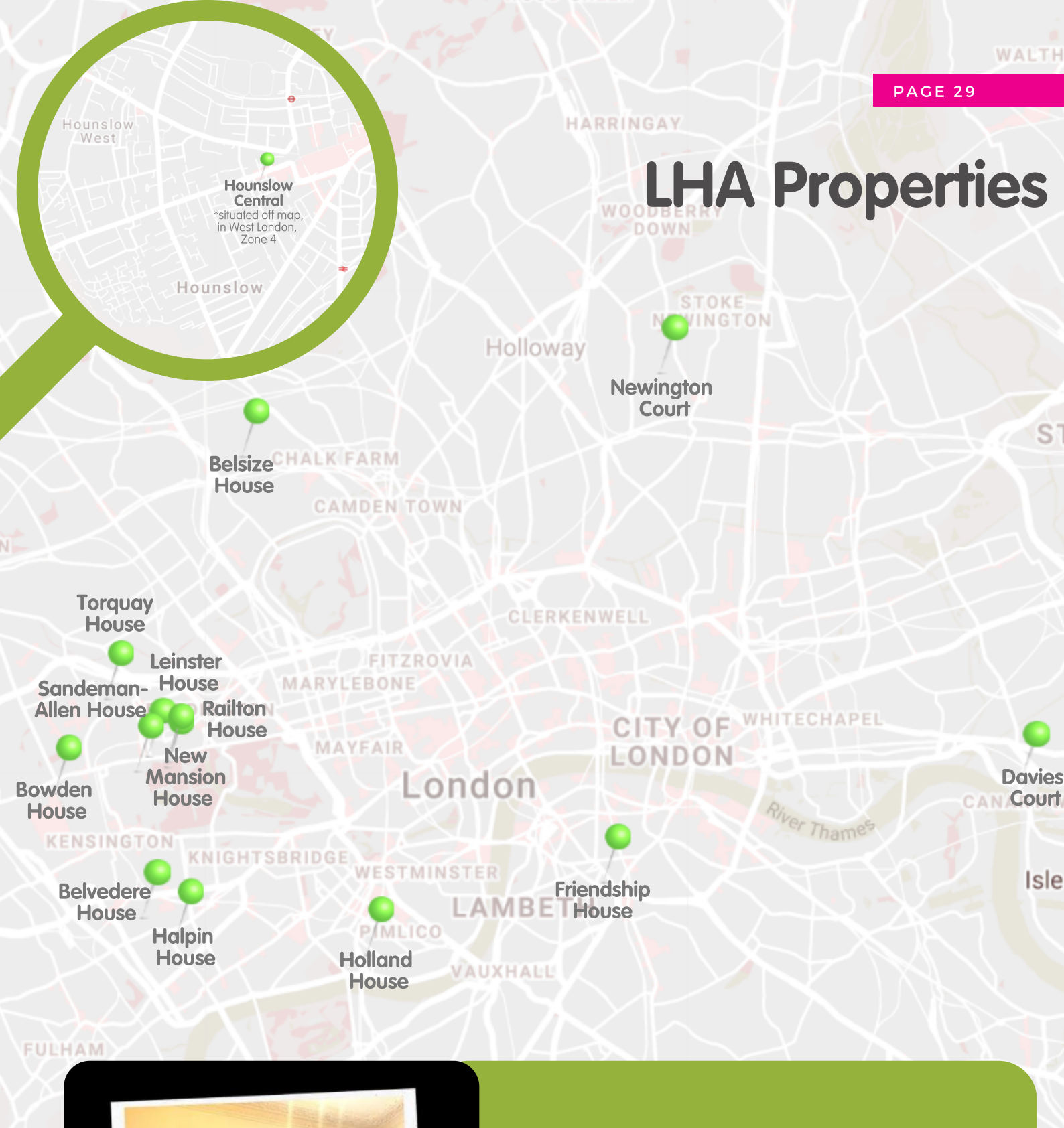
H was found another placement but he didn't show up. He didn't like moving so thought he had decided not to go. Though it turned out that he had been seriously assaulted on his way to the new host – and so badly as to end up in hospital for some time, by then the UK was in lockdown. The Refugee Council got him into one of the emergency hostel placements. He hated it and it was bad for his mental and physical health. Amazingly – in peak lockdown – the hosts who had previously agreed to host him, said yes again. He arrived mid-May without incident and self-isolated for two weeks there. Now the host family is trying to find him educational opportunities while he stays with them (#LockdownDoorstep picture



Tade is an Ethiopian refugee and one of Refugee at Homes star guests. Tade appeared on "A House through Time" recently. He was hosted in Bristol by the current owners in 2018 and through him the house, built by slave-owners and transporters, which had once had an African slave living in it, was eventually redeemed. Now he and his wife, who arrived earlier this year on a family reunification visa, live with Shula and Isaac Marks in South London. Tade goes to university, his wife studies English and their presence in their hosts' large home has helped the Marks – an elderly couple also descended from refugees – get through lockdown pretty comfortably. The story of the placement was told recently in a HuffPost blog. (#LockdownDoorstep Picture)

*Names have been changed to protect identities

LHA Properties





LHA Family

Sharing a room not only helps save the pennies but it also creates great friendships such as that of Abdi and Sam. They moved into the same room at one of the hostels many months ago and have enjoyed experiencing London together. They enjoy cycling in Hyde Park, going to the gym and are planning are holiday together.

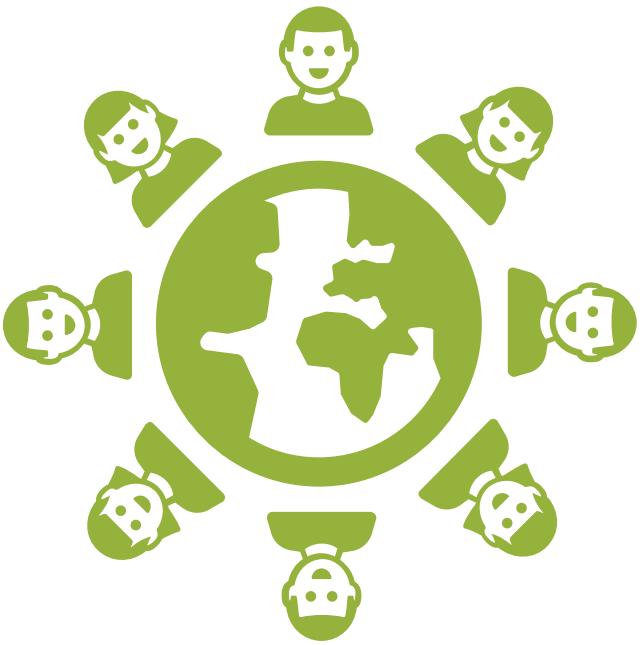
Our Equality, Diversity and Inclusion Statement



At LHA London we are committed to supporting and promoting Equality, Diversity and Inclusion. This has long been our approach and we aim to ensure it continues to be embraced by our staff and Management team and informs and shapes our business activities and the impact on our residents, employees and other stakeholders.

We aim to:

- Prevent discrimination of all sorts including indirect discrimination and unconscious bias, eliminate prejudice, promote inclusion and embrace and celebrate diversity within our organisation and within our wider community through awareness, review and continual learning.
- Treat people equally and fairly in our dealings, respecting and embracing diversity.
- Recruit and promote people fairly, while proactively ensuring equal access to job opportunities as well as professional and personal development for existing staff.
- Actively listen and learn about the needs of our residents to ensure that our services are suitable and accessible.



In 2021, we will develop our Equality, Diversity and Inclusion Strategy to:

- Ensure that our Board, senior staff team employees and volunteers understand their responsibilities in relation to Equality, Diversity and Inclusion and are accountable for embedding our approach throughout our business activities.
- Promote equality through all of our activities.
- Proactively comply with all legal and regulatory requirements which apply to the protected characteristics of race, religion or belief, sex, gender reassignment, marriage and civil partnership, pregnancy and maternity, sexual orientation, disability and age.
- Ensure our LHA Fund recipients, consultants and contractors echo our approach and can demonstrate their commitment to delivering and embracing our Equality, Diversity and Inclusion principles.
- Proactively encourage our residents and other stake holders to participate in reviewing our services and in so doing helping us to shape the Charity to meet the various needs of our residents.
- Continue to engender and promote inclusion and community cohesion in our local area through our proactive activities, such as those undertaken by the LHA Fund and our wider partnership working.

Sustainability Report



We have previously reported on our approach to sustainability, specifically how we sustainably manage materials, supply chain, and our human resources. But we know there is more we can do and that there are more opportunities to leverage.

Therefore, in 2020 we initiated a project to review and focus our sustainability efforts into a coordinated strategy. This project has been looking at a broader set of responsibilities and opportunities, such as investing in our people, good sourcing practices, managing the impact of social change, and improving the energy & environmental management of our properties.

We have been working with the sustainability consultancy, Brite Green, over the last quarter of 2020. We have reviewed our current sustainability performance, identified our opportunities, and developed a robust 5-year sustainability framework. The intended outcome is to have a deliverable strategy that directs us on finding opportunities in how we manage our hostels, unlock the potential of our people, build a resilient organisation, and maximise our charitable impact.

The timing of this investigation is very apt; we are also undergoing a broader strategic review of our property portfolio, social impact, the Fund, and the management of our people and volunteers. Our sustainability strategy dove-tails into this review.

Next steps

We have developed the framework for a 5-year strategy with 4 strategic pillars that will be the core of how we deliver our sustainability strategy. These strategic pillars are:

1. Taking pride in every hostel - Enhancing the facilities, performance and value of our properties
2. Empowering our people, teams, & neighborhoods - Unlocking the potential of our people
3. Maximizing our potential - Building a resilient organization
4. Increasing impact through collaboration - Maximising our charitable impact

Once the broader organisational strategic review has been completed, we will work to align the 5-year sustainability strategy with the objects of LHA London. Within each of the 4 pillars listed above, a set of priority projects and actions, 1- and 5-year targets, and next steps will be mapped out.

In addition, we will review our current policies (e.g. environment policy, diversity policy) and align them to the new sustainability strategy.

We look forward to launching the new, exciting 5-year sustainability strategy in the Spring of 2021.

Volunteers

Volunteers are a big part of the success of LHA London and we greatly value the contributions they make.

Becoming a volunteer at LHA opens the doors to gain experience and develop new skills whilst giving back to help the charitable aims of LHA.

All volunteers can help make a positive impact on the experience of the young people staying with us, from giving the best possible service upon check-in, to dealing with customer enquiries, to helping the chefs serve delicious meals.

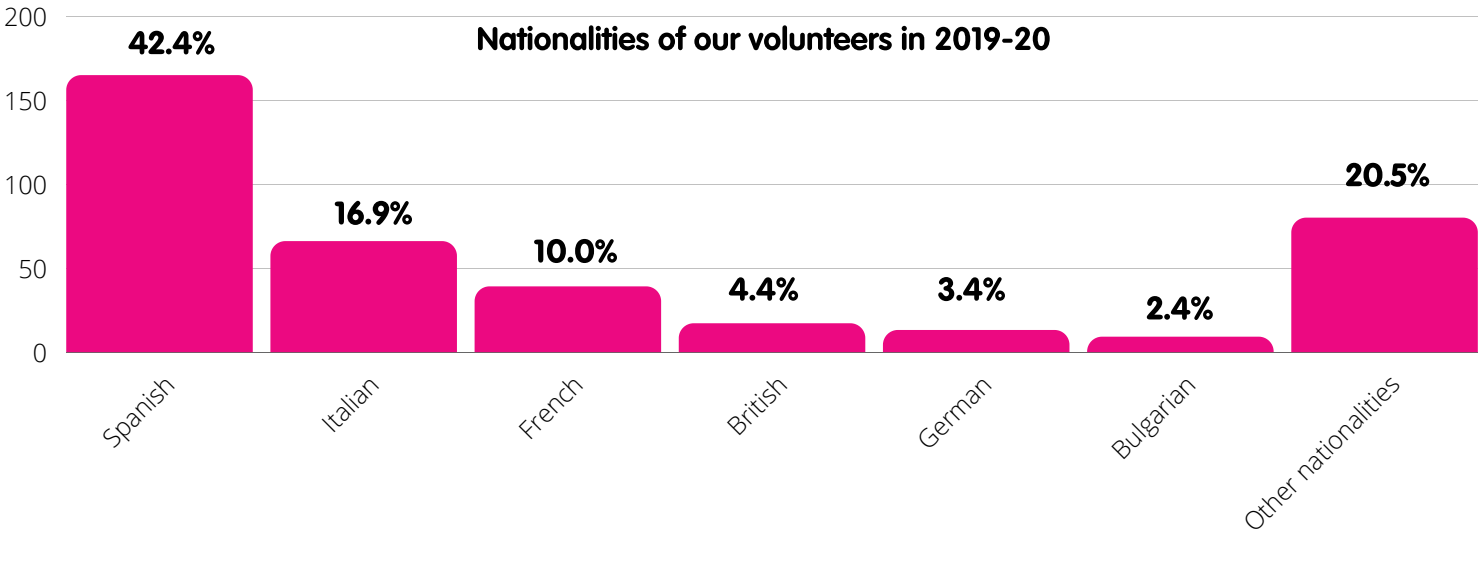
Volunteers at LHA can not only improve their English and gain valuable training, they'll also make some amazing friends along the way. Plus, the experience will look great on their CV. It's a win-win for anyone starting their new London adventure.

We recommend our volunteers give us a minimum of 20 hours a week to make the most of their volunteering experience and they can then stay with us for free in shared accommodation with other friendly volunteers.

Volunteering can be done at any one of our accommodations where volunteers get the opportunity to make friends and contacts within the LHA community. They experience all the same flexible living benefits that our residents do and they also get their food included.

The types of duties which form part of a volunteer's role will vary by property and can change from day to day but will usually involve the following:

- Volunteers in catered properties help set up, serve, clear away at meal times – breakfast, evening meals and lunch at weekends. Keep the kitchen, dining room and other catering areas clean. This includes washing up, cleaning of appliances and operating the dishwasher.
- Help the Cook in basic food preparation, put away deliveries and keep the kitchen and cooking utensils clean and tidy.
- Everyday general cleaning and portering duties covering all areas to include the cleaning of showers, toilets, bedrooms, public & communal areas, immediate external areas, kitchens and dining room.
- Occasional special cleaning, e.g. carpet cleaning, deep cleaning areas, oven cleaning, washing down walls, laundry, cleaning vents and inside of windows.
- Changing bed linen, counting and preparing laundry for collection.
- Office duties including check in/out, dealing with enquiries, taking bookings, responding to complaints, logging/reporting problems and maintenance issues.
- Night porter duties: offering basic office cover and contact for residents after office hours. Some cleaning duties may also be required.



Volunteers



Laura, 30 from France

What brought you to London?
When I first came to the UK, my aim was to stay for a short period of time. It has now been 10 years. I am living in this amazing, cosmopolitan city and I feel very lucky.

Why did you volunteer at LHA?
I was so determined to improve my English and make some new friends, LHA London's volunteer scheme helped me to achieve this whilst saving a lot of money.

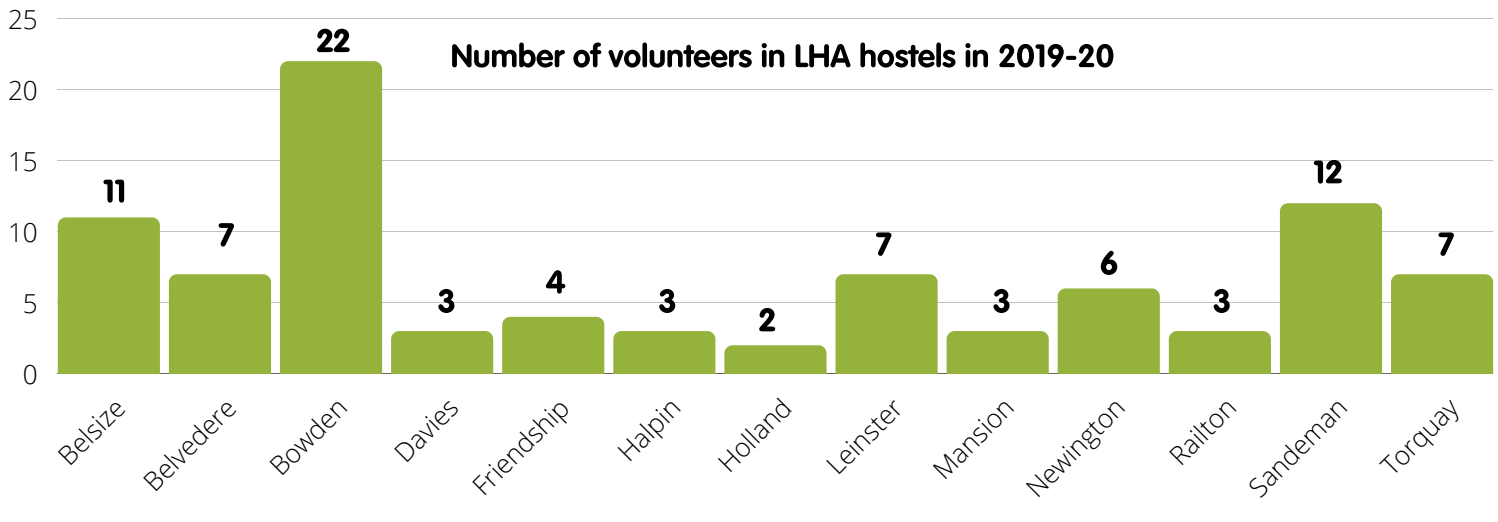
Describe a typical 'day in the life of a volunteer' at LHA?
I was working part time as a nanny (and offering homework help) whilst volunteering at LHA London (this enabled me to have a job during my spare time). In fact, I was only volunteering for 20 hours per week and they provided me with free laundry, meals and shared accommodation.
It's very helpful when you want to live in an expensive city like London. I could also use their gym (again free of charge).

Sharing a room was not always easy but it's a great opportunity to meet new people from all over the world and also learn about new culture. I also love travelling and it gave me the opportunity to experience and share in the cultures of others. With the other volunteers, we spent time together and created a little community on our own such as making dinner together, trying everyone else's food from our country of origin and learning each other's language which was fun.

We also explored the city and went to museums and theatres. We loved going to Camden Town, Shoreditch and markets such as Portobello Road Market, Camden Market, Borough Market and Brick Lane Market.

I learned a lot from volunteering at LHA which gave me the opportunity to climb the ladder during those years which I'm very grateful for. I'm now an Assistant Manager at one of LHA's hostels. I started as a volunteer cleaner for a couple of months and then as a volunteer receptionist. After that, as a paid staff member, as a supervisor and now as an Assistant Manager.

I really believe that volunteering can be for anyone. It is very rewarding. It's also a great way to meet new people, gain new or use existing skills and see the city whilst gaining valuable experience. So, if you are studying, want to improve your English, make some friends and discover
the city without ruining your pocket, LHA London volunteer scheme is made for you.



Trustees' Review and Strategic Report

The Trustees, who are also Directors of the Charity for the purpose of the Companies Act, submit their Annual Report with the Balance Sheet for the Company at 30th September 2020 and the Statement of Financial Activities for the year ending on that date, which were approved by the Board of Trustees on 23rd February 2021. The Charity is governed by its Memorandum and Articles of Association. The Charity is managed by Trustees who meet formally five times a year.

Trustees and Members

The Trustees who served during the year are named on pages 7 and 8 of this report. Additional or replacement Trustees are appointed by the remaining Trustees.

Insurance against Trustees and Officers liabilities in relation to the Charity was maintained during the year 2019/2020, as cited in the Memorandum and Articles of Association, Para 60 (1).

Strategic Report

The Charity achieved a surplus net incoming resources before transfers of £4,222,719 (2019; £7,053,223) approximately £2,900,000 under budget due to the impact of the global pandemic.

There was a spend of approximately £560,433 (2019; £517,322) on repairs and maintenance.

Donations of £336,953 (2019; £212,070) were paid during the year.

Investments

Barclays Wealth and HSBC are the managers of the Charity's investment portfolio. They reported that at the year end the Charity held investments at a valuation of £16,239,921 (2019; £1,341,362). During the year cash was moved into the investment portfolios with Barclays and HSBC, which showed as a large increase at the end of the year.

The Investment policy has been updated during the year with the following objectives:

The charity's assets should be invested and held in order to grow the value over time. As the charity does not rely on investment income for operational purposes, a total return approach (capital growth and income generation) can therefore be adopted for the investment portfolio.

The financial objective of the investment portfolio is to maintain the real value of the assets, at least in line with inflation, whilst generating a stable and sustainable return to grow the capital over the long term. The long-term target return set by the charity is at least the Bank of England base rate plus 5%.

Separately, cash deposits held by the charity are deemed shorter-term and are used to maintain liquidity. The split between longer-term capital growth investments and shorter-term cash investments will be reviewed by the Committee on a regular basis and will be adjusted according to the charity's requirements.

Investment decisions should aim to optimise the total return of the portfolio in line with the charity's risk appetite. The charity has defined this as moderate for purposes of their investment approach and has accepted a degree of risk to their capital. The charity is able to tolerate volatility of the capital value of the investment portfolio and has a long-term time horizon of over five years.

To minimise risk to an acceptable level, any assets invested should be held within a diversified portfolio which does not have excessive exposure to any specific sector or country. The committee expects that the volatility experienced by investment portfolios should be no more than two thirds of the volatility of global equities (in Sterling).

Trustees' Review and Strategic Report

It should be noted that there is no specified exposure limit at a sector or country level, however the Committee reserves the right to set this if they feel appropriate. Asset classes may include cash, fixed income/bonds, equities, property funds, hedge funds, commodities, and any other asset that is deemed suitable for the charity. The base currency of the investment portfolio is sterling, however investments may be made in non-sterling assets.

Withdrawals can be made from the investments as and when required by LHA to fund their charitable purposes and objectives, such as buying or refurbishing property. LHA also allows for the invested assets to be held as collateral against a lending facility.

Fixed Assets

There has been a continuation of refurbishment works at Bowden Court from the year before with completion of the boiler replacement works and refurbished rooms on the 2nd and 4th floor at a cost of £182,858. Work on the retaining wall at Bowden Court was carried out at a cost of £186,459.

The refurbishment of Halpin House has started towards the end of the financial year with £222,653 spent against of a total budget of nearly £800,000. This contract will be completed in 2021/22.

A number of works were completed at Sandeman-Allen having been started in the previous financial year. £109,581 was spent to complete the refurbishment works, KABA installation and lift works.

The refurbishment works will lead to all sites being upgraded with new room formats and improved washroom facilities.

Payment Policy

It is the policy of the Charity to pay creditors in accordance with contracted terms, normally within 30 days.

Results

The net movement in funds during the year was a surplus of £3,820,250 compared with the previous year's surplus of £40,757,191. This was after allowing for realised and unrealised gains on investments and the actuarial gain on the Charity's pension scheme, which was a gain of £823,531 and a loss of £1,226,000 respectively compared to the 2019 gains of £42,492 and gain of £24,000. In 2019 there was also a triennial evaluation of the LHA properties resulting in a gain of £33,637,476.

Reserves

At the 30th September 2020, Charitable Funds stood at £22,252,740 and Designated Funds at £242,139,441. Within Designated Funds there is a fixed asset reserve of £242,139,441 which represents the net book value of the fixed assets. All other reserves are available to maintain and develop the future work of the Charity and are considered adequate by the Trustees for these purposes.

LHA London Ltd has a defined benefit pension scheme managed by Aviva Insurance and had total assets of £10,016,000 as at 30th September 2020, compared to £10,344,000 in year 2019. The reserves in the profit and loss account of LHA Services Ltd, our subsidiary company, were £170,744 as at 30th September 2020 compared to £433,801 in year 2019.

As a Charity, LHA is obliged by the Charities Commission to set a policy on reserves and this establishes a level which is appropriate for LHA for the year. LHA's reserve policy is set to adequately support the continuation of the Charity's current activity and future capital expenditure. The Charity's aim is to monitor the reserves policy throughout the year through our budgetary process and to review the reserves policy to ensure it meets LHA's changing needs and circumstances.

Trustees' Review and Strategic Report

Our reserves policy is reviewed annually whilst reviewing our sources of income, and balancing the impact of the future plan, commitments, our pension schemes and any management of financial risk involved. The LHA's target reserve level is set at 6 months (approximately £2.9m). Our current reserve levels are higher than this as we continue to look for suitable properties to expand our portfolio. We also have bought a property in December 2019 and there are plans to further develop this. It seems appropriate as well given the reduction in income due to Covid to hold larger cash reserves.
The general reserves stand at £22,252,740 at September 2020.

Risk Management
The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining adequate resources, combined with an annual review of the control of key financial systems, will enable the charity to cope with any future adverse conditions. The Trustees reviewed the Annual Risk Matrix in August 2020. The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate significant risks. The Finance Audit and Risk Committee (FAR) reviews and updates the Trustee Board as necessary and have identified the following as the highest risks:

1. Covid-19
2. Brexit and the impact on the LHA Volunteer Scheme
3. Changing Market Place

The following actions have been taken to mitigate these risks:

1. Covid19

LHA has successfully implemented a Covid-19 safe and secure protocol to enable the hostels to remain open throughout the global pandemic. LHA has worked with the appropriate local authority compliance teams and introduced comprehensive staff and volunteer training.

2. Brexit and the impact on the LHA Volunteer Scheme

LHA has taken the appropriate action to review visa implications post-Brexit and introduced a marketing strategy to mitigate the potential restrictions.

3. Changing Market Place

LHA has reviewed the effects of both post-Covid-19 and post-Brexit on the London accommodation sector and the changing needs of its beneficiaries. A full review of the current property portfolio has been commissioned to ensure future accommodation is aligned to changes in the market place.

LHA update related to coronavirus disease 2019 (Covid-19) outbreak
The impact of the coronavirus outbreak on public life and the London accommodation sector has resulted in reduced occupancy within the LHA portfolio. While this is expected to have a negative impact on the financial performance of LHA in 2021, the company cannot quantify the magnitude and duration of such impact at this time given the fluidity of the situation. LHA hold substantial reserves to support the Charitable objective. LHA continues to monitor and assess its business operations daily, and will provide an update to stakeholders as appropriate. In connection with the Covid-19 outbreak, LHA has implemented precautionary measures and protocols based on recommendations from official health authorities.

Trustees' Review and Strategic Report

LHA Services Limited for 2019/20

LHA Services Ltd (LHAS), wholly-owned by the Charity, acting under a licence and agreement signed in 1991, fills casual room vacancies particularly in holiday times and between long-term bookings. It also provides residents with amenities such as laundry provisions and vending machines.

After payment of the licence and agreement fee in the sum of £66,000, LHAS has a taxable trading surplus and in accordance with the covenant signed on 1st October 1997, an amount of £105,228 is to be transferred to the Charity in the year 2020/21.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charitable company will not continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board



Tony Perkins
Company Secretary
23th February 2021

Opinion

We have audited the financial statements of LHA London Limited (the 'charity') for the year ended 30 September 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cashflows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and of the charity's affairs as at 30 September 2020 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 charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Other information (continued)

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' 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 has 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 charity 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific 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 37, 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 charity'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 charity 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.

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. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Nicola Wakefield (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS

Date:

LHA London Limited
Financial statements for the year ended 30 September 2020
Consolidated statement of financial activities

	Notes	General Funds	Designated Funds	Total 2020	Total 2019
Income		£	£	£	£
Income from charitable activities:					
Operation of hostels		11,031,293	-	11,031,293	13,801,918
Income from other trading activities	4	249,728	-	249,728	571,163
Income from investments		221,633	-	221,633	178,859
Total income		11,502,654	-	11,502,654	14,551,940
Expenditure					
Raising funds:					
Commercial trading operations		54,689	-	54,689	95,696
Investment management fees		53,690	-	53,690	3,065
Charitable activities:					
Operation of hostels	5	7,171,556	-	7,171,556	7,399,956
Total expenditure		7,279,935	-	7,279,935	7,498,717
Net income before transfers		4,222,719	-	4,222,719	7,053,223
Gross transfers between funds		(5,291,645)	5,291,645	-	-
Net (expenditure)/income after transfers		(1,068,926)	5,291,645	4,222,719	7,053,223
Revaluation of property	10	-	-	-	33,637,476
Gains on investment assets	11	823,531	-	823,531	42,492
Net (expenditure)/income before actuarial movements		(245,395)	5,291,645	5,046,250	40,733,191
Actuarial (loss)/gain on pension scheme	15	(1,226,000)	-	(1,226,000)	24,000
Net movement in funds		(1,471,395)	5,291,645	3,820,250	40,757,191
Fund balances brought forward at 1 October 2019		23,724,135	236,847,796	260,571,931	219,814,740
Fund balances carried forward at 30 September 2020		22,252,740	242,139,441	264,392,181	260,571,931

All amounts relate to continuing activities; there were no recognised gains or losses other than those included above.

LHA London Limited
Financial statements for the year ended 30 September 2020
Balance sheets

	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed assets					
Intangible assets	9	12,119	16,664	12,119	16,664
Tangible assets	10	242,139,441	236,847,796	242,139,441	236,847,796
Investments	11	16,239,921	1,341,362	16,389,921	1,491,362
		258,391,481	238,205,822	258,541,481	238,355,822
Current assets					
Stocks	12	10,849	12,786	10,849	12,786
Debtors	13	550,196	610,875	549,979	610,875
Cash at bank and in hand		8,260,262	23,832,333	8,087,984	23,588,543
		8,821,307	24,455,994	8,648,812	24,212,204
Creditors: amounts falling due within one year	14	(1,529,607)	(2,037,885)	(1,527,856)	(2,227,896)
Net current assets		7,291,700	22,418,109	7,120,956	21,984,308
Total assets less current liabilities		265,683,181	260,623,931	265,662,437	260,340,130
Pension (liability)	15	(1,291,000)	(52,000)	(1,291,000)	(52,000)
Net assets		264,392,181	260,571,931	264,371,437	260,288,130
The funds of the charity					
Unrestricted income funds:					
General		22,252,740	23,724,135	22,231,996	23,440,334
Designated	16	242,139,441	236,847,796	242,139,441	236,847,796
	17	264,392,181	260,571,931	264,371,437	260,288,130

The financial statements were approved by the Trustees on 23 February 2021 and signed on their behalf by:

D Conroy
Trustee

A Whiston-Dew
Trustee

	2020	2019
	£	£
Reconciliation of net income to net cash inflow from operating activities		
Net income for the year	3,820,250	40,757,191
Depreciation charges	738,919	697,011
Amortisation charge	4,545	4,544
Loss on disposal of fixed assets	771	-
(Gains) on revaluation of fixed assets	-	(33,637,476)
(Gains) on investment assets	(823,531)	(42,492)
Decrease in stocks	1,937	3,445
Decrease/(Increase) in debtors	60,679	(33,091)
(Decrease) in creditors	(508,268)	(108,311)
Increase in pension liability	1,239,000	52,000
Net cash generated from operating activities	4,534,302	7,692,821
Investing activities		
Purchase of tangible fixed assets	(6,031,335)	(1,243,699)
Proceeds on disposal of property, plant and equipment	-	149,440
Purchase of investments	(14,075,038)	-
Proceeds from sale of investments	-	-
Net cash (used in) from investing activities	(20,106,373)	(1,094,259)
Net cash (outflow) / inflow	(15,572,071)	6,598,562
(Decrease)/increase in cash in the period	(15,572,071)	6,598,562
Cash and cash equivalents at 1 October 2019	23,832,333	17,233,771
Cash and cash equivalents at 30 September 2020	8,260,262	23,832,333

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention with the exception of investments, functional freehold properties and long leasehold properties which have been included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Companies Act 2006. LHA London Limited meets the definition of a public benefit entity under FRS 102.

The principal accounting policies adopted in the preparation of the accounts are set out below. The trustees consider that it is appropriate for these accounts to be prepared on the going concern basis.

Group accounts

These accounts consolidate the results of the Association and its wholly owned subsidiary, LHA Services Limited on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the Association itself following exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The financial activities of the charity are disclosed in note 2 to the accounts.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Association and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts. Investment income and gains or losses are allocated to the appropriate fund.

Valuation of properties

Functional freehold and long leasehold properties were included in the accounts at valuation for the first time in 2012/13. These have been valued by Colliers International Valuers UK LLP in December 2019. The properties will be revalued every three years.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold and long leasehold buildings	Nil
Short leasehold land and buildings	
Furniture, fixtures and equipment	10 - 20 % p.a Straight line method
Motor vehicles	
Computer equipment	20 - 33.3 % p.a Straight line method

Moveable furniture and equipment is written out of the accounts after ten years as the Trustees consider that it has a negligible residual value.

Amortisation
Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Website costs	20% pa straight line method

Investments
Fixed asset investments are stated at mid-market value at the balance sheet date. Gains and losses on revaluation of investments held as fixed assets are included in the statement of financial activities as unrealised. Where investments have been sold during the year the difference between sale proceeds and market value at the beginning of the period is included in the statement of financial activities.

Income
Income for operation of hostels relates to income received in the letting of beds for long stays, catering income, sundry income and is shown net of value added tax and discounts.

Expenditure
All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing LHA London Limited to the expenditure. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expenses headings on the basis of time spent.

Stocks
Stocks, which consist of consumables are valued at the lower of cost and net realisable value.

Pensions
The Charity operates a pension scheme providing benefits based on final pensionable pay. The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the Statement of Financial Activities, so as to spread the costs of pensions over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. The pension scheme assets are valued at market rate. A pension scheme deficit is recognised in full on the balance sheet, but where there is a pension scheme asset this is not recognised unless the asset can be realised through reduced future contributions. The actuarial gains are therefore limited to the gain required to bring the liability to zero.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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 both current and future periods.

The key estimate and assumption made in these accounts are considered to be

(a) Depreciation, which is provided at rates calculated to write off the cost, less the estimated residual value, of each fixed asset over its estimated useful life. This is of particular relevance to freehold properties which have not been depreciated as the residual value is deemed to be in excess of cost.

(b) The assumptions made in the revaluation of the investment properties. The principal assumptions are the estimated rental potential in each area, the level of demand for similar properties and the degree of discounting applied to reflect the level of shared occupancy rooms.

3 Financial activities of the charity

A summary of the financial activities undertaken by the charity is set out below:

	2020	2019
	£	£
Total income	11,711,022	14,693,179
Total expenditure on charitable activities	(7,171,556)	(7,399,956)
Investment managers' fees	(53,690)	(3,065)
Investment gains	823,531	42,492
Revaluation of property	-	33,637,476
Actuarial (loss)/gain on final salary pension scheme	(1,226,000)	24,000
Net income	4,083,307	40,994,126
Total funds brought forward	260,288,130	219,294,004
Total funds carried forward	264,371,437	260,288,130
Represented by:		
Designated income funds	22,231,996	236,847,796
Unrestricted income funds	242,139,441	23,440,334
	264,371,437	260,288,130

4 Income from other trading activities

The Charity's one wholly owned trading subsidiary, LHA Services Limited, which is incorporated in the UK, distributes all of its taxable profits to the Charity. The activities of this subsidiary are the provision of short term accommodation and catering services together with the provision of amenities to the residents of LHA London Ltd. The charity owns the entire issued share capital of 150,000 ordinary shares of £1 each. A summary of the trading results is shown below.

Profit and Loss Account	**2020**	**2019**
	£	**£**
Turnover	249,728	571,163
Cost of sales and administrative expenses	(144,689)	(275,696)
Gross profit	105,039	295,467
Interest receivable	189	803
Net profit	105,228	296,270
Amount distributed to LHA London Ltd	(368,285)	(533,205)
Retained (loss) in subsidiary	(263,057)	(236,935)

The assets and liabilities of the subsidiary were:	**2020**	**2019**
	£	**£**
Current assets	177,264	455,249
Creditors: amounts falling due within one year	(6,520)	(21,448)
Total net assets	170,744	433,801
Aggregate share capital and reserves	170,744	433,801

Included in administrative expenses are rent of £24,000 (2019 - £48,000) and management charges of £66,000 (2019 - £132,000) payable to LHA London Ltd and these charges have been eliminated on consolidation.

5 Analysis of charitable expenditure

	Staff costs (note 8) £	Other £	Depreciation (notes 9&10) £	Total 2020 £	Total 2019 £
Charitable expenditure					
House operating costs	1,798,297	2,862,340	708,872	5,369,509	5,552,524
Support costs	991,207	411,652	34,592	1,437,451	1,610,228
Governance costs (note 6)	-	27,643	-	27,643	25,134
Donations (note 7)	-	336,953	-	336,953	212,070
Total	2,789,504	3,638,588	743,464	7,171,556	7,399,956

Charitable expenditure **Details of other costs**	House operating costs £	Support costs £	Total 2020 £	Total 2019 £
Repairs & Maintenance	300,939	1,780	302,719	243,487
Light and heat	563,065	-	563,065	529,927
Catering	208,519	-	208,519	257,245
IT costs	151,498	58,374	209,872	165,831
Water	240,948	-	240,948	225,981
Cleaning	279,086	2,081	281,167	313,909
Insurance	187,289	2,833	190,122	209,495
Security	198,282	-	198,282	189,639
Rates	90,482	97,359	187,841	261,902
TV Licenses	14,560	-	14,560	23,764
Defined benefit pension scheme charge	64,737	52,968	117,705	113,636
Other costs	562,935	196,257	759,192	1,132,638
	2,862,340	411,652	3,273,992	3,667,454
Governance costs (note 6)			27,643	25,134
Donations (note 7)			336,953	212,070
Total other costs			3,638,588	3,904,658

6 Governance costs

Governance costs include:	2020 £	2019 £
Audit fees	16,391	15,621
Insurance against Trustees' and Officers' liabilities	10,315	6,160
Trustees expenses	937	3,353
	27,643	25,134

7 Donations

All donations were made to institutions and these are broken down as follows:

	2020 £	2019 £
Albert Kennedy Trust	38,750	35,000
New Horizons	30,000	30,000
Glass Door	35,000	25,000
C4WS	27,500	25,000
The Spires Centre	37,500	25,000
CAYSH	28,000	6,000
St Mary Le Bow	18,453	12,320
204 Project	20,000	20,000
Evolve	10,000	15,000
Zacchaeus 2k Trust	26,250	18,750
Project Seventeen	12,500	-
Women & Girls Network	33,000	-
Refugees at Home	20,000	-
	336,953	212,070

8 Staff costs

	2020 £	2019 £
Wages and salaries	2,311,311	2,295,438
Redundancy costs	107,226	15,872
Social security costs	117,705	116,682
Other pension costs	253,262	365,751
	2,789,504	2,793,743

Average number of employees during the year

Head office staff	15	18
Direct maintenance staff	7	7
Hostel staff	52	56
	74	81

Number of employees with emoluments in excess of £60,000:

£60,000 - £70,000	1	-
£120,000 - £130,000	-	1
£130,000 - £140,000	1	-
£160,000 - £170,000	1	1

2 employees (2019: 2) with emoluments in excess of £60,000 are accruing retirement benefits under defined benefit schemes.
The total of employee benefits received by Key Management Personnel in 2020 is £371,918 (2019: £363,401). Key Management Personnel are the Chief Executive Officer, Finance Director and Operations Manager.

9 Intangible fixed assets – Group & Charity

	Website
Cost	
At 1 October 2019	22,723
Additions	-
Disposals	-
At 30 September 2020	22,723
Amortisation	
At 1 October 2019	6,059
Charge for the year	4,545
Released on disposal	-
At 30 September 2020	10,604
Net book value	
At 30 September 2020	**12,119**
At 30 September 2019	16,664

10 Tangible fixed assets – Group and Charity

	Freehold land and buildings	Leasehold land and buildings	Property improvements	Plant and machinery	Total
	£	£	£	£	£
Cost					
At 1 October 2019	221,737,476	10,873,534	12,981,946	1,442,451	247,035,407
Additions	4,776,536	-	1,171,379	83,420	6,031,335
Disposals	-	-	-	(205,316)	(205,316)
At 30 September 2020	226,514,012	10,873,534	14,153,325	1,320,555	252,861,426
Depreciation					
At 1 October 2019	-	52,516	9,019,422	1,115,673	10,187,611
Charge for the year	-	10,503	646,205	82,211	738,919
On disposals	-	-	-	(204,545)	(204,545)
At 30 September 2020	-	63,019	9,665,627	993,339	10,721,985
Net book value					
At 30 September 2020	226,514,012	10,810,515	4,487,698	327,216	242,139,441
At 30 September 2019	221,737,476	10,821,018	3,962,524	326,778	236,847,796

The Trustees undertook a valuation of all the freehold and long leasehold properties in December 2019. The valuation was undertaken by Colliers CRE and the properties were valued at £236,500,000 (this includes freehold property, leasehold properties and property improvements above).

Property improvements include £287,670 (2019: £nil) of assets under construction.

10 Tangible fixed assets – Group and Charity (continued)

Analysis of leasehold land and buildings (charity and group)	2020 £	2019 £
Long leasehold	10,800,000	10,800,000
Short leasehold	10,505	21,018
	10,810,505	10,821,018

11 Investments

	Investments in subsidiary undertakings £	Other investments £	Total £
Market value			
At 1 October 2019	150,000	1,341,362	1,491,362
Additions	-	14,075,038	14,075,038
Disposals	-	-	-
Net gains for the year	-	823,521	823,521
At 30 September 2020	150,000	16,239,921	16,389,921
Historic cost at 30 September 2020	150,000	15,340,830	15,490,830

Other investments comprise:

Bonds	2,759,764
Equities	12,047,001
Commodities	354,957
Real Estate	260,671
Other investments	711,178
Cash for re-investment	106,350
	16,239,921

At 30 September 2020 the following investments represented more than 5% of the quoted investments portfolio by market value:

	%	£
HSBC FTSE All Shares Index	5.97%	969,657

12 Stocks

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Household equipment and food	10,849	12,786	10,849	12,786

13 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	35,205	106,273	35,205	106,273
Other debtors	85,493	52,147	85,493	52,147
VAT recoverable	148,228	-	148,228	-
Prepayments and accrued income	281,270	452,455	281,053	452,455
	550,196	610,875	549,979	610,875

14 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	503,980	373,253	503,980	373,253
Other taxes and social security costs	55,004	218,313	55,004	218,313
Amounts owed to group companies	-	-	4,769	211,459
Fees and deposits in advance	553,714	974,876	552,667	963,241
Accruals	416,909	471,443	411,436	461,630
	1,529,607	2,037,885	1,527,856	2,227,896

15 Pension commitments

The charity makes contributions to a defined contribution pension schemes on behalf of a number of employees who are not included within the defined benefit pension scheme. Contributions in the year totalled £117,705.

The Charity operates a defined benefit scheme in the UK. The scheme is closed to new entrants. As a consequence the current service cost calculated under the projected unit method can be expected to increase over time, as the average age of the membership increases. A full actuarial valuation was carried out at 1 April 2018 and updated to 30 September 2020 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.
The Charity currently pays contributions at the rate of 31.5% of pensionable pay following the actuary valuation on 1st April 2018.

Present values of scheme liabilities, fair value of assets and surplus

	At 30/9/20	At 30/9/19	At 30/9/18
	£'000	£'000	£'000
Fair value of scheme assets	10,016	10,244	9,599
Present value of scheme liabilities	(11,307)	(10,396)	(7,759)
(Deficit)/surplus recognised in scheme	(1,291)	(52)	1,840

15 Pension commitments (continued)

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2020 £'000	2019 £'000
Scheme liabilities at start of period	10,396	7,759
Current service cost	152	132
Interest cost	195	225
Actuarial losses/(gains)		
- recognised in the financial statements	830	(24)
- not recognised in the financial statements	-	2,327
Benefits paid & death in service insurance premiums	(266)	(23)
Scheme liabilities at end of period	11,307	10,396

Reconciliation of opening and closing balances of the fair value of the scheme assets

Fair value of scheme assets at start of period	10,344	9,599
Interest on assets	195	281
Expected return on scheme assets	(396)	301
Contributions by employer	139	186
Benefits paid	(266)	(23)
Fair value of scheme assets at end of period	10,016	10,344

The actual return on the scheme assets over the year ending 30 September 2020 was £201,000 (2019: £263,000).

Total expense recognised in the statement of financial activities

Current service cost	152	132
Interest cost	195	225
Expected return on scheme assets	(195)	(281)
Total expense recognised in the statement of financial activities	152	76

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS17 is a loss of £3,140,000 (2019: £2,310,000).

15 Pension commitments (continued)

Assets	2020 £'000	2019 £'000	2018 £'000
Total assets	10,016	10,244	9,599

None of the fair values of the assets shown above include any of the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Assumptions

The assets of the scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2020 % per annum	2019 % per annum	2018 % per annum
Rate of discount	1.60	1.90	2.90
Inflation (RPI)	2.90	3.15	3.30
Inflation (CPI)	2.10	2.15	2.30
Salary increases	2.10	2.15	2.30
Pension increases			
Accrued before 1 July 2016	5.00	5.00	5.00
Accrued after 1 July 2016	2.10	2.15	2.30
Revaluation rate for deferred pensioners	5.00	5.00	5.00
Commutation	Nil	nil	Nil
Life expectancy			
Male retiring at age 65 in 2020	22.1	22.1	22.1
Female retiring at age 65 in 2020	24.5	24.5	24.5
Male retiring at age 65 in 2040	23.4	23.4	23.4
Female retiring at age 65 in 2040	26.1	26.1	26.1

Expected long term rate of return
The scheme's assets are invested in a unitised with profit fund. It is assumed that the long term rate of return on the fund will be 2.4% per annum (2019: 2.4%).

15 Pension commitments (continued)

Amounts for the current and previous four periods

	2020	2019	2018	2017	2016
	£'000	£'000	£'000	£'000	£'000
Fair value of assets	10,016	10,244	9,599	9,307	8,798
Present value of scheme liabilities	(11,307)	(10,396)	(7,759)	(8,105)	(8,740)
(Deficit)/surplus in scheme	(1,291)	(52)	1,840	1,202	58
Experience adjustment on scheme assets	(396)	301	(3)	189	1,182
Experience adjustment on scheme liabilities	-	-	(144)	(979)	(3,111)

16 Designated funds

	Balance at 1 October 2019	Transfers	Revaluation	Balance at 30 September 2020
	£	£	£	£
Fixed asset reserve	236,847,796	5,291,645	-	242,139,141
	236,847,796	5,291,645	-	242,139,141

17 Analysis of group net assets between funds

	General Funds	Designated Funds	Total Funds
	£	£	£
Intangible fixed assets	12,119	-	12,119
Tangible fixed assets	-	242,139,441	242,139,441
Investments	16,239,921	-	16,239,921
Cash at bank and in hand	8,260,262	-	8,260,262
Other net current liabilities	(968,562)	-	(968,562)
Pension deficit	(1,291,000)	-	(1,291,000)
	22,252,740	242,139,441	264,392,181

18 Operating lease commitments

At 30 September 2020 the group's commitments under non-cancellable operating leases were as follows:

	Land & Buildings	
	2020	2019
	£	£
Less than 1 year	27,881	61,610
Between 2 and 5 years	1,440	29,128
After more than 5 years	27,453	27,814
Total	56,774	118,552

19 Limited liability

The charitable company is limited by guarantee and does not have a share capital. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up during the time he or she is a member, or within a year after he or she ceases to be a member, such amounts as may be required, not exceeding £10.

20 Related Party Transactions

The Trustees receive no remuneration. Travel expenses of £937 (2019: £1,553) were reimbursed to 6 (2019: 7) Trustees during the year.

Included in administrative expenses are rent of £24,000 (2019 - £48,000) and management charges of £66,000 (2019 - £132,000) payable to LHA London Ltd by LHA Services Limited and these charges have been eliminated on consolidation.