



# 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.



Tony Perkins  
CEO & Company Secretary



David Conroy  
Chair of the Board of Trustees



David Conroy  
Chair of the Board of Trustees

Tony Perkins  
CEO & Company Secretary

“ 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

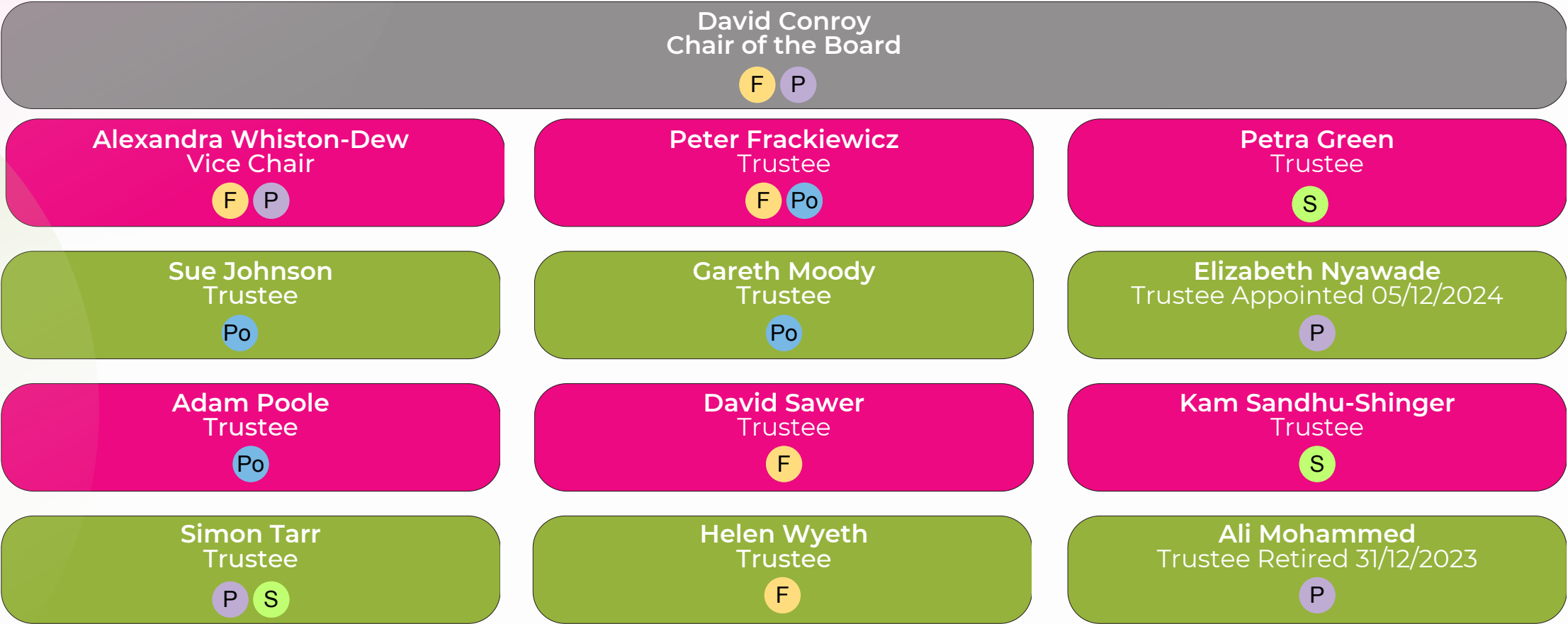
We take the governance responsibilities of the Board of Trustees seriously. We observe the Charity Commission's governance code. Our Board comprises trustees with professional qualifications in planning, construction, project management, economics and finance, HR, social policy and law, providing a great 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



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



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 30's

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%)**

## Building a sustainable future

£ Income  
**£17.1M**

Carbon target  
**621.05 tonnes**

Additional beds  
**104**  
**Total beds 2,048**

## Empowering our people and teams

Employee engagement score  
**80\* (+3)**

Volunteer engagement score  
**90\* (+1)**

## Taking pride in every hostel

Compliance  
**91% (+1%)**  
Net Promoter Score  
**40 (+6)**

# 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.

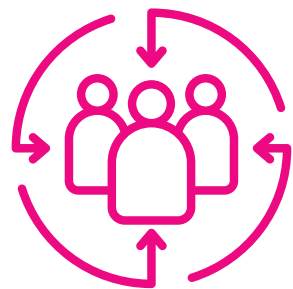
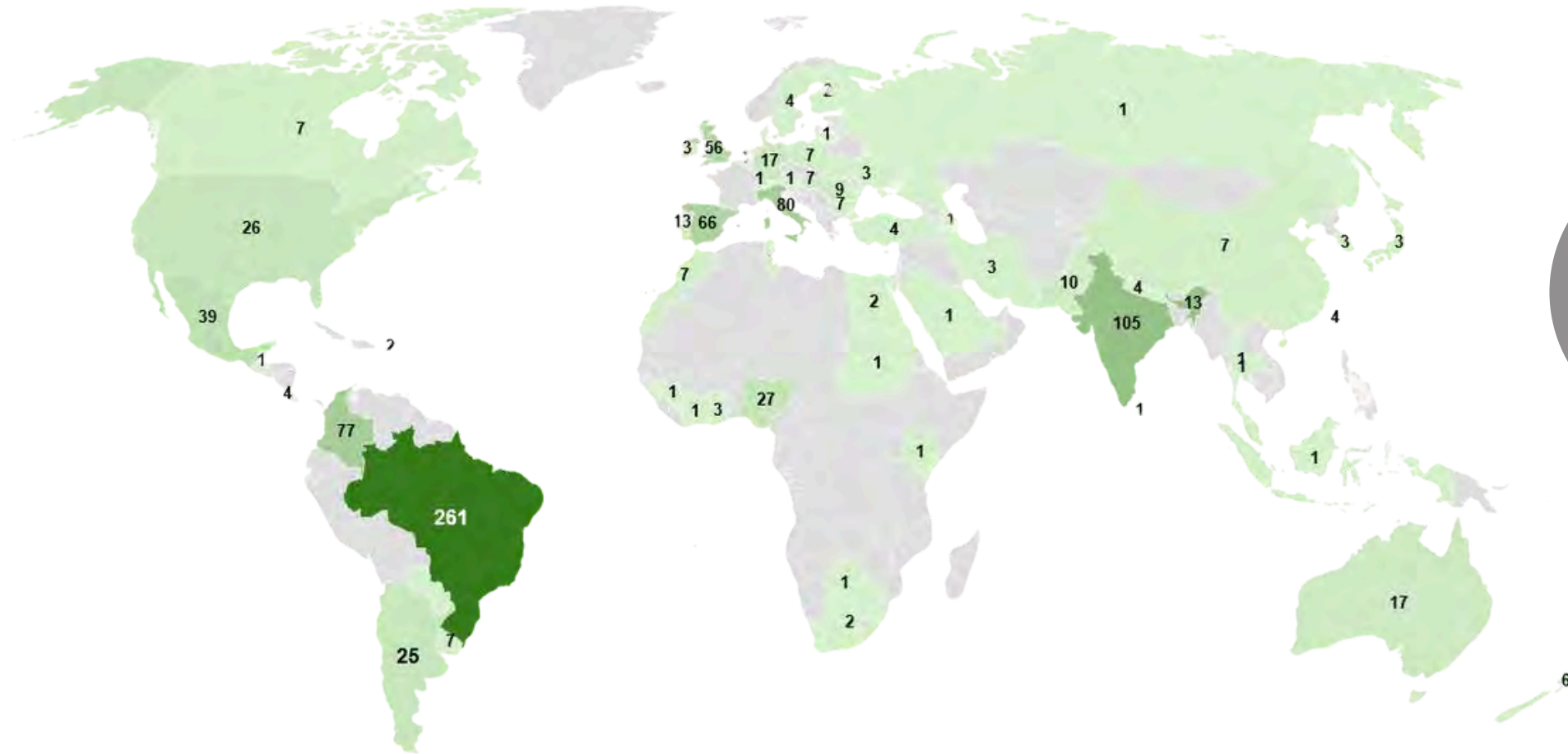
Anonymous Resident

”

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

## 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.



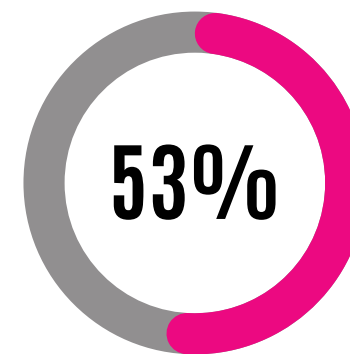
**90**  
volunteer  
engagement  
score



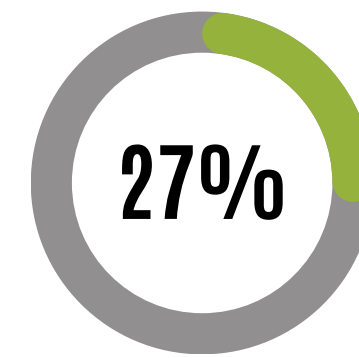
**16,168**  
unique enquiries  
for  
accommodation



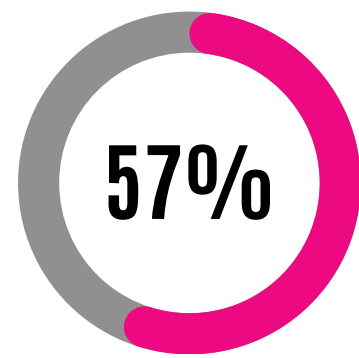
**£276,810**  
given out in  
grants as part of  
the LHA Fund



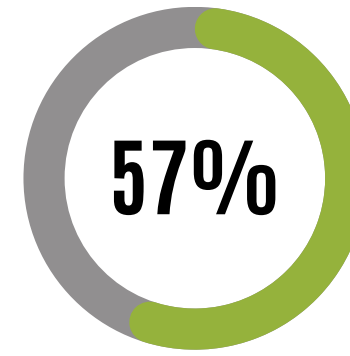
of residents are in full or part time work.



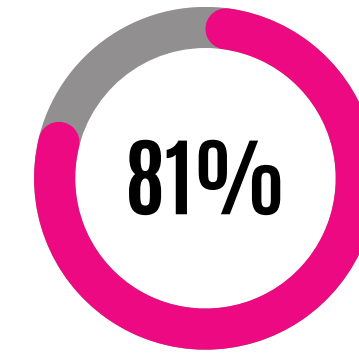
of residents are in full or part time study.



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.



is the average Occupancy.



of residents earn London Living Wage or below.



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



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



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



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

“

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**

”



# 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%.

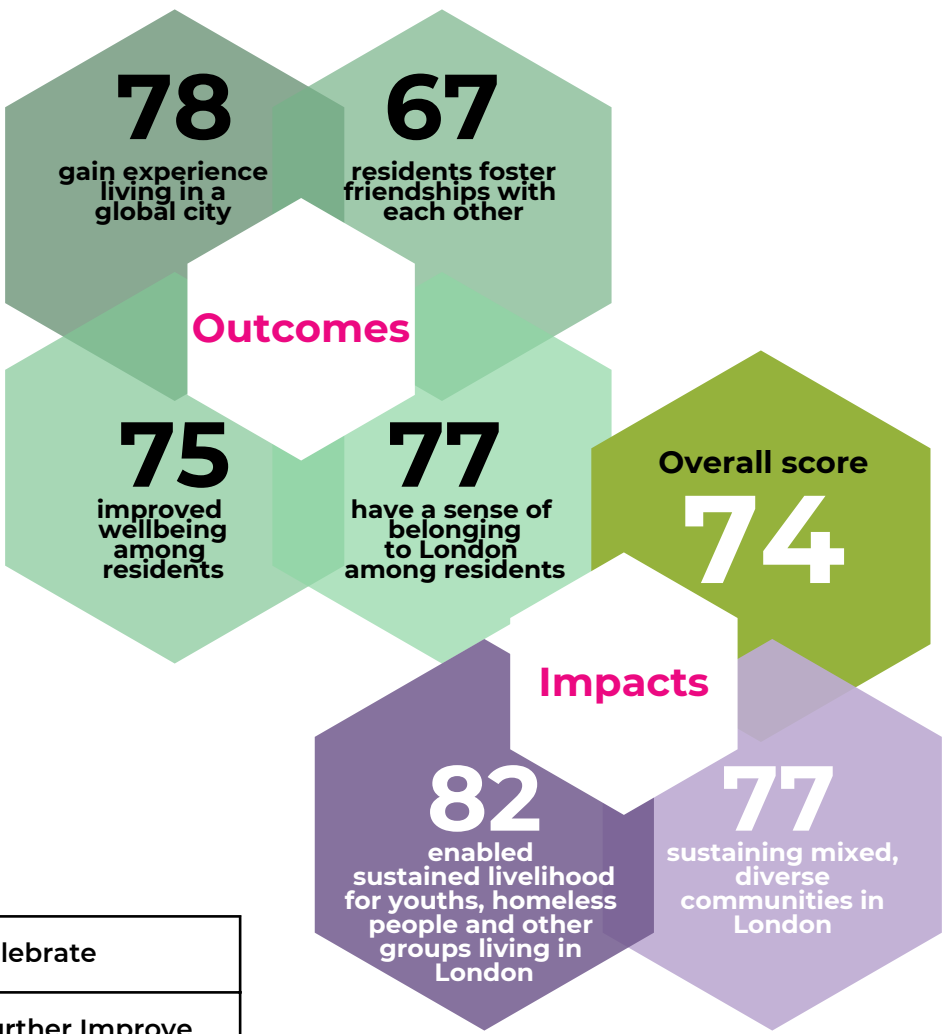
During the year, we actively focused on fostering friendships by hosting of hostel events and improving our social spaces; whilst this remains the lowest-scoring area, it is also notably the most improved score. We will continue to explore more ways to help foster friendships within our buildings in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



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.



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.'

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.'





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

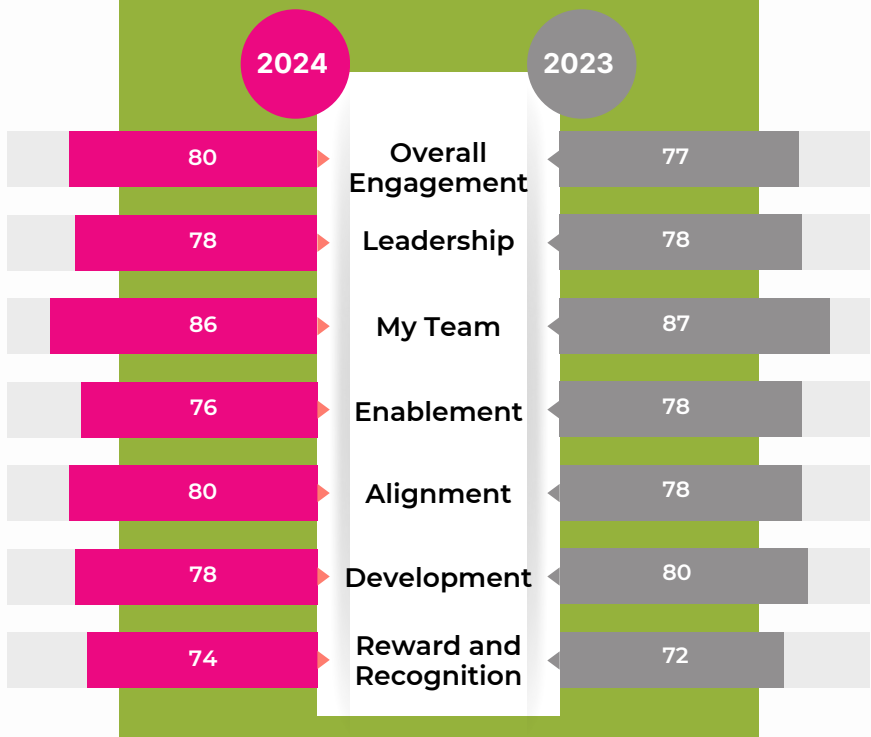
We know it's a cliché, but our teams really are our greatest asset, and without them, we wouldn't be able to deliver the amazing social impact that we do; the continued improvement in employee engagement in the context of still believing there is more we can do gives us huge confidence in the path we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

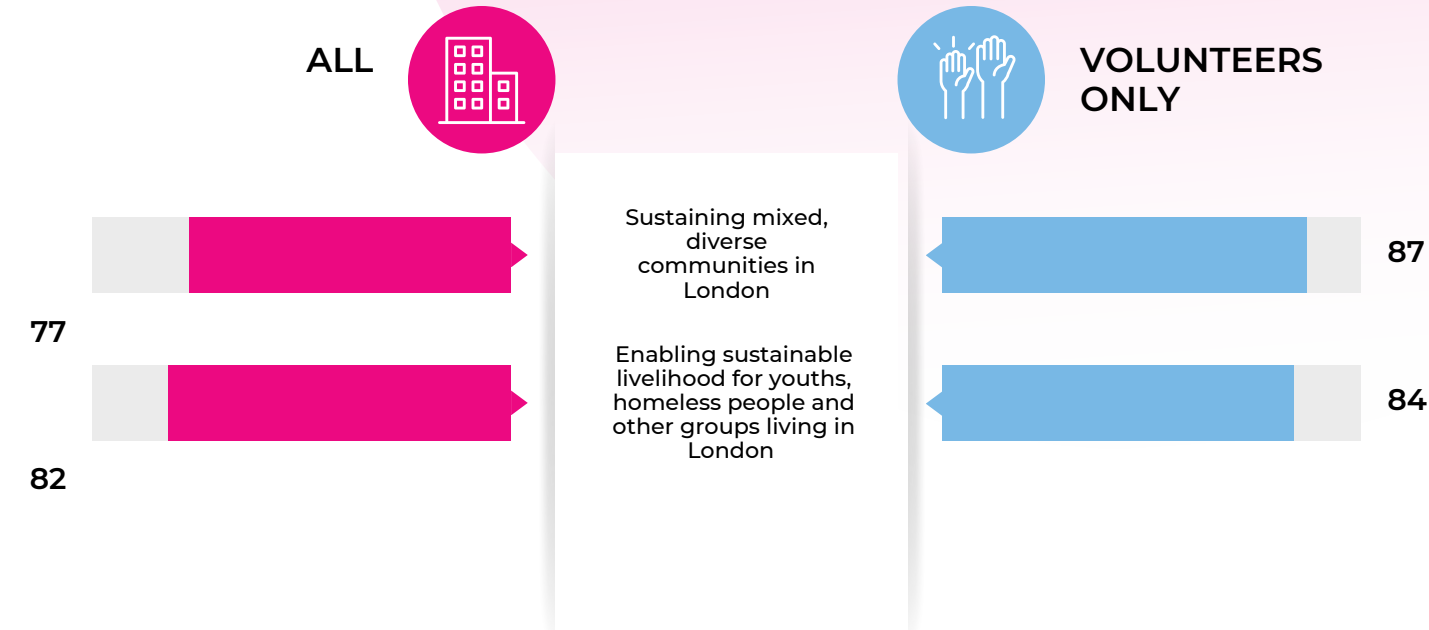
## 2023-24 Outcomes



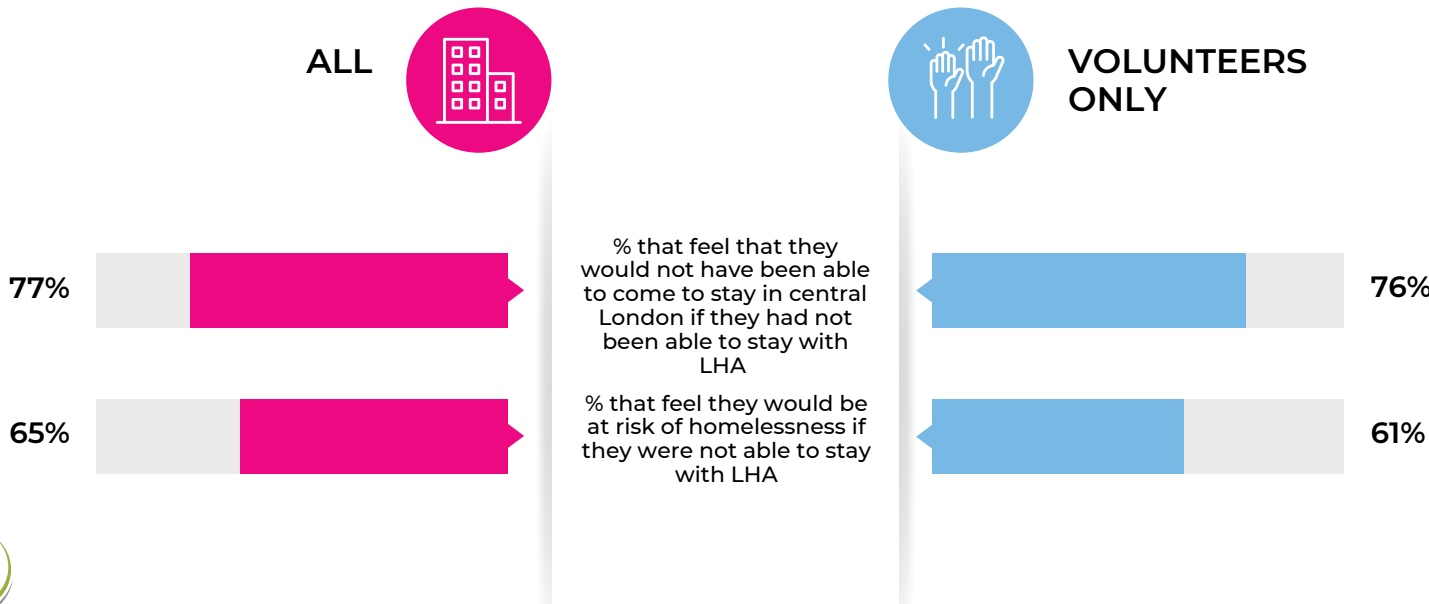
## 2023-24 Outcomes



## 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**

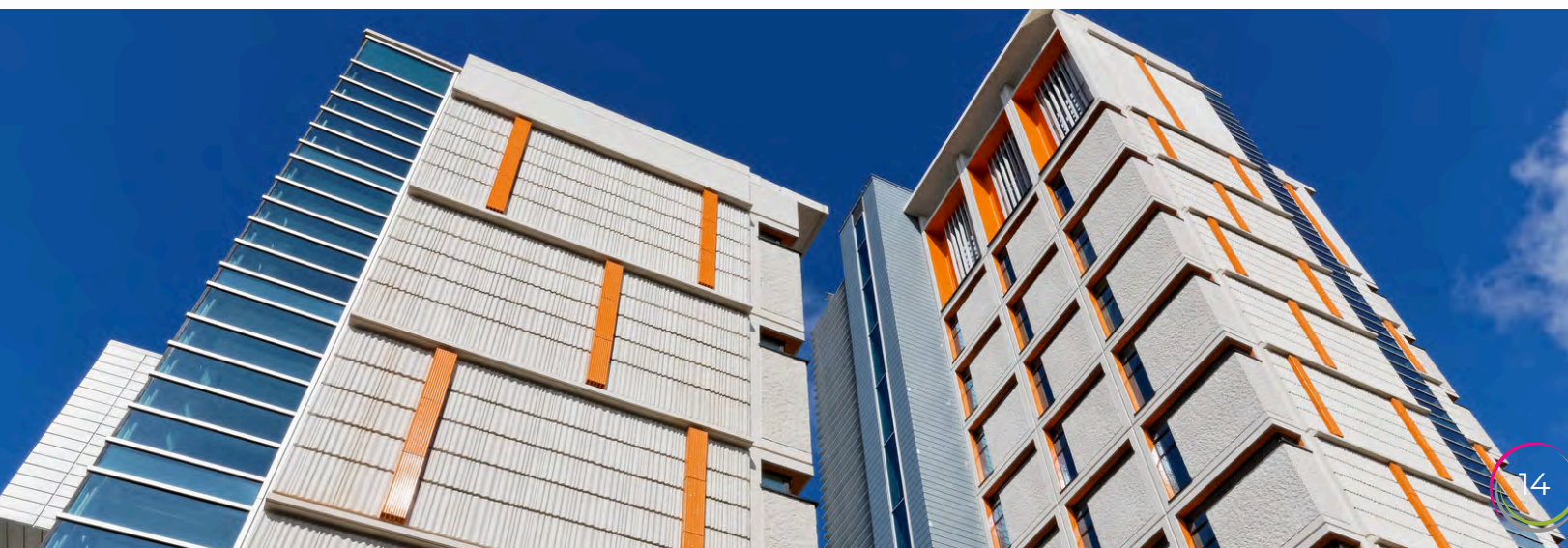
Carbon footprint

**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

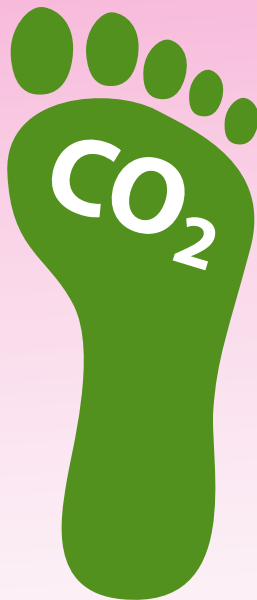
Sustainability is one of LHA's key focuses, particularly in regard to its property portfolio. LHA is very aware of the government's target to achieve carbon neutrality by 2050 and is working with Carbon Neutral Britain to define its carbon footprint and achieve carbon neutrality and set its reduction 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.

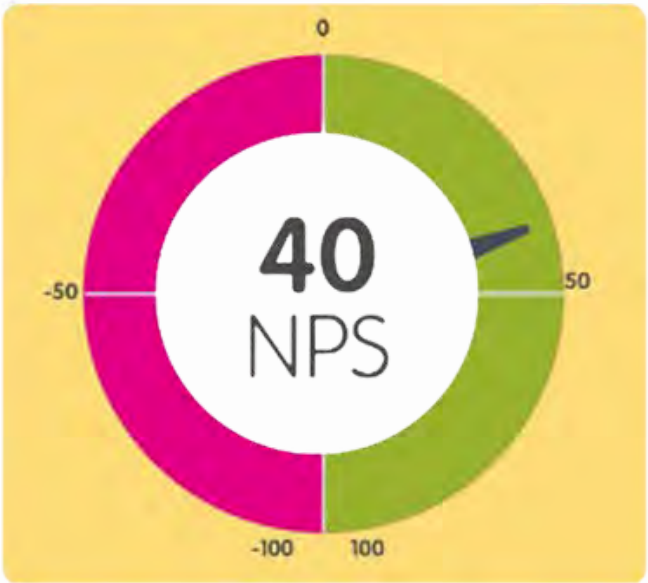
A key highlight of the year was the expansion of Railton House with the acquisition of our Paddington site. This expansion of the portfolio has been coupled with an extensive internal refurbishment of the existing Railton House accommodation, which has seen all bedrooms being totally refreshed – including 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.

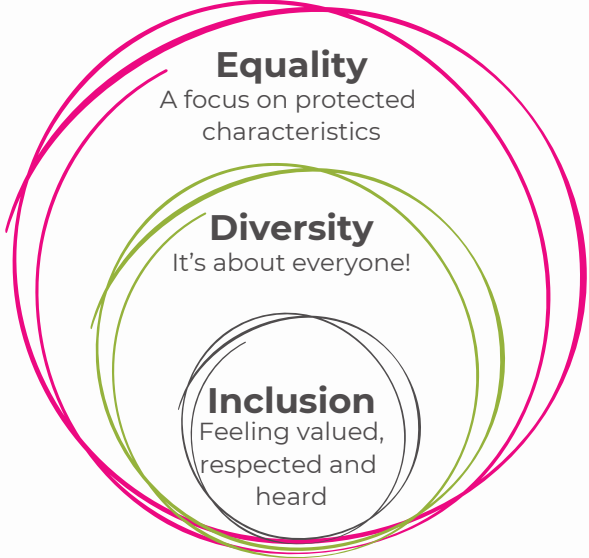
Equality, diversity and inclusion are at the very heart of what we do and central to the social impact that we deliver and the outcomes we strive to achieve.

**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.

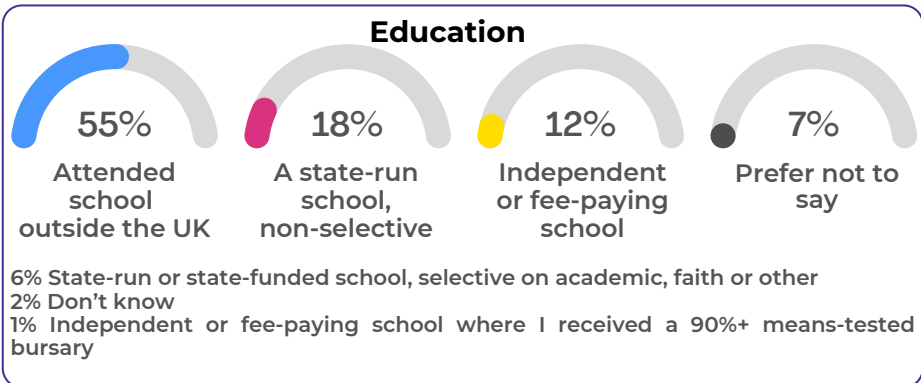
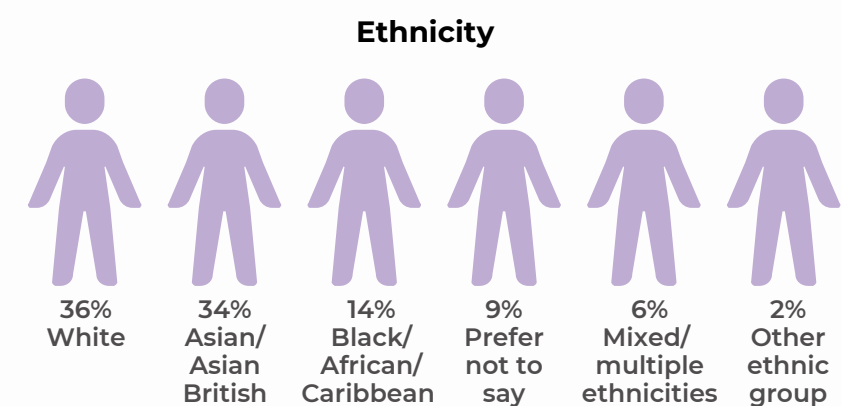
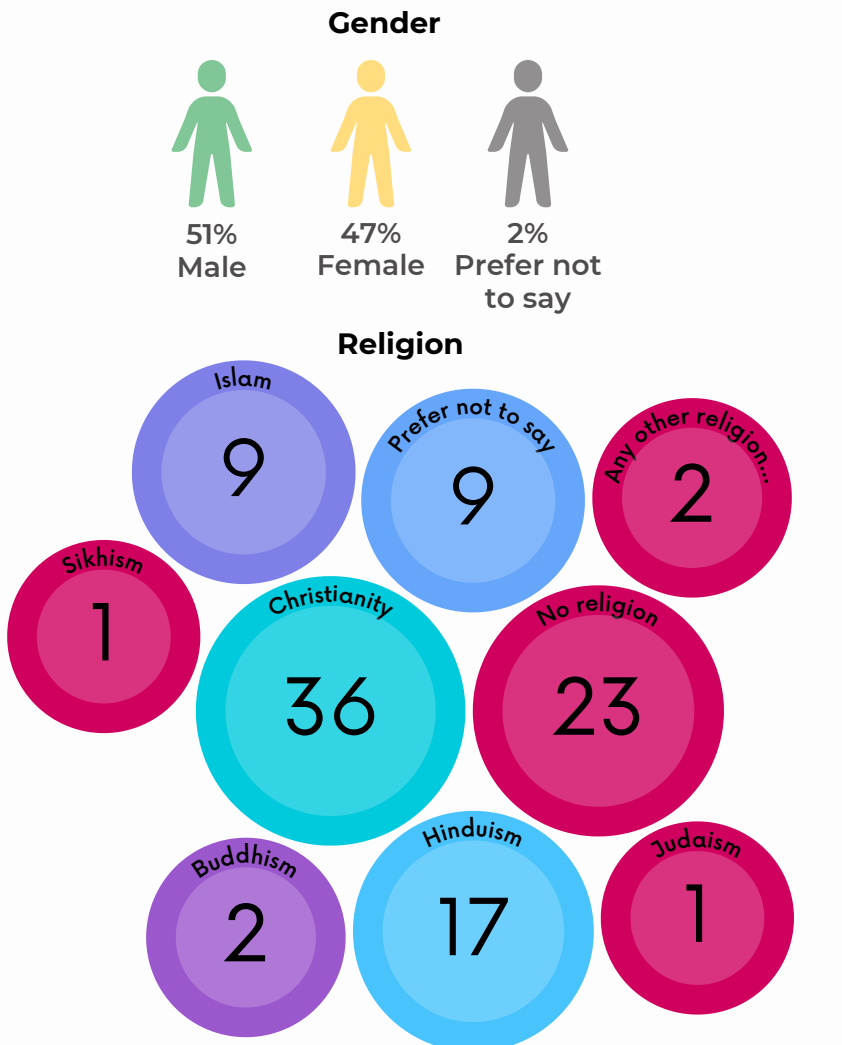
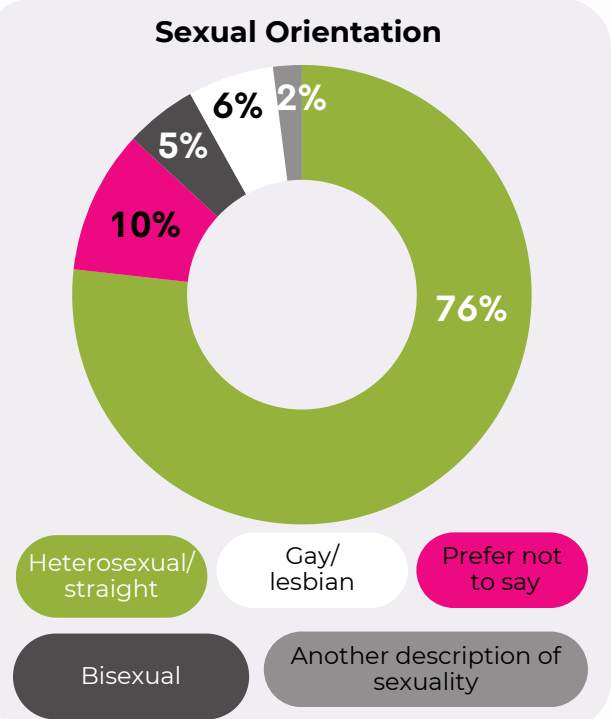
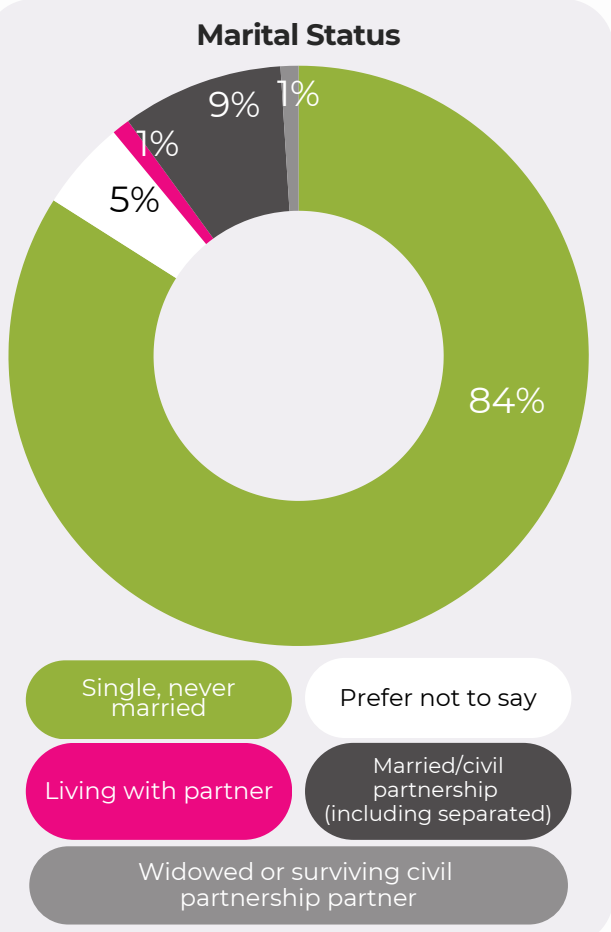
We significantly improved our diversity and inclusion monitoring, which has allowed us to better understand where we perform well and identify areas where we want to improve. We have established an annual planning process that allows us to both monitor and track the results of our plan.

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





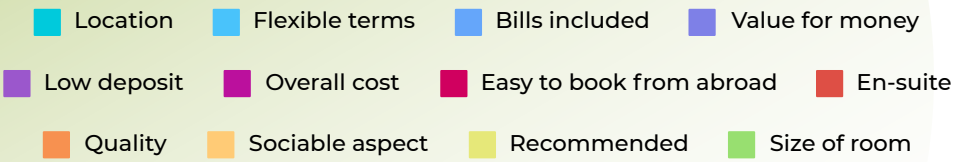
# Staying at LHA

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



Oct 23

Oct 24

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.

## Faith Resident

The people here are super friendly, and it's been a great place to stay. I've really enjoyed my time and would totally recommend it!

## Anmol Resident

I moved to an LHA London hostel two years ago, sharing a twin room, and it has been an incredible experience. The accommodation offers fantastic facilities, all well detailed on their website, and has been a pivotal part of my life here as an international student. Despite the 20-hour work restriction, I've been able to afford living centrally in London, saving valuable time and money on travel. The hostel's admin team is incredibly friendly and works hard to ensure everyone has a peaceful, enjoyable stay. I've made lifelong friends and unforgettable memories here—it truly was one of my best decisions.

## Holland House Resident

Holland House has made my life in central London affordable and fun. Have met so many amazing people and made some amazing memories here.



# 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
<b>Total</b>		<b>1 8,624,881</b>	<b>-</b>	<b>18,624,881</b>	<b>16,581,114</b>
<b>Expenditure on:</b>					
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
<b>Total</b>		<b>9,843,829</b>	<b>1,027,522</b>	<b>10,871,351</b>	<b>9,858,047</b>
<b>Net income/(expenditure)</b>		<b>8,781,052</b>	<b>(1,027,522)</b>	<b>7,753,530 -</b>	<b>6,723,067</b>
Transfers between funds		(24,309,972)	24,309,972		-
<b>Other recognised gains/(losses):</b>					
(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	-
<b>Net movement in funds</b>		<b>(15,203,920)</b>	<b>18,391,575</b>	<b>3,187,655</b>	<b>6,723,067</b>
<b>Reconciliation of funds:</b>					
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		Charity	
		2024 £	2023 £	2024 £	2023 £
<b>Fixed Assets</b>					
Tangible Fixed Assets	9	2 68,918,124	2 50,526,549	268,918,124	250,526,549
Investments	10	-	-	150,000	150,000
		<u>2 68,918,124</u>	<u>2 50,526,549</u>	<u>269,068,124</u>	<u>250,676,549</u>
<b>Current Assets</b>					
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		<u>2,127,235</u>	<u>1,861,429</u>	<u>1,826,126</u>	<u>1,640,730</u>
		<u>23,156,256</u>	<u>38,773,300</u>	<u>22,959,216</u>	<u>38,578,655</u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	(1,902,311)	(2,315,435)	(1,885,425)	(2,300,944)
<b>Net current assets</b>		<u>2 1,253,945</u>	<u>3 6,457,865</u>	<u>21,073,791</u>	<u>36,277,711</u>
<b>Net assets excluding pension asset</b>		<u>2 90,172,069</u>	<u>2 86,984,414</u>	<u>290,141,915</u>	<u>286,954,260</u>
<b>Pension asset</b>	14	-	-	-	-
<b>Net Assets</b>		<u><u>290,172,069</u></u>	<u><u>286,984,414</u></u>	<u><u>290,141,915</u></u>	<u><u>286,954,260</u></u>
Unrestricted funds:					
General	15	21,253,945 2	36,457,865	21,223,791	36,427,711
Designated	15	<u>68,918,124</u>	<u>250,526,549</u>	<u>268,918,124</u>	<u>250,526,549</u>
		<u><u>290,172,069</u></u>	<u><u>286,984,414</u></u>	<u><u>290,141,915</u></u>	<u><u>286,954,260</u></u>

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 Sawyer**  
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

		2024 £	2023 £
<b>Cash flows from operating activities</b>	Note		
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)
<b>Net cash (used in) / generated by operating activities</b>		<b>8,358,985</b>	<b>6,895,566</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(24,309,175)	(1,563,337)
<b>Net cash from investing activities</b>		<b>(24,309,175)</b>	<b>(1,563,337)</b>
<b>Change in cash and cash equivalents in the year</b>	22	<b>(15,626,784)</b>	<b>5,332,229</b>
<b>Cash and cash equivalents at beginning of year</b>	21	<b>37,984,200</b>	<b>32,651,971</b>
<b>Cash and cash equivalents at end of year</b>	21	<b>22,357,416</b>	<b>37,984,200</b>

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
<b>Total funds carried forward</b>	<b>290,141,915</b>	<b>286,954,260</b>

Represented by:

General Funds	21,223,791	36,427,711
Designated funds	268,918,124	250,526,549



LHA London Limited

Financial statements for the year ended 30 September 2024

Consolidated Statement of Financial Activities

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



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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 September 2024	(5,213,105)	322,230	-	(592,910)	(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 2024 £	2023 £	Charity 2024 £	2023 £
Investment in subsidiary - cost				
At 1 October 2023 and 30 September 2024	-	-	150,000	150,000

11 Stocks

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



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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	23	53
Net interest	(230)	(208)
Total expense recognised in the statement of financial activities	(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%).

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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



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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

