

PROVIDENCE ROW

England & Wales · Charity number 1140192

Details

Status	Registered
Legal form	Charitable company
Company number	07452798
Registered	2011-02-02
Register	View on the Charity Commission register

Contact

Address	Providence Row Dellow Centre 82 Wentworth Street London E1 7SA
Phone	02074226386
Email	info@providencerow.org.uk
Website	www.providencerow.org.uk

Activities

Objects: "2. OBJECTSTHE OBJECT OF THE CHARITY IS THE RELIEF OF PERSONS WHO ARE IN NEED, HARDSHIP OR DISTRESSBY:2.1 MAKING GRANTS OF MONEY TO THEM; OR2.2 PROVIDING OR PAYING FOR GOODS OR SERVICES OR FACILITIES FOR THEM; OR2.3 MAKING GRANTS OF MONEY TO OTHER PERSONS OR BODIES WHO PROVIDE GOODS, SERVICES OR FACILITIES TO THOSE IN NEED."

Activities: WE PROVIDE: A RESOURCE CENTRE FOR PEOPLE WHO ARE ROUGH SLEEPING, WITH BREAKFAST, SHOWERS AND COMPUTER ACCESS; ADVICE AND SUPPORT FOR HOMELESS PEOPLE OR THOSE AT RISK OF HOMELESSNESS; RECOVERY AND PROGRESSION SERVICES FOR PEOPLE WITH MENTAL HEALTH AND SUBSTANCE MISUSE ISSUES; DRUG AND ALCOHOL OUTREACH AND REFERRAL; AND TRAINEE SCHEMES TO HELP PEOPLE MOVE INTO REGULAR LEARNING, VOLUNTEERING OR WORK.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** Other Defined Groups

Geography

- City Of London
- Tower Hamlets

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,899,360	£3,540,818	£13,229,484	49
2024-03-31	£2,939,574	£3,458,314	£10,447,936	46
2023-03-31	£2,577,100	£2,576,147	£11,333,508	42
2022-03-31	£2,492,857	£2,308,346	£11,844,732	37
2021-03-31	£2,672,935	£2,330,833	£11,892,107	32

Trustees

Name	Role	Appointed
ELIZABETH MARY CANNING	Chair	2010-11-26
Anthony Tama		2021-07-29
JONATHAN RHODES		2014-01-01
LINDA ELIZABETH MCHUGH		2013-10-03
Nicola Sewell		2024-03-26
RICHARD SOLOMON		2010-11-26
Richard Harries		2025-12-10
Sophia Kosasih		2024-03-26
Thomas Andradi-Brown		2025-12-10

PROVIDENCE ROW

England & Wales - Charity number 1140192

Accounts



HELPING HOMELESS AND VULNERABLE PEOPLE SINCE 1860

Trustees' Annual Report and Financial Statements for the year ended 31 March 2025

Providence Row

Registered and Principal Office:

The Dellow Centre
82 Wentworth Street
London
E1 7SA

Company number 07452798

Charity number 1140192

Website: www.providencerow.org.uk



@providencerow



@Providence_Row



/ProvidenceRow

Board of Trustees

Elizabeth Canning (Chair)
Bishop Nicholas Hudson (resigned 15th November 2025)
Linda McHugh
Jonathan Rhodes
Richard Solomon (Honorary Treasurer)
Paul Strange (resigned 5th December 2024)
Nicola Sewell
Anthony Tama
Sophia Lee Xiu-Fei Kosasih
Tom Andradi-Brown (appointed 10th December 2025)
Richard Harries (appointed 10th December 2025)

Patron

His Grace the Duke of Norfolk

Honorary Vice President

Fr. Peter Harris
Dan Regan
Richard Sermon

Chief Executive Officer & Company Secretary

Tom O'Connor (resigned 8th November 2025)
Nigel Williams (appointed 6th October 2025)

Auditors

Forvis Mazars LLP
6 Sutton Plaza
Sutton Court Road
Sutton
Surrey
SM1 4FS

Bankers

HSBC Bank plc
City of London Branch
60 Queen Victoria Street
London
EC4N 4TR

Handelsbanken
42 New Broad St
London
EC2M 1JD

Investment Advisors

Schroder & Co. Limited
t/a Cazenove Capital Management
12 Moorgate
London
EC2R 6DA

Solicitors

Bates Wells Braithwaite
10 Queen Street Place
London
EC4R 1BE

Investment Property**Managing Agents**

Savills
(incorporating GBR Phoenix Beard)
33 Margaret Street
London
W1G 0JD

Investment Property**Legal Advisors**

Brecher Solicitors
4th Floor, 64 North Row
Mayfair
London
W1K 7DA

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Message from Chair of Trustees

Dear Friends,

I was homeless and you gave me a room.

Providence Row continues to support those facing homelessness in East London. Over the course of the year close to 1,200 people came through the doors of The Dellow Centre, where they were fed, took showers, accessed physical and mental health care, received guidance to help them find somewhere to live and accessed training opportunities.

None of this could happen without your support. Support comes in many different shapes; small and large donations, painting the dining area to make it a welcome space, sponsored cycle rides, overnight sleep outs, carol singing at Spitalfields Market – all these efforts enable us to look after some of the most marginalized people in our society.

Their numbers are growing, for reasons which are well documented. Therefore, we continue to need your support. We want to be able to respond to the increase in numbers and help get our fellow Londoners back on their feet with a future to look forward to.

We know we make a difference and, with your continued support, we can provide more help. Solving homelessness is a significant multidisciplinary task but we believe that the services we offer go some way to alleviate the worst effects of life on the streets.

We are in a stable financial position, benefitting from a large legacy and the sale of an investment building. We are about to embark on a project of re investment into our main building and services, please look out for further details during the next year.

We continue to strengthen our Board with new trustees Niki Sewell, Sophia Kosasih and Richard Harries (as the Cardinals' appointee). We are having to say farewell to Bishop Nicholas Hudson as he takes up his new role as the Bishop of Plymouth. The Diocese of Plymouth are lucky to have him; we will all miss his wise counsel, good humour and special care for Providence Row. Please keep him in your prayers as he takes up important new responsibilities.

Finally, during the course of this year, our CEO, Tom O'Connor, notified me of his resignation. Tom has made a great difference to Providence Row and has steered us through some challenging times, not least the Covid pandemic. We wish Tom all the best in his new role in the hospice sector and thank him for his many contributions over the last 8 years. Tom has been succeeded on an interim basis by Nigel Williams and we extend a warm welcome to Nigel.

The Sisters of Mercy, who were front and centre during our 165th anniversary celebrations at Westminster Cathedral, continue to inspire our work. All our staff, volunteers and Trustees deserve thanks as do all of our supporters – our work is invaluable to those we serve and I hope we can continue to serve them with your help.

I hope you enjoy reading our annual report. May I wish you, your families and friends a peaceful Christmas and a prosperous New Year.

ABOUT US

Vision

Everyone has a safe home and a community in which to belong.

Mission

To support and accompany more people who are homeless or at risk of homelessness on their journey to recovery, especially those who are most vulnerable and least likely to access services elsewhere.

To offer a range of services that support rough sleepers from times of crisis through to when support is no longer needed.

Our values

- Compassion
- Empowerment
- Inclusiveness
- Justice
- Respect

Why we are needed

As rents and housing costs continue to rise and the cost of living crisis deepens—exacerbated by housing benefit cuts and severe shortages of social and affordable housing—homelessness in London is escalating at an alarming rate. It has now reached its highest level in England since records began.

According to analysis by London Councils (October 2024), more than 183,000 Londoners are estimated to be homeless and living in temporary accommodation - equivalent to at least one in every 50 residents of the capital, with at least one homeless child in every London classroom.

The number of people sleeping rough in London at the end of 2024 was 5% higher than the previous year, according to the Combined Homelessness and Information Network (CHAIN). Between October and December 2024, outreach teams recorded 4,612 people sleeping rough in the capital¹—about half of whom were identified as having mental health needs. Of these, 704 individuals were found to be living on the streets, representing a 26% increase from the same period the year before.

In Tower Hamlets—one of most densely populated and fastest-growing areas in the country- the picture is equally stark. Rough sleeping rose by almost 29% in 2024, with 189 individuals recorded in the October-December quarter², compared to 147 in the same period the previous year³.

Amid an escalating crisis, Providence Row remains at the forefront of delivering critical, tailored, and dignified support to individuals experiencing homelessness across East London.

As we close 2024/25 and look ahead, our commitment to expanding and adapting our services remains steadfast. We are focused on meeting growing demand and ensuring that those who are most marginalised and at risk are not only reached, but meaningfully supported. Central to our approach is a whole-person model of care—one that recognises the complexity and individuality of each person's experience, and responds with empathy, flexibility, and respect for their unique needs, aspirations, and circumstances.

¹ <https://homeless.org.uk/news/london-rough-sleeping-numbers-still-shocking/>

² https://passage.org.uk/latest-street-count-data-october-december-2024/?utm_source=chatgpt.com

³ https://data.london.gov.uk/dataset/chain-reports/?utm_source=chatgpt.com (Quarterly Reports and Data Tables, 2023/2024 -Tower Hamlets).

ACHIEVEMENTS AND HIGHLIGHTS FOR THE YEAR

While the climate in which we operate continues to be challenging, our teams have been working harder than ever to help the people turning to us for support. During the past year, approximately 1,200 people accessed our services for crisis intervention, advice and support, health and wellbeing, harm reduction, employability and progression support. Through the dedication of our staff and volunteers and the support of our donors and partners, we have continued to innovate and find new ways to help and empower people who are vulnerable.

OUR SERVICES

Service Expansion and Community Impact

Providence Row remains committed to providing a wide range of services to support people overcoming challenges, regaining confidence, and moving towards independent living and reintegration into society. By strengthening our strategic partnerships, we have enhanced service access and expanded our offer, while continuing to place our clients' voices, choices, and aspirations at the heart of everything we do.

In 2024/25, this commitment enabled us to expand our services to include on-site healthcare—covering primary care, nutritional advice, mental health support, and targeted disease prevention for rough sleepers and people experiencing homelessness.

This expansion included the delivery of over 260 health interventions through two Health and Wellness Fairs. Our partnerships with local health providers strengthened the continuity of care, while the integration of Health Peers⁴ improved both the reach and quality of our community health efforts. These initiatives facilitated numerous health check-ups, service registrations, and improved access to essential support, contributing to better health outcomes for those we serve.

Building on the success of our award-winning Outreach Psychotherapy service, we extended our reach across five London boroughs, delivering compassionate, trauma-informed psychological support to people experiencing homelessness—meeting them wherever they are, both physically and emotionally.

Recognising that poor nutrition is a significant barrier to recovery, increasing vulnerability to illness and mental health challenges, we partnered with Homeless Link and Office for Health Improvement and Disparities (OHID) to deliver a targeted nutrition programme designed to improve health and wellbeing for our clients.

These achievements reflect more than service expansion—they represent a deepening of our impact across the communities we serve. By working collaboratively, we continue to build a responsive and inclusive support system that not only addresses immediate needs, but fosters long-term wellbeing and social connection. Through sustained investment in health, nutrition, and psychological support, Providence Row is helping to shape a healthier, more resilient community where no one is left behind.

Resource Centre

An essential part of East London's local community, our Resource Centre houses our immediate crisis response and provides a safe space for vulnerable people. In the last year, the Resource Centre directly supported 667 people to access washing facilities, phone charging, a postal address, IT facilities and other key services from our Food Programme, to Progression and Training and to our Advice and Support Service.

⁴ Health Peers are recruited to promote engagement with health and wellbeing initiatives and provide experience and training for those with lived experience.

Reset

In 2024-2025, our Reset Outreach and Referral Service and Reset Rough Sleeping Navigator Team supported 595 clients through harm reduction advice, as well as referral into drug and alcohol treatment and recovery services. The team has also assisted service users to register with GP registration and attend physical and mental health appointments.

Our Needle Exchange and Harm Reduction service saw increased engagement from people in marginalised communities, with a total of 130 individuals receiving support throughout the year. We estimate that over 10,000 sterile needles, along with other harm reduction materials, were distributed to service users.

Naloxone training and distribution has also expanded, with 356 kits provided to service users and support agencies. Naloxone is an essential intervention in overdose prevention, as it can quickly reverse the effects of an opiate overdose and restore breathing. Ensuring wider availability and training, supports both individuals and frontline workers to respond effectively in critical situations, reducing the risk of fatal outcomes.

In response to the UK's emerging synthetic opioid crisis, the Reset services distributed Nitazene, Xylazine and Fentanyl testing strips between January and March 2025. A total of 104 strips were distributed, providing individuals who use drugs with a tool to test substances before use – a potentially life-saving intervention in overdose prevention.

We also strengthened partnerships with external agencies to improve access to blood-borne viruses (BBV's testing and prevention), removing key barriers to care.

A pilot emergency wound care service was launched within our needle exchange and harm reduction room, where 19 individuals received on-the-spot support. This initiative plays a crucial role in early infection detection and in connecting people to primary care, emergency and specialist health & wound care services, bridging a gap in immediate care.

Reflecting Providence Row's ongoing commitment to removing barriers to health care and harm reduction support, we introduced a rapid prescribing clinic in November 2024, in collaboration with a partner agency (CGL). The clinic, designed to support individuals experiencing street homelessness in Tower Hamlets, has already helped 42 people access structured treatment.

Outreach Psychotherapy, 'A place within'

Since securing the ground-breaking tri-borough contract in August 2022, our Outreach Psychotherapy Service has continued to flourish and extended its reach across five London boroughs. This year we delivered trauma-informed therapy to more than 229 people who were sleeping rough, supporting them to move off the streets, sustain accommodation and regain control over their own lives.

The Psychotherapy Service plays a vital role in supporting some of the most marginalised and vulnerable individuals in East London — rough sleepers and those experiencing homelessness across Tower Hamlets, Hackney, the City of London, Redbridge and Newham. Our flexible, outreach-based model is uniquely designed to meet people where they are, both physically and emotionally, offering accessible, non-judgemental, and trauma-informed therapeutic support.

By removing the traditional barriers to mental health care, we help individuals who have often been excluded from mainstream services. Our skilled team of psychotherapists works collaboratively with clients who are facing complex challenges, including trauma, substance use, mental health difficulties, and social isolation.

Our service doesn't just focus on symptom reduction — it fosters safety, trust, and long-term relational healing. We help people rebuild a sense of dignity, self-worth, and the emotional resilience needed to sustain recovery, housing, and meaningful change.

In an area where the need is acute and growing, this service stands as a compassionate, consistent, and innovative mental health lifeline for rough sleepers and people experiencing homelessness. In short, Outreach Psychotherapy has transformed not only individual lives but the entire ecosystem of support for some of East London's most vulnerable residents.

Progression & Training Service

In 2024/25, we continued our mission to empower individuals and communities through education and training. With 167 referrals to the service and 150 one-to-one Information, Advice and Guidance (IAG) assessments, we've broadened our support network, ensuring wide accessibility to resources. The Progression and Training Team significantly exceeded its delivery target for CV support, completing 151 CVs for clients accessing the service. 9 clients secured employment, marking a significant milestone in their journey towards self-sufficiency.

Our commitment to diverse training pathways remains strong. We provided tailored programmes ranging from catering to gardening and Level 2 Food & Hygiene certification, empowering 48 individuals with valuable skills. Recognising the importance of digital literacy, 14 clients completed digital training modules, enhancing their confidence and independence in navigating digital spaces. Overall, 51 accreditations were achieved across a range of vocational and life skills programmes, including 11 certifications for Level 2 Food & Hygiene certification, enhancing clients' employability within the food service industry. Additionally, 23 clients completed employability training, equipping them with essential skills to navigate the job market successfully.

Health and Wellbeing Service

In 2024/25, Providence Row's Health Inclusion Service demonstrated significant impact, including the recognition we received, through the National Homeless Link Excellence Awards, for our outstanding Health and Wellbeing Initiative. Awarded in 2024 for work carried out in 2023, this ongoing commitment has allowed the service to further expand and enhance its support for those in need.

We continued to deliver measurable improvements in health outcomes and client engagement across the system. By securing temporary funding from NHS North East London (NEL) and the National Lottery Community Fund, we were able to expand our reach through a new Health Access and Outreach Coordinator, who will work across North East London to strengthen health pathways, help reduce emergency health interventions, reach clients across multiple boroughs and offer additional health support and interventions.

Drawing on the experience of Health and Wellness Fairs, designed to promote health education, build partnerships, and expand the range of support available to clients, the Health and Wellbeing Service provides a fully-fledged prevention and intervention service for people sleeping rough. This includes access to GP assessments and referrals, vaccinations, wound dressing services, screening tests for HIV, STIs, Hep B&C, liver disease, tuberculosis, and fibrosis scans.

In partnership with Homeless Link and funded by OHID, a targeted nutrition programme helped 86 people rough sleeping or living in hostels, particularly those using drugs or alcohol, providing over 100 one-to-one sessions that linked food with recovery from substance use and improved routines. Client feedback highlighted significant benefits, including better mood, increased energy, and reduced stress, with many relying on these meals as their main source of nutrition.

Catering Service

Our kitchen continues to serve not only as a vital source of nourishment but also as a safe and welcoming space where clients feel seen, heard, and respected.

Over the course of 2024/25 we provided 11,380 nutritious meals to 637 clients, offering breakfast and lunch every weekday. The service is open to people verified as rough sleeping by Tower Hamlets outreach teams, individuals with No Recourse to Public Funds (NRPF), and those engaging with our wider services—including housing support, volunteering, psychotherapy, and substance use support.

The service benefits from the dedication of 45 regular volunteers and 229 corporate volunteers from 22 companies, contributing over 2,000 hours of support. This year, the “Yes, Chef!” training programme was reintroduced, offering participants real kitchen experience and a Level 2 Food Hygiene qualification to build confidence and skills.

Partnerships with organizations such as The Ned and The Felix Project have enriched the kitchen experience, bringing new skills, visibility, and resources.

OUR SUPPORTERS AND FUNDERS

Providence Row’s work is made possible by our fantastic community of staff, supporters, funders and volunteers.

Our Staff

During the year the charity employed an average of 47 staff (average monthly headcount), of whom 16% were part-time staff.

Our Supporters and Funders

We are grateful to all our supporters and funders for their support, from regular gifts to one off donations and fundraising initiatives.

Our Volunteers

This year, we welcomed 45 community volunteers who contributed across various areas, including the kitchen, Welcome Area, garden, administration, IT room and Fundraising team. Of these, six were international students IES (Institute for the International Education of Students) and one from a new partnership with Samford University (USA).

Two individuals completed accredited training in peer mentoring in April, supported by the Progression and Training teams. They have since applied their training effectively, offering meaningful contributions by providing clients with emotional support, conducting research, and identifying local resources.

Fundraising

Our fundraising was carried out by our in-house Fundraising Team, directly employed by the charity. No professional fundraisers commercial participators were contracted to fundraise on our behalf during the year.

We undertook a range of fundraising activities, including Trusts and Foundations applications, Legacy giving, Corporate partnerships and Community fundraising, Digital and direct marketing campaigns, including appeals and regular giving programmes, Events delivered with volunteers and corporate supporters. We also worked with a small number of corporate partners running activities on our behalf and community events supported by volunteers.

Providence Row is registered with the Fundraising Regulator and committed to compliance with the Code of Fundraising Practice. There was no failure to comply with the Code of Fundraising Practice, nor with any recommendations or standards set by the Fundraising Regulator, during the reporting year. We did not engage any professional fundraising agencies to solicit donations during the year.

Where fundraising activity was delivered by volunteers acting on behalf of Providence Row, we ensured appropriate oversight through:

- Agreed roles, responsibilities, and expectations
- Provision of training and guidance on fundraising standards, supporter care and brand representation
- Ongoing monitoring by Providence Row staff to ensure compliance with the Code of Fundraising Practice and charity values

Providence Row received no fundraising-related complaints during the reporting year.

Providence Row is committed to safeguarding vulnerable people and ensuring that our fundraising activity follows the relevant sections of the Code of Fundraising Practice, including those relating to avoiding persistent or excessive requests for support and never placing undue pressure on individuals to donate. To support this commitment, we ensure all staff and volunteers are trained to be able to respond appropriately, we carry out regular reviews of internal policies to ensure best practice, and supporter data is carefully managed.

Companies

We are incredibly grateful for the support of our company partners who donated £343,415 (£219,565 in 2023/24) over the course of year through a range of events, activities and grants. We would like to thank our long-standing strategic partners Natixis Investment Managers and Reed Smith, Aldgate Connect BID, Land Securities, Derwent London, and Beazley. We would also like to thank Hiscox, Tatton Investment, VVW, Business Junction, UNUM, MACE, McClarens, Unity Trust Bank, Canopy Hilton and Savills.

A total of 270 corporate volunteers from 22 companies supported our services over the last year. A significant and invaluable contribution – thank you!

Communities

Thanks to continued support from a number of community groups we raised £26,307 (£126,780 in 2023/24).

Our supporters in the community include:

Sisters of the Holy Cross Charitable Trust, St. Mary Moorfields Catholic Church, The Church of St Botolph Without Bishopsgate, St Sepulchre-without-Newgate, as well as other religious and non-religious groups and schools.

Trusts and Foundations

Our private and institutional grant makers are a vital source of committed multi-year funding that allows us to plan ahead for our programmes and services. We received £529,891 (£527,649 in 2023/24). Thanks to the generosity of the Trusts and Foundations that supported us this year we were able to be there for our clients during another extremely challenging year.

Philanthropy Programme

We stewarded some key existing relationships with Philanthropists over the year (while developing new relationships too) which helped secure £46,000 towards our work. Our Philanthropy Programme will be further developed over the coming years.

Legacy

We received £1,192,091 (£1,500 in 2023/24) in legacy income. We are immensely grateful to those who have so generously supported us in their will.

Individuals

Our individual donors have once again made a crucial difference to the lives of the people we support. Thanks to their generosity, we raised £93,834 (£89,262 in 2023/24), we are incredibly grateful to everyone who donated to support the work we do.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure of the charity

Providence Row is a private company limited by guarantee and does not have share capital. It was incorporated on 26 November 2010 (company number 07452798) and was registered as a charity on 2 February 2011 (charity number 1140192). Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454), which was originally established in 1860. The directors of Providence Row are its trustees for the purposes of charity law. Providence Row became operational as an incorporated charitable company on 1 April 2011 and on the same date a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC.

Governance

The Memorandum of Association and Articles of Association of Providence Row form the governing documents of the charity. Providence Row is governed by a Board of Trustees, which is made up of:

- up to four Nominated Trustees
- up to ten Elected Trustees.

Nominated Trustees are nominated to serve on the Board by the Catholic Archbishop of Westminster (two Trustees), the Superior General of the Union of the Sisters of Mercy (one Trustee) and the Congregational Leader of the Institute of Our Lady of Mercy (one Trustee). Their appointment is subject to approval by the Trustees. Nominated Trustees serve for three year renewable terms.

Elected Trustees must be appointed at the annual general meeting by means of election by those qualified to vote at the meeting. One third of Elected Trustees must retire by rotation (and can stand for re-election) at the Annual General Meeting, those who have been longest in office since their last appointment or re-appointment being subject to retirement by rotation.

The Trustees may appoint one of their number to be the Chair of the Trustees for such a term of office as they determine and may at any time remove him or her from that office. The Chief Executive Officer has been appointed as the Secretary to the charity. The Trustees may at their discretion establish procedures and criteria for inviting individual donors to become 'Associate members' of the charity with the right to vote at the annual general meeting. There are currently no 'Associate members' qualified to vote at the 2025 Annual General Meeting.

ORGANISATIONAL STRUCTURE, MANAGEMENT AND KEY RELATIONSHIPS

The Board of Trustees meet at least quarterly. These quarterly meetings are preceded by meeting of the Finance Committee. The Remuneration Committee meets annually to consider the recommendations of

the Chief Executive in relation to staff remuneration. The remuneration of the Chief Executive is considered separately by the Remuneration Committee in the absence of the Chief Executive. External market benchmarks are taken into consideration in relation to all staff remuneration decisions, focussing on pay levels in other providers of a similar nature, and geographical location. The Remuneration Committee submits its recommendations to the Board for approval.

The Chief Executive attends meetings of the Board of Trustees (with other senior staff as appropriate) and submits for approval the strategic plan and the annual budget. The Chief Executive and the leadership team report regularly to the Trustees on the implementation of the strategy and performance against the budget.

In accordance with charity law, decisions relating to disposals of land (including sales, leases, grants of easements and releases of rights of light) are made by the Trustees following the procedures set down in the Charities Act, statutory regulation and guidance issued by the Charity Commission. The Board of Trustees determines the charity's reserves policy.

The Chief Executive has formed a Leadership Team including the Director of Services, the Director of Finance and the Director of Fundraising and Marketing. The role of the Leadership Team is to assist the Chief Executive in implementing the strategic plan within the approved annual budget.

The charity's key relationships include the Sisters of Mercy (the Union of the Sisters of Mercy of Great Britain and the Institute of Our Lady of Mercy), the London Borough of Tower Hamlets and the Corporation of the City of London. The relationship with the Sisters of Mercy is a formal arrangement with powers to nominate Trustees to the Board. The charity is very grateful for the continued support of the Sisters of Mercy and committed to ensuring that the legacy of the Sisters is reflected in the ongoing work of the charity for the long term. In addition, the charity works with a range of other charities, agencies and partners.

FINANCIAL SUMMARY 2024/25

Overview of results

The charity recorded a surplus of £358,542 before net unrealised loss on investments of £5,061 and unrealised gain of £2,428,067 on valuation of the investment property. This compares to a deficit of £518,740 before net unrealised gain on investments of £94,168 and unrealised loss of £461,000 on valuation of the investment property in 2023/24.

Income

Total income for 2024/25 was £3,899,360 (2023/24 was £2,939,574).

Income	2024/25		2023/24	
	£'000	% of total	£'000	% of total
Donations	696.8	17.9%	569.1	19.4%
Donated goods, facilities and services	-	-	24.3	0.8%
Legacies	1,192.1	30.6%	1.5	0.1%
Charitable activities (see below)	1,828.3	46.9%	2,005.8	68.1%
Other trading activities	2.1	0.0%	0.3	0.0%
Investment income	155.1	4.0%	313.6	10.7%
Other income	25.0	0.6%	25.0	0.9%
Total	3,899.4	100.0%	2,939.6	100.0%

Income from charitable activities	2024/25		2023/24	
	£'000	% of total	£'000	% of total
Local authority contracts	1,256.2	68.7%	1,342.1	66.9%
Performance related grants	342.6	18.7%	454.7	22.7%
Rents from the Dellow Centre leases	229.5	12.6%	209.0	10.4%
Total	1,828.3	100.0%	2,005.8	100.0%

Total income for the year increased by £959,786 (25.8%) in relation to 2023/24 income. This is mainly due to the one-off legacies of £750k and £400k.

Expenditure

Total expenditure for 2024/25 was £3,540,818 (2023/24 was £3,458,314), an increase of £82,504 (2.1%).

Expenditure	2024/25		2023/24	
	£'000	% of total	£'000	% of total
Costs of raising donations and legacies	771.7	21.8%	690.3	20.0%
Costs of investment management	189.3	5.3%	240.1	6.9%
Charitable activities (see below)	2,579.8	72.9%	2,527.9	73.1%
Total	3,540.8	100.0%	3,458.3	100.0%

Expenditure on charitable activities	2024/25		2023/24	
	£'000	% of total	£'000	% of total
Advice and Support / Resource Centre	1,390.8	53.9%	1,353.7	53.5%
Recovery and Progression	634.9	24.6%	515.3	20.4%
Trainee Schemes, Food & Garden	554.1	21.5%	658.9	26.1%
Total	2,579.8	100.0%	2,527.9	100.0%

FINANCIAL REVIEW

Investment policy and objectives

The charity's appetite for risk in relation to the Endowment Fund reflects the long-term nature of the charity's investment horizon. The Endowment Fund exists to generate sustainable income in perpetuity. For this reason, the Endowment Fund is focused on a diversified portfolio of unitised equity related investments, managed by the charity's investment advisors. The primary objective of the investment strategy is to preserve the long-term real value of the charity's permanent endowment, whilst providing a good level of income which may be deployed by the charity to further its objectives. The Trustees apply a policy of 'Responsible Investment' and we expect our investment managers to engage with companies on social, environmental and business ethics issues and to exercise voting rights in line with the policy. The Trustees have decided not to take an exclusionary approach to particular categories of investment.

The greater part of the charity's investible cash resources, which are outside the Endowment Fund, are managed by its investment advisors. The charity does not currently hold any cash deposits with maturities in excess of 30 days, and has instructed its investment advisors to adopt a cautious approach, investing our resources across a number of different banking institutions with investment grade credit ratings and, in the case of overseas or offshore deposit takers, benefiting from a full guarantee from a UK parent bank with a credit rating of at least A- (Fitch/S&P). The Charity is currently exploring refinements to its investment strategy to maximise benefit from the higher interest rate environment.

Investment performance against objectives

Over the 12-month period to 31 March 2025, the charity's Endowment Fund generated an overall positive return of £2,561 (2023/24: positive return of £110,601), incorporating investment income of £14,945 (2023/24: £23,194), net unrealised loss of £5,061 (2023/24: unrealised gain of £94,168) and management fees of £7,323 (2023/24: £6,761).

The charity's managed cash deposit portfolio generated income in the year of £28,369 (2023/24: £27,698).

The charity's investment property generated total income (rent and service charge) of £56,204 during the year, a decrease of 76% over the comparative figure for 2023/24 of £219,843. This decrease is due to vacancy levels during the year. Rental income was £30,332 (2023/24: £165,789). Direct costs of investment property management in 2024/25 (before allocated support costs) totalled £169,211 (2023/24: £226,394).

PRINCIPAL RISKS AND RISK MANAGEMENT

The Trustees have considered and reviewed the major risks to which the charity is exposed and are satisfied that systems and procedures have been established to adequately manage these risks. The risks identified and reviewed are those which, if they occurred, would have a major impact on some or all of the following areas: governance; operations; finances; environmental or external factors such as public opinion or relationships with funders; compliance with law and regulation.

The Chief Executive together with the Leadership Team reports to the Board of Trustees on a regular basis regarding the major risks which have been identified, and measures in place (or planned) to manage and mitigate those risks.

We recognise that in our work we are exposed to significant risks relating to the safeguarding of vulnerable adults, and a failure to respond to changes in the external environment could endanger lives as well as our reputation. To manage this risk, procedures are in place in respect of staff, volunteers and clients. These processes are included in a range of policies, in particular: Safeguarding Adults; Health and Safety; Fire Safety; Personal Safety, and Lone Working.

Economic uncertainty is a threat to our income at a time when the needs of homeless people are increasing and Local Authorities finances are under pressure. The Board and the Leadership Team are carefully monitoring the external environment to identify specific risks to our projected income.

The charity's largest single source of recurring (contractual) income is currently from the London Borough of Tower Hamlets. Local Authority budgets continue to be placed under considerable pressure by public sector financing constraints. Uncertainty about future levels of Local Authority income represent a risk to the charity. Consequently, we have prioritised the further diversification of income streams. All our commissioned services are due for re-tendering, and re-structuring over the next 12 months. Whilst this presents us with the risk of losing some priority services, it also offers the opportunity to update and renew our established partnerships and service provision.

We now have an established fundraising programme across a range of income streams. This has grown year on year and we forecast sustained growth over the next three years.

The charity owns a number of property assets, and the ownership and management of these properties involves a number of risks:

- The charity's main premises, the Dellow Centre complex, is a substantial purpose-built property on Gunthorpe Street/Wentworth Street and is owned freehold. The effective management of this and of the charity's Resource Centre on the same site represents a considerable operational and financial commitment. We have begun to invest in the Centre to make improvements to the premises and the way in which we provide our services.

- Most of the upper parts of the Dellow Centre comprise hostel accommodation for vulnerable people. This is let under a 40 years lease which guarantees long term rental income and the provision of appropriate and well-maintained accommodation for residents.
- Providence Row's investment property, Sherrington Mews, lies adjacent and to the south of the Dellow Centre and provides commercial office space arranged in small suites. At 31st March 2025 the property was under offer and subsequently sold on 22nd May 2025.

REVIEW OF RESERVES AND RESERVES POLICY

Providence Row reviews its reserves policy regularly in line with its evolving strategic outlook and operating environment and in order to ensure that the policy continues to reflect the underlying risks facing the charity and the level of reserves judged necessary to protect its core services to clients and to safeguard its long-term sustainability and independence.

Providence Row holds restricted funds (or 'special trusts') in accordance with donors' express requirements and the terms of grants or appeals. In addition, the charity has established designated (unrestricted) funds for planned future requirements in accordance with the strategic plan. The creation of a designated fund does not legally restrict the Trustees' discretion in how to apply the unrestricted funds that have been earmarked.

As at 31 March 2025 the charity held total funds of £13,229,484 (2023/2024: £10,447,936), comprising the restricted endowment fund, restricted funds and unrestricted funds.

The Trustees have determined that the previously agreed target level of £1,000,000 in free reserves should remain. At 31 March 2025, the actual level of free reserves (including the contingency fund) was £1,143,065 (2023/2024: £769,653).

The Trustees will continue to review the target level of free reserves annually to take into account changing circumstances, revised financial forecasts and evolving challenges and opportunities facing the charity. The target level of free reserves may therefore change over time.

Movements on the funds held by the charity during the period under review and an analysis of the charity's net assets between the funds held are summarised in notes 16 to 19 to the financial statements.

Going concern

An established and robust fundraising programme is in place that has been showing sustainable year on year growth. Our cash position remains strong despite the challenging environment in which we are working. The ownership of property assets protects us from challenges being faced by many charities at this time.

Our future cash inflow is now further secured by 40 years Hostel lease. The disposal of the Investment building in May 2025 generated £6M. The Charity repaid the loan to Handelsbanken from sales proceeds and invested the remaining money in order to generate interest to further charitable activities.

The Trustees consider that it is therefore appropriate to prepare the financial statements on a going concern basis.

TRUSTEES' RESPONSIBILITIES STATEMENT

The law applicable to charities in England and Wales requires the Trustees to prepare the annual report and financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

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

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and enable them to ascertain the financial position of the charity and ensure that the financial statements comply with the Companies Act 2006. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are not aware of any relevant audit information that has not been disclosed to the charity's auditors. The Trustees have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Forvis Mazars LLP acted as auditors during the period under review and have signified their willingness to continue in office. A resolution proposing their re-appointment will be put to the annual general meeting.

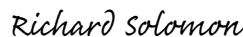
These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime.

Approved by the Trustees on 10/12/2025 and signed on their behalf by



em canning (Dec 18, 2025 18:19:13 GMT)

Elizabeth Canning – Chair



Richard Solomon (Dec 18, 2025 14:45:29 GMT)

Richard Solomon – Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROVIDENCE ROW

Opinion

We have audited the financial statements of Providence Row (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement on page 16, the trustees (who are also the directors of the charitable company for the purposes of company laws) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to income recognition and significant one-off or unusual transactions.

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

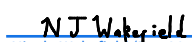
- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

Use of the audit report

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


Nicola Wakefield (Dec 20, 2025 16:17:30 GMT)

Nicola Wakefield (Senior Statutory Auditor) for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS
Date: 20/12/2025

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2025

Statement of Financial Activities for the year ended 31 March 2025 (incorporating an income and expenditure account)

	Notes	Unrestricted Funds	Restricted Funds	Endowment Fund	Total Funds 2025	Total Funds 2024
		£	£	£	£	£
Income and Expenditure						
Income from:						
Donations		505,788	191,041	-	696,829	593,367
Legacies		1,192,091	-	-	1,192,091	1,500
Sub-total: Donations and legacies	2a	1,697,879	191,041	-	1,888,920	594,867
Charitable activities	2b	1,485,741	342,587	-	1,828,328	2,005,798
Other trading activities	2c	2,050	-	-	2,050	312
Investments	2d	155,062	-	-	155,062	313,597
Other	2e	25,000	-	-	25,000	25,000
Total income		3,365,732	533,628	-	3,899,360	2,939,574
Expenditure on:						
Raising funds						
Raising donations and legacies		(748,434)	(23,255)	-	(771,689)	(690,265)
Investment management		(181,960)	-	(7,323)	(189,283)	(240,148)
Sub-total: Raising funds		(930,394)	(23,255)	(7,323)	(960,972)	(930,413)
Charitable activities						
Advice and Support / Resource Centre		(1,099,956)	(290,885)	-	(1,390,841)	(1,353,659)
Recovery and Progression		(615,773)	(19,133)	-	(634,906)	(515,325)
E&T: Trainee Schemes, Food & Garden		(288,427)	(265,672)	-	(554,099)	(658,917)
Sub-total: Charitable activities		(2,004,156)	(575,690)	-	(2,579,846)	(2,527,901)
Total expenditure	3	(2,934,550)	(598,945)	(7,323)	(3,540,818)	(3,458,314)
Net income/(expenditure) before net gains/(losses) on investments		431,182	(65,317)	(7,323)	358,542	(518,740)
Net gains/(losses) on investments						
Unrealised gains/(losses) on investment property	8	2,428,067	-	-	2,428,067	(461,000)
Net (losses)/gains on other investments	9, 16	-	-	(5,061)	(5,061)	94,168
Net movement in funds		2,859,249	(65,317)	(12,384)	2,781,548	(885,572)
Reconciliation of funds						
Total funds brought forward		7,475,959	2,085,437	886,540	10,447,936	11,333,508
Total funds carried forward		10,335,208	2,020,120	874,156	13,229,484	10,447,936

All of the above results relate to continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities above. Movements in funds are disclosed in Notes 16 to 19 of the financial statements.

Registered company number: 07452798
Charity number: 1140192

BALANCE SHEET

As at 31 March 2025

Balance Sheet as at 31 March 2025

	NOTES	Total funds 2025		Total funds 2024	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	7	5,323,655		5,266,919	
Investment property	8	5,842,067		3,414,000	
Other Investments	9	1,538,764		1,520,939	
Total Fixed Assets		12,704,486		10,201,858	
Current Assets					
Debtors	10	793,620		479,327	
Cash at bank and in hand		1,514,645		1,576,690	
Total Current Assets		2,308,265		2,056,017	
Liabilities					
Creditors: Amounts falling due within one year	11	(783,267)		(799,555)	
Net Current Assets		1,524,998		1,256,462	
Total Assets less Current Liabilities		14,229,484		11,458,320	
Creditors falling due after more than one year	12. 13	(1,000,000)		(1,010,384)	
Total Net Assets	19	13,229,484		10,447,936	
The Funds of the Charity					
Endowment Fund	16	874,156		886,540	
Restricted Income Funds	17				
Tangible fixed asset fund: Restricted		2,016,000		2,072,000	
Other restricted income funds		4,120		13,437	
		2,020,120		2,085,437	
Unrestricted Funds	18				
Tangible fixed asset fund: Unrestricted		3,307,655		3,194,919	
Fixed asset fund: Investment Property		1,556,597		1,556,597	
Revaluation Reserve: Investment Property		4,285,470		1,857,403	
Cyclical Maintenance and repairs fund		42,421		97,387	
Free Reserves					
Contingency fund: Charity running costs		700,000		700,000	
General Funds		443,065		69,653	
Total Free Reserves		1,143,065		769,653	
		10,335,208		7,475,959	
Total Charity Funds	19	13,229,484		10,447,936	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The financial statements on pages 21 to 42 were approved by the Board of Trustees on 10/12/2025 and signed on its behalf by:

em canning
em canning (Dec 28, 2025 15:22:29 GMT)

Elizabeth Canning – Chair

Richard Solomon
Richard Solomon (Dec 18, 2025 14:45:29 GMT)
Richard Solomon – Honorary Treasurer

The notes on pages 24 to 42 form an integral part of these financial statements

STATEMENT OF THE CASHFLOWS

For the year ended 31 March 2025

	Notes	Total Funds 2025 £	Total Funds 2024 £
a) Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the year (as per the statement of financial activities)		2,781,548	(885,572)
Adjustments for:			
Depreciation charges, impairment and disposal	3,7	173,264	189,575
Unrealised (gain)/loss on investment property	8	(2,428,067)	461,000
Net loss/(gains) on other investments	9	5,061	(94,168)
Dividends, interest and rents from investments per the SOFA		(155,062)	(313,597)
Investment management costs per the SOFA		189,283	240,148
(Increase) in debtors (operating activities)		(314,293)	(114,184)
(Decrease)/increase in creditors (operating activities)		(26,672)	91,259
Net cash provided by/(used in) operating activities		225,062	(425,539)
	Notes	Total Funds 2025 £	Total Funds 2024 £
b) Statement of Cash Flows			
Net cash provided by/(used in) operating activities		225,062	(425,539)
Cash flows from investing activities:			
Dividends, interest and rents from investments per the SOFA		155,062	313,597
Investment management costs per the SOFA		(189,283)	(240,148)
Purchase of property, plant and equipment	7	(230,000)	(137,873)
Purchase of investments	9	(408,566)	(215,263)
Disposal of investments	9	372,132	249,424
Net cash used in investing activities		(300,655)	(30,263)
Change in cash and cash equivalents in the year		(75,593)	(455,802)
Cash and cash equivalents at the beginning of the year		2,210,537	2,666,339
Cash and cash equivalents at the end of the year		2,134,944	2,210,537
	Notes	Total Funds 2025 £	Total Funds 2024 £
c) Analysis of Cash and Cash Equivalents			
Cash at bank and in hand		1,514,645	1,576,690
Investments: Notice deposits (3 months or less)	9	612,108	583,739
Investments: Cash held in endowment fund (capital)	9	8,191	50,108
Total cash and cash equivalents		2,134,944	2,210,537

Notes to the Financial Statements For the year ended 31 March 2025

1 Accounting Policies

a. Basis of accounting

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of investments or as otherwise stated in the relevant accounting policy notes. There are no material uncertainties about Providence Row's ability to continue as a going concern. Providence Row is a public benefit entity.

The financial statements have been prepared in accordance with:

- The reporting requirements of the Companies Act 2006;
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (Charities SORP (FRS 102)), issued by the Charity Commission and the Office of the Scottish Charity Regulator in 2014 in their role as the joint SORP-making body and applicable to the financial statements of relevant charities for reporting periods beginning on or after 1 January 2019.

Incorporation and transfer of charitable undertaking at 31 March 2011

Providence Row was incorporated on 26 November 2010. Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454). (PRC was known as 'Providence Row Night Refuge and Home' until it changed its name on 21 January 2003.) With the exception of funds held on permanent endowment, the assets, liabilities, employees, operations and activities of PRC were transferred to Providence Row with effect from midnight on 31 March 2011. Providence Row became operational as an incorporated charitable company on 1 April 2011.

Also, on 1 April 2011 a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC. PRC continues in existence to hold the charity's permanent endowment and to receive any legacies bequeathed to PRC after 31 March 2011. Although PRC continues to hold legal title to the Endowment.

Fund assets, from an accounting perspective PRC is considered to hold these assets only as custodian for its corporate successor, due to the corporate trusteeship established by the Charity Commission Scheme. As a consequence of the constitutional arrangements (corporate trusteeship of Providence Row in relation to PRC), the financial statements of Providence Row have been prepared on the basis that they aggregate its own assets, results and activities with those of PRC. For this reason, the Endowment Fund appears on the statutory balance sheet of Providence Row, and legacy income of PRC and investment income arising from the Endowment Fund are shown within Providence Row's Statement of Financial Activities (SOFA).

b. Income

Income is recognised in the SOFA when a transaction or other event (e.g. a gift) results in an increase in the charity's assets or a reduction in its liabilities. Income is recognised only when the following criteria are met:

- Entitlement: control over the rights or other access to the economic benefit has passed to the charity;
- Probable: it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity; and
- Measurement: the monetary value or amount of the income and relevant costs incurred can be measured reliably.

In the case of a donation, entitlement usually arises immediately on its receipt. In the case of a grant, evidence of entitlement will usually exist when the formal offer of funding is communicated in writing to the charity. However, some grants contain terms or conditions that must be met before the charity has entitlement to the resources. Where grants specify a time period within which the funds must be spent and

the funds are received before the start of that period, then the income is deferred and only released to income at the start of the relevant period.

Grant funding agreements may contain conditions that specify the particular activities, goods or services to be provided by the charity within the scope of its charitable activities (performance-related grants). Income derived from performance-related grants is included within the SOFA heading 'Income from charitable activities' rather than 'Income from donations and legacies'. However, simply because a grant is restricted to a particular purpose of the charity does not mean that it should be recognised as a performance-related grant. Unrestricted and restricted grants that are not subject to performance-related conditions are included within the SOFA heading 'Income from donations and legacies'.

Gift Aid recoverable from HMRC in relation to donations is included in income on an accruals basis where there is a valid Gift Aid declaration from the donor.

Donated goods, facilities and services are recognised as income when brought into use by the charity. They are included in income at an amount equivalent to their estimated value to the charity, where this can be quantified, and an equivalent amount is included in the appropriate cost line, or (in the case of tangible assets) capitalised if appropriate. The only amounts included for donated services are those provided in a professional capacity. No amounts are included in the financial statements for services donated by volunteers. Details of the contribution made by volunteers can be found in the Report of the Trustees.

Evidence of entitlement to a legacy exists when the charity has sufficient evidence, after the death of the benefactor, that a gift has been left to it and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Recognition of the legacy income is also affected by the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Receipt of a legacy is normally judged to meet the probability criterion when:

- There has been grant of probate;
- The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- Any conditions attached to the legacy are either within the control of the charity or have been met.

Where the charity has entitlement to a legacy but the criteria for income recognition have not been met (e.g. due to uncertainty as to the amount of the payment) then the legacy is treated as a contingent asset (and is disclosed in the notes to the financial statements if material) until the criteria for income recognition are met.

Income from fundraising events, where the income is not a simple gift or donation but rather a payment in exchange for supplying goods or services to raise funds for the charity, is recognised when the event takes place and is included within the SOFA heading 'Income from other trading activities'.

Income from the sale of goods is recognised at the time of supply of goods to the buyer, provided receipt of the income is probable.

Income from contracts for the supply of services is recognised with the delivery of the contracted service.

Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably. Dividend income is recognised when its receipt is probable, and the amount receivable can be measured reliably. Dividends are accrued when the charity's right as shareholder to receive payment is established.

Rental income from property leases is recognised when it is receivable in accordance with the terms of the relevant leases, provided receipt of the income is probable. The aggregate cost of lease incentives (e.g. rent free periods or periods of concessionary reduced rents) is recognised as a reduction to the rental income over the full contractual term of the lease on a straight-line basis.

c. Expenditure

All expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is reported in the financial statements on an activity basis, as required by Charities SORP (FRS 102). This involves identifying the total cost of an activity, including direct, shared and indirect (or support)

costs. Charities SORP (FRS 102) identifies three high-level categories of a charity's activities: (i) expenditure on raising funds; (ii) expenditure on charitable activities, and (iii) other expenditure. These broad categories are further analysed between their significant components.

Support costs, which are not directly attributable to activities for raising funds or charitable activities, are allocated to those categories on a basis consistent with the use of resources. The bases on which support costs have been allocated are set out in note 3 'Expenditure'. Support costs include:

- Governance costs;
- Costs of the Finance function, including financial accounting, banking, budgeting, payroll management and day-to-day financial administration;
- Human resources management, office, general and administration costs;
- Costs of central information technology resources and telecommunications;
- Property costs relating to premises used by the charity for its own activities, including buildings management;
- Senior general management (where not allocated as a direct cost to specific activities) and other central costs; and
- Depreciation charges in relation to tangible fixed assets.

Governance costs are those associated with the governance arrangements of the charity, including external audit, general legal advice for the trustees (fees for legal advice specifically relating to investment property are included in investment management costs) and costs associated with constitutional and statutory requirements and ensuring proper public accountability (e.g. the costs of preparing statutory financial statements). Governance costs include any costs associated with the strategic as opposed to day-to-day management of the charity's activities and the cost of charity employees in respect of their time when involved in and preparing for meetings with trustees.

Costs of raising donations and legacies

Costs of raising donations and legacies are those incurred in seeking voluntary donations, gifts and grants of a general nature, together with the costs of administration related to legacies left to the charity. It excludes costs associated with applying for performance-related grants or negotiating contracts to provide services, which are included within the costs of the relevant charitable activities.

Investment management costs

Investment management costs include the costs of:

- Portfolio management and administration of investment funds and cash deposits; and
- The costs of managing the charity's investment property, including property repairs and maintenance charges, vacant property rates, utility charges, insurance, security, managing agents' fees, letting agents' fees, legal fees related to the property and staff costs.

d. Tangible fixed assets

(i) Freehold land and buildings

Freehold land and buildings transferred from PRC on 31 March 2011, other than assets in the course of construction at that date, are stated at fair value on the date of transfer less depreciation charged since the transfer. Freehold buildings in use are depreciated on a straight line basis over a period of 50 years from the date of transfer. Freehold properties let to tenants on long term leases in respect of which Providence Row receives rental income are depreciated on a straight line basis over the remaining terms of the respective leases.

In the case of freehold land and buildings in use by the charity, fair value was ascertained, based on professional advice, as 'Market Value', defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the case of freehold properties let to tenants on long-term leases, fair value was determined based on a discounted cash flow analysis of expected future rental income under the existing lease terms and assumptions relating to future levels of inflation, potential outcomes of rent reviews and other factors where applicable.

The Activity Centre on the Gunthorpe Street/Wentworth Street site was under construction at the date of transfer and was brought on to the balance sheet of Providence Row at that date on the basis of historical cost of construction and related capitalised professional costs. Construction was completed in November 2011 and the building is subject to depreciation over a period of 50 years from 1 January 2012.

Included within 'Freehold land and buildings in use' are the capitalised costs of the full replacement and resurfacing of the flat roof of the charity's main Gunthorpe Street / Wentworth Street premises (the Dellow Centre complex) undertaken during 2014-15. The costs of the new roof are being depreciated on a straight line basis over 25 years.

Freehold land is not depreciated.

ii) Other tangible fixed assets

Other categories of tangible fixed assets are depreciated on a straight line basis so as to write off their original cost over their estimated useful lives, as follows:

Office furniture and equipment	- 4 years
Computer equipment	- 3 years
Plant & mechanical equipment	- 10 years
Major premises renovation	- 25 years

Tangible fixed assets are capitalised if their initial cost (or, in the case of donated goods, the value to the charity – see note 1c above) is £1,000 or greater.

e. Fixed asset investments

Investment property assets are measured initially at cost and subsequently shown in the balance sheet at their fair value at the reporting date and are not depreciated. Changes in value of investment property arising in the period are shown in the SOFA under the heading 'Net gains / (losses) on investments' and are reflected in the 'Revaluation reserve: Investment property' (Unrestricted funds). 'Fair value' means the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted between knowledgeable, willing parties in an arm's length transaction.

Investments in quoted collective investment funds are shown in the balance sheet at market value (bid price). Realised gains and losses are accounted for by reference to the sale proceeds and either the market value at the previous balance sheet date, or the cost of purchase, if later. Unrealised gains and losses are calculated by comparing the market value at the previous balance sheet date, or cost of purchase, if later, to the year-end valuation. Any gain or loss arising in the period is taken to the SOFA under the heading 'Net gains / (losses) on investments'. All gains and losses are dealt with as part of the funds to which they relate.

Fixed asset investments include cash deposits (both in instant access accounts and on deposits with a range of maturity dates) which the charity intends to hold as part of its on-going investment activities for more than one year from the reporting date.

f. Fund accounting

i) Endowment fund

The endowment fund represents investments, the capital of which forms the permanent endowment of the charity and must be retained and invested. Only the income from this fund is available to be used for general charitable purposes (as an addition to unrestricted funds). The assets of the endowment fund are held by Providence Row (see note 1a for further information on the basis of accounting for the endowment fund assets). The investments of the endowment fund are included within 'Fixed Assets: Other Investments' (see note 9, 'Other Investments').

ii) Restricted income funds

Restricted income funds can only be used for particular purposes (within the objects of the charity) specified by the donor or grantor or the terms of an appeal.

iii) Designated funds - unrestricted

Designated funds are unrestricted funds of the charity set aside out of the general funds by the Trustees for specific purposes or projects for the furtherance of particular aspects of the charity's objects, but over which the Trustees retain full discretion.

iv) General funds - unrestricted

These comprise the funds which are available to be used for any purpose within the charity's objects.

g. Pension costs

The amounts charged to the SOFA for defined contribution pension arrangements represent the employer contributions payable in the period.

h. Operating leases

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the term of the lease.

i. Taxation

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Tax recoverable from voluntary income received under Gift Aid is recognised when the related income is receivable.

j. Subsidiaries

Providence Row charity (charity number 207454), of which Providence Row became the sole trustee following the transfer of charitable undertaking, is a subsidiary of Providence Row. Following the transfer of charitable undertaking, the assets, results and activities of Providence Row Charity are aggregated into the financial statements of Providence Row (see note 1a above).

2 Income

a. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
Individuals	123,117	6,041	129,158	131,575
Corporate donors	158,415	185,000	343,415	219,565
Community	26,307	-	26,307	126,780
Gift Aid reclaimed	10,676	-	10,676	18,188
Donated goods, facilities and services *	-	-	-	24,317
Grants from trusts and foundations	187,273	-	187,273	72,942
Sub-total: Donations	505,788	191,041	696,829	593,367
Legacies **	1,192,091	-	1,192,091	1,500
Total income from donations and legacies	1,697,879	191,041	1,888,920	594,867

* The donated goods, facilities and services are shown separately and analysed further in the table below.

** During the year, the charity was notified of its entitlement to a legacy from the estate of a deceased donor. At the reporting date, the charity had received formal notification from the legal representative confirming the intention to carry out the donor's wishes and distribute the funds accordingly. Following due diligence and discussions with the estate's representatives, the Trustees are satisfied that it is more likely than not that the charity will receive the legacy. Although the precise amount to be received will not be known until the charity receives the legacy, the Trustees have determined, in accordance with the Charities SORP (FRS 102), to recognise £400,000 as income from this legacy in these financial statements, as entitlement has been established, the amount can be measured with sufficient reliability, and receipt is considered probable.

The category of 'Corporate donors' includes individuals whose connection with Providence Row derives primarily from their employer's relationship with the charity. Donations in this category from individuals during the period totalled £10,364, none of which was in restricted income (2024: £16,555).

'Community' donations include gifts from religious communities, churches, schools and local community groups. This category also includes income from individuals participating in external community events such as sponsored runs.

Donated goods, facilities and services are broken down by type in the table below (all income within this category is included within unrestricted funds):

	2025 £	2024 £
Donated furniture, electronic and computer equipment, catering equipment capitalised as tangible fixed assets	-	18,570
Food and kitchen equipment	-	1,147
Other goods donated for client use	-	3,638
Other donated services	-	962
Total donated goods, facilities and services	-	24,317

In accordance with Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements. However, as set out in more detail in the Report of the Trustees, our volunteers make a vital contribution to the work of the charity, including corporate volunteers, Welcome Area volunteers and general volunteers within the main service teams, Finance and Resources and Fundraising.

b. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
London Borough of Tower Hamlets (LBTH): Advice & Support - Rough Sleepers Services	219,770	-	219,770	248,475
LBTH Drug & Alcohol Action Team: Substance misuse Worker & Needle Exchange, Women's Service	542,019	-	542,019	594,750
City of London: Recovery & Progression Service	315,614	-	315,614	321,863
Hackney	104,279	-	104,279	87,324
Sub-total: Local Authority Contracts for Services	1,181,682	-	1,181,682	1,252,412
Performance-related grants - Public Sector	74,550	-	74,550	89,675
Performance-related grants - Trusts & Foundations	-	342,587	342,587	454,707
Rents and charges from non-investment properties let in furtherance of charitable purposes	229,509	-	229,509	209,004
Total income from charitable activities	1,485,741	342,587	1,828,328	2,005,798

Income from government sources is summarised in the table below:

	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
Local Authority Contracts for Services (see above)	1,181,682	-	1,181,682	1,252,412
Other grants - Public sector	-	-	-	14,675
London Borough of Tower Hamlets	74,550	-	74,550	75,000
Total income from government sources	1,256,232	-	1,256,232	1,342,087

c. Income from other trading activities

	2025 Total £	2024 Total £
Other trading activities	2,050	312
Total income from trading activities	2,050	312

All of the income in the table above was included in unrestricted funds.

d. Investment income

	2025 Total £	2024 Total £
Rent and charges from commercial tenants at investment property (Sherrington Mews)	85,841	223,130
Dividend and interest income from other investments	69,221	90,467
Total investment income	155,062	313,597

All of the income in the table above was included in unrestricted funds.

e. Other income

	2025 Total £	2024 Total £
Ground rents from non-investment freehold property let on long leases	25,000	25,000
Total other income	25,000	25,000

All of the income in the table above was included in unrestricted funds.

3 Expenditure

	Direct costs £	Support Costs £	2025 Total £	2024 Total £
Raising Funds				
Raising donations and legacies	537,190	234,499	771,689	690,265
Investment management	176,533	12,750	189,283	240,148
Sub-total: costs of raising funds	713,723	247,249	960,972	930,413
Charitable activities				
Advice and Support / Resource Centre	968,195	422,646	1,390,841	1,353,659
Recovery and Progression	441,972	192,934	634,906	515,325
Trainee Schemes, Food & Garden	385,720	168,379	554,099	658,917
Sub-total: costs of charitable activities	1,795,887	783,959	2,579,846	2,527,901
Total expenditure	2,509,610	1,031,208	3,540,818	3,458,314

Providence Row - Helping homeless and vulnerable people since 1860
Trustees' Annual Report and Financial Statements for the Year Ended 31 March 2025

Support Costs

	Governance £	Finance £	HR / Office Admin £	IT / Telecoms £	Property (Own Use) £	Other Central £	Depreciation £	2025 Total £	2024 Total £
Raising Funds									
Raising donations and legacies	16,521	11,623	18,831	10,654	109,830	27,146	39,894	234,499	150,138
Investment management	5,430	3,819	-	3,501	-	-	-	12,750	6,993
Sub-total: costs of raising funds	21,951	15,442	18,831	14,155	109,830	27,146	39,894	247,249	157,131
Charitable activities									
Advice and Support / Resource Centre	29,777	20,948	33,940	19,202	197,950	48,927	71,902	422,646	294,431
Recovery and Progression	13,593	9,562	15,493	8,766	90,362	22,335	32,823	192,934	112,086
Trainee Schemes, Food & Garden	11,863	8,345	13,521	7,650	78,862	19,493	28,645	168,379	143,318
Sub-total: costs of charitable activities	55,233	38,855	62,954	35,618	367,174	90,755	133,370	783,959	549,835
Total expenditure	77,184	54,297	81,785	49,773	477,004	117,901	173,264	1,031,208	706,966

During 2024/25 the charity incurred a significant number of one-off support costs mainly in regard to the temporary closure of the hostel and plans for its future development, and administrative costs.

Support costs are allocated to the different activities of the charity based on the proportion of direct costs attributable to the relevant activities, as follows:

- Governance, Finance, IT/Telecoms: split between all activities of the charity in proportion to direct costs of the activities;
- HR/Office Administration costs, Property (Own Use), Other Central costs: split between all activities of the charity except for investment management and non-investment property let to tenants, in proportion to direct costs;
- Depreciation charges: buildings depreciation charges are allocated to 'non-investment properties let in furtherance of charitable purposes' in relation to the physical share of the Dellow Centre let to relevant tenants; the remainder of buildings depreciation and depreciation of other tangible fixed assets is allocated to the activities of the charity (except investment management) in proportion to direct costs.

4 Staff Cost and Employee Benefits

	2025	2024
	£	£
Wages and salaries (inc accrual for unpaid annual leave)	1,772,401	1,658,869
Employers National Insurance contributions (social security costs)	185,961	172,006
Employer's contribution to defined contribution pension schemes	92,294	65,030
Agency staff (including agency fees)	206,382	199,512
Insurance premiums: group life assurance and employee personal accident	12,175	6,910
Total	2,269,213	2,102,327

No member of the Board of Trustees was paid any remuneration or received any other benefits for their services as a trustee or from an employment with the charity or a related entity during the year (2024: none). No Trustee received reimbursement of expenses incurred for services provided to the charity during the year (2024: none). Details of transactions with connected parties of trustees are disclosed in Note 20.

During the year there was two employees whose total employee benefits fell within the banding £60,000 to £69,999 (2024: two). During the year there was one employee whose total employee benefits fell within the banding £70,000 to £79,999 (2024: one). During the year there were two employees whose total employee benefits fell within the banding £80,000 to £89,999 (2024: one). Employer payments in the year to a defined contribution pension scheme in respect of these employees totalled £7,783 (2024: £6,462).

The key management personnel of the charity consist of the Trustees, the Chief Executive and the Leadership Team. Total employee benefits received by the charity's key management personnel (excluding trustees) during the year were £316,013 (2024: £302,085).

5 Staff Numbers

The average monthly head count (number of staff employed) in the twelve month period ending 31 March 2025, analysed between full-time and part-time staff, was:

	2025	2024
Full-time staff	41.2	38.8
Part-time staff	7.9	7.3
Total Average Head Count	49.1	46.1

The average monthly number of full-time equivalent employees in the twelve month period ending 31 March 2025, analysed by activity, was:

Activity	2025	2024
Fundraising, communications, marketing	8.2	7.9
Charitable activities	31.5	29.9
Support, central, investment management	6.4	5.1
Total Average Head Count	46.1	42.9

6 Amounts Payable to the Auditors

	2025 £	2024 £
Audit fee:		
Current Year	22,796	23,760
Non-audit services	3,000	2,900
Total	25,796	26,660

No other services were provided by the auditors during the year (2024: none).

7 Tangible Fixed Assets

	Freehold land and buildings in use £	Freehold properties let on long leases £	Office furniture and equipment £	Computer equipment £	Plant and mechanical equipment £	Total £
Cost or 'Fair Value' on incorporation						
Balance at 31 March 2024	5,564,766	300,000	177,562	85,125	520,725	6,648,178
Additions	155,361	-	50,544	24,095	-	230,000
Balance at 31 March 2025	5,720,127	300,000	228,106	109,220	520,725	6,878,178
Accumulated Depreciation						
Balance at 31 March 2024	929,072	27,857	128,530	66,998	228,802	1,381,259
Charge for the year	78,686	2,143	28,332	12,568	51,535	173,264
Balance at 31 March 2025	1,007,758	30,000	156,862	79,566	280,337	1,554,523
Net book value						
At 31 March 2025	4,712,369	270,000	71,244	29,654	240,388	5,323,655
At 31 March 2024	4,635,694	272,143	49,032	18,127	291,923	5,266,919

'Freehold land and buildings in use' at 31 March 2025 includes £2,000,000 of land that is not depreciated (2024: £2,000,000).

8 Investment Property

	2025 Cost £	2025 Fair Value £	2024 Cost £	2024 Fair Value £
Balance at beginning of the year	1,556,353	3,414,000	1,556,353	3,875,000
Add: Additions at cost	-	-	-	-
Unrealised gain/(loss) on revaluation	-	2,428,067	-	(461,000)
Balance at end of the year	1,556,353	5,842,067	1,556,353	3,414,000

The charity's investment property was sold on 23 May 2025 for £6,000,000. Disposal costs amounted to £157,933. In line with the Charities SORP (FRS 102), the property was carried at fair value at 31 March 2025, based on the agreed sale price less costs of disposal. The loan of £1,000,000 is secured against this property (Note 13, page 36). The loan was repaid after the property sale.

9 Other investments

	2025 Cost £	2025 Market Value £	2024 Cost £	2024 Market Value £
Unitised investments held within Endowment fund				
Balance at beginning of the year	731,372	887,092	741,420	827,085
Less: Disposals	(339,939)	(372,132)	(225,311)	(249,424)
Add: Acquisitions	408,566	408,566	215,263	215,263
Net (losses)/ gains on revaluation		(5,061)	-	94,168
Balance at end of the year	799,999	918,465	731,372	887,092
Cash deposits at end of the year				
Notice deposits (3 months or less)	612,108	612,108	583,739	583,739
Cash held in Endowment fund (capital account)	8,191	8,191	50,108	50,108
Total cash deposits at end of the year	620,299	620,299	633,847	633,847
Total other investments at end of the year	1,420,298	1,538,764	1,365,219	1,520,939

10 Debtors

	2025 £	2024 £
Long term debtors (receivable after more than one year)		
Rent deposits held by agents	86,442	10,384
Long term lease agent fees	-	24,000
Short term debtors		
Trade debtors	180,619	310,686
Rent deposits held by agents	10,384	33,018
Service Charge deposits held by agents	31,161	40,276
Prepayments	45,699	38,283
Accrued income	439,315	20,845
Staff loans	-	1,835
Total Debtors	<u>793,620</u>	<u>479,327</u>

Accrued income in 2025 includes £400,000 receivable in respects of a major legacy.

11 Creditors: Amounts Falling Due Within One Year

	2025 £	2024 £
Trade creditors	403,636	353,384
Tax and social security	48,818	40,218
Rent deposits held from commercial tenants	20,764	56,274
Grant payments received on account	59,045	33,967
Holiday pay accrual	51,592	40,306
Other accruals	54,546	82,331
Deferred income (Note 14)	144,866	193,075
Total	<u>783,267</u>	<u>799,555</u>

12 Creditors: Amounts Falling Due After More Than One Year

	2025 £	2024 £
Bank loan	1,000,000	1,000,000
Rent deposits held from commercial tenants	-	10,384
Total	<u>1,000,000</u>	<u>1,010,384</u>

13 **Loan**

	2025	2024
	£	£
Bank loan	1,000,000	1,000,000
Total	1,000,000	1,000,000

The charity took a 5 year loan from Handelsbanken. The loan is secured against the Investment property which is listed in the Note 8 (page 35). The loan can be repaid at any time in full or instalments and it must be repaid before September 2026. The loan interest rate is 2% above the sterling base lending of the Bank. The base rate was 5.25% on 31st March 2025. During the year the interest paid was £75,945 (2024: £73,712). The Charity repaid the loan in full on 23rd May 2025.

14 **Deferred Income**

	2025	2024
	£	£
Balance brought forward at 31 March 2024	193,075	223,952
Amounts deferred	198,969	477,178
Amounts released	(247,178)	(508,055)
Balance carried forward at 31 March 2025	144,866	193,075

15 **Operating Leases**

The table below sets out the future minimum lease payments under non-cancellable operating leases for the periods shown:

	2025	2024
	£	£
Office Equipment		
Within one year	6,394	21,391
In one to two years	6,725	10,665
	13,119	32,056

Lease payments made during the year amounted to £2,747 (2024: £23,915).

16 Endowment Fund

	Balance 1 April 2024	Investment managem't fees charged	Unrealised loses on investments	Balance 31 March 2025
	£	£	£	£
Permanent Endowments				
Endowment fund	886,540	(7,323)	(5,061)	874,156

The Endowment fund represents investments, the capital of which forms the permanent endowment of the charity; only the income from the investments is available to be used for general charitable purposes (as an addition to unrestricted funds). Income of £28,369 (2024: £23,194) was received during the year.

17 Restricted Income Funds

	Balances 1 April 2024 £	Income £	Expenditure £	Balances 31 March 2025 £
Tangible fixed asset fund: Restricted	2,072,000	-	(56,000)	2,016,000
Advice & Support				
TGF-Catering Trainee Scheme (Worshipful Co of Drapers)	-	15,000	(15,000)	-
Marie Celeste Samaritan Society: Hospital Discharge Project	3,242	105,381	(104,503)	4,120
Morrisons Gardening	195	-	(195)	-
Unum - Gardening	-	5,000	(5,000)	-
The Aldgate Business Partnership Ltd - Welcome Area	-	55,000	(55,000)	-
Charlotte Bonham Carter Charitable Trust	-	3,000	(3,000)	-
Food Service	-	25,000	(25,000)	-
The Rayne Foundation	-	25,000	(25,000)	-
Jan and Catherine Nasmyth Charitable Foundation	-	20,000	(20,000)	-
The Albert Hunt Trust	-	10,000	(10,000)	-
The Adint Charitable Trust	-	10,000	(10,000)	-
The Charles Plater Trust	-	25,000	(25,000)	-
Landsec	-	25,000	(25,000)	-
City of London - City Bridge Foundation	-	41,000	(41,000)	-
Derwent-Health & Wellbeing Fair	-	4,668	(4,668)	-
CHK Foundation	10,000	-	(10,000)	-
The Good Things Foundation (Capability Grant)	-	2,400	(2,400)	-
Just FACT – The National Lottery Climate Action Fund	-	9,250	(9,250)	-
Tower Hamlet Mayor Community Fund	-	25,000	(25,000)	-
William Arthur Rudd Memorial Trust	-	12,000	(12,000)	-
ActionFunder	-	10,000	(10,000)	-
Derwent-Welcome Area and Resource Hub	-	20,000	(20,000)	-
Tracey Mitchell Charlotte Mitchell	-	1,041	(1,041)	-
Merchant Taylors' Company	-	3,375	(3,375)	-
Big Lottery Fund - Health Manager	-	9,800	(9,800)	-
Other Donors (Medical Hub Works)	-	5,000	(5,000)	-
Hiscox Foundation UK	-	10,000	(10,000)	-
Natixis	-	35,000	(35,000)	-
The Alexandra Trust	-	2,000	(2,000)	-
Italian Medical Charity	-	10,000	(10,000)	-
Training & Employment				
Streetsmart	-	7,500	(7,500)	-
TGF-Gardening TS (Charlotte Marshall Charitable Trust)	-	2,213	(2,213)	-
Total Restricted Income Funds	2,085,437	533,628	(598,945)	2,020,120

18 Unrestricted Funds

	Balances 1 April 2024 £	Income £	Expenditure £	Net transfers between funds £	Revaluation Gain £	Balances 31 March 2025 £
Tangible fixed asset fund: Unrestricted	3,194,919	-	(117,264)	230,000	-	3,307,655
Fixed asset fund: Investment Property	1,556,597	-	-	-	-	1,556,597
Revaluation reserve: Investment Property	1,857,403	-	-	-	2,428,067	4,285,470
Cyclical maintenance and repairs fund	97,387	-	(54,966)	-	-	42,421
Free Reserves						
Contingency fund: Charity running costs	700,000	-	-	-	-	700,000
General funds	69,653	3,365,732	(2,762,320)	(230,000)	-	443,065
Sub-total: Free Reserves	769,653	3,365,732	(2,762,320)	(230,000)	-	1,143,065
Total Unrestricted Funds	7,475,959	3,365,732	(2,934,550)	-	2,428,067	10,335,208

The balances on the unrestricted reserves are made up as follows:

Tangible fixed asset fund: Unrestricted

This fund represents the carrying value of the charity's tangible fixed assets whose original acquisition or costs of construction were financed by unrestricted funds (or where the terms of a restricted grant or donation have been met once the asset has been acquired and the Trustees have accordingly transferred the corresponding amount from restricted funds). This includes part of the carrying value of freehold properties at the charity's main Gunthorpe Street/Wentworth Street site (the Dellow Centre complex) and the Activity Centre at the same site.

Fixed asset fund: Investment Property / Revaluation reserve: Investment Property

These two funds together represent the fair value of the charity's investment property; Sherrington Mews (formerly known as the Gunthorpe Street Workshops) and Endowment Fund.

Subsequent to 31st March 2025, the Sherrington Mews was sold on 23rd May 2025 for £6m. In accordance with the Companies Act 2006 and the requirements of Charities SORP (FRS 102), the Investment property was valued at 31st March 2025 at the agreed sale price less disposal costs of £157,933, which included agency commission and legal fees.

Cyclical maintenance and repairs fund

The Trustees have determined that there should be sufficient funds available in the future for major capital repairs to the charity's buildings and planned maintenance and replacement of associated plant and equipment, as well as to provide a contingency reserve for potential major risks such as mechanical breakdown or structural defects impacting on property, plant and equipment.

Contingency fund: Charity running costs

In order to protect the charity against significant unplanned variability in operating cash flow and in particular to prevent disruption of services to beneficiaries in the event of unexpected falls in income levels, the Trustees have set aside a contingency reserve whose value is determined with reference to the following factors:

- Forecasts for future years' income and the level of risk and variability attaching to each category of income;
- The costs of running each of our services and areas of activity, and the degree of commitment or flexibility in relation to each area of expenditure;
- The potential impact of any sudden reduction in income and the minimum time period over which the charity would aim to be able to finance each of our core services in the absence of new external income;
- A contingency for redundancy costs;

General funds

The General funds together with the Contingency fund (see above) represent the free reserves of the charity, i.e. those unrestricted funds, backed by cash (including cash deposit investments) which have not been designated (or 'earmarked') for a specific short or medium term purpose or otherwise as set out in relation to the remaining designated funds in the section above.

19 Analysis of Net Assets Between Funds

	Tangible fixed assets	Investment property	Other investments	Current assets less total liabilities	Total 31 March 2025
	£	£	£	£	£
Endowment Fund	-	-	874,156	-	874,156
Restricted income funds					
Tangible fixed asset fund: Restricted	2,016,000	-	-	-	2,016,000
Other restricted funds	-	-	-	4,120	4,120
Unrestricted funds					
Tangible fixed asset fund: Unrestricted	3,307,655	-	-	-	3,307,655
Fixed asset fund: Investment Property	-	1,556,597	-	-	1,556,597
Revaluation fund: Investment Property	-	4,285,470	-	-	4,285,470
Cyclical maintenance and repairs	-	-	42,421	-	42,421
Other designated funds	-	-	-	-	-
Contingency fund	-	-	622,187	77,813	700,000
General funds	-	-	-	443,065	443,065
	5,323,655	5,842,067	1,538,764	524,998	13,229,484

20 Related Party Transactions

During the year the charity received donations from Trustees and related parties (including the Institute of Our Lady of Mercy and Mercy Union Generalate) totalling £8,770 (2024: £3,100). When Providence Row was founded in 1860, it was to the Sisters of Mercy of the Union of Great Britain and the Institute of Our Lady of Mercy that the founder turned to run the operation. Since incorporation in 2011 the Union and the Institute have the right to appoint one trustee each to the Board of Trustees.

Cluttons LLP have been appointed to project manage the process for agreeing the new hostel lease and for the refurbishment of the Resource Centre. One of our Trustees is employed by Cluttons LLP. To ensure there was no conflict of interest an assessment panel was appointed to oversee the procurement process including interviews of all shortlisted contractors. Progress reports are regularly presented to the full Board of Trustees. The total amount paid to Cluttons LPP for the project during the year was £51,726 (2024: £13,734). There was no outstanding balance at the year end.

21 2024 comparative SOFA

Statement of Financial Activities for the year ended 31 March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total Funds 2024 £
Income and Expenditure					
Income from:					
Donations		502,705	90,662	-	593,367
Legacies		1,500	-	-	1,500
Sub-total: Donations and legacies	2a	504,205	90,662	-	594,867
Charitable activities	2b	1,551,091	454,707	-	2,005,798
Other trading activities	2c	312	-	-	312
Investments	2d	313,597	-	-	313,597
Other	2e	25,000	-	-	25,000
Total income		2,394,205	545,369	0	2,939,574
Expenditure on:					
Raising funds					
Raising donations and legacies		(659,425)	(30,840)	-	(690,265)
Other trading activities		-	-	-	-
Investment management		(233,387)	-	(6,761)	(240,148)
Sub-total: Raising funds		(892,812)	(30,840)	(6,761)	(930,413)
Charitable activities					
Advice and Support / Resource Centre		(1,096,231)	(257,428)	-	(1,353,659)
Recovery and Progression		(506,358)	(8,967)	-	(515,325)
E&T: Trainee Schemes, Food & Garden		(357,568)	(301,349)	-	(658,917)
E&T: Providence Row Bakery		-	-	-	-
Property let for charitable purposes		-	-	-	-
Sub-total: Charitable activities		(1,960,157)	(567,744)	-	(2,527,901)
Total expenditure	3	(2,852,969)	(598,584)	(6,761)	(3,458,314)
Net (expenditure)/income before net (losses)/gains on investments		(458,764)	(53,215)	(6,761)	(518,740)
Net (losses) on investments					
Unrealised (losses) on investment property	8	(461,000)	-	-	(461,000)
Net gains/(losses) on other investments	9, 16	-	-	94,168	94,168
Net movement in funds		(919,764)	(53,215)	87,407	(885,572)
Reconciliation of funds					
Total funds brought forward (as previously stated)		8,395,723	2,138,652	799,133	11,333,508
Total funds carried forward		7,475,959	2,085,437	886,540	10,447,936

PROVIDENCE ROW

England & Wales - Charity number 1140192

Accounts



HELPING HOMELESS AND VULNERABLE PEOPLE SINCE 1860

Trustees' Annual Report and Financial Statements for the year ended 31 March 2024

Providence Row

Registered and Principal Office:
The Dellow Centre
82 Wentworth Street
London
E1 7SA

Company number 07452798
Charity number 1140192

Website: www.providencerow.org.uk



@providencerow



@Providence_Row



/ProvidenceRow

Board of Trustees

Elizabeth Canning (Chair)
Bishop Nicholas Hudson
Linda McHugh
Jonathan Rhodes
Richard Solomon (Honorary Treasurer)
Paul Strange
Anthony Tama
Nicola Sewell
Sophia Lee Xiu-Fei Kosasih

Patron

His Grace the Duke of Norfolk

Honorary Vice President

Fr. Peter Harris

Chief Executive Officer & Company Secretary

Tom O'Connor

Auditors

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Sutton
Surrey
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London
W1G 0JD

Investment Property**Legal Advisors**

Brecher Solicitors
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Message from our CEO

Dear Friends,

During the last year, we have seen more demand for our services as the number of those facing a life on the streets sadly continues to increase. Many of our clients are experiencing homelessness for the first time. The cost of living crisis, shortage of housing, insecure private rental tenancies, mental and physical health issues, and substance use are all significant factors. As the need for support has grown, it has also become more difficult for charities to secure sustainable funding, with Local Authorities and donors being confronted by increasing demands on their own resources.

Despite the challenges, Providence Row has continued to welcome and support some of the most vulnerable people in our society with services that address their immediate needs and help them to look ahead with new hope. No one has been turned away and we have gone into the community to seek out those most at risk.

At the very heart of Providence Row is an unshakable belief in the dignity of every person and a strong sense of responsibility towards those who are most in need. This drives and inspires the work of our excellent team of colleagues and volunteers.

We depend on our valued partners and donors without whom our services could not continue. Thank you so much for your support. Together we can help many more people to thrive and leave homelessness behind for good.


TO'Connor (Dec 18, 2024 10:09 GMT)
Tom O'Connor
CEO

Message from our Patron His Grace the Duke of Norfolk

As the Patron of Providence Row, I am happy to put my name to this year's annual report, showcasing the vital work of our charity over the past year.

The support we provide to people experiencing homelessness remains as critical as ever. This year, we saw an increase in the number of individuals seeking our help as the cost of living crisis continued to take its toll.

In the face of these challenges, Providence Row has remained a lifeline for many, offering a safe and welcoming space for our clients. From warm meals and healthcare access to advice and guidance, our team has been unwavering in their commitment to supporting those in need.

But our impact goes beyond meeting immediate needs. This year, we have continued to empower our clients to make meaningful and lasting changes in their lives through our in-house training programmes, employability sessions, and tailored support for substance and alcohol use. We have also worked tirelessly to enhance our services, ensuring they meet the evolving needs of those we serve and give them the tools to thrive.

None of this would have been possible without the extraordinary generosity and dedication of our supporters, staff, and volunteers. Together, you have helped transform the lives of countless individuals affected by homelessness in East London, and for that, I am deeply grateful.

As we look ahead, let us remain steadfast in our mission, ensuring that Providence Row continues to be a safe space and a catalyst for change for those who need it most.

ABOUT US

Vision

Everyone has a safe home and a community in which to belong.

Mission

To support and accompany more people who are homeless or at risk of homelessness on their journey to recovery, especially those who are most vulnerable and least likely to access services elsewhere.

To offer a range of services that support people from times of crisis through to when support is no longer needed.

Our values

- Compassion
- Empowerment
- Inclusiveness
- Justice
- Respect

Why we are needed

In 2023 London recorded the largest increase in England in the number of people estimated to be sleeping rough. There were 1,132 people this year compared to 858 people in 2022, an increase of 274 people or 32% *. Annual count showed 10,053 rough sleepers spotted on London's streets between April 2022 and March 2023 **. In 2023 Tower Hamlets Council reported that the number of people who were homeless or at risk of homelessness and who sought their support increased by 25.6% ***.

*Department for Levelling Up, Housing and Communities, *Rough Sleeping Snapshot in England 2023*, statistics published February 2024.

** The London-only Combined Homelessness and Information Network (Chain)

*** Tower Hamlets statistics for rough sleeping and households dealt with under the homelessness provisions of the 1996 Housing Act.

OUR PLANS FOR THE FUTURE – BUILDING COMMUNITIES OF SUPPORT

As a charity our aim is to build communities of support for people experiencing homelessness so that everyone has a safe home and a community in which to belong. Our Strategy sets the following priorities:

- Growing our services to meet increasing needs
- Going out into the community to reach those in need and provide services
- Working with the whole person and tailoring support to individuals
- Complementing and working in partnership with other agencies
- Inspiring excellence in our staff and volunteers
- Building a robust infrastructure to support our work
- Generating income to achieve our vision.

Whilst significant progress has been made in achieving our priorities, two major factors limited progress in recent years: the impact of COVID-19 and the cost of living crisis. This is why we undertook a revaluation of our strategic framework and launched our updated “Building Communities of Support” strategy to consolidate the gains and learnings from the last years. We are now much better placed to deliver on our priorities and expand our services to reach even more people. Alongside our ambitions, we remain cautious given the current economic environment. A high priority up to 2026 will be rigorous financial management, maximising opportunities for full cost recovery, increasing unrestricted income and maintaining a range of income streams.

To achieve our strategic objectives we will build on, consolidate and further expand our services in four priority areas:

- Advice and support: enhancing our reconnection services with the resources to accompany clients and working with those who do not have a connection in Tower Hamlets; increasing our tenancy sustainment provision and developing services tailored to specific groups reflecting the diversity of East London;
- Substance use: increasing capacity within our outreach teams and developing our specialism to support particular groups (e.g. faith based communities);
- Health and Well-being: increasing health care support for clients in partnership with the NHS and the new integrated care systems (ICSs); continuing to develop food provision with increased flexibility to deliver nutritious meals where they are needed;
- Employment and training: Extending our employment services: reviewing and re-establishing training schemes to support our clients to sustain a life off the streets; scaling-up work with clients who have no recourse to public funds; increasing engagement with the hostel sector.

ACHIEVEMENTS AND HIGHLIGHTS FOR THE YEAR

This year we saw an increased demand for our services as people struggled with the cost of living crisis. We are proud that with the dedication of our staff and volunteers and the support of our donors and partners we were able to continue to help and empower people experiencing homelessness in East London.

OUR SERVICES

In 2023/24, Providence Row's Health Service demonstrated significant impact including the recognition we received through the National Homeless Link Excellence Awards for our outstanding Health and Wellbeing Initiative. We have also managed to expand our clinical offerings and pilot a new nutritional service for substance users and rough sleepers.

Service Expansion and Innovation

- We introduced comprehensive on-site health care services, including primary health care, nutritional advice, mental health support, and targeted disease prevention programmes for rough sleepers and the homeless in Tower Hamlets
- Our programme extended crucial health interventions, such as Hep C testing and Flu/Covid-19 vaccinations, facilitating over 320 total engagements through our Health and Wellness Fairs
- The introduction of Health Peers has further enriched our service delivery, enhancing both the reach and quality of our community health interventions.

Community Impact

- Throughout the year, we hosted four Health and Wellness Fairs, drawing significant participation from vulnerable populations and enabling access to a broad spectrum of health services
- We strengthened partnerships with local health providers, which was pivotal in providing seamless and sustained health care to our clients
- The programme successfully facilitated numerous health check-ups and registrations, promoting better health outcomes among our clients.

Ongoing and Future Initiatives

We look forward to the continuation of our innovative projects, including the integration of new health services and expanding our Health Fair initiatives. Plans are underway to enhance our facilities and services further, including a potential expansion of weekend health provisions to provide more comprehensive support.

Resource Centre

An essential part of East London's local community, our Resource Centre provides a safe space for vulnerable people and, last year, supported 1,021 individuals to access washing facilities, phone charging, a postal address, IT facilities and to engage with many other services from our Food Programme, to Progression and Training to our Advice and Support Service.

Reset

Our Reset Outreach and Referral Service and Reset Rough Sleeping Navigator Team helped 701 clients through harm reduction advice and support, and referral into drug & alcohol treatment and recovery services. The team has also supported service users to register with GP's, and attend physical and mental health appointments.

Our Needle Exchange and Harm Reduction service has seen an increase in people from marginalised communities attending throughout the year, with a total of 181 individuals receiving support. We estimate that over 20,249 new and sterile needles, as well, as other harm reduction materials were distributed to service users.

Naloxone training and distribution has also increased, with 438 kits being distributed to service users and support agencies. Naloxone is a vital lifesaving drug that can reverse the effects of an opiate overdose.

The service has also seen its partnerships with external agencies increase, with more access to testing and prevention of blood borne viruses (BBV's), removing barriers to support for our service users.

Outreach Psychotherapy

The Outreach Psychotherapy Service embarked on a transformative journey with a new tri-borough contract covering Tower Hamlets, the City of London and Hackney in August 2022. Since then, we have made a profound impact by assisting over 200 rough sleepers in these boroughs who have been grappling with mental health challenges. Our dedicated psychotherapists have played a pivotal role in empowering these individuals to not only secure stable accommodation but also to cultivate the autonomy needed to make informed decisions that serve their best interests. Through our interventions, we have facilitated access to essential support services such as accommodation assistance, drug and alcohol rehabilitation programs, health consultations, educational opportunities, and the vital process of re-establishing familial connections. Our commitment is unwavering as we continue to provide holistic care and guidance to those in need, fostering pathways to recovery, resilience, and a brighter future.

Progression & Training Service

In 2023/24, we continued our mission to empower individuals and communities through education and training. With 174 referrals to the service and 133 sessions offering Information, Advice, and Guidance (IAG), we've broadened our support network, ensuring wide accessibility to resources. 132 individuals were supported to create CVs, equipping them for the job market. 11 participants secured employment, marking a significant milestone in their journey towards self-sufficiency. Our commitment to diverse training pathways is strong. From catering to gardening and Level 2 Food & Hygiene certification, we have provided tailored programmes, empowering 48 individuals with valuable skills. Recognising the importance of digital literacy, 11 participants completed digital training modules, enhancing their ability to navigate the digital landscape confidently. 7 individuals achieved Level 2 Food & Hygiene certification, enhancing their employability within the food service industry. Additionally, 25 individuals completed employability training, equipping them with essential skills for navigating the job market.

Health & Wellbeing Fairs

Health or Wellbeing Service at Health Fair	Total No.
GP Health Checks & Registrations	320 total attendance / 80 per event
Dental Screenings	52 assessments, 46 registrations
COVID / Flu vaccines	21 attendances
Blood Borne Virus Testing	45 interventions
Mental Health support	8 engagements
Fibro Scans and Hep C testing	12 attendances
Hearing checks	37 treatments
Healthy meals	356 meals
Wellbeing activities	65 massages 54 haircuts
Health parcels	227 bags provided 57 per event
Pet support	2 animals
Nutritional advice and guidance	7 discussions including 3 assessments

Catering Service

Over the course of the year we provided 5,552 breakfasts and 8,615 lunches. In total 14,167 nutritious meals were provided for rough sleepers and those affected by homelessness who are engaged with our services.

OUR SUPPORTERS AND FUNDERS

Providence Row's work is made possible by our fantastic community of staff, supporters, funders and volunteers.

Our Staff

During the year the charity employed an average of 46 staff (average monthly headcount), of whom 8 were part-time staff (2022-23 average monthly account: 42 staff, of whom 19 were part-time staff).

Our Supporters and Funders

We are grateful to all our supporters and funders for their support, from regular gifts to one off donations and fundraising initiatives.

Our Volunteers

Volunteers are at the heart of our work and provide essential support for service provision.

Our volunteering:

- Helps the clients we work with to meet new people and build skills, confidence and a new network of friends
- Assists the teams in providing a better service for our clients
- Creates a welcoming, safe place for people experiencing high levels of loneliness and isolation
- Gives people the chance to learn about homelessness, breaking down misconceptions and helping to build relationships with the local community

This year, we've on-boarded 45 community volunteers who support various functions such as the kitchen, Welcome Area as well as our garden and our "Roots to Routes" projects. This initiative has been instrumental in connecting those experiencing isolation with supportive communities

We also introduced two new volunteer roles:

- IT Support Volunteer: Assists in our IT Drop-In sessions, helping clients resolve technical issues, create CVs, and provide general support
- Administrative Volunteer: Collaborates with our psychotherapy team.

Moreover, our volunteers have played a crucial role in recruitment efforts by attending volunteer fairs and adding to our dynamic team. In October, we welcomed a new volunteer psychotherapy trainee who committed to providing a year of therapeutic support to clients.

Our collaboration with educational institutions has also flourished. We continued our successful partnership with the Institute for the International Education of Students (IES), welcoming two interns who brought unique skills and enthusiasm. A new partnership with Samford University allowed us to welcome

an international student volunteer, who contributed across multiple departments, including our Resource Centre and marketing team.

The Peer Mentor training programme resumed in March 2023 with two individuals starting the course. Upon completion, they will serve as integral team members for a year, bringing valuable perspectives and skills. In a notable achievement, one of our volunteers transitioned into a permanent staff position in February 2024, underscoring the role of volunteers in nurturing skilled professionals within the sector.

Companies

We are incredibly grateful for the support of our company partners who donated £219,565 (£237,662 in 2022/23) over the course of year through a range of events, activities and grants. We would like to thank our long standing strategic partners Natixis Investment Managers and Reed Smith, Aldgate Connect BID, Land Securities, Mace, Speedy Services, Beazley, FSCS, YouView, AIG Insurance, Telent Technology, VARO Partners, Generali, Empiric, Howden Group, Frasers Property and Hamilton Group

Communities

Thanks to continued support from a number of community groups we raised £126,780 (£81,952 in 2022/23). Our supporters in the community include: The Sisters of Mercy, The Society of the Holy Child Jesus CIO, Sisters of the Holy Cross Charitable Trust, St. Mary Moorfields Catholic Church, The Church of St Botolph Without Bishopsgate; St Sepulchre-without-Newgate, City of London School, the Young City Catholics, ASDA Foundation as well as other religious and non-religious groups and schools.

Trusts and Foundations

Our private and institutional grant makers are a vital source of committed multi-year funding that allows us to plan ahead for our programmes and services. We received £527,649 (£357,239 in 2022/23). Thanks to the generosity of the Trusts and Foundations that supported us this year we were able to be there for our clients during another extremely challenging year.

Major Donors

We stewarded some key existing relationships with Major Donors over the year (while developing new relationships too) which helped secure £60,500 towards our work. This programme will be further developed over the coming years.

Legacy

We received £1,500 (£80,237 in 2022/23) in legacy income. We are immensely grateful to those who have so generously supported us in their will.

Individuals

Our individual donors have once again made a crucial difference to the lives of the people we support. Thanks to the support of individual givers we raised £89,262 (£110,936 in 2022/23) during a year in which individual giving has shown a downward trend across the sector owing to the challenging economic environment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure of the charity

Providence Row is a private company limited by guarantee and does not have share capital. It was incorporated on 26 November 2010 (company number 07452798) and was registered as a charity on 2 February 2011 (charity number 1140192). Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454), which was originally established in 1860. The directors of Providence Row are its trustees for the purposes of charity law. Providence Row became operational as an incorporated charitable company on 1 April 2011 and on the same date a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC.

Governance

The Memorandum of Association and Articles of Association of Providence Row form the governing documents of the charity. Providence Row is governed by a Board of Trustees, which is made up of:

- up to four Nominated Trustees
- up to ten Elected Trustees.

Nominated Trustees are nominated to serve on the Board by the Catholic Archbishop of Westminster (two Trustees), the Superior General of the Union of the Sisters of Mercy (one Trustee) and the Congregational Leader of the Institute of Our Lady of Mercy (one Trustee). Their appointment is subject to approval by the Trustees. Nominated Trustees serve for three year renewable terms.

Elected Trustees must be appointed at the annual general meeting by means of election by those qualified to vote at the meeting. One third of Elected Trustees must retire by rotation (and can stand for re-election) at the Annual General Meeting, those who have been longest in office since their last appointment or re-appointment being subject to retirement by rotation.

The Trustees may appoint one of their number to be the Chair of the Trustees for such a term of office as they determine and may at any time remove him or her from that office. The Chief Executive Officer has been appointed as the Secretary to the charity. The Trustees may at their discretion establish procedures and criteria for inviting individual donors to become 'Associate members' of the charity with the right to vote at the annual general meeting. There are currently no 'Associate members' qualified to vote at the 2024 Annual General Meeting.

ORGANISATIONAL STRUCTURE, MANAGEMENT AND KEY RELATIONSHIPS

The Board of Trustees meet at least quarterly. These quarterly meetings are preceded by meeting of the Finance Committee. The Remuneration Committee meets annually to consider the recommendations of the Chief Executive in relation to staff remuneration. The remuneration of the Chief Executive is considered separately by the Remuneration Committee in the absence of the Chief Executive. External market benchmarks are taken into consideration in relation to all staff remuneration decisions, focussing on pay levels in other providers of a similar nature, and geographical location. The Remuneration Committee submits its recommendations to the Board for approval.

The Chief Executive attends meetings of the Board of Trustees (with other senior staff as appropriate) and submits for approval the strategic plan and the annual budget. The Chief Executive and the leadership team report regularly to the Trustees on the implementation of the strategy and performance against the budget.

In accordance with charity law, decisions relating to disposals of land (including sales, leases, grants of easements and releases of rights of light) are made by the Trustees following the procedures set down in the Charities Act, statutory regulation and guidance issued by the Charity Commission. The Board of Trustees determines the charity's reserves policy.

The Chief Executive has formed a Leadership Team including the Director of Services, the Director of Finance and the Director of Fundraising and Marketing. The role of the Leadership Team is to assist the Chief Executive in implementing the strategic plan within the approved annual budget.

The charity's key relationships include the Sisters of Mercy (the Union of the Sisters of Mercy of Great Britain and the Institute of Our Lady of Mercy), the London Borough of Tower Hamlets and the Corporation of the City of London. The relationship with the Sisters of Mercy is a formal arrangement with powers to nominate Trustees to the Board. The charity is very grateful for the continued support of the Sisters of Mercy and committed to ensuring that the legacy of the Sisters is reflected in the ongoing work of the charity for the long term. In addition, the charity works with a range of other charities, agencies and partners.

FINANCIAL SUMMARY 2023/24

Overview of results

The charity recorded a deficit of £518,740 before net unrealised gain on investments of £94,168 and unrealised loss of £461,000 on evaluation of the investment property. This compares to a surplus of £953 before net unrealised loss on investments of £34,576 and net unrealised loss on the investment property of £305,000 in 2022/23.

Income

Total income for 2023/24 was £2,939,574 (2022/23 was £2,577,100).

Income	2023/24		2022/23	
	£'000	% of total	£'000	% of total
Donations	569.1	19.4%	532.9	20.7%
Donated goods, facilities and services	24.3	0.8%	6.3	0.2%
Legacies	1.5	0.1%	80.2	3.1%
Charitable activities (see below)	2,005.8	68.2%	1,609.7	62.5%
Other trading activities	0.3	0.0%	0.1	0.0%
Investment income	313.6	10.6%	322.9	12.5%
Other income	25.0	0.9%	25.0	1.0%
Total	2,939.6	100.0%	2,577.1	100.0%

Income from charitable activities	2023/24		2022/23	
	£'000	% of total	£'000	% of total
Local authority contracts	1,342.1	66.9%	999.9	62.1%
Performance related grants	454.7	22.7%	254.9	15.8%
Rents from the Dellow Centre leases	209.0	10.4%	354.9	22.1%
Total	2,005.8	100.0%	1,609.7	100.0%

Total income for the year increased by £362,472 (14.1%) in relation to 2022/23 income. This is mainly due to £510K increase in Services, £60K interest/Dividend income and a £230K decrease in rental income.

Expenditure

Total expenditure for 2023/24 was £3,458,314 (2022/23 was £2,576,147), an increase of £882,167 (34.2%). This increase is due to £320K cost increase in Services which is reflected in the increased income

outlined above, £280K buildings related cost increases which are part of a building's investment strategy, and some one-off support costs totalling £180K.

Expenditure	2023/24		2022/23	
	£'000	% of total	£'000	% of total
Costs of raising donations and legacies	690.3	20.0%	403.1	15.6%
Costs of investment management	240.1	6.9%	139.1	5.4%
Charitable activities (see below)	2,527.9	73.1%	2,034.0	79.0%
Total	3,458.3	100.0%	2,576.1	100.0%

Expenditure on charitable activities	2023/24		2022/23	
	£'000	% of total	£'000	% of total
Advice and Support / Resource Centre	1,353.7	53.5%	1,107.5	54.4%
Recovery and Progression	515.3	20.4%	445.4	21.9%
Trainee Schemes, Food & Garden	658.9	26.1%	481.1	23.7%
Total	2,527.9	100.0%	2,034.0	100.0%

FINANCIAL REVIEW

Investment policy and objectives

The charity's appetite for risk in relation to the Endowment Fund reflects the long-term nature of the charity's investment horizon. The Endowment Fund exists to generate sustainable income in perpetuity. For this reason, the Endowment Fund is focused on a diversified portfolio of unitised equity related investments, managed by the charity's investment advisors. The primary objective of the investment strategy is to preserve the long-term real value of the charity's permanent endowment, whilst providing a good level of income which may be deployed by the charity to further its objectives. The Trustees apply a policy of 'Responsible Investment' and we expect our investment managers to engage with companies on social, environmental and business ethics issues and to exercise voting rights in line with the policy. The Trustees have decided not to take an exclusionary approach to particular categories of investment.

The greater part of the charity's investible cash resources, which are outside the Endowment Fund, are managed by its investment advisors. The charity does not currently hold any cash deposits with maturities in excess of 30 days, and has instructed its investment advisors to adopt a cautious approach, investing our resources across a number of different banking institutions with investment grade credit ratings and, in the case of overseas or offshore deposit takers, benefiting from a full guarantee from a UK parent bank with a credit rating of at least A- (Fitch/S&P). The Charity is currently exploring refinements to its investment strategy to maximise benefit from the higher interest rate environment.

Investment performance against objectives

Over the 12-month period to 31 March 2024, the charity's Endowment Fund generated an overall positive return of £110,601 (2022/23: negative return of £24,946), incorporating investment income of £23,194 (2022/23: £16,258), net unrealised gain of £94,168 (2022/23: unrealised loss of £34,576) and management fees of £6,761 (2022/23: £6,628).

The charity's managed cash deposit portfolio generated income in the year of £27,698 (2022/23: £12,094).

The charity's investment property generated total income (rent and service charge) of £219,843 during the year, a decrease of 21% over the comparative figure for 2022/23 of £278,826. This decrease is due to

vacancy levels during the year. Rental income was £165,789 (2022/23: £219,772). Direct costs of investment property management in 2023/24 (before allocated support costs) totalled £226,394 (2022/23: £151,968).

PRINCIPAL RISKS AND RISK MANAGEMENT

The Trustees have considered and reviewed the major risks to which the charity is exposed and are satisfied that systems and procedures have been established to adequately manage these risks. The risks identified and reviewed are those which, if they occurred, would have a major impact on some or all of the following areas: governance; operations; finances; environmental or external factors such as public opinion or relationships with funders; compliance with law and regulation.

The Chief Executive together with the Leadership Team reports to the Board of Trustees on a regular basis regarding the major risks which have been identified, and measures in place (or planned) to manage and mitigate those risks.

We recognise that in our work we are exposed to significant risks relating to the safeguarding of vulnerable adults, and a failure to respond to changes in the external environment could endanger lives as well as our reputation. To manage this risk, procedures are in place in respect of staff, volunteers and clients. These processes are included in a range of policies, in particular: Safeguarding Adults; Health and Safety; Fire Safety; Personal Safety, and Lone Working.

Economic uncertainty is a threat to our income at a time when the needs of homeless people are increasing and Local Authorities finances are under pressure. The Board and the Leadership Team are carefully monitoring the external environment to identify specific risks to our projected income.

The charity's largest single source of recurring (contractual) income is currently from the London Borough of Tower Hamlets. Local Authority budgets continue to be placed under considerable pressure by public sector financing constraints. Uncertainty about future levels of Local Authority income represent a risk to the charity. Consequently, we have prioritised the further diversification of income streams. All our commissioned services are due for re-tendering, and re-structuring over the next 18 months. Whilst this presents us with the risk of losing some priority services, it also offers the opportunity to update and renew our established partnerships and service provision.

We now have an established fundraising programme across a range of income streams. This has grown year on year and we forecast sustained growth over the next three years.

The charity owns a number of property assets, and the ownership and management of these properties involves a number of risks:

- The charity's main premises, the Dellow Centre complex, is a substantial purpose-built property on Gunthorpe Street/Wentworth Street and is owned freehold. The effective management of this and of the charity's Resource Centre on the same site represents a considerable operational and financial commitment. We have begun to invest in the Centre to make improvements to the premises and the way in which we provide our services.
- Most of the upper parts of the Dellow Centre comprise hostel accommodation for vulnerable people. This was occupied and operated by a Housing Association for many years and generated a substantial rental income for the charity. The tenant vacated the building in October 2023. We have undertaken a transparent bidding process and secured a new provider. This new provider will undertake a full refurbishment of the hostel accommodation. At 31st March 2024 this project was ongoing (hence some losses of rental income). At the date when this report was approved, Providence Row had agreed a 40 year lease with a new provider. This guaranteed long term rental income and the provision of appropriate and well maintained accommodation for residents.
- Providence Row's investment property, Sherrington Mews, lies adjacent and to the south of the Dellow Centre and provides commercial office space arranged in small suites. The property is

managed by a third-party professional property manager. During the year some tenants vacated the premises and those units remained vacant.

REVIEW OF RESERVES AND RESERVES POLICY

Providence Row reviews its reserves policy regularly in line with its evolving strategic outlook and operating environment and in order to ensure that the policy continues to reflect the underlying risks facing the charity and the level of reserves judged necessary to protect its core services to clients and to safeguard its long-term sustainability and independence.

Providence Row holds restricted funds (or 'special trusts') in accordance with donors' express requirements and the terms of grants or appeals. In addition, the charity has established designated (unrestricted) funds for planned future requirements in accordance with the strategic plan. The creation of a designated fund does not legally restrict the Trustees' discretion in how to apply the unrestricted funds that have been earmarked.

As at 31 March 2024 the charity held total funds of £10,447,936 (2022/2023: £11,333,508), comprising the restricted endowment fund, restricted income funds and unrestricted funds.

The Trustees have determined that the previously agreed target level of £1,000,000 in free reserves should remain. At 31 March 2024, the actual level of free reserves (including the contingency fund) was £769,653 (2022/23: £1,030,102).

The Trustees will continue to review the target level of free reserves annually to take into account changing circumstances, revised financial forecasts and evolving challenges and opportunities facing the charity. The target level of free reserves may therefore change over time.

Movements on the funds held by the charity during the period under review and an analysis of the charity's net assets between the funds held are summarised in notes 16 to 19 to the financial statements.

Going concern

An established and robust fundraising programme is in place that has been showing sustainable year on year growth. Our cash position remains strong despite the challenging environment in which we are working. The ownership of property assets protects us from challenges being faced by many charities at this time.

We are currently in a time of transition as we commence the full refurbishment of the hostel with a new provider, and plan for the upgrading and modernisation of our Resource Centre. Trustees remain confident that the associated financial deficit for 2023/24 does not represent a long term risk to the charity.

The Trustees consider that it is therefore appropriate to prepare the financial statements on a going concern basis.

TRUSTEES' RESPONSIBILITIES STATEMENT

The law applicable to charities in England and Wales requires the Trustees to prepare the annual report and financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

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

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and enable them to ascertain the financial position of the charity and ensure that the financial statements comply with the Companies Act 2006. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are not aware of any relevant audit information that has not been disclosed to the charity's auditors. The Trustees have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Forvis Mazars LLP acted as auditors during the period under review and have signified their willingness to continue in office. A resolution proposing their re-appointment will be put to the annual general meeting.

These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime.

Approved by the Trustees on 05/12/2024 and signed on their behalf by

E M Canning
E M Canning (Dec 18, 2024 09:00 PST)

Elizabeth Canning – Chair

Richard Solomon
Richard Solomon (Dec 19, 2024 15:26 GMT)

Richard Solomon – Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROVIDENCE ROW

Opinion

We have audited the financial statements of Providence Row (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement on page 17, the trustees (who are also the directors of the charitable company for the purposes of company laws) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to income recognition and significant one-off or unusual transactions.

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

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

Use of the audit report

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


Nicola Wakefield (Dec 19, 2024 17:28 GMT)

Nicola Wakefield (Senior Statutory Auditor) for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS
Date: 19-Dec-2024

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2024

Statement of Financial Activities for the year ended 31 March 2024 (incorporating an income and expenditure account)

	Notes	Unrestricted Funds	Restricted Funds	Endowment Fund	Total Funds 2024	Total Funds 2023
		£	£	£	£	£
Income and Expenditure						
Income from:						
Donations		502,705	90,662	-	593,367	539,142
Legacies		1,500	-	-	1,500	80,237
Sub-total: Donations and legacies	2a	504,205	90,662	-	594,867	619,379
Charitable activities	2b	1,551,091	454,707	-	2,005,798	1,609,670
Other trading activities	2c	312	-	-	312	129
Investments	2d	313,597	-	-	313,597	322,922
Other	2e	25,000	-	-	25,000	25,000
Total income		2,394,205	545,369	0	2,939,574	2,577,100
Expenditure on:						
Raising funds						
Raising donations and legacies		(659,425)	(30,840)	-	(690,265)	(403,077)
Other trading activities		-	-	-	-	-
Investment management		(233,387)	-	(6,761)	(240,148)	(139,107)
Sub-total: Raising funds		(892,812)	(30,840)	(6,761)	(930,413)	(542,184)
Charitable activities						
Advice and Support / Resource Centre		(1,096,231)	(257,428)	-	(1,353,659)	(1,107,512)
Recovery and Progression		(506,358)	(8,967)	-	(515,325)	(445,353)
E&T: Trainee Schemes, Food & Garden		(357,568)	(301,349)	-	(658,917)	(481,098)
E&T: Providence Row Bakery		-	-	-	-	-
Property let for charitable purposes		-	-	-	-	-
Sub-total: Charitable activities		(1,960,157)	(567,744)	-	(2,527,901)	(2,033,963)
Total expenditure	3	(2,852,969)	(598,584)	(6,761)	(3,458,314)	(2,576,147)
Net (expenditure)/income before net (losses)/gains on investments		(458,764)	(53,215)	(6,761)	(518,740)	953
Net (losses) on investments						
Unrealised (losses) on investment property	8	(461,000)	-	-	(461,000)	(305,000)
Net gains/(losses) on other investments	9, 16	-	-	94,168	94,168	(34,576)
Net movement in funds		(919,764)	(53,215)	87,407	(885,572)	(338,623)
Reconciliation of funds						
Total funds brought forward (as previously stated)		8,395,723	2,138,652	799,133	11,333,508	11,672,131
Total funds carried forward		7,475,959	2,085,437	886,540	10,447,936	11,333,508

All of the above results relate to continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities above. Movements in funds are disclosed in Notes 16 to 19 of the financial statements.

Registered company number: 07452798
Charity number: 1140192

BALANCE SHEET

As at 31 March 2024

	NOTES	Total funds 2024		Total funds 2023	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	7		5,266,919		5,318,621
Investment property	8		3,414,000		3,875,000
Other Investments	9		1,520,939		1,398,244
Total Fixed Assets			10,201,858		10,591,865
Current Assets					
Debtors	10	479,327		365,143	
Cash at bank and in hand		1,576,690		2,095,180	
Total Current Assets		2,056,017		2,460,323	
Liabilities					
Creditors: Amounts falling due within one year	11	(799,555)		(708,296)	
Net Current Assets			1,256,462		1,752,027
Total Assets less Current Liabilities			11,458,320		12,343,892
Creditors falling due after more than one year	12, 13		(1,010,384)		(1,010,384)
Total Net Assets	19		10,447,936		11,333,508
The Funds of the Charity					
Endowment Fund	16		886,540		799,133
Restricted Income Funds	17				
Tangible fixed asset fund: Restricted		2,072,000		2,128,000	
Other restricted income funds		13,437		10,652	
			2,085,437		2,138,652
Unrestricted Funds	18				
Tangible fixed asset fund: Unrestricted		3,194,919		3,190,621	
Fixed asset fund: Investment Property		1,556,597		1,556,597	
Revaluation Reserve: Investment Property		1,857,403		2,318,403	
Cyclical Maintenance and repairs fund		97,387		300,000	
Free Reserves					
Contingency fund: Charity running costs		700,000		800,000	
General Funds		69,653		230,102	
Total Free Reserves		769,653		1,030,102	
			7,475,959		8,395,723
Total Charity Funds	19		10,447,936		11,333,508

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The financial statements on pages 22 to 42 were approved by the Board of Trustees on 05/12/2024 and signed on its behalf by:

E M Canning

E M Canning (Dec 18, 2024 12:00 PST)

Elizabeth Canning – Chair

Richard Solomon

Richard Solomon (Dec 19, 2024 13:26 GMT)

Richard Solomon – Honorary Treasurer

The notes on pages 25 to 42 form an integral part of these financial statements

STATEMENT OF THE CASHFLOWS

For the year ended 31 March 2024

Statement of Cash Flows for the year ended 31 March 2024

	Notes	Total Funds 2024 £	Total Funds 2023 £
a) Reconciliation of net expenditure to net cash flow from operating activities			
Net (expenditure) for the year (as per the statement of financial activities)		(885,572)	(338,623)
Adjustments for:			
Depreciation charges, impairment and disposal	3,7	189,575	142,797
Unrealised loss on investment property	8	461,000	305,000
Net (gains)/loss on other investments	9	(94,168)	34,576
Other non-cash Income		-	-
Dividends, interest and rents from investments per the SOFA		(313,597)	(322,922)
Investment management costs per the SOFA		240,148	139,107
(Increase)/decrease in debtors (operating activities)		(114,184)	26,113
Increase in creditors (operating activities)		91,259	108,022
Net cash (used in)/provided by operating activities		(425,539)	94,070
	Notes	Total Funds 2024 £	Total Funds 2023 £
b) Statement of Cash Flows			
Net cash (used in)/provided by operating activities		(425,539)	94,070
Cash flows from investing activities:			
Dividends, interest and rents from investments per the SOFA		313,597	322,922
Investment management costs per the SOFA		(240,148)	(139,107)
Purchase of property, plant and equipment	7	(137,873)	(160,962)
Purchase of investments	9	(215,263)	(97,284)
Disposal of investments	9	249,424	95,001
Net cash (used in)/provided by investing activities		(30,263)	20,570
Change in cash and cash equivalents in the year		(455,802)	114,640
Cash and cash equivalents at the beginning of the year		2,666,339	2,551,699
Cash and cash equivalents at the end of the year		2,210,537	2,666,339
	Notes	Total Funds 2024 £	Total Funds 2023 £
c) Analysis of Cash and Cash Equivalents			
Cash at bank and in hand		1,576,690	2,095,180
Investments: Notice deposits (3 months or less)	9	583,739	556,041
Investments: Cash held in endowment fund (capital)	9	50,108	15,118
Total cash and cash equivalents		2,210,537	2,666,339

Notes to the Financial Statements

For the year ended 31 March 2024

1 Accounting Policies

a. Basis of accounting

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of investments or as otherwise stated in the relevant accounting policy notes. There are no material uncertainties about Providence Row's ability to continue as a going concern. Providence Row is a public benefit entity.

The financial statements have been prepared in accordance with:

- The reporting requirements of the Companies Act 2006;
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (Charities SORP (FRS 102)), issued by the Charity Commission and the Office of the Scottish Charity Regulator in 2014 in their role as the joint SORP-making body and applicable to the financial statements of relevant charities for reporting periods beginning on or after 1 January 2019.

Incorporation and transfer of charitable undertaking at 31 March 2011

Providence Row was incorporated on 26 November 2010. Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454). (PRC was known as 'Providence Row Night Refuge and Home' until it changed its name on 21 January 2003.) With the exception of funds held on permanent endowment, the assets, liabilities, employees, operations and activities of PRC were transferred to Providence Row with effect from midnight on 31 March 2011. Providence Row became operational as an incorporated charitable company on 1 April 2011.

Also, on 1 April 2011 a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC. PRC continues in existence to hold the charity's permanent endowment and to receive any legacies bequeathed to PRC after 31 March 2011. Although PRC continues to hold legal title to the Endowment.

Fund assets, from an accounting perspective PRC is considered to hold these assets only as custodian for its corporate successor, due to the corporate trusteeship established by the Charity Commission Scheme. As a consequence of the constitutional arrangements (corporate trusteeship of Providence Row in relation to PRC), the financial statements of Providence Row have been prepared on the basis that they aggregate its own assets, results and activities with those of PRC. For this reason, the Endowment Fund appears on the statutory balance sheet of Providence Row, and legacy income of PRC and investment income arising from the Endowment Fund are shown within Providence Row's Statement of Financial Activities (SOFA).

b. Income

Income is recognised in the SOFA when a transaction or other event (e.g. a gift) results in an increase in the charity's assets or a reduction in its liabilities. Income is recognised only when the following criteria are met:

- Entitlement: control over the rights or other access to the economic benefit has passed to the charity;
- Probable: it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity; and
- Measurement: the monetary value or amount of the income and relevant costs incurred can be measured reliably.

In the case of a donation, entitlement usually arises immediately on its receipt. In the case of a grant, evidence of entitlement will usually exist when the formal offer of funding is communicated in writing to the charity. However, some grants contain terms or conditions that must be met before the charity has entitlement to the resources. Where grants specify a time period within which the funds must be spent and

the funds are received before the start of that period, then the income is deferred and only released to income at the start of the relevant period.

Grant funding agreements may contain conditions that specify the particular activities, goods or services to be provided by the charity within the scope of its charitable activities (performance-related grants). Income derived from performance-related grants is included within the SOFA heading 'Income from charitable activities' rather than 'Income from donations and legacies'. However, simply because a grant is restricted to a particular purpose of the charity does not mean that it should be recognised as a performance-related grant. Unrestricted and restricted grants that are not subject to performance-related conditions are included within the SOFA heading 'Income from donations and legacies'.

Gift Aid recoverable from HMRC in relation to donations is included in income on an accruals basis where there is a valid Gift Aid declaration from the donor.

Donated goods, facilities and services are recognised as income when brought into use by the charity. They are included in income at an amount equivalent to their estimated value to the charity, where this can be quantified, and an equivalent amount is included in the appropriate cost line, or (in the case of tangible assets) capitalised if appropriate. The only amounts included for donated services are those provided in a professional capacity. No amounts are included in the financial statements for services donated by volunteers. Details of the contribution made by volunteers can be found in the Report of the Trustees.

Evidence of entitlement to a legacy exists when the charity has sufficient evidence, after the death of the benefactor, that a gift has been left to it and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Recognition of the legacy income is also affected by the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Receipt of a legacy is normally judged to meet the probability criterion when:

- There has been grant of probate;
- The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- Any conditions attached to the legacy are either within the control of the charity or have been met.

Where the charity has entitlement to a legacy but the criteria for income recognition have not been met (e.g. due to uncertainty as to the amount of the payment) then the legacy is treated as a contingent asset (and is disclosed in the notes to the financial statements if material) until the criteria for income recognition are met.

Income from fundraising events, where the income is not a simple gift or donation but rather a payment in exchange for supplying goods or services to raise funds for the charity, is recognised when the event takes place and is included within the SOFA heading 'Income from other trading activities'.

Income from the sale of goods is recognised at the time of supply of goods to the buyer, provided receipt of the income is probable.

Income from contracts for the supply of services is recognised with the delivery of the contracted service.

Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably. Dividend income is recognised when its receipt is probable, and the amount receivable can be measured reliably. Dividends are accrued when the charity's right as shareholder to receive payment is established.

Rental income from property leases is recognised when it is receivable in accordance with the terms of the relevant leases, provided receipt of the income is probable. The aggregate cost of lease incentives (e.g. rent free periods or periods of concessionary reduced rents) is recognised as a reduction to the rental income over the full contractual term of the lease on a straight-line basis.

c. Expenditure

All expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is reported in the financial statements on an activity basis, as required by Charities SORP (FRS 102). This involves identifying the total cost of an activity, including direct, shared and indirect (or support)

costs. Charities SORP (FRS 102) identifies three high-level categories of a charity's activities: (i) expenditure on raising funds; (ii) expenditure on charitable activities, and (iii) other expenditure. These broad categories are further analysed between their significant components.

Support costs, which are not directly attributable to activities for raising funds or charitable activities, are allocated to those categories on a basis consistent with the use of resources. The bases on which support costs have been allocated are set out in note 3 'Expenditure'. Support costs include:

- Governance costs;
- Costs of the Finance function, including financial accounting, banking, budgeting, payroll management and day-to-day financial administration;
- Human resources management, office, general and administration costs;
- Costs of central information technology resources and telecommunications;
- Property costs relating to premises used by the charity for its own activities, including buildings management;
- Senior general management (where not allocated as a direct cost to specific activities) and other central costs; and
- Depreciation charges in relation to tangible fixed assets.

Governance costs are those associated with the governance arrangements of the charity, including external audit, general legal advice for the trustees (fees for legal advice specifically relating to investment property are included in investment management costs) and costs associated with constitutional and statutory requirements and ensuring proper public accountability (e.g. the costs of preparing statutory financial statements). Governance costs include any costs associated with the strategic as opposed to day-to-day management of the charity's activities and the cost of charity employees in respect of their time when involved in and preparing for meetings with trustees.

Costs of raising donations and legacies

Costs of raising donations and legacies are those incurred in seeking voluntary donations, gifts and grants of a general nature, together with the costs of administration related to legacies left to the charity. It excludes costs associated with applying for performance-related grants or negotiating contracts to provide services, which are included within the costs of the relevant charitable activities.

Investment management costs

Investment management costs include the costs of:

- Portfolio management and administration of investment funds and cash deposits; and
- The costs of managing the charity's investment property, including property repairs and maintenance charges, vacant property rates, utility charges, insurance, security, managing agents' fees, letting agents' fees, legal fees related to the property and staff costs.

d. Tangible fixed assets

(i) Freehold land and buildings

Freehold land and buildings transferred from PRC on 31 March 2011, other than assets in the course of construction at that date, are stated at fair value on the date of transfer less depreciation charged since the transfer. Freehold buildings in use are depreciated on a straight line basis over a period of 50 years from the date of transfer. Freehold properties let to tenants on long term leases in respect of which Providence Row receives rental income are depreciated on a straight line basis over the remaining terms of the respective leases.

In the case of freehold land and buildings in use by the charity, fair value was ascertained, based on professional advice, as 'Market Value', defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the case of freehold properties let to tenants on long-term leases, fair value was determined based on a discounted cash flow analysis of expected future rental income under the existing lease terms and assumptions relating to future levels of inflation, potential outcomes of rent reviews and other factors where applicable.

The Activity Centre on the Gunthorpe Street/Wentworth Street site was under construction at the date of transfer and was brought on to the balance sheet of Providence Row at that date on the basis of historical cost of construction and related capitalised professional costs. Construction was completed in November 2011 and the building is subject to depreciation over a period of 50 years from 1 January 2012.

Included within 'Freehold land and buildings in use' are the capitalised costs of the full replacement and resurfacing of the flat roof of the charity's main Gunthorpe Street / Wentworth Street premises (the Dellow Centre complex) undertaken during 2014-15. The costs of the new roof are being depreciated on a straight line basis over 25 years.

Freehold land is not depreciated.

ii) Other tangible fixed assets

Other categories of tangible fixed assets are depreciated on a straight line basis so as to write off their original cost over their estimated useful lives, as follows:

Office furniture and equipment	- 4 years
Computer equipment	- 3 years
Plant & mechanical equipment	- 10 years

Tangible fixed assets are capitalised if their initial cost (or, in the case of donated goods, the value to the charity – see note 1c above) is £1,000 or greater.

e. Fixed asset investments

Investment property assets are measured initially at cost and subsequently shown in the balance sheet at their fair value at the reporting date and are not depreciated. Changes in value of investment property arising in the period are shown in the SOFA under the heading 'Net gains / (losses) on investments' and are reflected in the 'Revaluation reserve: Investment property' (Unrestricted funds). 'Fair value' means the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted between knowledgeable, willing parties in an arm's length transaction.

Investments in quoted collective investment funds are shown in the balance sheet at market value (bid price). Realised gains and losses are accounted for by reference to the sale proceeds and either the market value at the previous balance sheet date, or the cost of purchase, if later. Unrealised gains and losses are calculated by comparing the market value at the previous balance sheet date, or cost of purchase, if later, to the year-end valuation. Any gain or loss arising in the period is taken to the SOFA under the heading 'Net gains / (losses) on investments'. All gains and losses are dealt with as part of the funds to which they relate.

Fixed asset investments include cash deposits (both in instant access accounts and on deposits with a range of maturity dates) which the charity intends to hold as part of its on-going investment activities for more than one year from the reporting date.

f. Fund accounting

i) Endowment fund

The endowment fund represents investments, the capital of which forms the permanent endowment of the charity and must be retained and invested. Only the income from this fund is available to be used for general charitable purposes (as an addition to unrestricted funds). The assets of the endowment fund are held by Providence Row (see note 1a for further information on the basis of accounting for the endowment fund assets). The investments of the endowment fund are included within 'Fixed Assets: Other Investments' (see note 9, 'Other Investments').

ii) Restricted income funds

Restricted income funds can only be used for particular purposes (within the objects of the charity) specified by the donor or grantor or the terms of an appeal.

iii) Designated funds - unrestricted

Designated funds are unrestricted funds of the charity set aside out of the general funds by the Trustees for specific purposes or projects for the furtherance of particular aspects of the charity's objects, but over which the Trustees retain full discretion.

iv) General funds - unrestricted

These comprise the funds which are available to be used for any purpose within the charity's objects.

g. Pension costs

The amounts charged to the SOFA for defined contribution pension arrangements represent the employer contributions payable in the period.

h. Operating leases

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the term of the lease.

i. Taxation

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Tax recoverable from voluntary income received under Gift Aid is recognised when the related income is receivable.

j. Subsidiaries

Providence Row charity (charity number 207454), of which Providence Row became the sole trustee following the transfer of charitable undertaking, is a subsidiary of Providence Row. Following the transfer of charitable undertaking, the assets, results and activities of Providence Row Charity are aggregated into the financial statements of Providence Row (see note 1a above).

2 Income

a)

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Individuals	131,575	-	131,575	99,018
Corporate donors	140,385	79,180	219,565	237,662
Community	115,298	11,482	126,780	81,952
Gift Aid reclaimed	18,188	-	18,188	11,918
Donated goods, facilities and services *	24,317	-	24,317	6,270
Grants from trusts and foundations	72,942	-	72,942	102,322
Sub-total: Donations	502,705	90,662	593,367	539,142
Legacies	1,500	-	1,500	80,237
Total income from donations and legacies	504,205	90,662	594,867	619,379

* The donated goods, facilities and services are shown separately and analysed further in the table below.

The category of 'Corporate donors' includes individuals whose connection with Providence Row derives primarily from their employer's relationship with the charity. Donations in this category from individuals during the period totalled £16,555, none of which was in restricted income (2023: £12,661).

'Community' donations include gifts from religious communities, churches, schools and local community groups. This category also includes income from individuals participating in external community events such as sponsored runs.

Donated goods, facilities and services are broken down by type in the table below (all income within this category is included within unrestricted funds):

	2024 £	2023 £
Donated furniture, electronic and computer equipment, catering equipment capitalised as tangible fixed assets	18,570	
Food and kitchen equipment	1,147	
Other goods donated for client use	3,638	6,270
Pro bono legal advice to the charity		
Other donated services	962	
Total donated goods, facilities and services	24,317	6,270

In accordance with Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements. However, as set out in more detail in the Report of the Trustees, our volunteers make a vital contribution to the work of the charity, including corporate volunteers, Welcome Area volunteers and general volunteers within the main service teams, Finance and Resources and Fundraising.

b)

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
London Borough of Tower Hamlets (LBTH): Advice & Support - Rough Sleepers Services	248,475	-	248,475	301,753
LBTH Drug & Alcohol Action Team: Substance misuse Worker & Needle Exchange, Women's Service	594,750	-	594,750	358,647
City of London: Recovery & Progression Service	321,863	-	321,863	226,476
Hackney	87,324	-	87,324	104,986
Sub-total: Local Authority Contracts for Services	1,252,412	-	1,252,412	991,862
Performance-related grants - Public Sector	89,675	-	89,675	8,000
Performance-related grants - Trusts & Foundations	-	454,707	454,707	254,917
Rents and charges from non-investment properties let in furtherance of charitable purposes	209,004	-	209,004	354,891
Total income from charitable activities	1,551,091	454,707	2,005,798	1,609,670

Income from government sources is summarised in the table below:

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Local Authority Contracts for Services (see above)	1,252,412	-	1,252,412	991,862
Other grants - Public sector	14,675	-	14,675	-
London Borough of Tower Hamlets	75,000	-	75,000	8,000
Total income from government sources	1,342,087	-	1,342,087	999,862

c)

	2024 Total £	2023 Total £
Other trading activities	312	35
Income from letting and licensing of property held primarily for functional use but temporarily surplus to operational requirements (inc. room hire)	-	94
Total income from trading activities	312	129

All of the income in the table above was included in unrestricted funds.

d)

	2024	2023
	Total	Total
	£	£
Rent and charges from commercial tenants at investment property (Sherrington Mews)	223,130	283,705
Dividend and interest income from other investments	90,467	39,217
Total investment income	313,597	322,922

All of the income in the table above was included in unrestricted funds.

e)

	2024	2023
	Total	Total
	£	£
Ground rents from non-investment freehold property let on long leases	25,000	25,000
Total other income	25,000	25,000

All of the income in the table above was included in unrestricted funds.

3 Expenditure

	Direct costs	Support Costs	2024	2023
	£	£	Total	Total
	£	£	£	£
Raising Funds				
Raising donations and legacies	540,127	150,138	690,265	403,077
Investment management	233,155	6,993	240,148	139,107
Sub-total: costs of raising funds	773,282	157,131	930,413	542,184
Charitable activities				
Advice and Support / Resource Centre	1,059,229	294,430	1,353,659	1,107,512
Recovery and Progression	403,239	112,086	515,325	445,353
Trainee Schemes, Food & Garden	515,598	143,319	658,917	481,098
Sub-total: costs of charitable activities	1,978,066	549,835	2,527,901	2,033,963
Total expenditure	2,751,348	706,966	3,458,314	2,576,147

Providence Row - Helping homeless and vulnerable people since 1860
Trustees' Annual Report and Financial Statements for the Year Ended 31 March 2024

Support Costs

Support costs can be analysed as follows:

	Governance £	Finance £	HR / Office Admin £	IT / Telecoms £	Property (Own Use) £	Other Central £	Depreciation £	2024 Total £	2023 Total £
Raising Funds									
Raising donations and legacies	5,503	3,364	19,989	7,332	60,493	12,795	40,662	150,138	53,272
Investment management	2,376	1,452	-	3,165	-	-	-	6,993	4,185
Sub-total: costs of raising funds	7,879	4,816	19,989	10,497	60,493	12,795	40,662	157,131	57,457
Charitable activities									
Advice and Support / Resource Centre	10,792	6,597	39,199	14,379	118,630	25,093	79,741	294,431	146,373
Recovery and Progression	4,108	2,511	14,923	5,474	45,161	9,553	30,356	112,086	58,859
Trainee Schemes, Food & Garden	5,253	3,211	19,081	6,999	57,745	12,214	38,815	143,318	63,584
Sub-total: costs of charitable activities	20,153	12,319	73,203	26,852	221,536	46,860	148,912	549,835	268,816
Total expenditure	28,032	17,135	93,192	37,349	282,029	59,655	189,574	706,966	326,273

During 2023/24 the charity incurred a significant number of one-off support costs mainly in regard to the temporary closure of the hostel and plans for its future development, and administrative costs.

Support costs are allocated to the different activities of the charity based on the proportion of direct costs attributable to the relevant activities, as follows:

- Governance, Finance, IT/Telecoms: split between all activities of the charity in proportion to direct costs of the activities;
- HR/Office Administration costs, Property (Own Use), Other Central costs: split between all activities of the charity except for investment management and non-investment property let to tenants, in proportion to direct costs;
- Depreciation charges: buildings depreciation charges are allocated to 'non-investment properties let in furtherance of charitable purposes' in relation to the physical share of the Dellow Centre let to relevant tenants; the remainder of buildings depreciation and depreciation of other tangible fixed assets is allocated to the activities of the charity (except investment management) in proportion to direct costs.

4 Staff Cost and Employee Benefits

4 Staff Costs and Employee Benefits

	2024	2023
	£	£
Wages and salaries (inc accrual for unpaid annual leave)	1,658,869	1,373,358
Employers National Insurance contributions (social security costs)	172,006	159,925
Employer's contribution to defined contribution pension schemes	65,030	59,288
Agency staff (including agency fees)	199,512	102,808
Insurance premiums: group life assurance and employee personal accident	6,910	6,897
Total	2,102,327	1,702,276

No member of the Board of Trustees was paid any remuneration or received any other benefits for their services as a trustee or from an employment with the charity or a related entity during the year (2023: none). No Trustee received reimbursement of expenses incurred for services provided to the charity during the year (2023: none). Details of transactions with connected parties of trustees are disclosed in Note 20.

During the year there were two employees whose total employee benefits fell within the banding £60,000 to £69,999 (2023: two). During the year there was one employee whose total employee benefits fell within the banding £70,000 to £79,999 (2023: one). During the year there was one employee whose total employee benefits fell within the banding £80,000 to £89,999 (2023: one). Employer payments in the year to a defined contribution pension scheme in respect of these employees totalled £6,462 (2023: £6,462).

The key management personnel of the charity consists of the Trustees, the Chief Executive and the Leadership Team. Total employee benefits received by the charity's key management personnel (excluding trustees) during the year were £302,085 (2023: £285,231).

5 Staff Numbers

The average monthly head count (number of staff employed) in the twelve month period ending 31 March 2024, analysed between full-time and part-time staff, was:

	2024	2023
Full-time staff	38.8	33.0
Part-time staff	7.3	8.6
Total Average Head Count	46.1	41.6

The average monthly number of full-time equivalent employees in the twelve month period ending 31 March 2023, analysed by activity, was:

Activity	2024	2023
Fundraising, communications, marketing	7.9	5.5
Charitable activities	29.9	27.2
Support, central, investment management	5.1	5.7
Total Average Head Count	42.9	38.4

6 Amounts Payable to the Auditors

	2024 £	2023 £
Audit fee:		
Current Year	23,760	16,854
Non-audit services	2,900	2,900
Total	26,660	19,754

No other services were provided by the auditors during the year (2023: none).

7 Tangible Fixed Assets

	Freehold land and buildings in use £	Freehold properties let on long leases £	Office furniture and equipment £	Computer equipment £	Plant and mechanical equipment £	Total £
Cost or 'Fair Value' on incorporation						
Balance at 31 March 2023	5,564,766	300,000	156,882	120,474	448,631	6,590,753
Additions	-	-	46,312	19,467	72,094	137,873
Disposals	-	-	(25,632)	(54,816)	-	(80,448)
Balance at 31 March 2024	5,564,766	300,000	177,562	85,125	520,725	6,648,178
Accumulated Depreciation						
Balance at 31 March 2023	853,832	25,714	97,062	112,343	183,181	1,272,132
Charge for the year	75,240	2,143	13,060	9,471	45,621	145,535
Impairment	-	-	44,040	-	-	44,040
Disposals	-	-	(25,632)	(54,816)	-	(80,448)
Balance at 31 March 2024	929,072	27,857	128,530	66,998	228,802	1,381,259
Net book value						
At 31 March 2024	4,635,694	272,143	49,032	18,127	291,923	5,266,919
At 31 March 2023	4,710,934	274,286	59,820	8,131	265,450	5,318,621

'Freehold land and buildings in use' at 31 March 2024 includes £2,000,000 of land that is not depreciated (2023: £2,000,000).

8 Investment Property

	2024	2024	2023	2023
	Cost	Fair Value	Cost	Fair Value
	£	£	£	£
Balance at beginning of the year	1,556,353	3,875,000	1,556,353	4,180,000
Unrealised (loss) on revaluation	-	(461,000)	-	(305,000)
Balance at end of the year	1,556,353	3,414,000	1,556,353	3,875,000

The charity's investment property carried at a value of £4,180,000 as at 31 March 2022. In April 2023 the investment property was valued as at 31 March 2023 at £3,875,000. This valuation was based on the investment and market approach and represented a reduced scope assessment of the value of the property and relied on the most recent full valuation in March 2022. The property was revalued by an independent valuer, BNP Paribas Real Estate Advisory & Property Management UK Ltd, a professional firm of Chartered Surveyors external to Providence Row with extensive experience in the location and class of property being valued. In March 2024 the charity used the MSCI property index. For Central London offices the index fell 13.5% between March 2023 and March 2024.

9 Other investments

	2024	2024	2023	2023
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Unitised investments held within Endowment fund				
Balance at beginning of the year	741,420	827,085	729,805	859,378
Less: Disposals	(225,311)	(249,424)	(85,671)	(95,001)
Add: Acquisitions	215,263	215,263	97,286	97,284
Net gains / (losses) on revaluation	-	94,168	-	(34,576)
Balance at end of the year	731,372	887,092	741,420	827,085
Cash deposits at end of the year				
Notice deposits (3 months or less)	583,739	583,739	556,041	556,041
Cash held in Endowment fund (capital account)	50,108	50,108	15,118	15,118
Total cash deposits at end of the year	633,847	633,847	571,159	571,159
Total other investments at end of the year	1,365,219	1,520,939	1,312,579	1,398,244

10 Debtors

	2024	2023
	£	£
Long term debtors (receivable after more than one year)		
Rent deposits held by agents	10,384	10,384
Long term lease agent fees	24,000	-
Short term debtors		
Trade debtors	310,686	156,008
Rent deposits held by agents	33,018	74,071
Service Charge deposits held by agents	40,276	82,835
Prepayments	38,283	33,555
Accrued income	20,845	7,253
Staff loans	1,835	1,037
Total Debtors	479,327	365,143

11 Creditors: Amounts Falling Due Within One Year

	2024	2023
	£	£
Trade creditors	120,243	59,164
Tax and social security	40,218	36,980
Rent deposits held from commercial tenants	56,274	10,399
Grant payments received on account	33,967	74,808
Holiday pay accrual	40,306	41,494
Other accruals	315,472	261,499
Deferred income	193,075	223,952
Total	799,555	708,296

12 Creditors: Amounts Falling Due After More Than One Year

	2024	2023
	£	£
Bank loan	1,000,000	1,000,000
Rent deposits held from commercial tenants	10,384	10,384
Total	1,010,384	1,010,384

13 **Loan**

	2024	2023
	£	£
Amounts falling due within 2-5 years	<u>1,000,000</u>	<u>1,000,000</u>
Total	<u><u>1,000,000</u></u>	<u><u>1,000,000</u></u>

The charity took a 5 year loan from Handelsbanken. The loan can be repaid at any time in full or instalments and it must be repaid before September 2026. The loan interest rate is 2% above the sterling base lending of the Bank. The base rate was 5.75% on 31st March 2024. During the year the interest paid was £73,712 (2023: £41,411).

14 **Deferred Income**

	2024	2023
	£	£
Balance brought forward at 31 March 2023	223,952	130,554
Amounts deferred	477,178	497,204
Amounts released	<u>(508,055)</u>	<u>(403,806)</u>
Balance carried forward at 31 March 2024	<u><u>193,075</u></u>	<u><u>223,952</u></u>

15 **Operating Leases**

The table below sets out the future minimum lease payments under non-cancellable operating leases for the periods shown:

	2024	2023
	£	£
Office Equipment		
Within one year	21,391	24,029
In one to two years	<u>10,665</u>	<u>13,186</u>
	<u><u>32,056</u></u>	<u><u>37,215</u></u>

Lease payments made during the year amounted to £23,915 (2023: £23,915).

16 Endowment Fund

	Balance 1 April 2023	Investment managem't fees charged	Unrealised gains on investments	Balance 31 March 2024
	£	£	£	£
Permanent Endowments				
Endowment fund	799,133	(6,761)	94,168	886,540

The Endowment fund represents investments, the capital of which forms the permanent endowment of the charity; only the income from the investments is available to be used for general charitable purposes (as an addition to unrestricted funds). Income of £23,194 (2023: £16,258) was received during the year.

17 Restricted Income Funds

	Balances 1 April 2023 £	Income £	Expenditure £	Balances 31 March 2024 £
Tangible fixed asset fund: Restricted	2,128,000	-	(56,000)	2,072,000
Marie Celeste Samaritan Society: Hospital Discharge Project	6,837	101,078	(104,673)	3,242
SGF-Big Lottery Fund	-	71,150	(71,150)	-
Society of the Holy Child Jesus	-	10,000	(10,000)	-
Morrisons Gardening	815	-	(620)	195
The Aldgate Business Partnership Ltd - Welcome Area	-	50,000	(50,000)	-
City of London Justice Rooms Charitable Trust - Employ & Progres	3,000	3,500	(6,500)	-
The Good Things Foundation	-	75,000	(75,000)	-
Charlotte Bonham Carter Charitable Trust	-	5,000	(5,000)	-
The Rayne Foundation	-	25,000	(25,000)	-
Jan and Catherine Nasmyth Charitable Foundation	-	20,000	(20,000)	-
Streets of London	-	15,000	(15,000)	-
The Albert Hunt Trust	-	7,000	(7,000)	-
General Corporate Restricted	-	1,780	(1,780)	-
The Adint Charitable Trust	-	10,000	(10,000)	-
The Charles Plater Trust	-	18,750	(18,750)	-
Landsec	-	25,000	(25,000)	-
General Community Restricted	-	1,482	(1,482)	-
The Worshipful Company Of Chartered Secretaries & Administrator	-	2,000	(2,000)	-
The Hobson Charity	-	8,000	(8,000)	-
The G Foundation	-	10,000	(10,000)	-
Beazley Group	-	2,400	(2,400)	-
City of London - City Bridge Foundation	-	20,000	(20,000)	-
Derwent-Health & Wellbeing Fair	-	3,333	(3,333)	-
CHK Foundation	-	10,000	-	10,000
The Good Things Foundation (Capability Grant)	-	3,600	(3,600)	-
Just FACT – The National Lottery Climate Action Fund	-	2,750	(2,750)	-
Tower Hamlet Mayor Community Fund	-	10,417	(10,417)	-
Training & Employment				
Streetsmart	-	10,000	(10,000)	-
TGF-Gardening TS (Charlotte Marshall Charitable Trust)	-	1,800	(1,800)	-
TGF-Trainee Scheme(M.Watson Charitable Trust)	-	2,500	(2,500)	-
TGF-SIB	-	18,829	(18,829)	-
Total Restricted Income Funds	2,138,652	545,369	(598,584)	2,085,437

18 Unrestricted Funds

	Balances 1 April 2023 £	Income £	Expenditure £	Net transfers between funds £	Revaluation Loss £	Balances 31 March 2024 £
Tangible fixed asset fund: Unrestricted	3,190,621	-	(133,575)	137,873	-	3,194,919
Fixed asset fund: Investment Property	1,556,597	-	-	-	-	1,556,597
Revaluation reserve: Investment Property	2,318,403	-	-	-	(461,000)	1,857,403
Cyclical maintenance and repairs fund	300,000	-	(52,613)	(150,000)	-	97,387
Free Reserves						
Contingency fund: Charity running costs	800,000	-	-	(100,000)		700,000
General funds	230,102	2,394,205	(2,666,781)	112,127	-	69,653
Sub-total: Free Reserves	1,030,102	2,394,205	(2,666,781)	12,127	-	769,653
Total Unrestricted Funds	8,395,723	2,394,205	(2,852,969)	-	(461,000)	7,475,959

The balances on the unrestricted reserves are made up as follows:

Tangible fixed asset fund: Unrestricted

This fund represents the carrying value of the charity's tangible fixed assets whose original acquisition or costs of construction were financed by unrestricted funds (or where the terms of a restricted grant or donation have been met once the asset has been acquired and the Trustees have accordingly transferred the corresponding amount from restricted funds). This includes part of the carrying value of freehold properties at the charity's main Gunthorpe Street/Wentworth Street site (the Dellow Centre complex) and the Activity Centre at the same site.

Fixed asset fund: Investment Property / Revaluation reserve: Investment Property

These two funds together represent the fair value of the charity's investment property, Sherrington Mews (formerly known as the Gunthorpe Street Workshops).

In accordance with regulations made under the Companies Act 2006 and the requirements of Charities SORP (FRS 102), a separate revaluation reserve is disclosed in relation to revaluation gains on the property, i.e. the difference between (i) the cost of the property when first recognised plus the value of capitalised additions at cost and (ii) the assessed fair value of the property at the end of the reporting period.

Cyclical maintenance and repairs fund

The Trustees have determined that there should be sufficient funds available in the future for major capital repairs to the charity's buildings and planned maintenance and replacement of associated plant and equipment, as well as to provide a contingency reserve for potential major risks such as mechanical breakdown or structural defects impacting on property, plant and equipment. During the year the charity transferred £150,000 from cyclical maintenance to general funds towards funding of capital expenditure towards the building and Day Centre improvements.

Contingency fund: Charity running costs

In order to protect the charity against significant unplanned variability in operating cash flow and in particular to prevent disruption of services to beneficiaries in the event of unexpected falls in income levels, the Trustees have set aside a contingency reserve whose value is determined with reference to the following factors:

- Forecasts for future years' income and the level of risk and variability attaching to each category of income;
- The costs of running each of our services and areas of activity, and the degree of commitment or flexibility in relation to each area of expenditure;
- The potential impact of any sudden reduction in income and the minimum time period over which the charity would aim to be able to finance each of our core services in the absence of new external income;

- Changes to the level of commercial risks facing the charity following the acquisition of Sherrington Mews in 2014;
- A contingency for redundancy costs;

General funds

The General funds together with the Contingency fund (see above) represent the free reserves of the charity, i.e. those unrestricted funds, backed by cash (including cash deposit investments) which have not been designated (or 'earmarked') for a specific short or medium term purpose or otherwise as set out in relation to the remaining designated funds in the section above.

19 Analysis of Net Assets Between Funds

	Tangible fixed assets	Investment property	Other investments	Current assets less total liabilities	Total 31 March 2024
	£	£	£	£	£
Endowment Fund	-	-	886,540	-	886,540
Restricted income funds					
Tangible fixed asset fund: Restricted	2,072,000	-	-	-	2,072,000
Other restricted funds	-	-	-	13,437	13,437
Unrestricted funds					
Tangible fixed asset fund: Unrestricted	3,194,919	-	-	-	3,194,919
Fixed asset fund: Investment Property	-	1,556,597	-	-	1,556,597
Revaluation fund: Investment Property	-	1,857,403	-	-	1,857,403
Cyclical maintenance and repairs	-	-	97,387	-	97,387
Other designated funds	-	-	-	-	-
Contingency fund	-	-	537,012	162,988	700,000
General funds	-	-	-	69,653	69,653
	<u>5,266,919</u>	<u>3,414,000</u>	<u>1,520,939</u>	<u>246,078</u>	<u>10,447,936</u>

20 Related Party Transactions

During the year the charity received donations from Trustees and related parties (including the Institute of Our Lady of Mercy and Mercy Union Generalate) totalling £3,100 (2023: £13,090). When Providence Row was founded in 1860, it was to the Sisters of Mercy of the Union of Great Britain and the Institute of Our Lady of Mercy that the founder turned to run the operation. Since incorporation in 2011 the Union and the Institute have the right to appoint one trustee each to the Board of Trustees.

Cluttons LLP have been appointed to project manage the process for agreeing the new hostel lease and for the refurbishment of the Resource Centre. One of our Trustees is employed by Cluttons LLP. To ensure there was no conflict of interest an assessment panel was appointed to oversee the procurement process including interviews of all shortlisted contractors. Progress reports are regularly presented to the full Board of Trustees. The total amount paid to Cluttons LPP for the project during the year was £13,734 (2023: £14,100). There was no outstanding balance at the year end.

21 Post Balance Sheet Event

On 3 December the Charity was notified that it will be a beneficiary of a significant legacy, in the region of £760,000.

PROVIDENCE ROW

England & Wales - Charity number 1140192

Accounts



HELPING HOMELESS AND VULNERABLE PEOPLE SINCE 1860

Trustees' Annual Report and Financial Statements for the year ended 31 March 2023

Providence Row

Registered and Principal Office:
The Dellow Centre
82 Wentworth Street
London
E1 7SA

Company number 07452798
Charity number 1140192

E-mail: info@providencerow.org.uk

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@providencerow



@Providence_Row



/ProvidenceRow

Board of Trustees

Elizabeth Canning (Chair)
Bishop Nicholas Hudson
Linda McHugh
Jonathan Rhodes
Richard Solomon (Honorary Treasurer)
Paul Strange
Anthony Tama

Patron

His Grace the Duke of Norfolk

Honorary Vice Presidents

Fr. Peter Harris
Dr Daniel Regan MBE, OStJ, KSG
Mr Richard Sermon

Chief Executive Officer & Company Secretary

Tom O'Connor

Auditors

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Solicitors

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Managing Agents

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W1G 0JD

Investment Property

Legal Advisors

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4th Floor, 64 North Row
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Letter from our Chair

Welcome to the Annual report for Providence Row 2022/2023.

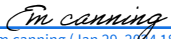
As the impact of the Covid pandemic recedes, so we find ourselves in challenging times with cost of living and inflationary woes, and now a war in Europe. There is significant stress within our communities with again large numbers becoming homeless or at risk of homelessness. It comforts me that Providence Row is still here to continue its mission to help those most in need of our services, although I am sure, like me, you would prefer our mission was not required. We continue to adapt our services to meet the needs that are changing but also remain constant: providing nourishing food; signposting good health outcomes and training services to give hope to those who have given up on finding a sympathetic ear and practical help.

Providence Row continues to invest in Fundraising and of course our Services. We can do nothing without the help and support of our donors. All of the Trustees and staff would like to thank you for all your support and encouragement. Our corporate donors have volunteering days and also provide goods to our organisation. In particular, these donations in kind and volunteering of time make a difference to our running costs ensuring that we can spend our money where it is most needed.

As a Board of Trustees we continue to self assess where we need additional expertise and we are committed to maintaining high standards in our governance. We are happy to commend the accounts to you.

In closing, I would again like to thank all of our supporters and donors; our Patron The Duke of Norfolk, our President HE Cardinal Nichols, all of the staff and volunteers. My fellow Trustees freely provide expertise and time to the organisation, often unseen but without their contribution, Providence Row would not thrive. I cannot end this letter without acknowledging the role of the Sisters of Mercy, who continue to support us financially and through their prayers. Their spirit resides in the organisation and in our values.

At the turn of another year, may I wish you a Happy and Healthy 2024.


Em canning (Jan 29, 2024 18:48 GMT)

Elizabeth Canning
Chair of Trustees – January 2024

Message from our CEO

Dear Friends,

At the end of another challenging year we are hugely grateful to all our supporters, donors and partners.

The cost of living crisis has significantly increased demand for our services, whilst fundraising is more difficult and local government budgets are under pressure. We have seen many more people facing homelessness, often for the first time in their lives.

I am delighted to report that we have continued to support those facing immediate crisis with tailored individual support. We have also accompanied them with services to plan for the future with hope. From our walk-in day centre to our award winning psychotherapy outreach service, from our training schemes to our employability programme, we have sought to honour the values of our founder and the Sisters of Mercy, by walking alongside those most in need and treating them with kindness and profound respect.

Our fundraising programme has continued to generate increased income year on year, and our internal operations have continued to perform well. I am pleased to let you know that we have recorded a modest underlying surplus over the last year.

The year ahead will bring new challenges as the scandal of homelessness continues to grow. Your support will be more important than ever. On behalf of so many who can now see a brighter future and many more who will follow in their footsteps, thank you so much.

TO'Connor

TO'Connor (Jan 29, 2024 18:23 GMT)

Tom O'Connor
CEO

ABOUT US

Vision

Everyone has a safe home and a community in which to belong.

Mission

To support and accompany more people who are homeless or at risk of homelessness on their journey to recovery, especially those who are most vulnerable and least likely to access services elsewhere.

To offer a range of services that support people from times of crisis through to when support is no longer needed.

Our values

- Compassion
- Empowerment
- Inclusiveness
- Justice
- Respect

Why we are needed

In England 271,000 families and individuals experienced homelessness in 2022 *, including one in 58 Londoners. **3,570 people** were recorded as sleeping rough in London in October and December 2022 **.

The ongoing homelessness crisis is caused by:

- Increased cost of living
- Isolation
- Substance use
- Relationship breakdown
- A criminal record
- Mental and physical health issues
- Lack of affordable housing
- Welfare reform
- Literacy and numeracy challenges

*Shelter, Homelessness in England 2022

**GLA Chain reports

OUR PLANS FOR THE FUTURE – BUILDING COMMUNITIES OF SUPPORT

As a charity our aim is to build communities of support for people experiencing homelessness so that everyone has a safe home and a community in which to belong. Our Strategy sets the following priorities:

- Growing our services to meet increasing needs
- Going out into the community to reach those in need and provide services
- Working with the whole person and tailoring support to individuals
- Complementing and working in partnership with other agencies
- Inspiring excellence in our staff and volunteers
- Building a robust infrastructure to support our work
- Generating income to achieve our vision

Whilst significant progress has been made in achieving these priorities, two major factors have limited progress to date: the impact of COVID-19; and the cost of living crisis. This is why we undertook a revaluation of our strategic framework and launched our new “Building Communities of Support” strategy to consolidate the gains and learnings from the last years. We are now much better placed to deliver on our priorities and expand our services to reach even more people. Alongside our ambitions, we remain cautious given the current economic environment. A high priority up to 2025 will be rigorous financial management, maximising opportunities for full cost recovery, increasing unrestricted income and maintaining a range of income streams.

From 2023, to achieve our strategic objectives we will build on, consolidate and further expand our services in 4 priority areas:

- Advice and support: enhancing our reconnection services with the resources to accompany clients and working with those who do not have a connection in Tower Hamlets; increasing our tenancy sustainment provision and developing services tailored to specific groups reflecting the diversity of East London;
- Substance use: increasing capacity within our outreach teams and developing our specialism to support particular groups (e.g. faith based communities);
- Health and Well-being: increasing health care support for clients in partnership with the NHS and the new integrated care systems (ICSs); continuing to develop food provision with increased flexibility to deliver nutritious meals where they are needed;
- Employment and training: Extending our employment services: reviewing and re-establishing training schemes to support our clients to sustain a life off the streets; scaling-up work with clients who have no recourse to public funds; increasing engagement with the hostel sector.

We will also continue to:

- Go out in the community to reach those in needs, working with the whole person and tailoring support to the individual
- Work in partnership with other agencies
- Inspire excellence in our staff and volunteers and develop their skills
- Build a robust infrastructure for our work
- Generate income to achieve our vision.

ACHIEVEMENTS AND HIGHLIGHTS FOR THE YEAR

As the world started to come out of the Covid-19 pandemic, we continued to run and develop our essential services and to innovate in the ways that we reach and support people affected by homelessness. We saw a noticeable increase in the demand for our services with both the pandemic and the beginning of a cost of living crisis having a significantly negative impact on the most vulnerable people in our society. More and more clients who never thought they would be affected by homelessness turned to us for help as they were pushed over the edge by unaffordable rents and rising utility costs. The cost of living crisis also meant that the costs of delivering our services increased at a time when we were needed more than ever. Although we had to operate in a difficult environment we managed to support many more clients with complex needs, and to enable them make a positive and lasting impact to their lives.

OUR SERVICES

Resource Centre

An essential part of East London's local community, our Resource Centre is there to provide anyone who needs it with a safe space and, last year, supported 917 individuals to access washing facilities, phone charging, a postal address, IT facilities and to engage with many other services from our Food Programme, to Progression and Training to our Advice and Support Service.

We're delighted to have secured Public Health funding for the next year to support these services.

Reset

Our Reset Outreach and Referral Service and Reset Navigator Team helped 916 clients through harm reduction advice and support, and referral into Reset treatment and recovery services. The team has also supported service users to register with GP's and attend medical appointments.

As part of this lifesaving provision, our Needle Exchange and Harm Reduction service has seen an increase in new people from marginalised communities attending throughout the year, with a total over 169 individuals. We estimate that over 15,000 new and sterile needles were distributed to service users.

Naloxone training and distribution has also increased, with 100's of kits being sent out to service users and support workers. Naloxone is a vital resource which can be lifesaving in the event of an opiate overdose.

Outreach Psychotherapy

Our unique Outreach Psychotherapy Service started a new tri-borough contract in August 2022 and has supported 133 rough-sleepers to date in Tower Hamlets, the City of London and Hackney, who have struggled with their mental health. The psychotherapists have contributed towards supporting individuals to sustain their accommodation and to gain autonomy to make decisions in their best interest – accessing accommodation and drug and alcohol support, attending health appointments, exploring training opportunities and reconnecting with family members.

Progression & Training Service

2022/23 was the first year of our new funding from the Good Things Foundation. This partnership ensured that we were able to add a further member of staff to our team so that can support more people. We're working closely with our hostel partners to bring digital inclusion directly to where the residents live as we develop this programme. 85 people this year further developed their skills including basic competence using computers, creating email account, and managing online security.

Of the 144 people who were referred to the service, 90 met with a specialist progression coach for an assessment. We created 93 CV's for 58 people and 15 jobs were secured.

We also brought back the Garden Training Programme for the first time since the pandemic with 6 people completing the course.

Health & Wellbeing Fair

During the Covid-19 pandemic, we ran several vaccine hubs intended to reduce vaccine hesitancy and improve health outcomes. This year we decided, alongside commissioned services and partners (London Borough of Tower Hamlets, St Mungo's Tower Hamlets Street Outreach Team, Groundswell and Tower Hamlets Public Health) to create larger, more holistic health and wellbeing events to take place quarterly. The aim of these events is to encourage engagement around all aspects of health and wellbeing and create an environment which is fun and different from daily service provision. We recognise the need for a holistic health service for our client group who face far poorer health outcomes than the general population and have a higher rate of undiagnosed health conditions.

Four Health & Wellness Fairs were held at Providence Row's Day Centre serving 285 individuals across all events. Each Health Fair provides an opportunity for vulnerable clients to access vaccinations and get support with physical, mental and sexual health needs.

Health or Wellbeing Service	Number of engagements
Covid	12
Flu	11
HE1/GP Service	18
Sexual Health Support	35
Substance Use Support	36
Mental Health Support	21
Clearly Hearing	37
Massage	63
Haircuts	43
Dental Care	37
Podiatry	15
Fibroscan (Liver Scans)	29
Chest X-Ray (TB Testing)	15
Nutritious Hot Meals (BBQ, Salads, Smoothies)	346

Food Programme

Over the course of the year we have provided 2,937 breakfasts and 6,813 lunches. Further to this we continued to provide freshly cooked meals each day for residents of an emergency accommodation provider with 5,760 meals being delivered over a 10 month period. In total 15,510 nutritious meals were provided across the year.

SWEP

For many years Providence Row's Day Centre has been supporting a programme called the Severe Weather Emergency Protocol (SWEP) which delivers the emergency provision of pop up night shelters for people who are known to be sleeping rough at the time there is a severe weather warning or temperatures fall below freezing. Over the past year, Providence Row coordinated emergency lifesaving provision 6 times for 33 nights supporting 55 individuals.

Advice and Support Team

Our Advice and Support (AST) Team supported 272 clients to access additional support including securing accommodation, applying for benefits, ID documents and EU pre-settled and settled status, health referrals, and additional mental health and drug and alcohol support.

OUR SUPPORTERS AND FUNDERS

Providence Row's work is made possible by our fantastic community of staff, supporters, funders and volunteers.

Our Staff

During the year the charity employed an average of 42 staff (average monthly headcount), of whom 19 were part-time staff (2021-22 average monthly account: 37 staff, of whom 8 were part-time staff).

Our Supporters and Funders

Our supporters are our lifeblood; whether it's a regular gift, a one-off donation or fundraising activities, every single pound donated is much needed and much appreciated.

Our Volunteers

Volunteers are at the heart of our work and provide essential support for service provision. Our volunteering:

- Helps the clients we work with meet new people and build skills, confidence and a new network of friends
- Creates a welcoming, safe place for people experiencing high levels of loneliness and isolation
- Gives people the chance to learn about homelessness, breaking down misconceptions and helping to build relationships with the local community

We also recruited and trained 10 community volunteers helping multiple services including the food service project, Welcome Area, Routes to Routes connecting many who were experiencing isolation with communities of support.

We successfully continued our partnership with the Institute for the International Education of Students (IES) which provided 2 interns who volunteered in our Resource Centre, Reset and Marketing teams from February through to April.

Our charity is governed by a Board of Trustees who give their time and expertise to ensure good governance.

Companies

We are incredibly grateful for the support of our company partners who donated £237,662 (£126,651 in 2021/22) over the course of year through a range of events, activities and grants. We would like to thank our long standing strategic partners Natixis Investment Managers and Reed Smith, Aldgate Connect BID, Vanguard Group Foundation, The Investment Association, FSCS, UNUM, Adecco, Global Aerospace, Beazley, Mace, Aon, Capita, AIG Insurance, Peel Hunt, Telent, BNY Mellon, Hamilton Insurance, Barclays, JP Morgan, Credit Suisse, Clothmaker's Company, Societe Generale.

Communities

Thanks to continued support from a number of community groups we raised £81,952 (£48,896 in 2021/22). Our supporters in the community include: The Sisters of Mercy, The Society of the Holy Child Jesus CIO, Sisters of the Holy Cross Charitable Trust, St. Mary Moorfields Catholic Church and the Young City Catholics, Morrison's Foundation as well as other religious and non-religious groups and schools.

Trusts and Foundations

Our private and institutional grant makers are a vital source of committed multi-year funding that allows us to plan ahead for our programmes and services. We received £357,239 (£317,555 in 2021/22). Thanks to the generosity of the Trusts and Foundations that supported us this year we were able to be there for our clients in one of the most challenging years Providence Row has experienced. The list of Trust and Foundations that supported us is within Note 21.

Major Donors

We developed a few new relationships with some Major Donors over the year which helped secure £15,000 towards our work. This programme will be further developed over the coming years.

Legacy

We received £80,237 (£56,704 in 2021/22) in legacy income. We are immensely grateful to those who have so generously supported us in their will.

Individuals

Our individual donors have once again made a crucial difference to the lives of the people we support. Thanks to the support of individual givers we raised £110,936 (£167,948 in 2021/22) during a year in which individual giving has shown a downward trend across the sector due to the challenging economic environment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure of the charity

Providence Row is a private company limited by guarantee and does not have share capital. It was incorporated on 26 November 2010 (company number 07452798) and was registered as a charity on 2 February 2011 (charity number 1140192). Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454), which was originally established in 1860. The directors of Providence Row are its trustees for the purposes of charity law. Providence Row became operational as an incorporated charitable company on 1 April 2011 and on the same date a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC.

Governance

The Memorandum of Association and Articles of Association of Providence Row form the governing documents of the charity. Providence Row is governed by a Board of Trustees, which is made up of:

- up to four Nominated Trustees
- up to six Elected Trustees
- up to four Appointed Trustees

Nominated Trustees are nominated to serve on the Board by the Catholic Archbishop of Westminster (two Trustees), the Superior General of the Union of the Sisters of Mercy (one Trustee) and the Congregational Leader of the Institute of Our Lady of Mercy (one Trustee) and their appointment is subject to approval by the Trustees. Nominated Trustees serve for three year renewable terms.

Elected Trustees must be appointed at the annual general meeting by means of election by those qualified to vote at the meeting. One third of Elected Trustees must retire by rotation at the annual general meeting, those who have been longest in office since their last appointment or re-appointment being subject to retirement by rotation.

Appointed Trustees are appointed for a renewable term of three years by a decision of the Trustees.

The Trustees may appoint one of their number to be the Chair of the Trustees for such a term of office as they determine and may at any time remove him or her from that office. The Chief Executive Officer has been appointed as the Secretary to the charity. The Trustees may at their discretion establish procedures and criteria for inviting individual donors to become 'Associate members' of the charity with the right to vote at the annual general meeting. There are currently no 'Associate members' qualified to vote at the 2022 annual general meeting.

ORGANISATIONAL STRUCTURE, MANAGEMENT AND KEY RELATIONSHIPS

The Board of Trustees meet quarterly. The Remuneration Committee meets annually to consider the recommendations of the Chief Executive in relation to staff remuneration. The remuneration of the Chief Executive is considered separately by the Remuneration Committee in the absence of the Chief Executive. External market benchmarks are taken into consideration in relation to all staff remuneration decisions, focussing on pay levels in other providers of a similar nature, and geographical location. The Remuneration Committee submits its recommendations to the Board for approval.

The Chief Executive attends meetings of the Board of Trustees (with other senior staff as appropriate) and submits for approval the strategic plan and the annual budget. The Chief Executive and the leadership team report regularly to the Trustees on the implementation of the strategy and performance against the budget.

In accordance with charity law, decisions relating to disposals of land (including sales, leases, grants of easements and releases of rights of light) are made by the Trustees following the procedures set down in the Charities Act, statutory regulation and guidance issued by the Charity Commission. The Board of Trustees determines the charity's reserves policy.

The Chief Executive has formed a Leadership Team including the Director of Services, the Director of Finance and the Director of Fundraising and Marketing. The role of the Leadership Team is to assist the Chief Executive in implementing the strategic plan within the approved annual budget.

The charity has an ongoing relationship with Providence Row Housing Association (PRHA) which was established by Providence Row in 1970 to provide residential accommodation. PRHA is fully independent of Providence Row and leases part of the Dellow Centre property, consisting of offices and 58 units of accommodation, which it manages as a hostel funded by the London Borough of Tower Hamlets.

The charity's other key relationships include the Sisters of Mercy (the Union of the Sisters of Mercy of Great Britain and the Institute of Our Lady of Mercy), the London Borough of Tower Hamlets and the Corporation of the City of London. The relationship with the Sisters of Mercy is a formal arrangement with powers to nominate Trustees to the Board. The charity is very grateful for the continued support of the Sisters of Mercy and committed to ensuring that the legacy of the Sisters is reflected in the ongoing work of the charity for the long term. In addition, the charity works with a range of other charities, agencies and partners.

FINANCIAL SUMMARY 2022/23

Overview of results

The charity recorded a surplus of £953 before net unrealised loss on investments of £34,576 and an unrealised loss on revaluation of the investment property of £305,000. This compares to a surplus of £155,382 (restated) before net unrealised gain on investments of £38,114 and net unrealised loss on the investment property of £270,000 in 2021/22.

Income

Total income for 2022/23 was £2,577,100 (2021/22: £2,492,857).

Income	2022/23		2021/22	
	£'000	% of total	£'000	% of total
Donations	532.9	20.7%	475.4	19.1%
Donated goods, facilities and services	6.3	0.2%	17.9	0.7%
Legacies	80.2	3.1%	56.7	2.3%
Charitable activities (see below)	1,609.7	62.5%	1,514.4	60.7%
Other trading activities	0.1	0.0%	0.3	0.0%
Investment income	322.9	12.5%	403.3	16.2%
Other income	25.0	1.0%	25.0	1.0%
Total	2,577.1	100.0%	2,493.0	100.0%

Income from charitable activities	2022/23		2021/22	
	£'000	% of total	£'000	% of total
Local authority contracts	999.9	62.1%	981.0	64.8%
Performance related grants	254.9	15.8%	185.7	12.2%
Rents from the Dellow Centre leases	354.9	22.1%	347.7	23.0%
Total	1,609.7	100.0%	1,514.4	100.0%

Total income for the year increased by £84,243 (3.4%) in relation to 2021/22 income. This increase is mainly due to the increase in fundraised income and new, smaller contracts with Tower Hamlets local authority.

Expenditure

Total expenditure for 2022/23 was £2,576,147 (2021/22: £2,337,475 restated), an increase of £238,672 (9.3%).

Expenditure	2022/23		2021/22	
	£'000	% of total	£'000	% of total
Costs of raising donations and legacies	403.1	15.6%	506.6	21.7%
Costs of investment management	139.1	5.4%	154.2	6.6%
Charitable activities (see below)	2,034.0	79.0%	1,676.6	71.7%
Total	2,576.1	100.0%	2,337.4	100.0%

Expenditure on charitable activities	2022/23		2021/22	
	£'000	% of total	£'000	% of total
Advice and Support / Resource Centre	1,107.5	54.5%	938.8	56.0%
Recovery and Progression	445.4	21.9%	372.6	22.1%
Trainee Schemes, Food & Garden	481.1	23.7%	363.7	21.8%
Providence Row Bakery	-	-	0.9	0.1%
Non-investment properties let in furtherance of charitable purposes	-	-	0.7	0.0%
Total	2,034.0	100.0%	1,676.6	100.0%

The expenditure increase is mainly due to significant staff cost increase across charitable activities.

FINANCIAL REVIEW

Investment policy and objectives

The charity's appetite for risk in relation to the Endowment Fund reflects the long-term nature of the charity's investment horizon. The Endowment Fund exists to generate sustainable income in perpetuity. For this reason, the Endowment Fund is focused on a diversified portfolio of unitised equity related investments, managed by the charity's investment advisors. The primary objective of the investment strategy is to preserve the long-term real value of the charity's permanent endowment, whilst providing a good level of income which may be deployed by the charity to further its objectives. The Trustees apply a policy of 'Responsible Investment' and we expect our investment managers to engage with companies on social, environmental and business ethics issues and to exercise voting rights in line with the policy. The Trustees have decided not to take an exclusionary approach to particular categories of investment.

The greater part of the charity's investible cash resources, which are outside the Endowment Fund, are managed by its investment advisors. During recent years, due to the prevailing market environment it was increasingly difficult to make cash deposits on terms other than 'instant access' or up to 30 days' notice, and the financial rewards for doing so were also limited. Interest rates have however been rising during the 2022/23 financial year, and have continued to do so beyond 31 March 2023. The charity does not currently hold any cash deposits with maturities in excess of 30 days, and has instructed its investment advisors to adopt a cautious approach, investing our resources across a number of different banking institutions with investment grade credit ratings and, in the case of overseas or offshore deposit takers, benefiting from a full guarantee from a UK parent bank with a credit rating of at least A- (Fitch/S&P). The Charity is currently exploring refinements to its investment strategy to maximise benefit from the higher interest rate environment.

Investment performance against objectives

Over the 12-month period to 31 March 2023, the charity's Endowment Fund generated an overall negative return of £24,946 (2021/22: positive return of £46,829), incorporating investment income of £16,258 (2021/22: £18,158), net unrealised loss of £34,576 (2021/22: unrealised gain of £38,114) and management fees of £6,628 (2021/22: £9,443).

The charity's managed cash deposit portfolio generated income in the year of £12,094 (2021/22: £84). We anticipate an improved return over the year ahead due to increased rates of interest.

The charity's investment property generated total income (rent and service charge) of £278,826 during the year, a decrease of 25.4% over the comparative figure for 2021/22 of £373,976. This decrease is mainly due to vacancy levels during the year. Rental income was £219,772 (2021/22: £265,387). Direct costs of investment property management in 2022/23 (before allocated support costs) totalled £151,968 (2021/22: £135,072).

PRINCIPAL RISKS AND RISK MANAGEMENT

The Trustees have considered and reviewed the major risks to which the charity is exposed and are satisfied that systems and procedures have been established to adequately manage these risks. The risks identified and reviewed are those which, if they occurred, would have a major impact on some or all of the following areas: governance; operations; finances; environmental or external factors such as public opinion or relationships with funders; compliance with law and regulation.

The Chief Executive together with the Leadership Team produces a risk register for the charity and reports to the Board of Trustees on a regular basis the major risks which have been identified, and measures in place (or planned) to manage and mitigate those risks.

We recognise that in our work we are exposed to significant risks relating to the safeguarding of vulnerable adults, and a failure to respond to changes in the external environment could endanger lives as well as our reputation. To manage this risk, procedures are in place in respect of staff, volunteers and clients. These processes are included in a range of policies, in particular: Safeguarding Adults; Health and Safety; Fire Safety; Personal Safety, and Lone Working.

Economic uncertainty is a threat to our income at a time when the needs of homeless people are increasing and Local Authorities finances are under pressure. The Board and the Leadership Team are carefully monitoring the external environment to identify specific risks to our projected income.

The charity's largest single source of recurring (contractual) income is currently from the London Borough of Tower Hamlets. Local Authority budgets continue to be placed under considerable pressure by public sector financing constraints. Uncertainty about future levels of Local Authority income represent a risk to the charity. Consequently, we have prioritised the further diversification of income streams. We have secured multiyear funding for all service delivery contracts commissioned by Local Authorities. We continue to increase our capacity and experience in public sector tendering and impact monitoring and reporting.

Investment over the last three years in a new fundraising strategy to generate sustainable funds from a wider range of income streams is showing healthy returns with positive prospects for the year ahead. Fundraising from individuals, communities, trusts and companies now makes up just under a third of our annual income and robust plans are in place to protect and strengthen these income streams.

Providence Row has a good level of liquidity, a business model that has generated a small underlying surplus over the last three years and modest levels of debt, and so remain confident in our resilience and capacity to manage the risks identified.

The charity owns a number of property assets, and the ownership and management of these properties involves a number of risks:

- The charity's main premises, the Dellow Centre complex, is a substantial purpose-built property on the Gunthorpe Street / Wentworth Street site and is owned freehold. The effective management of this and of the charity's Day / Activity Centre on the same site represents a considerable operational and financial commitment. We have begun to invest in the Centre to make improvements to the premises and the way in which we provide our services.
- Most of the upper parts of the Dellow Centre comprise a Hostel. This was occupied and operated by a Housing Association for many years and generated a substantial rental income for the charity, but the tenant vacated the building on 2nd October 2023. We instructed a property agent to market the hostel which has generated reasonably good interest at a satisfactory level of rent. We are confident that a new tenant will be secured during 2024.
- Providence Row's investment property, Sherrington Mews, lies adjacent to and to the south of the Dellow Centre and largely provides office space arranged in small suites. The property is managed by a third-party professional property manager, however there is an inherent risk around void periods and the rental level at which space can be re-let. The property represents a valuable source of rental income, and the largest tenant has recently vacated.

Whilst the charity is currently experiencing a reduced level of income from both the Dellow Centre Hostel and Sherrington Mews, the Board has been reassured by the interest in a potential new tenant acquiring the Hostel space at a satisfactory level of rent.

REVIEW OF RESERVES AND RESERVES POLICY

Providence Row reviews its reserves policy regularly in line with its evolving strategic outlook and operating environment and in order to ensure that the policy continues to reflect the underlying risks facing the charity and the level of reserves judged necessary to protect its core services to clients and to safeguard its long-term sustainability and independence.

Providence Row holds restricted funds (or 'special trusts') in accordance with donors' express requirements and the terms of grants or appeals. In addition, the charity has established designated (unrestricted) funds for planned future requirements in accordance with the strategic plan. The creation of a designated fund does not legally restrict the Trustees' discretion in how to apply the unrestricted funds that have been earmarked.

As at 31 March 2023 the charity held total funds of £11,333,508 (2021/2022: £11,672,131 restated), comprising the restricted endowment fund, restricted income funds and unrestricted funds.

The Trustees have determined that the previously agreed target level of £1,000,000 in free reserves should remain. At 31 March 2023, the actual level of free reserves (including the contingency fund) was £1,030,102 (2021/22: £1,047,004 restated).

The Trustees will continue to review the target level of free reserves annually to take into account changing circumstances, revised financial forecasts and evolving challenges and opportunities facing the charity. The target level of free reserves may therefore change over time.

Movements on the funds held by the charity during the period under review and an analysis of the charity's net assets between the funds held are summarised in notes 16 to 19 to the financial statements.

Going concern

We have a robust fundraising programme that has been showing sustainable year on year growth. Our cash position remains strong despite the challenging environment in which we are working. The ownership of property assets protects us from challenges being faced by many charities at this time. In addition Trustees have confidence that the approved strategy is realistic and gives us the resilience to tackle external risks.

The Trustees consider that it is therefore appropriate to prepare the financial statements on a going concern basis.

TRUSTEES' RESPONSIBILITIES STATEMENT

The law applicable to charities in England and Wales requires the Trustees to prepare the annual report and financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

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

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and enable them to ascertain the financial position of the charity and ensure that the financial statements comply with the Companies Act 2006. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are not aware of any relevant audit information that has not been disclosed to the charity's auditors. The Trustees have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Mazars LLP acted as auditors during the period under review and have signified their willingness to continue in office. A resolution proposing their re-appointment will be put to the annual general meeting.

These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime.

Approved by the Trustees on 25th January 2024 and signed on their behalf by


Em canning (Jan 29, 2024 18:48 GMT)

Elizabeth Canning – Chair


Richard Solomon (Jan 29, 2024 21:48 GMT)

Richard Solomon – Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROVIDENCE ROW

Opinion

We have audited the financial statements of Providence Row (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement on page 17, the trustees (who are also the directors of the charitable company for the purposes of company laws) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to income recognition and significant one-off or unusual transactions.

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

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

Use of the audit report

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


Nicola Wakefield (Jan 30, 2024 15:42 GMT)

Nicola Wakefield (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS
Date: 30-Jan-2024

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2023

Statement of Financial Activities for the year ended 31 March 2023 (incorporating an income and expenditure account)

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total Funds 2023 £	Total Funds 2022 Restated £
Income and Expenditure						
Income from:						
Donations		411,642	127,500	-	539,142	493,230
Legacies		80,237	-	-	80,237	56,704
Sub-total: Donations and legacies	2a	491,879	127,500	-	619,379	549,934
Charitable activities	2b	1,354,753	254,917	-	1,609,670	1,514,365
Other trading activities	2c	129	-	-	129	250
Investments	2d	322,922	-	-	322,922	403,308
Other	2e	25,000	-	-	25,000	25,000
Total income		2,194,683	382,417	-	2,577,100	2,492,857
Expenditure on:						
Raising funds						
Raising donations and legacies		(393,815)	(9,262)	-	(403,077)	(506,622)
Investment management		(132,479)	-	(6,628)	(139,107)	(154,222)
Sub-total: Raising funds		(526,294)	(9,262)	(6,628)	(542,184)	(660,844)
Charitable activities						
Advice and Support / Resource Centre		(885,091)	(222,421)	-	(1,107,512)	(938,777)
Recovery and Progression		(435,119)	(10,234)	-	(445,353)	(372,622)
E&T: Trainee Schemes, Food & Garden		(290,916)	(190,182)	-	(481,098)	(363,692)
E&T: Providence Row Bakery		-	-	-	-	(850)
Property let for charitable purposes		-	-	-	-	(690)
Sub-total: Charitable activities		(1,611,126)	(422,837)	-	(2,033,963)	(1,676,631)
Total expenditure	3	(2,137,420)	(432,099)	(6,628)	(2,576,147)	(2,337,475)
Net income/(expenditure) before net (losses)/gains on investments		57,263	(49,682)	(6,628)	953	155,382
Net (losses) on investments						
Unrealised (losses) on investment property	8	(305,000)	-	-	(305,000)	(270,000)
Net (losses)/gains on other investments	9, 16	-	-	(34,576)	(34,576)	38,114
Net movement in funds		(247,737)	(49,682)	(41,204)	(338,623)	(76,504)
Reconciliation of funds						
Total funds brought forward (as previously stated)		8,816,060	2,188,334	840,337	11,844,731	11,892,107
Prior year adjustment	22	(172,600)	-	-	(172,600)	(143,472)
Total funds brought forward - restated		8,643,460	2,188,334	840,337	11,672,131	11,748,635
Total funds carried forward		8,395,723	2,138,652	799,133	11,333,508	11,672,131

All of the above results relate to continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities above. Movements in funds are disclosed in Notes 16 to 19 of the financial statements.

The analysis of the Statement of Financial Activities for the year ended 31 March 2022 between unrestricted funds, restricted funds and the endowment fund is set out within Note 23 on page 44 of these financial statements.

Registered company number: 07452798
Charity number: 1140192

BALANCE SHEET

As at 31 March 2023

Balance Sheet as at 31 March 2023

	NOTES	Total funds 2023 £	Total funds 2022 Restated £
Fixed Assets			
Tangible fixed assets	7	5,318,621	5,300,456
Investment property	8	3,875,000	4,180,000
Other Investments	9	1,398,244	1,424,613
Total Fixed Assets		10,591,865	10,905,069
Current Assets			
Debtors	10	365,143	391,256
Cash at bank and in hand		2,095,180	1,986,463
Total Current Assets		2,460,323	2,377,719
Liabilities			
Creditors: Amounts falling due within one year	11	(708,296)	(600,273)
Net Current Assets		1,752,027	1,777,446
Total Assets less Current Liabilities		12,343,892	12,682,515
Creditors falling due after more than one year	12,13	(1,010,384)	(1,010,384)
Total Net Assets	19	11,333,508	11,672,131
The Funds of the Charity			
Endowment Fund	16	799,133	840,337
Restricted Income Funds	17		
Tangible fixed asset fund: Restricted		2,128,000	2,184,000
Other restricted income funds		10,652	4,334
		2,138,652	2,188,334
Unrestricted Funds	18		
Tangible fixed asset fund: Unrestricted		3,190,621	3,116,456
Fixed asset fund: Investment Property		1,556,597	1,556,597
Revaluation Reserve: Investment Property		2,318,403	2,623,403
Cyclical Maintenance and repairs fund		300,000	300,000
Free Reserves			
Contingency fund: Charity running costs		800,000	800,000
General Funds		230,102	247,004
Total Free Reserves		1,030,102	1,047,004
		8,395,723	8,643,460
Total Charity Funds	19	11,333,508	11,672,131

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The financial statements on pages 22 to 44 were approved by the Board of Trustees on 25th January 2024 and signed on its behalf by:

Em Canning
Em Canning (Jan 29, 2024 18:48 GMT)

Elizabeth Canning – Chair

Richard Solomon
Richard Solomon (Jan 29, 2024 21:48 GMT)

Richard Solomon – Honorary Treasurer

The notes on pages 25 to 44 form an integral part of these financial statements

STATEMENT OF THE CASHFLOWS

For the year ended 31 March 2023

Statement of Cash Flows for the year ended 31 March 2023

	Notes	Total Funds 2023 £	Total Funds 2022 Restated £
a) Reconciliation of net expenditure to net cash flow from operating activities			
Net (expenditure) / income for the year (as per the statement of financial activities)		(338,623)	(76,504)
Adjustments for:			
Depreciation charges	3,7	142,797	139,076
Unrealised loss on investment property	8	305,000	270,000
Net loss/(gains) on other investments	9	34,576	(38,114)
Dividends, interest and rents from investments per the SOFA		(322,922)	(403,308)
Investment management costs per the SOFA		139,107	154,389
Decrease / (increase) in debtors (operating activities)		26,113	(9,685)
Increase in creditors (operating activities)		108,022	851,148
Net cash provided by operating activities		94,070	887,002
	Notes	Total Funds 2023 £	Total Funds 2022 £
b) Statement of Cash Flows			
Net cash provided by operating activities		94,070	887,002
Cash flows from investing activities:			
Dividends, interest and rents from investments per the SOFA		322,922	403,308
Investment management costs per the SOFA		(139,107)	(154,389)
Purchase of property, plant and equipment	7	(160,962)	(1,271)
Purchase of investments	9	(97,284)	(141,094)
Disposal of investments	9	95,001	145,033
Net cash provided by investing activities		20,570	251,587
Change in cash and cash equivalents in the year		114,640	1,138,589
Cash and cash equivalents at the beginning of the year		2,551,699	1,413,110
Cash and cash equivalents at the end of the year		2,666,339	2,551,699
	Notes	Total Funds 2023 £	Total Funds 2022 £
c) Analysis of Cash and Cash Equivalents			
Cash at bank and in hand		2,095,180	1,986,464
Investments: Notice deposits (3 months or less)	9	556,041	543,948
Investments: Cash held in endowment fund (capital)	9	15,118	21,287
Total cash and cash equivalents		2,666,339	2,551,699

Notes to the Financial Statements

For the year ended 31 March 2023

1 Accounting Policies

a. Basis of accounting

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of investments or as otherwise stated in the relevant accounting policy notes. There are no material uncertainties about Providence Row's ability to continue as a going concern. Providence Row is a public benefit entity.

The financial statements have been prepared in accordance with:

- The reporting requirements of the Companies Act 2006;
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (Charities SORP (FRS 102)), issued by the Charity Commission and the Office of the Scottish Charity Regulator in 2014 in their role as the joint SORP-making body and applicable to the financial statements of relevant charities for reporting periods beginning on or after 1 January 2019.

Incorporation and transfer of charitable undertaking at 31 March 2011

Providence Row was incorporated on 26 November 2010. Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454). (PRC was known as 'Providence Row Night Refuge and Home' until it changed its name on 21 January 2003.) With the exception of funds held on permanent endowment, the assets, liabilities, employees, operations and activities of PRC were transferred to Providence Row with effect from midnight on 31 March 2011. Providence Row became operational as an incorporated charitable company on 1 April 2011.

Also, on 1 April 2011 a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC. PRC continues in existence to hold the charity's permanent endowment and to receive any legacies bequeathed to PRC after 31 March 2011. Although PRC continues to hold legal title to the Endowment.

Fund assets, from an accounting perspective PRC is considered to hold these assets only as custodian for its corporate successor, due to the corporate trusteeship established by the Charity Commission Scheme. As a consequence of the constitutional arrangements (corporate trusteeship of Providence Row in relation to PRC), the financial statements of Providence Row have been prepared on the basis that they aggregate its own assets, results and activities with those of PRC. For this reason, the Endowment Fund appears on the statutory balance sheet of Providence Row, and legacy income of PRC and investment income arising from the Endowment Fund are shown within Providence Row's Statement of Financial Activities (SOFA).

b. Income

Income is recognised in the SOFA when a transaction or other event (e.g. a gift) results in an increase in the charity's assets or a reduction in its liabilities. Income is recognised only when the following criteria are met:

- Entitlement: control over the rights or other access to the economic benefit has passed to the charity;
- Probable: it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity; and
- Measurement: the monetary value or amount of the income and relevant costs incurred can be measured reliably.

In the case of a donation, entitlement usually arises immediately on its receipt. In the case of a grant, evidence of entitlement will usually exist when the formal offer of funding is communicated in writing to the charity. However, some grants contain terms or conditions that must be met before the charity has entitlement to the resources. Where grants specify a time period within which the funds must be spent and

the funds are received before the start of that period, then the income is deferred and only released to income at the start of the relevant period.

Grant funding agreements may contain conditions that specify the particular activities, goods or services to be provided by the charity within the scope of its charitable activities (performance-related grants). Income derived from performance-related grants is included within the SOFA heading 'Income from charitable activities' rather than 'Income from donations and legacies'. However, simply because a grant is restricted to a particular purpose of the charity does not mean that it should be recognised as a performance-related grant. Unrestricted and restricted grants that are not subject to performance-related conditions are included within the SOFA heading 'Income from donations and legacies'.

Gift Aid recoverable from HMRC in relation to donations is included in income on an accruals basis where there is a valid Gift Aid declaration from the donor.

Donated goods, facilities and services are recognised as income when brought into use by the charity. They are included in income at an amount equivalent to their estimated value to the charity, where this can be quantified, and an equivalent amount is included in the appropriate cost line, or (in the case of tangible assets) capitalised if appropriate. The only amounts included for donated services are those provided in a professional capacity. No amounts are included in the financial statements for services donated by volunteers. Details of the contribution made by volunteers can be found in the Report of the Trustees.

Evidence of entitlement to a legacy exists when the charity has sufficient evidence, after the death of the benefactor, that a gift has been left to it and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Recognition of the legacy income is also affected by the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Receipt of a legacy is normally judged to meet the probability criterion when:

- There has been grant of probate;
- The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- Any conditions attached to the legacy are either within the control of the charity or have been met.

Where the charity has entitlement to a legacy but the criteria for income recognition have not been met (e.g. due to uncertainty as to the amount of the payment) then the legacy is treated as a contingent asset (and is disclosed in the notes to the financial statements if material) until the criteria for income recognition are met.

Income from fundraising events, where the income is not a simple gift or donation but rather a payment in exchange for supplying goods or services to raise funds for the charity, is recognised when the event takes place and is included within the SOFA heading 'Income from other trading activities'.

Income from the sale of goods is recognised at the time of supply of goods to the buyer, provided receipt of the income is probable.

Income from contracts for the supply of services is recognised with the delivery of the contracted service.

Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably. Dividend income is recognised when its receipt is probable, and the amount receivable can be measured reliably. Dividends are accrued when the charity's right as shareholder to receive payment is established.

Rental income from property leases is recognised when it is receivable in accordance with the terms of the relevant leases, provided receipt of the income is probable. The aggregate cost of lease incentives (e.g. rent free periods or periods of concessionary reduced rents) is recognised as a reduction to the rental income over the full contractual term of the lease on a straight-line basis.

c. Expenditure

All expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is reported in the financial statements on an activity basis, as required by Charities SORP (FRS 102). This involves identifying the total cost of an activity, including direct, shared and indirect (or support)

costs. Charities SORP (FRS 102) identifies three high-level categories of a charity's activities: (i) expenditure on raising funds; (ii) expenditure on charitable activities, and (iii) other expenditure. These broad categories are further analysed between their significant components.

Support costs, which are not directly attributable to activities for raising funds or charitable activities, are allocated to those categories on a basis consistent with the use of resources. The bases on which support costs have been allocated are set out in note 3 'Expenditure'. Support costs include:

- Governance costs;
- Costs of the Finance function, including financial accounting, banking, budgeting, payroll management and day-to-day financial administration;
- Human resources management, office, general and administration costs;
- Costs of central information technology resources and telecommunications;
- Property costs relating to premises used by the charity for its own activities, including buildings management;
- Senior general management (where not allocated as a direct cost to specific activities) and other central costs; and
- Depreciation charges in relation to tangible fixed assets.

Governance costs are those associated with the governance arrangements of the charity, including external audit, general legal advice for the trustees (fees for legal advice specifically relating to investment property are included in investment management costs) and costs associated with constitutional and statutory requirements and ensuring proper public accountability (e.g. the costs of preparing statutory financial statements). Governance costs include any costs associated with the strategic as opposed to day-to-day management of the charity's activities and the cost of charity employees in respect of their time when involved in and preparing for meetings with trustees.

Costs of raising donations and legacies

Costs of raising donations and legacies are those incurred in seeking voluntary donations, gifts and grants of a general nature, together with the costs of administration related to legacies left to the charity. It excludes costs associated with applying for performance-related grants or negotiating contracts to provide services, which are included within the costs of the relevant charitable activities.

Other trading activities

This category includes the costs of fundraising events (where income is raised for the charity in exchange for supplying goods and services), non-charitable trading activities and costs of property which is let or licensed to other users.

Investment management costs

Investment management costs include the costs of:

- Portfolio management and administration of investment funds and cash deposits; and
- The costs of managing the charity's investment property, including property repairs and maintenance charges, vacant property rates, utility charges, insurance, security, managing agents' fees, letting agents' fees, legal fees related to the property and staff costs.

Property let in furtherance of charitable purposes

This category covers expenditure incurred in relation to those parts of the Dellow Centre property let on short-term leases to (i) Providence Row Housing Association (PRHA) in respect of the Dellow Hostel and (ii) St Mungo's in respect of offices on the 2nd floor of the Dellow Centre. PRHA is a Housing Association. Under the terms of its lease, PRHA uses the premises as a hostel for those in housing need and by means of funding from the London Borough of Tower Hamlets (LBTH). Providence Row considers that the services and facilities provided by this tenant from the premises let to them are compatible with and complementary to its own charitable purposes and activities. Consequently, the rent received and other charges recovered from this tenant are included in the charity's 'Income from charitable activities' (see note 2b) and the expenditure

incurred by the charity in relation to these parts of our buildings is classified as 'expenditure on charitable activities' (see note 3).

d. Tangible fixed assets

(i) Freehold land and buildings

Freehold land and buildings transferred from PRC on 31 March 2011, other than assets in the course of construction at that date, are stated at fair value on the date of transfer less depreciation charged since the transfer. Freehold buildings in use are depreciated on a straight line basis over a period of 50 years from the date of transfer. Freehold properties let to tenants on long term leases in respect of which Providence Row receives rental income are depreciated on a straight line basis over the remaining terms of the respective leases.

In the case of freehold land and buildings in use by the charity, fair value was ascertained, based on professional advice, as 'Market Value', defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the case of freehold properties let to tenants on long-term leases, fair value was determined based on a discounted cash flow analysis of expected future rental income under the existing lease terms and assumptions relating to future levels of inflation, potential outcomes of rent reviews and other factors where applicable.

The Activity Centre on the Gunthorpe Street/Wentworth Street site was under construction at the date of transfer and was brought on to the balance sheet of Providence Row at that date on the basis of historical cost of construction and related capitalised professional costs. Construction was completed in November 2011 and the building is subject to depreciation over a period of 50 years from 1 January 2012.

Included within 'Freehold land and buildings in use' are the capitalised costs of the full replacement and resurfacing of the flat roof of the charity's main Gunthorpe Street / Wentworth Street premises (the Dellow Centre complex) undertaken during 2014-15. The costs of the new roof are being depreciated on a straight line basis over 25 years.

Freehold land is not depreciated.

ii) Other tangible fixed assets

Other categories of tangible fixed assets are depreciated on a straight line basis so as to write off their original cost over their estimated useful lives, as follows:

Office furniture and equipment	- 4 years
Computer equipment	- 3 years
Plant & mechanical equipment	- 10 years

Tangible fixed assets are capitalised if their initial cost (or, in the case of donated goods, the value to the charity – see note 1c above) is £1,000 or greater.

e. Fixed asset investments

Investment property assets are measured initially at cost and subsequently shown in the balance sheet at their fair value at the reporting date and are not depreciated. Changes in value of investment property arising in the period are shown in the SOFA under the heading 'Net gains / (losses) on investments' and are reflected in the 'Revaluation reserve: Investment property' (Unrestricted funds). 'Fair value' means the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted between knowledgeable, willing parties in an arm's length transaction.

The investment property was valued by an independent firm of professional surveyors as at 31 March 2015 (the first year end following acquisition), again as at 31 March 2016, followed by evaluation as at 31 March 2018, November 2020 and as at 31st March 2022. The desktop evaluation is carried out at 31st March 2023. It is the policy of the charity henceforward to commission an independent professional valuation of the

investment property every five years for accounting purposes, subject to a review in the intervening years in case of significant changes to the occupancy of the property, the tenancies or market conditions.

Investments in quoted collective investment funds are shown in the balance sheet at market value (bid price). Realised gains and losses are accounted for by reference to the sale proceeds and either the market value at the previous balance sheet date, or the cost of purchase, if later. Unrealised gains and losses are calculated by comparing the market value at the previous balance sheet date, or cost of purchase, if later, to the year-end valuation. Any gain or loss arising in the period is taken to the SOFA under the heading 'Net gains / (losses) on investments'. All gains and losses are dealt with as part of the funds to which they relate.

Fixed asset investments include cash deposits (both in instant access accounts and on deposits with a range of maturity dates) which the charity intends to hold as part of its on-going investment activities for more than one year from the reporting date.

f. Fund accounting

i) Endowment fund

The endowment fund represents investments, the capital of which forms the permanent endowment of the charity and must be retained and invested. Only the income from this fund is available to be used for general charitable purposes (as an addition to unrestricted funds). The assets of the endowment fund are held by Providence Row (see note 1a for further information on the basis of accounting for the endowment fund assets). The investments of the endowment fund are included within 'Fixed Assets: Other Investments' (see note 9, 'Other Investments').

ii) Restricted income funds

Restricted income funds can only be used for particular purposes (within the objects of the charity) specified by the donor or grantor or the terms of an appeal.

iii) Designated funds - unrestricted

Designated funds are unrestricted funds of the charity set aside out of the general funds by the Trustees for specific purposes or projects for the furtherance of particular aspects of the charity's objects, but over which the Trustees retain full discretion.

iv) General funds - unrestricted

These comprise the funds which are available to be used for any purpose within the charity's objects.

g. Pension costs

The amounts charged to the SOFA for defined contribution pension arrangements represent the employer contributions payable in the period.

h. Operating leases

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the term of the lease.

i. Taxation

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Tax recoverable from voluntary income received under Gift Aid is recognised when the related income is receivable.

j. Subsidiaries

Providence Row charity (charity number 207454), of which Providence Row became the sole trustee following the transfer of charitable undertaking, is a subsidiary of Providence Row. Following the transfer of charitable undertaking, the assets, results and activities of Providence Row Charity are aggregated into the financial statements of Providence Row (see note 1a above).

2 Income

a. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Individuals	94,018	5,000	99,018	146,158
Corporate donors	150,162	87,500	237,662	126,651
Community	46,952	35,000	81,952	48,896
Gift Aid reclaimed	11,918	-	11,918	21,790
Donated goods, facilities and services *	6,270	-	6,270	17,855
Grants from trusts and foundations	102,322	-	102,322	131,880
Sub-total: Donations	411,642	127,500	539,142	493,230
Legacies	80,237	-	80,237	56,704
Total income from donations and legacies	491,879	127,500	619,379	549,934

* The donated goods, facilities and services are shown separately and analysed further in the table below.

The category of 'Corporate donors' includes individuals whose connection with Providence Row derives primarily from their employer's relationship with the charity. Donations in this category from individuals during the period totalled £12,661, none of which was in restricted income (2022: £30,453).

'Community' donations include gifts from religious communities, churches, schools and local community groups. This category also includes income from individuals participating in external community events such as sponsored runs.

Donated goods, facilities and services are broken down by type in the table below (all income within this category is included within unrestricted funds):

	2023 £	2022 £
Donated furniture, electronic and computer equipment, catering equipment capitalised as tangible fixed assets	-	4,790
Food and kitchen equipment	-	2,025
Other goods donated for client use	6,270	11,040
Total donated goods, facilities and services	6,270	17,855

In accordance with Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements. However, as set out in more detail in the Report of the Trustees, our volunteers make a vital contribution to the work of the charity, including corporate volunteers, Welcome Area volunteers and general volunteers within the main service teams, Finance and Resources and Fundraising.

b. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
London Borough of Tower Hamlets (LBTH): Advice & Support - Rough Sleepers Services	301,753	-	301,753	481,832
LBTH Drug & Alcohol Action Team: Substance misuse Worker & Needle Exchange, Women's Service	358,647	-	358,647	272,474
City of London: Recovery & Progression Service	226,476	-	226,476	53,350
Hackney	104,986	-	104,986	93,730
Sub-total: Local Authority Contracts for Services	991,862	-	991,862	901,386
Performance-related grants - Public Sector	8,000	-	8,000	79,648
Performance-related grants - Trusts & Foundations	-	254,917	254,917	185,675
Rents and charges from non-investment properties let in furtherance of charitable purposes	354,891	-	354,891	347,656
Total income from charitable activities	1,354,753	254,917	1,609,670	1,514,365

Income from government sources is summarised in the table below:

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Local Authority Contracts for Services (see above)	991,862	-	991,862	901,386
London Borough of Tower Hamlets	8,000	-	8,000	79,648
Total income from government sources	999,862	-	999,862	981,034

c. Income from other trading activities

	2023 Total £	2022 Total £
Other trading activities	35	250
Income from letting and licensing of property held primarily for functional use but temporarily surplus to operational requirements (inc. room hire)	94	-
Total income from trading activities	129	250

All of the income in the table above was included in unrestricted funds.

d. Investment income

	2023 Total £	2022 Total £
Rent and charges from commercial tenants at investment property (Sherrington Mews)	283,705	385,066
Dividend and interest income from other investments	39,217	18,242
Total investment income	322,922	403,308

All of the income in the table above was included in unrestricted funds.

e. Other income

	2023 Total £	2022 Total £
Ground rents from non-investment freehold property let on long leases	25,000	25,000
Total other income	25,000	25,000

All of the income in the table above was included in unrestricted funds.

3 Expenditure

	Direct costs £	Support Costs £	2023 Total £	Direct costs £	Support Costs £	2022 Total - Restated £
Raising Funds						
Raising donations and legacies	349,805	53,272	403,077	324,976	181,646	506,622
Investment management	134,922	4,185	139,107	135,072	19,150	154,222
Sub-total: costs of raising funds	484,727	57,457	542,184	460,048	200,796	660,844
Charitable activities						
Advice and Support / Resource Centre	961,139	146,373	1,107,512	602,185	336,592	938,777
Recovery and Progression	386,494	58,859	445,353	239,021	133,601	372,622
Trainee Schemes, Food & Garden	417,514	63,584	481,098	233,293	130,399	363,692
Providence Row Bakery	-	-	-	545	305	850
Non-investment properties let in furtherance of charitable purposes	-	-	-	604	86	690
Sub-total: costs of charitable activities	1,765,147	268,816	2,033,963	1,075,648	600,983	1,676,631

Providence Row - Helping homeless and vulnerable people since 1860
Trustees' Annual Report and Financial Statements for the Year Ended 31 March 2023

Support Costs

Support costs can be analysed as follows:

	Governance	Finance	HR / Office Admin	IT / Telecoms	Property (Own Use)	Other Central	Depreciation	2023 Total	2022 Total - Restated
	£	£	£	£	£	£	£	£	£
Raising Funds									
Raising donations and legacies	2,171	1,231	9,609	7,449	17,041	(7,847)	23,618	53,272	181,646
Investment management	837	475	-	2,873	-	-	-	4,185	19,150
Sub-total: costs of raising funds	3,008	1,706	9,609	10,322	17,041	(7,847)	23,618	57,457	200,796
Charitable activities									
Advice and Support / Resource Centre	5,965	3,382	26,401	20,468	46,822	(21,559)	64,894	146,373	336,592
Recovery and Progression	2,399	1,360	10,616	8,231	18,829	(8,671)	26,095	58,859	133,601
Trainee Schemes, Food & Garden	2,591	1,469	11,468	8,891	20,340	(9,365)	28,190	63,584	130,399
Providence Row Bakery	-	-	-	-	-	-	-	-	305
Non-investment properties let in furtherance of charitable purposes	-	-	-	-	-	-	-	-	86
Sub-total: costs of charitable activities	10,955	6,211	48,485	37,590	85,991	(39,595)	119,179	268,816	600,983
Total expenditure	13,963	7,917	58,094	47,912	103,032	(47,442)	142,797	326,273	801,779

The charity refined the basis of its apportionment between direct costs and support costs during 2022/23; this is a significant factor behind the year-on-year reduction in the relative scale of support costs and direct costs.

Support costs are allocated to the different activities of the charity based on the proportion of direct costs attributable to the relevant activities, as follows:

- Governance, Finance, IT/Telecoms: split between all activities of the charity in proportion to direct costs of the activities;
- HR/Office Administration costs, Property (Own Use), Other Central costs: split between all activities of the charity except for investment management and non-investment property let to tenants, in proportion to direct costs;
- Depreciation charges: buildings depreciation charges are allocated to 'non-investment properties let in furtherance of charitable purposes' in relation to the physical share of the Dellow Centre let to relevant tenants; the remainder of buildings depreciation and depreciation of other tangible fixed assets is allocated to the activities of the charity (except investment management) in proportion to direct costs.

4 Staff Cost and Employee Benefits

	2023	2022
	£	£
Wages and salaries (inc accrual for unpaid annual leave)	1,373,358	1,233,283
Employers National Insurance contributions (social security costs)	159,925	124,797
Employer's contribution to defined contribution pension schemes	59,288	55,071
Agency staff (including agency fees)	102,808	65,681
Insurance premiums: group life assurance and employee personal accident	6,897	4,275
Total	1,702,276	1,483,107

No member of the Board of Trustees was paid any remuneration or received any other benefits for their services as a trustee or from an employment with the charity or a related entity during the year (2022: none). No Trustee received reimbursement of expenses incurred for services provided to the charity during the year (2022: none). Details of transactions with connected parties of trustees are disclosed in Note 20.

During the year there were two employees whose total employee benefits fell within the banding £60,000 to £69,999 (2022: two). During the year there was one employee whose total employee benefits fell within the banding £70,000 to £79,999 (2022: none). During the year there was one employee whose total employee benefits fell within the banding £80,000 to £89,999 (2022: one). Employer payments in the year to a defined contribution pension scheme in respect of these employees totalled £6,462 (2022: £3,963).

The key management personnel of the charity consists of the Trustees the Chief Executive and the Leadership Team. Total employee benefits received by the charity's key management personnel (excluding trustees) during the year were £285,321 (2022: £271,812)

5 Staff Numbers

The average monthly head count (number of staff employed) in the twelve month period ending 31 March 2023, analysed between full-time and part-time staff, was:

	2023	2022
Full-time staff	33.0	29.7
Part-time staff	8.6	7.6
Total Average Head Count	41.6	37.3

The average monthly number of full-time equivalent employees in the twelve month period ending 31 March 2023, analysed by activity, was:

	2023	2022
Activity		
Fundraising, communications, marketing	5.5	3.8
Charitable activities	27.2	23.1
Support, central, investment management	5.7	7.7
Total Average Head Count	38.4	34.6

6 Amounts Payable to the Auditors

	2023 £	2022 £
Audit fee:		
Current Year	16,854	13,500
Non-audit services	2,900	2,900
Total	19,754	16,400

No other services were provided by the auditors during the year (2022: none).

7 Tangible Fixed Assets

	Freehold land and buildings in use £	Freehold properties let on long leases £	Office furniture and equipment £	Computer equipment £	Plant and mechanical equipment £	Total £
Cost or 'Fair Value' on incorporation						
Balance at 31 March 2022	5,564,766	300,000	146,772	117,955	300,298	6,429,791
Additions	-	-	10,110	2,519	148,333	160,962
Balance at 31 March 2023	5,564,766	300,000	156,882	120,474	448,631	6,590,753
Accumulated Depreciation						
Balance at 31 March 2022	778,591	23,572	88,624	92,284	146,264	1,129,335
Charge for the year	75,241	2,142	8,438	20,059	36,917	142,797
Balance at 31 March 2023	853,832	25,714	97,062	112,343	183,181	1,272,132
Net book value						
At 31 March 2023	4,710,934	274,286	59,820	8,131	265,450	5,318,621
At 31 March 2022	4,786,175	276,428	58,148	25,671	154,034	5,300,456

'Freehold land and buildings in use' at 31 March 2023 includes £2,000,000 of land that is not depreciated (2022: £2,000,000).

8 Investment Property

	2023	2023	2022	2022
	Cost	Fair Value	Cost	Fair Value
	£	£	£	£
Balance at beginning of the year	1,556,353	4,180,000	1,556,353	4,450,000
Unrealised (loss) on revaluation	-	(305,000)	-	(270,000)
Balance at end of the year	1,556,353	3,875,000	1,556,353	4,180,000

The charity's investment property carried at a value of £4,180,000 as at 31 March 2022. In April 2023 the investment property was valued as at 31 March 2023 at £3,875,000. This valuation was based on the investment and market approach and represented a reduced scope assessment of the value of the property and relied on the most recent full valuation in March 2022. The property was revalued by an independent valuer, BNP Paribas Real Estate Advisory & Property Management UK Ltd, a professional firm of Chartered Surveyors external to Providence Row with extensive experience in the location and class of property being valued.

9 Other investments

	2023	2023	2022	2022
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Unitised investments held within Endowment fund				
Balance at beginning of the year	729,805	859,378	734,510	825,203
Less: Disposals	(85,671)	(95,001)	(145,799)	(145,033)
Add: Acquisitions	97,286	97,284	141,094	141,094
Net (losses) / gains on revaluation	-	(34,576)	-	38,114
Balance at end of the year	741,420	827,085	729,805	859,378
Cash deposits at end of the year				
Notice deposits (3 months or less)	556,041	556,041	543,948	543,948
Cash held in Endowment fund (capital account)	15,118	15,118	21,287	21,287
Total cash deposits at end of the year	571,159	571,159	565,235	565,235
Total other investments at end of the year	1,312,579	1,398,244	1,295,040	1,424,613

10 Debtors

	2023	2022
	£	£
Long term debtors (receivable after more than one year)		
Rent deposits held by agents	10,384	10,384
Short term debtors		
Trade debtors	156,008	116,959
Rent deposits held by agents	74,071	123,504
Service Charge deposits held by agents	82,835	106,309
Prepayments	33,555	32,163
Accrued income	7,253	-
Staff loans	1,037	1,937
Total Debtors	365,143	391,256

11 Creditors: Amounts Falling Due Within One Year

11 Creditors: Amounts Falling Due Within One Year

	2023	2022
	£	Restated £
Trade creditors	59,164	22,110
Tax and social security	36,980	35,779
Rent deposits held from commercial tenants	10,399	11,097
Grant payments received on account	74,808	164,405
Holiday pay accrual	41,494	40,210
Other accruals	261,499	196,118
Deferred income	223,952	130,554
Total	708,296	600,273

12 Creditors: Amounts Falling Due After More Than One Year

	2023	2022
	£	£
Bank loan	1,000,000	1,000,000
Rent deposits held from commercial tenants	10,384	10,384
Total	1,010,384	1,010,384

13 **Loan**

	2023	2022
	£	£
Amounts falling due within 1 year	-	-
Amounts falling due within 1-2 years	-	-
Amounts falling due within 2-5 years	1,000,000	1,000,000
Total	1,000,000	1,000,000

The charity took a 5 year loan from Handelsbanken. The loan can be repaid at any time in full or instalments and it must be repaid before September 2026. The loan interest rate is 2% above the sterling base lending of the Bank. The base rate was 4.5% on 31st March 2023. During the year the interest paid was £41,411 (2022: £14,877).

14 **Deferred Income**

	2023	2022
	£	£
Balance brought forward at 31 March 2022	130,554	358,298
Amounts deferred	497,204	431,433
Amounts released	(403,806)	(659,177)
Balance carried forward at 31 March 2023	223,952	130,554

15 **Operating Leases**

The table below sets out the future minimum lease payments under non-cancellable operating leases for the periods shown:

	2023	2022
	£	£
Office Equipment		
Within one year	24,029	13,086
In one to two years	13,186	21,427
	37,215	34,513

Lease payments made during the year amounted to £23,915 (2022: £27,555).

16 Endowment Fund

	Balance 1 April 2022 £	Investment managem't fees charged £	Unrealised losses on investments £	Balance 31 March 2023 £
Permanent Endowments				
Endowment fund	840,337	(6,628)	(34,576)	799,133

The Endowment fund represents investments, the capital of which forms the permanent endowment of the charity; only the income from the investments is available to be used for general charitable purposes (as an addition to unrestricted funds). Income of £16,258 (2022: £18,158) was received during the year.

17 Restricted Income Funds

	Balances 1 April 2022 £	Income £	Expenditure £	Balances 31 March 2023 £
Tangible fixed asset fund: Restricted	2,184,000	-	(56,000)	2,128,000
Advice & Support				
Marie Celeste Samaritan Society: Hospital Discharge Project	2,142	92,500	(87,805)	6,837
Other Activities				
The Horners' Company £5k	-	5,000	(5,000)	-
Society of the Holy Child Jesus	-	15,000	(15,000)	-
Katherine Lloyd	-	5,000	(5,000)	-
Morrison's Gardening	2,192	-	(1,377)	815
The Aldgate Business Partnership Ltd - Welcome Area	-	37,500	(37,500)	-
City of London Justice Rooms Charitable Trust - Employ & Progr	-	3,000	-	3,000
Sisters of the Holy Cross Charitable Trust - Welcome area	-	20,000	(20,000)	-
Vanguard Foundation - funding for Routes to Roots	-	30,000	(30,000)	-
The Forrester Family Trust	-	40,000	(40,000)	-
The Good Things Foundation	-	75,000	(75,000)	-
Charlotte Bonham Carter Charitable Trust	-	4,000	(4,000)	-
The Fuellers Charity	-	750	(750)	-
Food Service	-	20,000	(20,000)	-
The Rayne Foundation	-	16,667	(16,667)	-
Training & Employment				
The Charlotte Bonham-Carter Charitable Trust	-	3,000	(3,000)	-
TGF-Hospital Routes to Root prjt(Streets of London)	-	15,000	(15,000)	-
Total Restricted Income Funds	2,188,334	382,417	(432,099)	2,138,652

18 Unrestricted Funds

	Balances 1 April 2022 Restated £	Income £	Expenditure £	Net transfers between funds £	Revaluation Loss £	Balances 31 March 2023 £
Tangible fixed asset fund: Unrestricted	3,116,456	-	(86,797)	160,962	-	3,190,621
Fixed asset fund: Investment Property	1,556,597	-	-	-	-	1,556,597
Revaluation reserve: Investment Property	2,623,403	-	-	-	(305,000)	2,318,403
Cyclical maintenance and repairs fund	300,000	-	-	-	-	300,000
Free Reserves						
Contingency fund: Charity running costs	800,000	-	-	-	-	800,000
General funds - restated	247,004	2,194,683	(2,050,623)	(160,962)	-	230,102
Sub-total: Free Reserves	1,047,004	2,194,683	(2,050,623)	(160,962)	-	1,030,102
Total Unrestricted Funds	8,643,460	2,194,683	(2,137,420)	-	(305,000)	8,395,723

The balances on the unrestricted reserves are made up as follows:

Tangible fixed asset fund: Unrestricted

This fund represents the carrying value of the charity's tangible fixed assets whose original acquisition or costs of construction were financed by unrestricted funds (or where the terms of a restricted grant or donation have been met once the asset has been acquired and the Trustees have accordingly transferred the corresponding amount from restricted funds). This includes part of the carrying value of freehold properties at the charity's main Gunthorpe Street/Wentworth Street site (the Dellow Centre complex) and the Activity Centre at the same site.

Fixed asset fund: Investment Property / Revaluation reserve: Investment Property

These two funds together represent the fair value of the charity's investment property, Sherrington Mews (formerly known as the Gunthorpe Street Workshops).

In accordance with regulations made under the Companies Act 2006 and the requirements of Charities SORP (FRS 102), a separate revaluation reserve is disclosed in relation to revaluation gains on the property, i.e. the difference between (i) the cost of the property when first recognised plus the value of capitalised additions at cost and (ii) the assessed fair value of the property at the end of the reporting period.

Cyclical maintenance and repairs fund

The Trustees have determined that there should be sufficient funds available in the future for major capital repairs to the charity's buildings and planned maintenance and replacement of associated plant and equipment, as well as to provide a contingency reserve for potential major risks such as mechanical breakdown or structural defects impacting on property, plant and equipment.

The Board has maintained the Cyclical maintenance and repair fund at £300,000.

Contingency fund: Charity running costs

In order to protect the charity against significant unplanned variability in operating cash flow and in particular to prevent disruption of services to beneficiaries in the event of unexpected falls in income levels, the Trustees have set aside a contingency reserve whose value is determined with reference to the following factors:

- Forecasts for future years' income and the level of risk and variability attaching to each category of income;
- The costs of running each of our services and areas of activity, and the degree of commitment or flexibility in relation to each area of expenditure;
- The potential impact of any sudden reduction in income and the minimum time period over which the charity would aim to be able to finance each of our core services in the absence of new external income;

- Changes to the level of commercial risks facing the charity following the acquisition of Sherrington Mews in 2014;
- A contingency for redundancy costs;

The fund was increased to £800,000 in the year ending 31 March 2021 and remains at the same level in the year ending 31 March 2023.

General funds

The General funds together with the Contingency fund (see above) represent the free reserves of the charity, i.e. those unrestricted funds, backed by cash (including cash deposit investments) which have not been designated (or 'earmarked') for a specific short or medium term purpose or otherwise as set out in relation to the remaining designated funds in the section above. The general reserve was £247,004 (restated) at the beginning of the year. The general fund has a balance at year end of £230,102.

19 Analysis of Net Assets Between Funds

	Tangible fixed assets	Investment property	Other investments	Current assets less total liabilities	Total 31 March 2023
	£	£	£	£	£
Endowment Fund	-	-	799,133	-	799,133
Restricted income funds					
Tangible fixed asset fund: Restricted	2,128,000	-	-	-	2,128,000
Other restricted funds	-	-	-	10,652	10,652
Unrestricted funds					
Tangible fixed asset fund: Unrestricted	3,190,621	-	-	-	3,190,621
Fixed asset fund: Investment Property	-	1,556,597	-	-	1,556,597
Revaluation fund: Investment Property	-	2,318,403	-	-	2,318,403
Cyclical maintenance and repairs	-	-	300,000	-	300,000
Other designated funds	-	-	-	-	-
Contingency fund	-	-	299,111	500,889	800,000
General funds	-	-	-	230,102	230,102
	5,318,621	3,875,000	1,398,244	741,643	11,333,508

20 Related Party Transactions

During the year the charity received donations from Trustees and related parties (including the Institute of Our Lady of Mercy and Mercy Union Generalate) totalling £13,090 (2022: £14,225). When Providence Row was founded in 1860, it was to the Sisters of Mercy of the Union of Great Britain and the Institute of Our Lady of Mercy that the founder turned to run the operation. Since incorporation in 2011 the Union and the Institute have the right to appoint one trustee each to the Board of Trustees.

Cluttons LLP have been appointed as advisors for the refurbishment of the Day Centre and the development of a buildings strategy. One of our Trustees is employed by Cluttons LLP. To ensure there was no conflict of interest an assessment panel was appointed to oversee the procurement process including interviews of all shortlisted contractors. The panel included a buildings specialist who is external to Providence Row. The project has been overseen by the CEO with progress reports regularly being presented to the full Board of Trustees. Total amount paid to Cluttons LPP during the year was £14,100 (2022: £28,260). There was no outstanding balance at the year end.

21 Trusts and Foundations' income breakdown

Funder name	Amount
Julia and Hans Rausing	16,000
CHK Foundation	10,000
The Worshipful Company of Fan Makers	10,000
Feltnakers' Charitable Foundation	3,000
Leathersellers' Company Charitable Fund	15,000
Salters' Charitable Foundation	5,000
Horners' Charity Fund	5,000
29th May 1961 Charitable Trust	6,000
Marie Celeste Samaritan Society	87,330
The National Lottery Community Fund	57,575
Derwent London plc	2,000
Mitchell City of London Charity	2,500
Drapers' Charitable Fund	10,000
City of London Justice Rooms Charitable Trust	2,000
Wheelwrights Charity	491
City Bridge Trust, Oak Foundation and Homeless Link	25,000
Oliver Stanley Charitable Trust	2,000
Sir Harold Hood's Charitable Trust	5,000
The Court of Aldermen's Livery Cloth Grant	1,700
Forrester Family Trust	5,000
The Worshipful Company of Plumbers	1,050
William Arthur Rudd Memorial Trust	2,000
The Albert Hunt Trust	5,000
Enhurst Charitable Trust	600
Sir Halley Stewart Trust	500
Gowling WLG (UK) Charitable Trust	500
Cuckoo Hill Trust	1,000
East End Community Foundation	6,480

We would like to thank the numerous other smaller Charitable Trusts and Foundations that have very kindly supported our work over the 2022/23 financial year. Your support is also incredibly appreciated.

22 Prior year adjustment

The Trustees have adjusted the financial statements for the cumulative and appropriate treatment of historic underaccrued pension contributions. Comparative amounts have been restated accordingly. The effect of this adjustment is to increase creditors brought forward by £172,598 and reduce General Funds brought forward by the same amount.

The prior year adjustment has been summarised as follows:

	2022 £	2021 £
<u>Effect on Balance Sheet</u>		
Balance of creditors as previously stated	427,673	605,656
Prior year adjustment	172,600	143,472
Balance of creditors as restated	600,273	749,128
<u>Effect on SOFA</u>		
Opening balance of funds at 1 April 2021/2022 as previously stated	11,844,731	11,892,107
Prior year adjustment 2021/22	29,128	-
Prior year adjustment 2020/21	28,935	28,935
Prior year adjustment 2019/20	30,078	30,078
Prior year adjustment 2018/19	39,895	39,895
Prior year adjustment 2017/18	44,564	44,564
	172,600	143,472
Opening balance of funds at 1 April 2021/2022 as restated	11,672,131	11,748,635
<u>Movement in total expenditure</u>		
Total expenditure as previously stated	2,308,347	2,330,833
Prior year adjustment	29,128	28,935
Total expenditure as restated	2,337,475	2,359,768

23 2022 comparative SOFA

Statement of Financial Activities for the year ended 31 March 2022 (incorporating an income and expenditure account)

	Notes	Unrestricted Funds Restated £	Restricted Funds £	Endowment Fund £	Total Funds 2022 Restated £
Income and Expenditure					
Income from:					
Donations		422,176	71,054	-	493,230
Legacies		56,704	-	-	56,704
Sub-total: Donations and legacies	2a	478,880	71,054	-	549,934
Charitable activities	2b	1,328,690	185,675	-	1,514,365
Other trading activities	2c	250	-	-	250
Investments	2d	403,308	-	-	403,308
Other	2e	25,000	-	-	25,000
Total income		2,236,128	256,729	-	2,492,857
Expenditure on:					
Raising funds					
Raising donations and legacies		(476,428)	(30,194)	-	(506,622)
Investment management		(144,577)	(202)	(9,443)	(154,222)
Sub-total: Raising funds		(621,005)	(30,396)	(9,443)	(660,844)
Charitable activities					
Advice and Support / Resource Centre		(757,839)	(180,938)	-	(938,777)
Recovery and Progression		(361,183)	(11,439)	-	(372,622)
E&T: Trainee Schemes, Food & Garden		(234,101)	(129,591)	-	(363,692)
E&T: Providence Row Bakery		(826)	(24)	-	(850)
Property let for charitable purposes		(689)	(1)	-	(690)
Sub-total: Charitable activities		(1,354,638)	(321,993)	-	(1,676,631)
Total expenditure	3	(1,975,643)	(352,389)	(9,443)	(2,337,475)
Net income/(expenditure) before net (losses)/gains on investments		260,485	(95,660)	(9,443)	155,382
Net (losses)/gains on investments					
Unrealised (losses) on investment property	8	(270,000)	-	-	(270,000)
Net gains on other investments	9, 16	-	-	38,114	38,114
Net movement in funds		(9,515)	(95,660)	28,671	(76,504)
Reconciliation of funds					
Total funds brought forward - restated		8,652,975	2,283,994	811,666	11,748,635
Total funds carried forward		8,643,460	2,188,334	840,337	11,672,131

PROVIDENCE ROW

England & Wales - Charity number 1140192

Accounts



HELPING HOMELESS AND VULNERABLE PEOPLE SINCE 1860

Trustees' Annual Report and Financial Statements for the year ended 31 March 2022

Providence Row

Registered and Principal Office:

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82 Wentworth Street
London
E1 7SA

Company number 07452798

Charity number 1140192

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@Providence_Row



/ProvidenceRow

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Elizabeth Canning (Chair)
Bishop Nicholas Hudson
Linda McHugh
Jonathan Rhodes
Richard Solomon (Honorary Treasurer)
Paul Strange
Anthony Tama

Patron

His Grace the Duke of Norfolk

Honorary Vice Presidents

Fr. Peter Harris
Dr Daniel Regan MBE, OStJ, KSG
Mr Richard Sermon

Chief Executive Officer & Company Secretary

Tom O'Connor

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Letter from our Chair

Welcome to the Annual report for Providence Row 2021/2022

As we move into more normal times I am happy to report that Providence Row had a successful year. The vaccines are significantly improving the health and welfare of our clients as well as the wider community and our programmes, which our CEO Tom O'Connor and this report details, have continued to adapt to meet the needs of the homeless in the Borough of Tower Hamlets and The City of London. Our staff continue to reach out to those whose lives are most challenged, despite the immediate respite from Covid. On behalf of all the trustees and I am sure all our donors I would like specifically to thank all of the staff who work in often difficult and sometimes dangerous situations. We are all in awe of the work that you do and the compassion with which you undertake that work. It is truly the spirit of Providence Row at work. As new challenges emerge; mpox, diphtheria, scarlet fever and other highly contagious diseases, we continue to modify our services and support our clients in addition to keeping close to other emerging risks

We have welcomed a new Trustee Anthony Tama in the past year. The Board is continuing to assess what skills we need on the board as we seek to ensure that we maintain the highest standards of governance. Providence Row continues to invest in Fundraising and of course our services. We can do nothing without the help and support of our donors and all of the Trustees and staff would like to thank you for all your support and encouragement. Our corporate donors have volunteering days and also provide goods to our organisation. These donations make a difference to our running costs ensuring that we can spend our money where it is most needed.

In closing, I would again like to thank all of our supporters and donors; our Patron The Duke of Norfolk, our President HE Cardinal Nichols, all of the staff and volunteers. My fellow Trustees provide expertise and time to the organisation, often unseen but without their contribution, Providence Row would not thrive. I cannot end this letter without acknowledging the role of the Sisters of Mercy, who continue to support us financially and through their prayers. Their spirit resides in the organisation and in our values. As we approach the end of 2022, may I wish you all a very merry Christmas.

elizabeth canning
elizabeth canning (Dec 12, 2022 19:03 GMT)

Elizabeth Canning
Chair of Trustees – December 2022

Message from our CEO

Dear Friends,

Providence Row goes from strength to strength at the service of our clients.

We have increased emergency food provision including a delivery service for those with no recourse to public funds. Our unique psychotherapy outreach service has reached more people than ever. The drug and alcohol recovery team has been working tirelessly to ensure people access the support they need. Our Day Centre in Tower Hamlets has been welcoming rough sleepers with breakfast, a shower and individually tailored plans so they can look ahead with renewed hope. Routes to Roots has enabled patients destined for life on the streets to find a safe home on discharge from hospital. We have established new health hubs offering vaccinations and a wide range of health care services.

No one has been turned away and we have gone into the community to seek out those most at risk.

Sadly, despite all the achievements of the last year we are now seeing significantly increased numbers of people who are homeless or in serious danger of homelessness for the first time. Current increases in the cost of living and economic uncertainty really do push already vulnerable people into destitution and despair. And whilst many now see the worst of the pandemic as behind us, a resurgence of Covid 19 during the winter ahead is a very real risk for those we support.

We continue to manage our finances closely during these extremely challenging times and are cautiously planning for the development of services in response to increasing demand.

The work must go on and with your help I am confident that we shall be here for our clients during the years ahead whatever they have to face.

Most importantly I would like to thank all those who make our work possible: our incredibly generous donors and supporters, our committed partners and volunteers, and of course the inspirational teams of staff who put our values into action every day, working with skill and dedication. Together we can end the scandal of homelessness.

I commend this Annual Report to you.


toconnor (Dec 12, 2022 11:03 GMT)

Tom O'Connor
CEO

ABOUT US

Vision

Everyone has a safe home and a community in which to belong.

Mission

To support and accompany more people who are homeless or at risk of homelessness on their journey to recovery, especially those who are most vulnerable and least likely to access services elsewhere.

To offer a range of services that support people from times of crisis through to when support is no longer needed.

Our values

- Compassion
- Empowerment
- Inclusiveness
- Justice
- Respect

Why we are needed

On any given night in England 249,850 families and individuals experienced homelessness in 2021. This is a rate of 1 in 206 of us*. There were 2,949 people estimated to be sleeping rough on a single night in London in Autumn 2021**.

The ongoing homelessness crisis is caused by:

- Isolation
- Substance misuse
- Relationship breakdown
- A criminal record
- Mental and physical health issues
- Lack of affordable housing
- Welfare reform
- Literacy and numeracy challenges

*Shelter 2021

**GLA Chain reports

OUR PLANS FOR THE FUTURE – BUILDING A COMMUNITY OF SUPPORT

Providence Row wants to address the root causes of homelessness, and to achieve this, we believe it is essential to ensure that people are connected to and belong within communities.

Our Five Year Strategy (2019-2024) sets our key objective to build an inviting and welcoming community in which people experience acceptance and a sense of belonging. Ensuring this warm welcome will be core to all services we offer. People will be supported to move on from our services when they are ready and will always be welcomed back and offered ongoing support.

Our community of support will help people to address the isolation and loneliness that can prevent their sustained recovery. We shall support them to participate in their current communities, to connect with new communities and to build confidence in their own talent and skills.

Our priorities:

1. Growing our services to meet increasing needs
2. Going out into the community to reach those in need and provide services
3. Working with the whole person and tailoring support to individuals
4. Complementing and working in partnership with other agencies
5. Inspiring excellence in our staff and volunteers
6. Building a robust infrastructure to support our work
7. Generating income to achieve our vision

The scandal of homelessness continues in our communities and Providence Row is determined to reflect our deeply held belief that everyone should be treated with dignity and respect. We are now very well placed to accompany many more people on their path to recovery and a brighter future away from the streets. As we move out of the pandemic we shall review our priorities to ensure we continue responding to the needs of those who are most vulnerable and support them on their journey to long term recovery.

ACHIEVEMENTS AND HIGHLIGHTS FOR THE YEAR

2020 saw the world change as a result of the Covid-19 pandemic. As we entered 2021, the UK remained one of the hardest hit countries in the world.

Throughout 2021 our work continued with our emergency food programme delivering food to local rough sleepers and people experiencing homelessness throughout Tower Hamlets. We also managed to keep our Day Centre open throughout lockdowns. For much of this time we opened on an outreach basis and handing food out at the gate to the centre. At the end of January 2022 we were able to welcome clients back fully to the Centre.

During the pandemic in 2020 we built up our homelessness health provision, aiming to provide easier access for people who are marginalised from traditional health services. Working in partnership with the London Borough of Tower Hamlets, we started hosting health hubs, initially these were focused on encouraging and providing easier access to the Covid vaccination. As 2021 and 2022 progressed we have extended the health hubs to include more services delivered by an increasing number of partners.

By March 2022 we had started making plans to host quarterly health fairs, these provide people experiencing homelessness with a whole day in which to focus on their health and to try different health and wellbeing experiences. We plan to build on these throughout 2022.

HOW WE MOVED ON FROM THE PANDEMIC

During the pandemic many of our services were put on hold as we focused on crisis response with emergency care and support, and with accommodation and food provision. When we started coming out of the pandemic, there was still a need for much of this work while we began reopening other services again.

Our Advice and Support (AST) Team supported 285 clients to access additional support including securing accommodation for 125 individuals as well as applying for benefits, ID documents and EU pre-settled and settled status, health referrals, and additional mental health and drug & alcohol support.

Our Reset Outreach and Referral Service and Reset Navigator Team helped 834 clients through harm reduction advice and support, and referral into Reset treatment and recovery services. The team have also supported service users to register with GP's and attend medical appointments.

Our Needle Exchange and Harm Reduction provision has seen an increase in new people from varying marginalised communities attending throughout the year, with a total of 185 individuals. We estimate that 13,672 new and sterile needles were distributed to service users.

Naloxone training and distribution has also increased, with 187 kits being sent out to service users and support workers. Naloxone is a vital resource which Providence Row frontline workers are trained to use and can be lifesaving in the event of an opiate overdose.

Our Outreach Psychotherapy Service supported 126 rough-sleepers in Tower Hamlets and the City of London, who have experienced repeated trauma. The psychotherapists have contributed towards supporting individuals to sustain their accommodation and to gain autonomy to make decisions in their best interest – accessing accommodation and drug and alcohol support, attending health appointments, exploring training opportunities and reconnecting with family members.

Our Progression and Training Team worked with the Local Authority to complete a project with 22 clients who have no recourse to public funds to explore their status and identify employability outcomes. Of the 22 referrals we received, we were able to support 4 of them to find employment and an additional client to find volunteering opportunities.

Food Programme

As part of our crisis response services we provided breakfast and lunch on site at our Day Centre to people rough sleeping. Throughout the year we served 1049 breakfasts and 1799 lunches to 451 unique individuals (a total of 3,256 meals). Many of the individuals supported were sleeping rough for the first time, and after meeting their immediate needs for food and hygiene we were able to refer them to our advice and support teams for further support. Providence Row's Day Centre worked in close collaboration with Public Health England to ensure continued service provision. For periods of time when there was considered to be a high risk to our clients of exposure to Covid 19 (e.g. when a staff outbreak occurred or when the Omicron variant was discovered) we had to close our canteen and serve takeaway meals, via a gated provision

SWEP

For many years Providence Row's Day Centre has been supporting a programme called the Severe Weather Emergency Protocol (SWEP) which actions the emergency provision of pop up night shelters for people who are known to be sleeping rough at the time there is a severe weather warning or temperatures fall below 0 degrees. Due to the pandemic this service was run in hotels this year rather than at Providence Row's Day Centre. Over the past year, Providence Row coordinated emergency lifesaving provision for 25 nights supporting 29 unique individuals. During SWEP we provided each person with 2 meals per day, totalling a delivery of 176 meals.

Food Poverty Programme

Throughout the year Providence Row worked in close partnership with the Tower Hamlets Food Poverty Lead to develop a new initiative supporting people rough sleeping and people who have experienced homelessness. The Tower Hamlets Food Poverty Team provided supermarket food vouchers to the value of £2,950 for Providence Row to distribute. £10 worth of supermarket vouchers could provide 3 meals per day. 100 people were given vouchers equating to 885 meals. Of these 100 people, 38 individuals were supported by Providence Row's Routes to Roots and Outreach Psychotherapy programmes. Both services are working to address health inequalities in the community and reach the most disadvantaged and vulnerable clients. Routes to Roots works with people facing homelessness after discharge from hospital. The Outreach Psychotherapy Service offers support for people who have suffered severe trauma or mental health challenges as a result of homelessness. Vouchers and donated precooked food items have been extremely beneficial for clients' wellbeing while setting up benefits claims, easing the challenges of the first few weeks of moving into accommodation and helping people to sustain their accommodation in the short term. This work was specifically designed to target a cohort of vulnerable adults with multiple complex needs, including substance misuse, mental health and educational requirements. The specialist services in this project are well equipped to engage and support clients to develop action plans that lead to sustainable improvements in their wellbeing.

In partnership with the Local Authority, Public Health England, NHS, GP care groups and the Tower Hamlets Street Outreach Team, Providence Row has developed a best practice for 'Health Provision' to support the most vulnerable clients to access health services onsite at our Day Centre (as indicated above). During the course of the year we ran 11 Health Hubs. Each Health Hub provides an opportunity for vulnerable clients to access vaccinations (including COVID-19 and Flu) and receive support with physical, mental and sexual health needs. 98 clients were given healthy nutritious meals and 100 food poverty vouchers were distributed (equating to 3 meals per voucher) as a way of engaging and supporting them to access health services.

In total 823 individuals were provided with 19,915 meals across the year

OUR SUPPORTERS AND FUNDERS

Providence Row's work is made possible by our fantastic community of staff, supporters, funders and volunteers.

Our Staff

During the year the charity employed an average of 37.4 staff (average monthly headcount), of whom 9 were part-time staff (2021: 32.3 average monthly headcount, of whom 7.3 were part-time).

Our Supporters and Funders

Our supporters are our lifeblood; whether it's a regular gift, a one-off donation or fundraising activities, every single pound donated is much needed and very much appreciated.

Our Volunteers

Volunteers are at the heart of our work and provide essential support for service provision. Our volunteering and peer mentoring project:

- Helps the clients we work with meet new people and build skills, confidence and a new network of friends

- Creates a welcoming, safe place for people experiencing high levels of loneliness and isolation
- Gives people the chance to learn about homelessness, breaking down misconceptions and helping to build relationships with the local community

During the financial year 2021-2022, 3 peer mentors from the cohort who had been trained in our programme during the pandemic, ensured a welcoming environment for service users. Our peer mentors visibly represent a positive long term recovery for our clients.

We also recruited and trained over 20 community volunteers helping multiple services including the food service project, Welcome Area, and Garden Training Scheme which has connected many who were experiencing isolation with a community of support.

6 of our volunteers continued to contribute to the development of our community gazette /newsletter project producing 9 further editions. This was distributed across Tower Hamlets to over 20 homeless centres, potentially reaching out over 100 readers.

We successfully continued our partnership with King's College University of London, which provided 2 interns who offered volunteering time across our fundraising and Resource Centre teams from February through to June.

Our charity is governed by a committed board of Trustees who generously give their time and expertise to ensure good governance.

Companies

We are incredibly grateful for the support of our company partners who fundraised £126,651 (£221,552 in 2020/21) over the course of year through a range of events, activities and grants. In particular we would like to thank our long-standing strategic partners Natixis Investment Managers and Reed Smith. We would also like to thank Aldgate Connect BID, Vanguard Group Foundation, The Investment Association, UNUM and all our Garden Sponsors for their significant contributions.

Communities

Thanks to continued support from a number of community groups we raised £48,896 (£44,100 in 2020/21). Our supporters in the community include: The Sisters of Mercy, The Society of the Holy Child Jesus CIO, Sisters of the Holy Cross Charitable Trust, St. Mary Moorfields Catholic Church, Morrison's Foundation as well as other religious and non-religious groups and schools.

Trusts and Foundations

Our private and institutional grant makers are a vital source of committed multi-year funding that allows us to plan ahead for our programmes and services. We received an extraordinary £317,555 (£611,346 in 2020/21). Thanks to the generosity of the Trusts and Foundations that supported us this year we were able to be there for our clients in one of the most challenging years Providence Row has seen since it was founded in 1860. The list of Trust and Foundations that supported us is within Note 21.

Legacy

We received £56,704 (£140,765 in 2020/21) in legacy income. We are immensely grateful to those who have so generously supported us in their will.

Individuals

Our individual donors have once again made a crucial difference to the lives of the people we support. Thanks to the support of individual givers we raised £167,948 (£156,103 in 2020/21). This includes an extremely generous donation of £50,000 (£50,000 in 2020/21).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure of the charity

Providence Row is a private company limited by guarantee and does not have share capital. It was incorporated on 26 November 2010 (company number 07452798) and was registered as a charity on 2 February 2011 (charity number 1140192). Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454), which was originally established in 1860. The directors of Providence Row are its trustees for the purposes of charity law. Providence Row became operational as an incorporated charitable company on 1 April 2011 and on the same date a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC.

Governance

The Memorandum of Association and Articles of Association of Providence Row form the governing documents of the charity. Providence Row is governed by a Board of Trustees, which is made up of:

- up to four Nominated Trustees
- up to six Elected Trustees
- up to four Appointed Trustees

Nominated Trustees are nominated to serve on the Board by the Catholic Archbishop of Westminster (two Trustees), the Superior General of the Union of the Sisters of Mercy (one Trustee) and the Congregational Leader of the Institute of Our Lady of Mercy (one Trustee) and their appointment is subject to approval by the Trustees. Nominated Trustees serve for three year renewable terms.

Elected Trustees must be appointed at the annual general meeting by means of election by those qualified to vote at the meeting. One third of Elected Trustees must retire by rotation at the annual general meeting, those who have been longest in office since their last appointment or re-appointment being subject to retirement by rotation.

Appointed Trustees are appointed for a renewable term of three years by a decision of the Trustees.

The Trustees may appoint one of their number to be the Chair of the Trustees for such a term of office as they determine and may at any time remove him or her from that office. The Chief Executive Officer has been appointed as the Secretary to the charity. The Trustees may at their discretion establish procedures and criteria for inviting individual donors to become 'Associate members' of the charity with the right to vote at the annual general meeting. There are currently no 'Associate members' qualified to vote at the 2022 annual general meeting.

ORGANISATIONAL STRUCTURE, MANAGEMENT AND KEY RELATIONSHIPS

Prior to the outbreak of Covid 19 the Board of Trustees met quarterly. During the pandemic and throughout the 2021/22 financial year the Board met monthly via Zoom to review risks, to hold oversight of our strategic response and to monitor financial performance. The Remuneration Committee meets annually to consider the recommendations of the Chief Executive in relation to staff remuneration. The remuneration of the Chief Executive is considered separately by the Remuneration Committee in the absence of the Chief Executive. External market benchmarks are taken into consideration in relation to all staff remuneration decisions, focussing on pay levels in other providers of a similar nature, and

geographical location. The Remuneration Committee submits its recommendations to the Board for approval.

The Chief Executive attends meetings of the Board of Trustees (with other senior staff as appropriate) and submits for approval the strategic plan and the annual budget. The Chief Executive and the leadership team report regularly to the Trustees on the implementation of the strategy and performance against the budget.

In accordance with charity law, decisions relating to disposals of land (including sales, leases, grants of easements and releases of rights of light) are made by the Trustees following the procedures set down in the Charities Act, statutory regulation and guidance issued by the Charity Commission. The Board of Trustees determines the charity's reserves policy.

The Chief Executive has formed a Leadership Team including the Director of Services, the Director of Finance and the Director of Fundraising and Marketing. The role of the Leadership Team is to assist the Chief Executive in implementing the strategic plan within the approved annual budget.

The charity has an ongoing relationship with Providence Row Housing Association (PRHA) which was established by Providence Row in 1970 to provide residential accommodation. PRHA is fully independent of Providence Row and leases part of the Dellow Centre property, consisting of offices and 58 units of accommodation, which it manages as a hostel funded by the London Borough of Tower Hamlets.

The charity's other key relationships include the Sisters of Mercy (the Union of the Sisters of Mercy of Great Britain and the Institute of Our Lady of Mercy), the London Borough of Tower Hamlets and the Corporation of the City of London. The relationship with the Sisters of Mercy is a formal arrangement with powers to nominate Trustees to the Board. The charity is very grateful for the continued support of the Sisters of Mercy and committed to ensuring that the legacy of the Sisters is reflected in the ongoing work of the charity for the long term. In addition, the charity works with a range of other charities, agencies and partners.

FINANCIAL SUMMARY 2021/22

Overview of results

The charity recorded a surplus of £184,511 before net unrealised gain on investments of £38,114 and an unrealised loss on revaluation of the investment property of £270,000. This compares to a surplus of £342,102 before net unrealised gain on investments of £163,418 in 2020/21.

Income

Total income for 2021/22 was £2,492,857 (2020/21: £2,672,935).

Income	2021/22		2020/21	
	£'000	% of total	£'000	% of total
Donations	475.4	19.1%	565.8	21.2%
Donated goods, facilities and services	17.9	0.7%	8.3	0.3%
Legacies	56.7	2.3%	140.8	5.3%
Charitable activities (see below)	1,514.3	60.7%	1,577.8	59.0%
Other trading activities	0.3	0.0%	0.7	0.0%
Investment income	403.3	16.2%	354.5	13.3%
Other income	25.0	1.0%	25.0	0.9%
Total	2,492.9	100.0%	2,672.9	100.0%

Income from charitable activities	2021/22		2020/21	
	£'000	% of total	£'000	% of total

Local authority contracts	981.0	64.8%	739.4	46.9%
Performance related grants	185.7	12.2%	467.3	29.6%
Rents from the Dellow Centre leases	347.7	23.0%	371.1	23.5%
Total	1,514.4	100.0%	1,577.8	100.0%

Total income for the year was in line with the Budget. It decreased by £180,078 (6.7%) in relation to 2020/21 income. This decrease is mainly due to much lower Legacy income of £56,704 in 2021/22 (£140,765 in 2020/21). It also reflects a challenging fundraising environment in comparison with the previous year.

Expenditure

Total expenditure for 2021/22 was £2,308,346 (2020/21: £2,330,833), decrease of £22,487 (1%).

Expenditure	2021/22		2020/21	
	£'000	% of total	£'000	% of total
Costs of raising donations and legacies	502.8	21.8%	445.3	19.1%
Costs of other trading activities	-	(0.0)	0.9	(0.0)
Costs of investment management	154.4	6.7%	204.7	8.8%
Charitable activities (see below)	1,651.1	71.5%	1,679.9	72.1%
Total	2,308.3	100.0%	2,330.8	100.0%

Expenditure on charitable activities	2021/22		2020/21	
	£'000	% of total	£'000	% of total
Advice and Support / Resource Centre	925.2	56.0%	938.0	55.8%
Recovery and Progression	365.1	22.1%	372.7	22.2%
Trainee Schemes, Food & Garden	359.3	21.8%	313.2	18.6%
Providence Row Bakery	0.8	0.1%	2.3	0.1%
Non-investment properties let in furtherance of charitable purposes	0.7	0.0%	53.7	3.3%
Total	1,651.1	100.0%	1,679.9	100.0%

Improved cost management and close financial oversight ensured a marginal cost decrease on the previous year.

FINANCIAL REVIEW

Investment policy and objectives

The charity's appetite for risk in relation to the Endowment Fund reflects the long-term nature of the charity's investment horizon. The Endowment Fund exists to generate sustainable income in perpetuity. For this reason, the Endowment Fund is focused on a diversified portfolio of unitised equity related investments, managed by the charity's investment advisors. The primary objective of the investment strategy is to preserve the long-term real value of the charity's permanent endowment, whilst providing a good level of income which may be deployed by the charity to further its objectives. The Trustees apply a policy of 'Responsible Investment' and we expect our investment managers to engage with companies on social, environmental and business ethics issues and to exercise voting rights in line with the policy. The Trustees have decided not to take an exclusionary approach to particular categories of investment.

The greater part of the charity's investible cash resources, which are outside the Endowment Fund, are managed by its investment advisors. Due to the prevailing market environment of recent years it has

become increasingly difficult to make cash deposits on terms other than 'instant access' or up to 30 days' notice, and the financial rewards for doing so are also limited. The charity does not hold any cash deposits with maturities in excess of 30 days, and has instructed its investment advisors to adopt a cautious approach, investing our resources across a number of different banking institutions with investment grade credit ratings and, in the case of overseas or offshore deposit takers, benefiting from a full guarantee from a UK parent bank with a credit rating of at least A- (Fitch/S&P).

Investment performance against objectives

Over the 12-month period to 31 March 2022, the charity's Endowment Fund generated an overall positive return of £46,829 (2020/21: positive return of £178,167), incorporating investment income of £18,158, net unrealised gain of £38,114 and management fees of £9,443.

The charity's managed cash deposit portfolio generated interest income in the year of £84 (2020/21: £397). We anticipate an improved return over the year ahead due to increased rates of interest.

The charity's investment property generated total income (rent and service charge) of £373,976 during the year, an increase of 13% over the comparative figure for 2020/21 of £330,748. This increase is mainly due to the write-back of some provision for bad debts which was made in 2020/21. Rental income was £265,387 (2020/21: £246,994). Direct costs of investment property management in 2021/22 (before allocated support costs) totalled £135,072 (2020/21: £191,093).

Principal risks and risk management

The Trustees have considered and reviewed the major risks to which the charity is exposed and are satisfied that systems and procedures have been established to adequately manage these risks. The risks identified and reviewed are those which, if they occurred, would have a major impact on some or all of the following areas: governance; operations; finances; environmental or external factors such as public opinion or relationships with funders; compliance with law and regulation.

The Chief Executive together with the Leadership Team produces a risk register for the charity and reports to the Board of Trustees on a regular basis the major risks which have been identified, and measures in place (or planned) to manage and mitigate those risks.

We recognise that in our work we are exposed to significant risks relating to the safeguarding of vulnerable adults, and a failure to respond to changes in the external environment could endanger lives as well as our reputation. To manage this risk, procedures are in place in respect of both staff and clients. These processes are included in a range of policies, in particular: Safeguarding Adults; Health and Safety; Fire Safety; Personal Safety, and Lone Working.

Economic uncertainty is a potential threat to income at a time when the needs of homeless people are increasing and Local Authorities funds are under pressure. The Board and the Leadership Team are carefully monitoring the external environment to identify any risks to our projected income.

The charity's largest single source of recurring (contractual) income is currently from the London Borough of Tower Hamlets. Local Authority budgets continue to be placed under considerable pressure by public sector financing constraints. As a consequence, uncertainty about future levels of Local Authority income and hostel funding represent a risk for the charity.

Trustees recognise that we are in the early stages of a period of economic turbulence which could become more challenging over the next year with increases in interest rates, a more challenging fundraising environment and additional pressure on our cost base.

We have begun mitigating these risks with multi-year funding now secured for all service delivery contracts commissioned by Local Authorities. We are also continuing to increase our capacity and experience in public sector tendering, impact monitoring and reporting, and the generation of income from a wide

variety of sources. Investment over the last three years in a new fundraising strategy to generate sustainable funds from a wider range of income streams is showing expected returns with positive prospects for the year ahead. Fundraising from individuals, communities, trusts and companies now makes up just under a third of our annual income and robust plans are in place to protect and strengthen these income streams.

Trustees note that Providence Row has a good level of liquidity, a business model that has generated a small underlying surplus over the last two years and modest levels of debt, and so remain confident in our resilience and capacity to manage the risks identified.

The charity owns a number of property assets, and the ownership and management of these properties involves a number of risks:

- The charity's main premises, the Dellow Centre complex, is a substantial purpose-built property on the Gunthorpe Street / Wentworth Street site owned by the charity, and the effective management of this and of the charity's Activity Centre on the same site represents a considerable operational and financial commitment. We are now investing in improvements to our day centre and office facilities.
- Providence Row's investment property, Sherrington Mews, is a commercial property containing twelve light industrial and office units immediately adjacent to the Dellow Centre. The property represents a source of income in order to ensure that the investment maximises its value. There is an inherent risk around void periods, and the rental level at which space can be re-let. Providence Row has appointed a professional letting agent to manage the property on its behalf. The Trustees closely monitor the management of Sherrington Mews.

REVIEW OF RESERVES AND RESERVES POLICY

Providence Row reviews its reserves policy regularly in line with its evolving strategic outlook and operating environment and in order to ensure that the policy continues to reflect the underlying risks facing the charity and the level of reserves judged necessary to protect its core services to clients and to safeguard its long-term sustainability and independence.

Providence Row holds restricted funds (or 'special trusts') in accordance with donors' express requirements and the terms of grants or appeals. In addition, the charity has established designated (unrestricted) funds for planned future requirements in accordance with the strategic plan. The creation of a designated fund does not legally restrict the Trustees' discretion in how to apply the unrestricted funds that have been earmarked.

As at 31 March 2022 the charity held total funds of £11,844,732 (2020/2021: £11,892,107), comprising the restricted endowment fund, restricted income funds and unrestricted funds.

The Trustees have determined that the previously agreed target level of £1,000,000 in free reserves should remain. At 31 March 2022, the actual level of free reserves (including the contingency fund) was £1,219,604, (2020/21: £1,148,184).

The Trustees will continue to review the target level of free reserves annually to take into account changing circumstances, revised financial forecasts and evolving challenges and opportunities facing the charity. The target level of free reserves may therefore change over time.

Movements on the funds held by the charity during the period under review and an analysis of the charity's net assets between the funds held are summarised in notes 16 to 19 to the financial statements.

Going concern

Given all the factors above the Trustees remain confident in Providence Row as a going concern.

TRUSTEES' RESPONSIBILITIES STATEMENT

The law applicable to charities in England and Wales requires the Trustees to prepare the annual report and financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

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

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and enable them to ascertain the financial position of the charity and ensure that the financial statements comply with the Companies Act 2006. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are not aware of any relevant audit information that has not been disclosed to the charity's auditors. The Trustees have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Mazars LLP acted as auditors during the period under review and have signified their willingness to continue in office. A resolution proposing their re-appointment will be put to the annual general meeting.

These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime.

Dec 12, 2022

Approved by the Trustees on 2022 and signed on their behalf by

elizabeth canning
elizabeth canning (Dec 12, 2022 19:03 GMT)

Elizabeth Canning – Chair

Richard Solomon
Richard Solomon (Dec 12, 2022 20:07 GMT)

Richard Solomon – Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROVIDENCE ROW

Opinion

We have audited the financial statements of Providence Row (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement on page 16, the trustees (who are also the directors of the charitable company for the purposes of company laws) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

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

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

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

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to income recognition and significant one-off or unusual transactions.

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

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

Use of the audit report

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


Nicola Wakefield (Dec 20, 2022 22:09 GMT)

Nicola Wakefield (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: Dec 20, 2022

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2022

	Notes	Unrestricted Funds	Restricted Funds	Endowment Fund	Total Funds 2022	Total Funds 2021
		£	£	£	£	£
Income and Expenditure						
Income from:						
Donations		422,176	71,054	-	493,230	574,077
Legacies		56,704	-	-	56,704	140,765
Sub-total: Donations and legacies	2a	478,880	71,054	-	549,934	714,842
Charitable activities	2b	1,328,690	185,675	-	1,514,365	1,577,789
Other trading activities	2c	250	-	-	250	773
Investments	2d	403,308	-	-	403,308	354,531
Other	2e	25,000	-	-	25,000	25,000
Total income		2,236,128	256,729	-	2,492,857	2,672,935
Expenditure on:						
Raising funds						
Raising donations and legacies		(472,569)	(30,279)	-	(502,848)	(445,346)
Other trading activities		-	-	-	-	(922)
Investment management		(144,740)	(206)	(9,443)	(154,389)	(204,659)
Sub-total: Raising funds		(617,309)	(30,485)	(9,443)	(657,237)	(650,927)
Charitable activities						
Advice and Support / Resource Centre		(744,253)	(180,907)	-	(925,160)	(937,959)
Recovery and Progression		(353,734)	(11,367)	-	(365,101)	(372,723)
E&T: Trainee Schemes, Food & Garden		(229,701)	(129,604)	-	(359,305)	(313,167)
E&T: Providence Row Bakery		(829)	(24)	-	(853)	(2,327)
Property let for charitable purposes		(689)	(1)	-	(690)	(53,730)
Sub-total: Charitable activities		(1,329,206)	(321,903)	-	(1,651,109)	(1,679,906)
Total expenditure	3	(1,946,515)	(352,388)	(9,443)	(2,308,346)	(2,330,833)
Net income/(expenditure) before net (losses)/gains on investments		289,613	(95,659)	(9,443)	184,511	342,102
Net (losses)/gains on investments						
Unrealised (losses) on investment property	8	(270,000)	-	-	(270,000)	-
Net gains on other investments	9, 16	-	-	38,114	38,114	163,418
Net movement in funds		19,613	(95,659)	28,671	(47,375)	505,520
Reconciliation of funds						
Total funds brought forward		8,796,447	2,283,994	811,666	11,892,107	11,386,587
Total funds carried forward		8,816,060	2,188,335	840,337	11,844,732	11,892,107

All of the above results relate to continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities above. Movements in funds are disclosed in Notes 16 to 19 of the financial statements.

The analysis of the Statement of Financial Activities for the year ended 31 March 2021 between unrestricted funds, restricted funds and the endowment fund is set out within Note 22 on page 42 of these financial statements.

Registered company number: 07452798
Charity number: 1140192

BALANCE SHEET

As at 31 March 2022

	NOTES	Total funds 2022 £	Total funds 2021 £
Fixed Assets			
Tangible fixed assets	7	5,300,456	5,438,261
Investment property	8	4,180,000	4,450,000
Other Investments	9	1,424,613	1,386,810
Total Fixed Assets		10,905,069	11,275,071
Current Assets			
Debtors	10	391,256	381,571
Cash at bank and in hand		1,986,463	851,503
Total Current Assets		2,377,719	1,233,074
Liabilities			
Creditors: Amounts falling due within one year	11,13	(427,672)	(605,654)
Net Current Assets		1,950,047	627,420
Total Assets less Current Liabilities		12,855,116	11,902,491
Creditors falling due after more than one year	12	(1,010,384)	(10,384)
Total Net Assets	19	11,844,732	11,892,107
The Funds of the Charity			
Endowment Fund	16	840,337	811,666
Restricted Income Funds	17		
Tangible fixed asset fund: Restricted		2,184,000	2,240,000
Other restricted income funds		4,335	43,994
		2,188,335	2,283,994
Unrestricted Funds	18		
Tangible fixed asset fund: Unrestricted		3,116,456	3,198,263
Fixed asset fund: Investment Property		1,556,597	1,556,597
Revaluation Reserve: Investment Property		2,623,403	2,893,403
Cyclical Maintenance and repairs fund		300,000	-
Free Reserves			
Contingency fund: Charity running costs		800,000	800,000
General Funds		419,604	348,184
Total Free Reserves		1,219,604	1,148,184
		8,816,060	8,796,447
Total Charity Funds	19	11,844,732	11,892,107

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 21 to 42 were approved by the Board of Trustees on 9th December 2022 and signed on its behalf by:

elizabeth canning
elizabeth canning (Dec 12, 2022 19:03 GMT)

Elizabeth Canning – Chair

Richard Solomon
Richard Solomon (Dec 12, 2022 20:07 GMT)

Richard Solomon – Honorary Treasurer

The notes on pages 24 to 42 form an integral part of these financial statements

STATEMENT OF THE CASHFLOWS

For the year ended 31 March 2022

	Notes	Total Funds 2022 £	Total Funds 2021 £
a) Reconciliation of net movement in funds to net cash flow from operating activities			
Net (expenditure)/income for the year (as per the statement of financial activities)		(47,375)	505,520
Adjustments for:			
Depreciation charges	3,7	139,076	136,461
Unrealised loss on investment property	8	270,000	-
Net (gains) on other investments	9	(38,114)	(163,418)
Other non-cash Income		-	-
Dividends, interest and rents from investments per the SOFA		(403,308)	(354,531)
Investment management costs per the SOFA		154,389	204,659
(Increase)/decrease in debtors (operating activities)		(9,685)	105,757
Increase in creditors (operating activities)		822,019	174,084
Net cash provided by operating activities		887,002	608,532
	Notes	Total Funds 2022 £	Total Funds 2021 £
b) Statement of Cash Flows			
Net cash provided by operating activities		887,002	608,532
Cash flows from investing activities:			
Dividends, interest and rents from investments per the SOFA		403,308	354,531
Investment management costs per the SOFA		(154,389)	(204,659)
Purchase of property, plant and equipment	7	(1,271)	(40,236)
Purchase of investments	9	(141,094)	(389,811)
Disposal of investments	9	145,033	396,999
Net cash provided by investing activities		251,587	116,824
Change in cash and cash equivalents in the year		1,138,589	725,356
Cash and cash equivalents at the beginning of the year		1,413,110	687,754
Cash and cash equivalents at the end of the year		2,551,699	1,413,110
	Notes	Total Funds 2022 £	Total Funds 2021 £
c) Analysis of Cash and Cash Equivalents			
Cash at bank and in hand		1,986,464	851,503
Investments: Notice deposits (3 months or less)	9	543,948	544,258
Investments: Cash held in endowment fund (capital)	9	21,287	17,349
Total cash and cash equivalents		2,551,699	1,413,110

Notes to the Financial Statements

For the year ended 31 March 2022

1 Accounting Policies

a. Basis of accounting

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of investments or as otherwise stated in the relevant accounting policy notes. There are no material uncertainties about Providence Row's ability to continue as a going concern. Providence Row is a public benefit entity.

The financial statements have been prepared in accordance with:

- The reporting requirements of the Companies Act 2006;
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (Charities SORP (FRS 102)), issued by the Charity Commission and the Office of the Scottish Charity Regulator in 2014 in their role as the joint SORP-making body and applicable to the financial statements of relevant charities for reporting periods beginning on or after 1 January 2019.

Incorporation and transfer of charitable undertaking at 31 March 2011

Providence Row was incorporated on 26 November 2010. Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454). (PRC was known as 'Providence Row Night Refuge and Home' until it changed its name on 21 January 2003.) With the exception of funds held on permanent endowment, the assets, liabilities, employees, operations and activities of PRC were transferred to Providence Row with effect from midnight on 31 March 2011. Providence Row became operational as an incorporated charitable company on 1 April 2011.

Also, on 1 April 2011 a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC. PRC continues in existence to hold the charity's permanent endowment and to receive any legacies bequeathed to PRC after 31 March 2011. Although PRC continues to hold legal title to the Endowment

Fund assets, from an accounting perspective PRC is considered to hold these assets only as custodian for its corporate successor, due to the corporate trusteeship established by the Charity Commission Scheme. As a consequence of the constitutional arrangements (corporate trusteeship of Providence Row in relation to PRC), the financial statements of Providence Row have been prepared on the basis that they aggregate its own assets, results and activities with those of PRC. For this reason, the Endowment Fund appears on the statutory balance sheet of Providence Row, and legacy income of PRC and investment income arising from the Endowment Fund are shown within Providence Row's Statement of Financial Activities (SOFA).

b. Income

Income is recognised in the SOFA when a transaction or other event (e.g. a gift) results in an increase in the charity's assets or a reduction in its liabilities. Income is recognised only when the following criteria are met:

- Entitlement: control over the rights or other access to the economic benefit has passed to the charity;
- Probable: it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity; and
- Measurement: the monetary value or amount of the income and relevant costs incurred can be measured reliably.

In the case of a donation, entitlement usually arises immediately on its receipt. In the case of a grant, evidence of entitlement will usually exist when the formal offer of funding is communicated in writing to the charity. However, some grants contain terms or conditions that must be met before the charity has entitlement to the resources. Where grants specify a time period within which the funds must be spent and

the funds are received before the start of that period, then the income is deferred and only released to income at the start of the relevant period.

Grant funding agreements may contain conditions that specify the particular activities, goods or services to be provided by the charity within the scope of its charitable activities (performance-related grants). Income derived from performance-related grants is included within the SOFA heading 'Income from charitable activities' rather than 'Income from donations and legacies'. However, simply because a grant is restricted to a particular purpose of the charity does not mean that it should be recognised as a performance-related grant. Unrestricted and restricted grants that are not subject to performance-related conditions are included within the SOFA heading 'Income from donations and legacies'.

Gift Aid recoverable from HMRC in relation to donations is included in income on an accruals basis where there is a valid Gift Aid declaration from the donor.

Donated goods, facilities and services are recognised as income when brought into use by the charity. They are included in income at an amount equivalent to their estimated value to the charity, where this can be quantified, and an equivalent amount is included in the appropriate cost line, or (in the case of tangible assets) capitalised if appropriate. The only amounts included for donated services are those provided in a professional capacity. No amounts are included in the financial statements for services donated by volunteers. Details of the contribution made by volunteers can be found in the Report of the Trustees.

Evidence of entitlement to a legacy exists when the charity has sufficient evidence, after the death of the benefactor, that a gift has been left to it and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Recognition of the legacy income is also affected by the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Receipt of a legacy is normally judged to meet the probability criterion when:

- There has been grant of probate;
- The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- Any conditions attached to the legacy are either within the control of the charity or have been met.

Where the charity has entitlement to a legacy but the criteria for income recognition have not been met (e.g. due to uncertainty as to the amount of the payment) then the legacy is treated as a contingent asset (and is disclosed in the notes to the financial statements if material) until the criteria for income recognition are met.

Income from fundraising events, where the income is not a simple gift or donation but rather a payment in exchange for supplying goods or services to raise funds for the charity, is recognised when the event takes place and is included within the SOFA heading 'Income from other trading activities'.

Income from the sale of goods is recognised at the time of supply of goods to the buyer, provided receipt of the income is probable.

Income from contracts for the supply of services is recognised with the delivery of the contracted service.

Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably. Dividend income is recognised when its receipt is probable, and the amount receivable can be measured reliably. Dividends are accrued when the charity's right as shareholder to receive payment is established.

Rental income from property leases is recognised when it is receivable in accordance with the terms of the relevant leases, provided receipt of the income is probable. The aggregate cost of lease incentives (e.g. rent free periods or periods of concessionary reduced rents) is recognised as a reduction to the rental income over the full contractual term of the lease on a straight-line basis.

c. Expenditure

All expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is reported in the financial statements on an activity basis, as required by Charities SORP (FRS 102). This involves identifying the total cost of an activity, including direct, shared and indirect (or support)

costs. Charities SORP (FRS 102) identifies three high-level categories of a charity's activities: (i) expenditure on raising funds; (ii) expenditure on charitable activities, and (iii) other expenditure. These broad categories are further analysed between their significant components.

Support costs, which are not directly attributable to activities for raising funds or charitable activities, are allocated to those categories on a basis consistent with the use of resources. The bases on which support costs have been allocated are set out in note 3 'Expenditure'. Support costs include:

- Governance costs;
- Costs of the Finance function, including financial accounting, banking, budgeting, payroll management and day-to-day financial administration;
- Human resources management, office, general and administration costs;
- Costs of central information technology resources and telecommunications;
- Property costs relating to premises used by the charity for its own activities, including buildings management;
- Senior general management (where not allocated as a direct cost to specific activities) and other central costs; and
- Depreciation charges in relation to tangible fixed assets.

Governance costs are those associated with the governance arrangements of the charity, including external audit, general legal advice for the trustees (fees for legal advice specifically relating to investment property are included in investment management costs) and costs associated with constitutional and statutory requirements and ensuring proper public accountability (e.g. the costs of preparing statutory financial statements). Governance costs include any costs associated with the strategic as opposed to day-to-day management of the charity's activities and the cost of charity employees in respect of their time when involved in and preparing for meetings with trustees.

Costs of raising donations and legacies

Costs of raising donations and legacies are those incurred in seeking voluntary donations, gifts and grants of a general nature, together with the costs of administration related to legacies left to the charity. It excludes costs associated with applying for performance-related grants or negotiating contracts to provide services, which are included within the costs of the relevant charitable activities.

Other trading activities

This category includes the costs of fundraising events (where income is raised for the charity in exchange for supplying goods and services), non-charitable trading activities and costs of property which is let or licensed to other users.

Investment management costs

Investment management costs include the costs of:

- Portfolio management and administration of investment funds and cash deposits; and
- The costs of managing the charity's investment property, including property repairs and maintenance charges, vacant property rates, utility charges, insurance, security, managing agents' fees, letting agents' fees, legal fees related to the property and staff costs.

Property let in furtherance of charitable purposes

This category covers expenditure incurred in relation to those parts of the Dellow Centre property let on short-term leases to (i) Providence Row Housing Association (PRHA) in respect of the Dellow Hostel and (ii) St Mungo's in respect of offices on the 2nd floor of the Dellow Centre. PRHA is a Housing Association. Under the terms of its lease, PRHA uses the premises as a hostel for those in housing need and by means of funding from the London Borough of Tower Hamlets (LBTH). Providence Row considers that the services and facilities provided by this tenant from the premises let to them are compatible with and complementary to its own

charitable purposes and activities. Consequently, the rent received and other charges recovered from this tenant are included in the charity's 'Income from charitable activities' (see note 2b) and the expenditure incurred by the charity in relation to these parts of our buildings is classified as 'expenditure on charitable activities' (see note 3).

d. Tangible fixed assets

(i) Freehold land and buildings

Freehold land and buildings transferred from PRC on 31 March 2011, other than assets in the course of construction at that date, are stated at fair value on the date of transfer less depreciation charged since the transfer. Freehold buildings in use are depreciated on a straight line basis over a period of 50 years from the date of transfer. Freehold properties let to tenants on long term leases in respect of which Providence Row receives rental income are depreciated on a straight line basis over the remaining terms of the respective leases.

In the case of freehold land and buildings in use by the charity, fair value was ascertained, based on professional advice, as 'Market Value', defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the case of freehold properties let to tenants on long-term leases, fair value was determined based on a discounted cash flow analysis of expected future rental income under the existing lease terms and assumptions relating to future levels of inflation, potential outcomes of rent reviews and other factors where applicable.

The Activity Centre on the Gunthorpe Street/Wentworth Street site was under construction at the date of transfer and was brought on to the balance sheet of Providence Row at that date on the basis of historical cost of construction and related capitalised professional costs. Construction was completed in November 2011 and the building is subject to depreciation over a period of 50 years from 1 January 2012.

Included within 'Freehold land and buildings in use' are the capitalised costs of the full replacement and resurfacing of the flat roof of the charity's main Gunthorpe Street / Wentworth Street premises (the Dellow Centre complex) undertaken during 2014-15. The costs of the new roof are being depreciated on a straight line basis over 25 years.

Freehold land is not depreciated.

ii) Other tangible fixed assets

Other categories of tangible fixed assets are depreciated on a straight line basis so as to write off their original cost over their estimated useful lives, as follows:

Office furniture and equipment	- 4 years
Computer equipment	- 3 years
Plant & mechanical equipment	- 10 years

Tangible fixed assets are capitalised if their initial cost (or, in the case of donated goods, the value to the charity – see note 1c above) is £500 or greater.

e. Fixed asset investments

Investment property assets are measured initially at cost and subsequently shown in the balance sheet at their fair value at the reporting date and are not depreciated. Changes in value of investment property arising in the period are shown in the SOFA under the heading 'Net gains / (losses) on investments' and are reflected in the 'Revaluation reserve: Investment property' (Unrestricted funds). 'Fair value' means the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted between knowledgeable, willing parties in an arm's length transaction.

The investment property was valued by an independent firm of professional surveyors as at 31 March 2015 (the first year end following acquisition), again as at 31 March 2016, followed by evaluation as at 31 March 2018, November 2020 and as at 31st March 2022. It is the policy of the charity henceforward to commission an independent professional valuation of the investment property every five years for accounting purposes, subject to a review in the intervening years in case of significant changes to the occupancy of the property, the tenancies or market conditions.

Investments in quoted collective investment funds are shown in the balance sheet at market value (bid price). Realised gains and losses are accounted for by reference to the sale proceeds and either the market value at the previous balance sheet date, or the cost of purchase, if later. Unrealised gains and losses are calculated by comparing the market value at the previous balance sheet date, or cost of purchase, if later, to the year-end valuation. Any gain or loss arising in the period is taken to the SOFA under the heading 'Net gains / (losses) on investments'. All gains and losses are dealt with as part of the funds to which they relate.

Fixed asset investments include cash deposits (both in instant access accounts and on deposits with a range of maturity dates) which the charity intends to hold as part of its on-going investment activities for more than one year from the reporting date.

f. Fund accounting

i) Endowment fund

The endowment fund represents investments, the capital of which forms the permanent endowment of the charity and must be retained and invested. Only the income from this fund is available to be used for general charitable purposes (as an addition to unrestricted funds). The assets of the endowment fund are held by Providence Row (see note 1a for further information on the basis of accounting for the endowment fund assets). The investments of the endowment fund are included within 'Fixed Assets: Other Investments' (see note 9, 'Other Investments').

ii) Restricted income funds

Restricted income funds can only be used for particular purposes (within the objects of the charity) specified by the donor or grantor or the terms of an appeal.

iii) Designated funds - unrestricted

Designated funds are unrestricted funds of the charity set aside out of the general funds by the Trustees for specific purposes or projects for the furtherance of particular aspects of the charity's objects, but over which the Trustees retain full discretion.

iv) General funds - unrestricted

These comprise the funds which are available to be used for any purpose within the charity's objects.

g. Pension costs

The amounts charged to the SOFA for defined contribution pension arrangements represent the employer contributions payable in the period.

h. Operating leases

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the term of the lease.

i. Taxation

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Tax recoverable from voluntary income received under Gift Aid is recognised when the related income is receivable.

j. Subsidiaries

Providence Row charity (charity number 207454), of which Providence Row became the sole trustee following the transfer of charitable undertaking, is a subsidiary of Providence Row. Following the transfer of charitable undertaking, the assets, results and activities of Providence Row Charity are aggregated into the financial statements of Providence Row (see note 1a above).

2 Income

a. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Individuals	136,158	10,000	146,158	149,392
Corporate donors	86,097	40,554	126,651	221,552
Community	28,396	20,500	48,896	44,100
Gift Aid reclaimed	21,790	-	21,790	6,711
Donated goods, facilities and services *	17,855	-	17,855	8,294
Grants from trusts and foundations	131,880	-	131,880	144,028
Sub-total: Donations	422,176	71,054	493,230	574,077
Legacies	56,704	-	56,704	140,765
Total income from donations and legacies	478,880	71,054	549,934	714,842

* The donated goods, facilities and services are shown separately and analysed further in the table below.

The category of 'Corporate donors' includes individuals whose connection with Providence Row derives primarily from their employer's relationship with the charity. Donations in this category from individuals during the period totalled £30,453, none of which was in restricted income (2021: £37,741).

'Community' donations include gifts from religious communities, churches, schools and local community groups. This category also includes income from individuals participating in external community events such as sponsored runs.

Donated goods, facilities and services are broken down by type in the table below (all income within this category is included within unrestricted funds):

	2022 £	2021 £
Donated furniture, electronic and computer equipment, catering equipment capitalised as tangible fixed assets	4,790	-
Food and kitchen equipment	2,025	8,294
Other goods donated for client use	11,040	-
Total donated goods, facilities and services	17,855	8,294

In accordance with Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements. However, as set out in more detail in the Report of the Trustees, our volunteers make a vital contribution to the work of the charity, including corporate volunteers, Welcome Area volunteers and general volunteers within the main service teams, Finance and Resources and Fundraising.

b. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
London Borough of Tower Hamlets (LBTH): Advice & Support - Rough Sleepers Services	481,832	-	481,832	481,636
LBTH Drug & Alcohol Action Team: Substance misuse Worker & Needle Exchange, Women's Service	272,474	-	272,474	208,951
City of London: Recovery & Progression Service	53,350	-	53,350	48,801
Hackney	93,730	-	93,730	-
Sub-total: Local Authority Contracts for Services	901,386	-	901,386	739,388
Performance-related grants - Public Sector	79,648		79,648	-
Performance-related grants - Trusts & Foundations	-	185,675	185,675	467,317
Rents and charges from non-investment properties let in furtherance of charitable purposes	347,656	-	347,656	371,084
Total income from charitable activities	1,328,690	185,675	1,514,365	1,577,789

Income from government sources is summarised in the table below:

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Local Authority Contracts for Services (see above)	901,386	-	901,386	739,388
London Borough of Tower Hamlets	79,648	-	79,648	-
Total income from government sources	981,034	-	981,034	739,388

c. Income from other trading activities

	2022 Total £	2021 Total £
Other trading activities	250	563
Income from letting and licensing of property held primarily for functional use but temporarily surplus to operational requirements (inc. room hire)	-	210
Total income from trading activities	250	773

All of the income in the table above was included in unrestricted funds.

d. Investment income

	2022 Total £	2021 Total £
Rent and charges from commercial tenants at investment property (Sherrington Mews)	385,066	330,748
Dividend and interest income from other investments	18,242	23,783
Total investment income	403,308	354,531

All of the income in the table above was included in unrestricted funds.

e. Other income

	2022 Total £	2021 Total £
Ground rents from non-investment freehold property let on long leases	25,000	25,000
Total other income	25,000	25,000

All of the income in the table above was included in unrestricted funds.

3 Expenditure

	Direct costs £	Support Costs £	2022 Total £	Direct costs £	Support Costs £	2021 Total £
Raising Funds						
Raising donations and legacies	321,176	181,672	502,848	307,827	137,519	445,346
Other trading activities	-	-	-	637	285	922
Investment management	135,071	19,318	154,389	191,093	13,566	204,659
Sub-total: costs of raising funds	456,247	200,990	657,237	499,557	151,370	650,927
Charitable activities						
Advice and Support / Resource Centre	590,914	334,246	925,160	648,326	289,633	937,959
Recovery and Progression	233,194	131,907	365,101	257,629	115,094	372,723
Trainee Schemes, Food & Garden	229,494	129,811	359,305	216,464	96,703	313,167
Providence Row Bakery	544	309	853	1,608	719	2,327
Non-investment properties let in furtherance of charitable purposes	605	85	690	48,364	5,366	53,730
Sub-total: costs of charitable activities	1,054,751	596,358	1,651,109	1,172,391	507,515	1,679,906
Total expenditure	1,510,998	797,348	2,308,346	1,671,948	658,885	2,330,833

Providence Row - Helping homeless and vulnerable people since 1860
Trustees' Annual Report and Financial Statements for the Year Ended 31 March 2020

Support Costs

Support costs can be analysed as follows:

	Governance £	Finance £	HR / Office Admin £	IT / Telecoms £	Property (Own Use) £	Other Central £	Depreciation £	2022 Total £	2021 Total £
Raising Funds									
Raising donations and legacies	19,334	17,462	9,024	9,137	50,621	43,615	32,479	181,672	137,519
Other trading activities	-	-	-	-	-	-	-	-	285
Investment management	8,131	7,344	-	3,843	-	-	-	19,318	13,566
Sub-total: costs of raising funds	27,465	24,806	9,024	12,980	50,621	43,615	32,479	200,990	151,370
Charitable activities									
Advice and Support / Resource Centre	35,571	32,127	16,603	16,810	93,134	80,245	59,756	334,246	289,633
Recovery and Progression	14,038	12,679	6,552	6,634	36,754	31,668	23,582	131,907	115,094
Trainee Schemes, Food & Garden	13,815	12,477	6,448	6,529	36,170	31,168	23,204	129,811	96,703
Providence Row Bakery	33	30	15	16	86	74	55	309	719
Non-investment properties let in furtherance of charitable purposes	36	32	-	17	-	-	-	85	5,366
Sub-total: costs of charitable activities	63,493	57,345	29,618	30,006	166,144	143,155	106,597	596,358	507,515
Total expenditure	90,958	82,151	38,642	42,986	216,765	186,770	139,076	797,348	658,885

Support costs are allocated to the different activities of the charity based on the proportion of direct costs attributable to the relevant activities, as follows:

- Governance, Finance, IT/Telecoms: split between all activities of the charity in proportion to direct costs of the activities;
- HR/Office Administration costs, Property (Own Use), Other Central costs: split between all activities of the charity except for investment management and non-investment property let to tenants, in proportion to direct costs;
- Depreciation charges: buildings depreciation charges are allocated to 'non-investment properties let in furtherance of charitable purposes' in relation to the physical share of the Dellow Centre let to relevant tenants; the remainder of buildings depreciation and depreciation of other tangible fixed assets is allocated to the activities of the charity (except investment management) in proportion to direct costs.

4 Staff Cost and Employee Benefits

	2022	2021
	£	£
Wages and salaries (inc accrual for unpaid annual leave)	1,233,283	1,093,481
Employers National Insurance contributions (social security costs)	124,797	112,425
Employer's contribution to defined contribution pension schemes	25,942	25,246
Agency staff (including agency fees)	65,681	207,672
Insurance premiums: group life assurance and employee personal accident	4,275	4,369
Termination payments and related fees	-	11,134
Total	1,453,978	1,454,327

No member of the Board of Trustees was paid any remuneration or received any other benefits for their services as a trustee or from an employment with the charity or a related entity during the year (2021: none). No Trustee received reimbursement of expenses incurred for services provided to the charity during the year (2021: none). Details of transactions with connected parties of trustees are disclosed in Note 20.

During the year there were two employees whose total employee benefits fell within the banding £60,000 to £69,999 (2021: one). During the year there was no employee whose total employee benefits fell within the banding £70,000 to £79,999 (2021: one). During the year there was one employee whose total employee benefits fell within the banding £80,000 to £89,999 (2021: none). Employer payments in the year to a defined contribution pension scheme in respect of these employees totalled £3,963 (2020: £1,751).

The key management personnel of the charity consists of the Trustees the Chief Executive and the Leadership Team. Total employee benefits received by the charity's key management personnel (excluding trustees) during the year were £271,812 (2021: £264,526).

5 Staff Numbers

The average monthly head count (number of staff employed) in the twelve month period ending 31 March 2022, analysed between full-time and part-time staff, was:

	2022	2021
Full-time staff	29.7	25.0
Part-time staff	7.6	7.3
Total Average Head Count	37.3	32.3

The average monthly number of full-time equivalent employees in the twelve month period ending 31 March 2022, analysed by activity, was:

Activity	2022	2021
Fundraising, communications, marketing	3.8	4.1
Charitable activities	23.1	19.6
Support, central, investment management	7.7	6.1
Total Average Head Count	34.6	29.8

6 Amounts Payable to the Auditors

	2022 £	2021 £
Audit fee:		
Current Year	13,500	13,500
Prior Year (overprovision)	-	956
Non-audit services	2,900	-
Total	16,400	14,456

No other services were provided by the auditors during the year (2021: none).

7 Tangible Fixed Assets

	Freehold land and buildings in use £	Freehold properties let on long leases £	Office furniture and equipment £	Computer equipment £	Plant and mechanical equipment £	Total £
Cost or 'Fair Value' on incorporation						
Balance at 31 March 2021	5,564,766	300,000	145,501	117,955	300,298	6,428,520
Additions	-	-	1,271	-	-	1,271
Balance at 31 March 2022	5,564,766	300,000	146,772	117,955	300,298	6,429,791
Accumulated Depreciation						
Balance at 31 March 2021	703,352	21,429	80,261	68,982	116,235	990,259
Charge for the year	75,239	2,143	8,363	23,302	30,029	139,076
Balance at 31 March 2022	778,591	23,572	88,624	92,284	146,264	1,129,335
Net book value						
At 31 March 2022	4,786,175	276,428	58,148	25,671	154,034	5,300,456
At 31 March 2021	4,861,414	278,571	65,240	48,973	184,063	5,438,261

'Freehold land and buildings in use' at 31 March 2022 includes £2,000,000 of land that is not depreciated (2021: £2,000,000).

8 Investment Property

	2022 Cost £	2022 Fair Value £	2021 Cost £	2021 Fair Value £
Balance at beginning of the year	1,556,353	4,450,000	1,556,353	4,450,000
Unrealised (loss) on revaluation	-	(270,000)	-	-
Balance at end of the year	1,556,353	4,180,000	1,556,353	4,450,000

The charity's investment property carried at a value of £4,450,000 as at 31 March 2021. In October 2022 the investment property was valued as at 31 March 2022 at £4,180,000. The property has been revalued by an independent valuer, BNP Paribas Real Estate Advisory & Property Management UK Ltd, a professional firm of Chartered Surveyors external to Providence Row with extensive experience in the location and class of property being valued. The independent valuer's report was prepared in accordance with the Royal Institute of Chartered Surveyors' 'RICS Valuation – Global Standards 2021, effective 31st January 2022, the International Valuation Standards and the UK National Supplement 2018, effective 14th January 2019. The valuation was based primarily on the comparable method of valuation having regard to the capital value rates per square foot achieved for similar recent transactions in the area. Appropriate adjustments were made to reflect the strength of location, tenant covenant, prospects for alternative uses, specification and size of the property in relation to comparable evidence. The valuation was checked for reasonableness by capitalising rental income from existing tenants and prospective rental income in relation to vacant units at appropriate net equivalent yield rates.

9 Other investments

	2022 Cost £	2022 Market Value £	2021 Cost £	2021 Market Value £
Unitised investments held within Endowment fund				
Balance at beginning of the year	734,510	825,203	619,592	668,973
Less: Disposals	(145,799)	(145,033)	(274,893)	(396,999)
Add: Acquisitions	141,094	141,094	389,811	389,811
Net gains on revaluation	-	38,114	-	163,418
Balance at end of the year	729,805	859,378	734,510	825,203
Cash deposits at end of the year				
Notice deposits (3 months or less)	543,948	543,948	544,258	544,258
Cash held in Endowment fund (capital account)	21,287	21,287	17,349	17,349
Total cash deposits at end of the year	565,235	565,235	561,607	561,607
Total other investments at end of the year	1,295,040	1,424,613	1,296,117	1,386,810

10 Debtors

	2022	2021
	£	£
Long term debtors (receivable after more than one year)		
Rent deposits held by agents	10,384	10,384
Short term debtors		
Trade debtors	116,959	84,493
Rent deposits held by agents	123,504	63,800
Service Charge deposits held by agents	106,309	77,246
Other debtors (legacies)	-	105,000
Prepayments	32,163	23,230
Accrued income	-	17,351
Staff loans	1,937	67
Total Debtors	391,256	381,571

11 Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Trade creditors	22,108	101,723
Tax and social security	35,779	28,862
Rent deposits held from commercial tenants	11,097	14,354
Grant payments received on account	164,405	38,021
Holiday pay accrual	40,210	43,044
Other accruals	23,519	21,354
Deferred income	130,554	358,298
Total	427,672	605,656

12 Creditors: Amounts Falling Due After More Than One Year

	2022	2021
	£	£
Bank loan	1,000,000	-
Rent deposits held from commercial tenants	10,384	10,384
Total	1,010,384	10,384

13 **Loan**

	2022	2021
	£	£
Amounts falling due within 1 year	-	-
Amounts falling due within 1-2 years	-	-
Amounts falling due within 2-5 years	1,000,000	-
Total	1,000,000	-

The charity took a 5 year loan from Handelsbanken. The loan can be repaid at any time in full or instalments and it must be repaid before September 2026. The loan interest rate is 2% above the sterling base lending of the Bank. The base rate was 1%, increasing to 1.5% on 27th May 2022. During the year the interest paid was £14,877 (2021: £nil).

14 **Deferred Income**

	2022	2021
	£	£
Balance brought forward at 31 March 2021	358,298	179,466
Amounts deferred	431,433	1,300,446
Amounts released	(659,177)	(1,121,614)
Balance carried forward at 31 March 2022	130,554	358,298

15 **Operating Leases**

The table below sets out the future minimum lease payments under non-cancellable operating leases for the periods shown:

	2022	2021
	£	£
Office Equipment		
Within one year	13,086	6,547
In one to two years	21,427	18,832
	34,513	25,379

Lease payments made during the year amounted to £27,555 (2021: £13,547).

16 Endowment Fund

	Balance 1 April 2021 £	Investment managem't fees charged £	Unrealised gains on investments £	Balance 31 March 2022 £
Permanent Endowments				
Endowment fund	811,666	(9,443)	38,114	840,337

The Endowment fund represents investments, the capital of which forms the permanent endowment of the charity; only the income from the investments is available to be used for general charitable purposes (as an addition to unrestricted funds). Income of £18,158 (2021: £22,822) was received during the year.

17 Restricted Income Funds

	Balances 1 April 2021 £	Income £	Expenditure £	Balances 31 March 2022 £
Tangible fixed asset fund: Restricted	2,240,000	-	(56,000)	2,184,000
Advice & Support				
Marie Celeste Samaritan Society: Hospital Discharge Project	1,428	87,300	(86,586)	2,142
Learning Programme				
Big Lottery Fund	-	57,575	(57,575)	-
TGF-Catering TS (Worshipful Company of Fan Makers)	-	5,000	(5,000)	-
Other Activities				
CRF Other	-	1,000	(1,000)	-
The Horners' Company £5k	-	5,000	(5,000)	-
MCSS - R2R Hardship and Personalisation Fund	712	-	(712)	-
Society of the Holly Child Jesus	20,000	-	(20,000)	-
The Prison Opticians Trust	-	1,000	(1,000)	-
Psychotherapy Outreach Fund	-	10,000	(10,000)	-
Morrisons Gardening	-	7,216	(5,023)	2,193
Unum - Gardening	-	5,000	(5,000)	-
The Aldgate Business Partnership Ltd - Welcome Area	-	17,500	(17,500)	-
City of London Justice Rooms Charitable Trust - Employ & Progr	-	2,000	(2,000)	-
Sisters of the Holy Cross Charitable Trust - Welcome area	-	20,000	(20,000)	-
Groundworks Uk - Food programme	-	500	(500)	-
Julia and Hans Rausing - Core costs	-	16,000	(16,000)	-
Henhurst Charitable Trust- Catering	-	600	(600)	-
Vanguard Foundation - funding for Routes to Roots	-	9,838	(9,838)	-
Training & Employment				
Streetsmart	10,024	-	(10,024)	-
City Bridge Trust	1,350	-	(1,350)	-
Souter Charitable Trust	4,000	-	(4,000)	-
East End Community Foundation	6,480	-	(6,480)	-
TGF-Gardening TS (Charlotte Marshall Charitable Trust)	-	1,200	(1,200)	-
TGF-Employability & Progression (Worshipful Co of Drapers)	-	10,000	(10,000)	-
Total Restricted Income Funds	2,283,994	256,729	(352,388)	2,188,335

18 Unrestricted Funds

	Balances 1 April 2021 £	Income £	Expenditure £	Net transfers between funds £	Revaluation Loss £	Balances 31 March 2022 £
Tangible fixed asset fund: Unrestricted	3,198,263	-	(83,078)	1,271	-	3,116,456
Fixed asset fund: Investment Property	1,556,597	-	-	-	-	1,556,597
Revaluation reserve: Investment Property	2,893,403	-	-	-	(270,000)	2,623,403
Cyclical maintenance and repairs fund	-	-	-	300,000	-	300,000
Free Reserves						
Contingency fund: Charity running costs	800,000	-	-	-	-	800,000
General funds	348,184	2,236,128	(1,863,437)	(301,271)	-	419,604
Sub-total: Free Reserves	1,148,184	2,236,128	(1,863,437)	(301,271)	-	1,219,604
Total Unrestricted Funds	8,796,447	2,236,128	(1,946,515)	-	(270,000)	8,816,060

The balances on the unrestricted reserves are made up as follows:

Tangible fixed asset fund: Unrestricted

This fund represents the carrying value of the charity's tangible fixed assets whose original acquisition or costs of construction were financed by unrestricted funds (or where the terms of a restricted grant or donation have been met once the asset has been acquired and the Trustees have accordingly transferred the corresponding amount from restricted funds). This includes part of the carrying value of freehold properties at the charity's main Gunthorpe Street/Wentworth Street site (the Dellow Centre complex) and the Activity Centre at the same site.

Fixed asset fund: Investment Property / Revaluation reserve: Investment Property

These two funds together represent the fair value of the charity's investment property, Sherrington Mews (formerly known as the Gunthorpe Street Workshops).

In accordance with regulations made under the Companies Act 2006 and the requirements of Charities SORP (FRS 102), a separate revaluation reserve is disclosed in relation to revaluation gains on the property, i.e. the difference between (i) the cost of the property when first recognised plus the value of capitalised additions at cost and (ii) the assessed fair value of the property at the end of the reporting period.

Cyclical maintenance and repairs fund

The Trustees have determined that there should be sufficient funds available in the future for major capital repairs to the charity's buildings and planned maintenance and replacement of associated plant and equipment, as well as to provide a contingency reserve for potential major risks such as mechanical breakdown or structural defects impacting on property, plant and equipment.

The Board increased Cyclical maintenance and repairs fund to £300,000.

Contingency fund: Charity running costs

In order to protect the charity against significant unplanned variability in operating cash flow and in particular to prevent disruption of services to beneficiaries in the event of unexpected falls in income levels, the Trustees have set aside a contingency reserve whose value is determined with reference to the following factors:

- Forecasts for future years' income and the level of risk and variability attaching to each category of income;
- The costs of running each of our services and areas of activity, and the degree of commitment or flexibility in relation to each area of expenditure;
- The potential impact of any sudden reduction in income and the minimum time period over which the charity would aim to be able to finance each of our core services in the absence of new external income;

- Changes to the level of commercial risks facing the charity following the acquisition of Sherrington Mews in 2014;
- A contingency for redundancy costs;

The fund was increased to £800,000 in the year ending 31 March 2021 and remains at the same level in the year ending 31 March 2022.

General funds

The General funds together with the Contingency fund (see above) represent the free reserves of the charity, i.e. those unrestricted funds, backed by cash (including cash deposit investments) which have not been designated (or 'earmarked') for a specific short or medium term purpose or otherwise as set out in relation to the remaining designated funds in the section above. The general reserve was £nil at the beginning of the year. Due to a surplus in the year, the general fund has a balance at year end of £419,604.

19 Analysis of Net Assets Between Funds

	Tangible fixed assets £	Investment property £	Other investments £	Current assets less total liabilities £	Total 31 March 2022 £
Endowment Fund	-	-	840,337		840,337
Restricted income funds					
Tangible fixed asset fund: Restricted	2,184,000	-	-	-	2,184,000
Other restricted funds	-	-	-	4,335	4,335
Unrestricted funds					
Tangible fixed asset fund: Unrestricted	3,116,456	-	-	-	3,116,456
Fixed asset fund: Investment Property	-	1,556,597	-	-	1,556,597
Revaluation fund: Investment Property	-	2,623,403	-	-	2,623,403
Cyclical maintenance and repairs	-	-	300,000	-	300,000
Contingency fund	-	-	284,276	515,724	800,000
General funds	-	-	-	419,604	419,604
	5,300,456	4,180,000	1,424,613	939,663	11,844,732

20 Related Party Transactions

During the year the charity received donations from Trustees and related parties (including the Institute of Our Lady of Mercy and Mercy Union Generalate) totalling £14,225 (2021: £7,000). When Providence Row was founded in 1860, it was to the Sisters of Mercy of the Union of Great Britain and the Institute of Our Lady of Mercy that the founder turned to run the operation. Since incorporation in 2011 the Union and the Institute have the right to appoint one trustee each to the Board of Trustees.

Cluttons LLP have been appointed as advisors for the refurbishment of the Day Centre and the development of a buildings strategy. One of our Trustees is employed by Cluttons LLP. To ensure there was no conflict of interest an assessment panel was appointed to oversee the procurement process including interviews of all shortlisted contractors. The panel included a buildings specialist who is external to Providence Row. The project has been overseen by the CEO with progress reports regularly being presented to the full Board of Trustees.

21 Trusts and Foundations' income breakdown

Funder name	Amount
Julia and Hans Rausing	16,000
CHK Foundation	10,000
The Worshipful Company of Fan Makers	10,000
Feltnakers' Charitable Foundation	3,000
Leathersellers' Company Charitable Fund	15,000
Salterns' Charitable Foundation	5,000
Horners' Charity Fund	5,000
29th May 1961 Charitable Trust	6,000
Marie Celeste Samaritan Society	87,330
The National Lottery Community Fund	57,575
Derwent London plc	2,000
Mitchell City of London Charity	2,500
Drapers' Charitable Fund	10,000
City of London Justice Rooms Charitable Trust	2,000
Wheelwrights Charity	491
City Bridge Trust, Oak Foundation and Homeless Link	25,000
Oliver Stanley Charitable Trust	2,000
Sir Harold Hood's Charitable Trust	5,000
The Court of Aldermen's Livery Cloth Grant	1,700
Forrester Family Trust	5,000
The Worshipful Company of Plumbers	1,050
William Arthur Rudd Memorial Trust	2,000
The Albert Hunt Trust	5,000
Enhurst Charitable Trust	600
Sir Halley Stewart Trust	500
Gowling WLG (UK) Charitable Trust	500
Cuckoo Hill Trust	1,000
East End Community Foundation	6,480

We would like to thank the numerous other smaller Charitable Trusts and Foundations that have very kindly supported our work over the 2021/22 financial year. Your support is also incredibly appreciated.

22 2021 comparative SOFA

Statement of Financial Activities for the year ended 31 March 2021 (incorporating an income and expenditure account)

	Notes	Unrestricted Funds	Restricted Funds	Endowment Fund	Total Funds 2021
		£	£	£	£
Donations		537,133	36,944	-	574,077
Legacies		140,765	-	-	140,765
Sub-total: Donations and legacies	2a	677,898	36,944	-	714,842
Charitable activities	2b	1,195,472	382,317	-	1,577,789
Other trading activities	2c	773	-	-	773
Investments	2d	354,531	-	-	354,531
Other	2e	25,000	-	-	25,000
Total income		2,253,674	419,261	-	2,672,935
Expenditure on:					
Raising funds					
Raising donations and legacies		(409,899)	(35,447)	-	(445,346)
Other trading activities		(849)	(73)	-	(922)
Investment management		(192,454)	(4,132)	(8,073)	(204,659)
Sub-total: Raising funds		(603,202)	(39,652)	(8,073)	(650,927)
Charitable activities					
Advice and Support / Resource Centre		(670,609)	(267,350)	-	(937,959)
Recovery and Progression		(254,262)	(118,461)	-	(372,723)
E&T: Trainee Schemes, Food & Garden		(148,458)	(164,709)	-	(313,167)
E&T: Providence Row Bakery		(2,142)	(185)	-	(2,327)
Property let for charitable purposes		(52,096)	(1,634)	-	(53,730)
Sub-total: Charitable activities		(1,127,566)	(552,340)	-	(1,679,906)
Total expenditure	3	(1,730,768)	(591,992)	(8,073)	(2,330,833)
Net income (expenditure) before net gains / (losses) on investments		522,906	(172,731)	(8,073)	342,102
Net (losses) / gains on investments					
Unrealised losses on investment property	8	-	-	-	-
Net (losses) / gains on other investments	9, 15	-	-	163,418	163,418
Net income/(expenditure)		522,906	(172,731)	155,345	505,520
Net movement in funds		522,906	(172,731)	155,345	505,520
Reconciliation of funds					
Total funds brought forward (as previously stated)		8,117,191	2,613,075	656,321	11,386,587
Prior year adjustment	20	156,350	(156,350)	-	-
Total funds brought forward - restated		8,273,541	2,456,725	656,321	11,386,587
Total funds carried forward		8,796,447	2,283,994	811,666	11,892,107

PROVIDENCE ROW

England & Wales - Charity number 1140192

Accounts



HELPING HOMELESS AND VULNERABLE PEOPLE SINCE 1860

Trustees' Annual Report and Financial Statements for the year ended 31 March 2021

Providence Row

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Company number 07452798

Charity number 1140192

E-mail: info@providencerow.org.uk
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/ProvidenceRow

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Bishop Nicholas Hudson
Linda McHugh
Jonathan Rhodes
Richard Solomon (Honorary Treasurer)
Paul Strange

Patron

His Grace the Duke of Norfolk

Honorary Vice Presidents

Fr. Peter Harris
Dr Daniel Regan MBE, OStJ, KSG
Mr Richard Sermon

Chief Executive Officer & Company Secretary

Tom O'Connor

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Letter from our Chair

Welcome to the Annual Report for Providence Row 2020/2021.

I had hoped that we would have moved on from some of the worst aspects of the pandemic at the time of writing this letter. Sadly, the pandemic continues to affect our communities and our daily lives. The hope provided by the vaccines has yet to be fully realised and we move into a seemingly difficult winter. Despite the uncertainty of the last year we have made significant strides in serving the homeless community and continue to look at innovative ways to deliver our services. As at the beginning of the pandemic, we have adapted our services, developed new ones, become a vaccine centre and continued to provide outreach services. Providence Row continues its mission to include everyone and provide services to those who are otherwise hard to reach. A big thank you must go to the staff and volunteers at Providence Row who have been committed and often brave in delivering services in difficult circumstances to those whose lives are already really challenging.

The public, our supporters and donors and the Government's response to the threat of the pandemic on rough sleepers enabled us to fund raise to ensure we continued with our services recognising the vulnerability of this particular group and of course our work continues as the numbers on the street appear to be going up. Tom O'Connor, our CEO, has detailed some of the successes we have had during the last year and how we have built on our existing foundations to put the fundraising strategy on a firm footing to enable us to continue to fund our activities. Furthermore our new CFO has optimised some of our processes to enable Providence Row to be more efficient. As a Board, we have met monthly (rather than quarterly) over the last year to provide support and guidance to the management team and to highlight risks and concerns where they have arisen, ensuring that good governance remains at the heart of the charity.

In closing, I would like to thank all of our supporters and donors; our Patron His Grace the Duke of Norfolk, all of the staff and volunteers at Providence Row and of course my fellow trustees, who continue to provide their expertise and time willingly and with great generosity. Their support for me and the management team of Providence Row enhances our governance, an increasingly important aspect of the role of a charity. The debt owed to the Sisters of Mercy, who founded Providence Row with Monsignor Gilbert, remains unquantifiable.

emcanning
emcanning (Nov 3, 2021 18:32 GMT)

Elizabeth Canning

Chair of Trustees – October 2021.

Message from our CEO

Dear Friends,

The world has changed over the last year and so has Providence Row. Our clients are among the most vulnerable people in society and faced considerable additional risks from the beginning of the pandemic. Many have serious physical and mental health conditions and needed increased support and connection with communities whilst services were being forced to close or move online.

As the country faced lock downs and restrictions we confronted immediate challenges about how to provide the services our clients needed, and how to raise the necessary funds when many of our income sources were no longer available to us.

Looking back I am proud of what Providence Row was able to achieve during those challenging months. All our services were transformed very quickly to ensure essential support was maintained and increased. A new funding strategy with enhanced online marketing was implemented which produced a great response enabling us to exceed the income targets we had set.

The challenges of the pandemic for our clients led us into new areas of work as well as requiring changes to our core service provision. This included (I think for the first time in 161 years!) running 3 hotels in London for rough sleepers. Our guests were enabled to self-isolate in a safe and secure environment and received regular nutritious meals. Tailored recovery plans were also developed for each individual and I am delighted to report that more than 100 people from our hotels who had been rough sleeping are now in longer term accommodation and continuing their journey to recovery. So much to celebrate!

The last year also brought great sadness to the Providence Row community. Many of our clients, some of whom we knew for many years and others recently introduced to us, did not survive the pandemic. Their memory inspires us with new resolve to serve those who are still with us.

Providence Row is now stronger and more resilient. As you read our financial accounts you will see that investment in new fundraising and financial management strategies has begun to show dividends. And whilst we remain cautious during these uncertain times, we are confident that we shall continue to adapt and provide the services our clients need for many years to come.

Especially this year I would like to thank the excellent team of colleagues I work with. Their professionalism, courage, generosity and commitment to our clients has been exemplary and humbling.

We look ahead determined to address the challenges now before us with new rough sleepers arriving on the streets, more people without recourse to public funds facing a dangerous and uncertain future, and the sometimes hidden scourge of substance misuse continuing to damage the prospects of the most vulnerable. With your support we will be there and accompany them as they find new hope and the determination to begin again.

I am extremely grateful to all our generous donors, supporters and volunteers for your terrific ongoing support. Thank you for staying with us and enabling us to continue our mission.

toconnor

toconnor (Nov 3, 2021 15:56 GMT)

Tom O'Connor
CEO

ABOUT US

Vision

Everyone has a safe home and a community in which to belong.

Mission

To support and accompany more people who are homeless or at risk of homelessness on their journey to recovery, especially those who are most vulnerable and least likely to access services elsewhere.

To offer a range of services that support people from times of crisis through to when support is no longer needed.

Our values

- Compassion
- Empowerment
- Inclusiveness
- Justice
- Respect

Why we are needed

On any given night in England 202,300 families and individuals experienced homelessness in 2020. This is a rate of 1 in 185 of us*. There were 2,688 people estimated to be sleeping rough on a single night in Autumn 2020. 44 % of the estimated 714 people sleeping rough on a single night were in London and the South East.

The ongoing homelessness crisis is caused by:

- Isolation
- Substance misuse
- Relationship breakdown
- Criminal record
- Mental and physical health issues
- Lack of affordable housing
- Welfare reform
- Literacy and numeracy challenges

*Crisis, 2020.

**Ministry of Housing, Communities & Local Government Rough Sleeping Statistics Autumn 2019, England (25 February 2021)

OUR PLANS FOR THE FUTURE – BUILDING A COMMUNITY OF SUPPORT

Providence Row wants to address the root causes of homelessness, and to achieve this, we believe it is essential to ensure that people are connected to and belong within communities.

Our Five Year Strategy (2019-2024) sets our key objective to build an inviting and welcoming community in which people experience acceptance and a sense of belonging. Ensuring this warm welcome will be core to all services we offer. People will be supported to move on from our services when they are ready and will always be welcomed back and offered ongoing support.

Our community of support will help people to address the isolation and loneliness that can prevent their sustained recovery. We shall support them to participate in their current communities, to connect with new communities and to build confidence in their own talent and skills.

Our priorities:

1. Growing our services to meet increasing needs
2. Going out into the community to reach those in need and provide services
3. Working with the whole person and tailoring support to individuals
4. Complementing and working in partnership with other agencies
5. Inspiring excellence in our staff and volunteers
6. Building a robust infrastructure to support our work
7. Generating income to achieve our vision

The scandal of homelessness continues in our communities and Providence Row is determined to reflect our deeply held belief that everyone should be treated with dignity and respect. We are now very well placed to accompany many more people on their path to recovery and a brighter future away from the streets. As we move out of the pandemic we shall review our priorities to ensure we continue responding to the needs of those who are most vulnerable and support them on their journey to long term recovery.

ACHIEVEMENTS AND HIGHLIGHTS FOR THE YEAR

2020 saw the world change as a result of the Covid-19 pandemic. As we entered 2021, the UK remained one of the hardest hit countries in the world.

Whilst the pandemic continued and homeless services started closing throughout the country and in London, Providence Row was one of the last Day Centres open in the capital. Eventually, the Centre had to close on 23rd March 2020 and it was only in August 2020 that we could open our gates again and offer some limited support to our clients.

With the Centre closed, we adapted our services and staff team to refocus all our resources to ensure that rough sleepers, who are particularly vulnerable to Covid-19, could be safely housed and self-isolate. Staff were almost immediately set up to work remotely and began supporting clients from home with welfare calls and essential food delivery.

On the 27th March 2020, the Government issued a directive to Local Authorities to bring all rough sleepers off the streets and into emergency accommodation as a life saving measure so that individuals could self-isolate, socially distance, and minimise the risk and spread of infection.

Under the 'Everyone In' directive and the Localism Act, Councils placed all rough sleepers into accommodation irrespective of eligibility or local connection. We worked with Tower Hamlets Local Authority to house as many vulnerable clients as possible and ensure that they would be safe during the height of the pandemic.

During the second and third lock downs we managed to keep the Day Centre open initially operating outreach services and finally reopening to clients at the end of 2020.

HOW WE RESPONDED TO THE PANDEMIC

As part of the 'Everyone in' initiative, we worked with Tower Hamlets Local Authority and other partners and managed three hotels providing support to 83 rough-sleepers at any one time during much of the pandemic.

We helped 122 individual rough sleepers access accommodation so they could isolate, and receive food, hygiene packs and vital additional support through GP referrals and our mental health and addiction services.

Our Advice and Support (AST) Team helped 188 clients access additional support including securing accommodation; applying for benefits, ID documents and EU settled status; health referrals; and additional mental health and addiction support.

Approximately 500 clients received regular Wellbeing Packs from the beginning of the pandemic keeping them informed and including activities to stay mentally and physically active.

Our Reset Outreach and Referral Service helped 521 clients through advice, support and ensuring they took their medication and attended medical appointments. 168 clients were referred for structured treatment, 45 of whom were vulnerable women, with 99 treatment starts. The team completed 1,758 recorded actions around harm reduction, handed out over 10,000 pieces of needle exchange kit to local hostels, hotels and rough sleepers. This included providing 93 Naloxone Kits overdose reversal kits and training people on the safe use of these. Those that were not referred into treatment continued receiving support so they could get closer to accepting help and also received harm minimisation support and assistance to reduce their drug use and access recovery groups.

Our Wellbeing Team supported 119 of our most vulnerable clients via regular welfare phone calls to ensure they received the support they required. 67 clients experiencing anxiety and distress and who were particularly vulnerable during the pandemic also received regular mental health support.

Our Outreach Psychotherapist and Counsellor supported 48 rough-sleepers experiencing trauma, depression and anxiety due to past experiences exacerbated by COVID-19. All clients accessed accommodation, addiction services, GP appointments and/or re-connected with family.

Our Routes to Roots hospital discharge team received referrals for 137 patients, many of whom were 'shielding'. These clients were supported to avoid homelessness following treatment and provided with food, hygiene packs, regular welfare checks and many received individualised welcome packs to help settle into their new homes.

Since October 2020 our Food Programme has delivered two nutritious meals per day to homeless people in hotels/hostels across Tower Hamlets and provided take away meals from our Day Centre courtyard for rough sleepers. As of the 31st March 2021, 324 individuals had received a total of 14,768 meals.

Since March 2021 Providence Row in partnership with Tower Hamlets Local Authority and the GP Care Group has been operating as a vaccination hub.

We have been acting as a homeless vaccination hub and have vaccinated 70 individuals.

We resumed our health provisions for rough sleepers including mobile dental care, TB screenings, onsite needle exchange and harm reduction services and sexual health and blood born viruses.

OUR SUPPORTERS AND FUNDERS

Providence Row's work is made possible by our fantastic community of staff, supporters, funders and volunteers.

Our Staff

During the year the charity employed an average of 32.3 staff (average monthly headcount), of whom 7.3 were part-time staff (2020: 36.2 average monthly headcount, of whom 7.7 were part-time).

Our Supporters and Funders

Our supporters are our lifeblood; whether it's a regular gift, a one-off donation or fundraising activities, every single pound donated is much needed and very much appreciated.

Our Volunteers

Volunteers are at the heart of our work and provide essential support for service provision. Our volunteering and peer mentoring project:

- Helps the clients we work with meet new people and build skills, confidence and a new network of friends.
- Creates a welcoming, safe place for people experiencing high levels of loneliness and isolation.
- Gives people the chance to learn about homelessness, breaking down misconceptions and helping to build relationships with the local community.

During the financial year 2020-2021 Q2-Q4, we remotely trained 8 peer mentors (people who have themselves experienced homelessness, substance misuse and mental health issues). We had to suspend training during Q1 due to COVID-19 and successfully moved to an online delivery.

4 of the 8 trainees moved into paid employment, and 4 are moving on to further training and volunteering opportunities in other organisations or awaiting for a placement within Providence Row. Our peer mentors truly represent a positive recovery model for clients.

We also recruited and trained over 25 community volunteers helping mainly with the food poverty project and gardening scheme which has connected many who were experiencing isolation with a community of support.

We have retained 6 of our pre-Covid volunteers to supporting our community gazette /newsletter project producing 20 editions to date. This is distributed across Tower Hamlets to over 20 homeless centres, potentially reaching out over 100 clients/readers.

We successfully continued our partnership with King's College University of London, which provided 3 interns who offered volunteering time across our fundraising and marketing team throughout the year.

Our charity is governed by a committed board of Trustees who generously give their time and expertise to ensure good governance.

Companies

We are incredibly grateful for the support of our company partners who fundraised £221,552 for us during this challenging year through a range of virtual events, activities and grants. In particular we would like to thank our long standing strategic partners Natixis Investment Managers and Reed Smith.

We would also like to thank Hiscox and Bank of America for their significant contributions in their final year of partnership with us.

Trusts and Foundations

Our private and institutional grant makers are a vital source of committed multi-year funding that allows us to plan ahead for our programmes and services. We received an extraordinary £611,346 worth of grants during the year in response to the pandemic. Thanks to the generosity of the Trusts and Foundations that supported us this year we were able to be there for our clients in one of the most challenging years Providence Row has seen since it was founded in 1860. The list of Trust and Foundations that supported us is within Note 20.

Communities

Thanks to continued support from a number of community groups we raised £44,100. Our supporters in the community include: The Sisters of Mercy, St. Mary Moorfields church, as well as other religious and non-religious groups and schools.

Legacy

We received £140,765 in legacy income. We are immensely grateful to those who have so generously supported us in their will.

Individuals

Our individual donors have once again made a crucial difference to the lives of the people we support. Thanks to the support of individual givers we raised £156,103. This include an extremely generous donation of £50,000 from an anonymous donor.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure of the charity

Providence Row is a private company limited by guarantee and not having a share capital, and was incorporated on 26 November 2010 (company number 07452798). It was registered as a charity on 2 February 2011 (charity number 1140192). Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454), which was originally established in 1860. The directors of Providence Row are its trustees for the purposes of charity law. Providence Row became operational as an incorporated charitable company on 1 April 2011 and on the same date a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC.

Governance

The Memorandum of Association and Articles of Association of Providence Row form the governing documents of the charity. Providence Row is governed by a Board of Trustees, which is made up of:

- up to four Nominated Trustees
- up to six Elected Trustees
- up to four Appointed Trustees

Nominated Trustees are nominated to serve on the Board by the Catholic Archbishop of Westminster (two Trustees), the Superior General of the Union of the Sisters of Mercy (one Trustee) and the Congregational Leader of the Institute of Our Lady of Mercy (one Trustee) and their appointment is subject to approval by the Trustees. Nominated Trustees serve for three year renewable terms.

Elected Trustees must be appointed at the annual general meeting by means of election by those qualified to vote at the meeting. One third of Elected Trustees must retire by rotation at the annual

general meeting, those who have been longest in office since their last appointment or re-appointment being subject to retirement by rotation.

Appointed Trustees are appointed for a renewable term of three years by a decision of the Trustees.

The Trustees may appoint one of their number to be the Chair of the Trustees for such a term of office as they determine and may at any time remove him or her from that office. The Chief Executive Officer has been appointed as the Secretary to the charity. Trustees review the skills and experience of the Board members annually and have adopted the NCVO Code of Good Governance. The Trustees may at their discretion establish procedures and criteria for inviting individual donors to become 'Associate members' of the charity with the right to vote at the annual general meeting. There are currently no 'Associate members' qualified to vote at the 2021 annual general meeting.

ORGANISATIONAL STRUCTURE, MANAGEMENT AND KEY RELATIONSHIPS

Prior to the outbreak of Covid 19 the Board of Trustees met quarterly. Since then the full Board has met monthly to review risks, to hold oversight of our strategic response and to monitor financial performance. This monthly meeting pattern will continue during 2021/22 given ongoing uncertainty in the external environment.

The Remuneration Committee meets annually to consider the recommendations of the Chief Executive in relation to staff remuneration. The remuneration of the Chief Executive is considered separately by the Remuneration Committee in the absence of the Chief Executive. External market benchmarks are taken into consideration in relation to all staff remuneration decisions, focussing on pay levels in other providers of a similar nature, geographical location and size. The Remuneration Committee submits its recommendations to the Board for approval.

The Chief Executive attends meetings of the Board of Trustees (with other senior staff as appropriate) and submits for approval the strategic plan and the annual budget. The Chief Executive and the leadership team report regularly to the Trustees on the implementation of the strategy and performance against the budget.

In accordance with charity law, decisions relating to disposals of land (including sales, leases, grants of easements and releases of rights of light) are made by the Trustees following the procedures set down in the Charities Act, statutory regulation and guidance issued by the Charity Commission. The Board of Trustees determines the charity's reserves policy.

The Chief Executive has formed a Leadership Team including the Director of Services, the Director of Finance and the Director of Fundraising and Marketing. The role of the Leadership Team is to assist the Chief Executive in implementing the strategic plan within the approved annual budget.

The charity has an ongoing relationship with Providence Row Housing Association (PRHA) which was established by Providence Row in 1970 to provide residential accommodation. PRHA is now fully independent of Providence Row and leases part of the Dellow Centre property, consisting of offices and 58 units of accommodation, which it manages as a hostel funded by the London Borough of Tower Hamlets.

The charity's other key relationships include the Sisters of Mercy (the Union of the Sisters of Mercy of Great Britain and the Institute of Our Lady of Mercy), the London Borough of Tower Hamlets and the Corporation of the City of London. The relationship with the Sisters of Mercy is a formal arrangement with powers to nominate Trustees to the Board. The charity is very grateful for the continued support of the Sisters of Mercy and committed to ensuring that the legacy of the Sisters is reflected in the ongoing work of the charity for the long term. In addition, the charity works with a range of other charities, agencies and partners.

FINANCIAL SUMMARY 2020/21

Overview of results

The charity recorded a surplus of £342,102 before net unrealised gain on investments of £163,418. This compares to a deficit of £392,509 before net unrealised loss on investments of £103,411 and net unrealised loss on investment property revaluation £320,244 in 2019/20.

Income

Total income for 2020/21 was £2,672,935 (2019/20: £1,846,548).

Income	2020/21		2019/20	
	£'000	% of total	£'000	% of total
Donations	565.8	21.2%	355.2	19.2%
Donated goods, facilities and services	8.3	0.3%	1.9	0.1%
Legacies	140.8	5.3%	34.5	1.9%
Charitable activities (see below)	1,577.8	59.0%	1,032.9	55.9%
Other trading activities	0.7	0.0%	20.3	1.1%
Investment income	354.5	13.3%	376.7	20.4%
Other income	25.0	0.9%	25.0	1.4%
Total	2,672.9	100.0%	1,846.5	100.0%

Income from charitable activities	2020/21		2019/20	
	£'000	% of total	£'000	% of total
Local authority contracts	739.4	46.9%	510.6	49.4%
Performance related grants	467.3	29.6%	273.9	26.6%
Bakery sales	-	0.0%	20.4	2.0%
Rents from the Dellow Centre leases	371.1	23.5%	228.0	22.0%
Other	-	-	-	-
Total	1,577.8	100.0%	1,032.9	100.0%

Total income in the year increased by £826,387 (44.8%) on the previous year (2019/20: £1,846,547). This increased income is a consequence of the investment made in a new fundraising strategy, increased services provision established during the pandemic, improved processes for ensuring full cost recovery and improved returns from the Endowment Fund

Expenditure

Total expenditure for 2020/21 was £2,330,833 (2019/20: £2,239,056), an increase of £91,777 (4.1%).

Expenditure	2020/21		2019/20	
	£'000	% of total	£'000	% of total
Costs of raising donations and legacies	445.3	19.1%	461.3	20.6%
Costs of other trading activities	0.9	(0.0)	5.8	0.2%
Costs of investment management	204.7	8.8%	149.4	6.7%
Charitable activities (see below)	1,679.9	72.1%	1,622.5	72.5%
Other costs	-	-	-	-
Total	2,330.8	100.0%	2,239.0	100.0%

Expenditure on charitable activities	2020/21		2019/20	
	£'000	% of total	£'000	% of total
Advice and Support / Resource Centre	938.0	55.8%	828.2	51.0%
Recovery and Progression	372.7	22.2%	493.2	30.4%
Trainee Schemes, Food & Garden	313.2	18.6%	220.0	13.6%
Providence Row Bakery	2.3	0.1%	57.2	3.5%
Non-investment properties let in furtherance of charitable purposes	53.7	3.3%	23.9	1.5%
Total	1,679.9	100.0%	1,622.5	100.0%

Changes in requirements for staffing during the pandemic and improved cost management ensured that total costs increased just marginally on the previous year.

FINANCIAL REVIEW

Investment policy and objectives

The charity's appetite for risk in relation to the Endowment Fund reflects the long-term nature of the charity's investment horizon. The Endowment Fund exists to generate sustainable income in perpetuity. For this reason, the Endowment Fund is focused on a diversified portfolio of unitised equity related investments, managed by the charity's investment advisors. The primary objective of the investment strategy is to preserve the long-term real value of the charity's permanent endowment, whilst providing a good level of income which may be deployed by the charity to further its objectives. The Trustees apply a policy of 'Responsible Investment' and we expect our investment managers to engage with companies on social, environmental and business ethics issues and to exercise voting rights in line with the policy. The Trustees have decided not to take an exclusionary approach to particular categories of investment.

The greater part of the charity's investible cash resources, which are outside the Endowment Fund, are managed by its investment advisors. Due to the prevailing market environment of recent years it has become increasingly difficult to make cash deposits on terms other than 'instant access' or up to 30 days' notice, and the financial rewards for doing so are also limited. The charity does not hold any cash deposits with maturities in excess of 30 days, and has instructed its investment advisors to adopt a cautious approach, investing our resources across a number of different banking institutions with investment grade credit ratings and, in the case of overseas or offshore deposit takers, benefiting from a full guarantee from a UK parent bank with a credit rating of at least A- (Fitch/S&P).

Investment performance against objectives

Over the 12-month period to 31 March 2021, the charity's Endowment Fund generated an overall positive return of £178,167 (2019/20: negative return of £90,472), incorporating investment income of £22,822, net unrealised gain of £163,418 and management fees of £8,073.

The charity's managed cash deposit portfolio generated interest income in the year of £397 (2019/20: £341). In view of the continuing low interest rate environment, the charity expects its interest income to remain at a similarly low level over the coming year.

The charity's investment property generated total income (rent and service charge) of £330,748 during the year, a decrease of 6% over the comparative figure for 2019/20 of £352,374. Rental income was £246,994 (2019/20: £265,386). Direct costs of investment property management in 2020/21 (before allocated support costs) totalled £191,093 (2019/20: £119,476).

Principal risks and risk management

The Trustees have considered and reviewed the major risks to which the charity is exposed and are satisfied that systems and procedures have been established to manage these risks. The risks identified and reviewed are those which, if they occurred, would have a major impact on some or all of the following areas: governance; operations; finances; environmental or external factors such as public opinion or relationships with funders; compliance with law and regulation.

The Chief Executive together with the Leadership Team produces a risk register for the organisation and reports to the Board of Trustees on a quarterly basis the major risks to the organisation which have been identified, and on measures in place (or planned) in order to manage and mitigate those risks.

We recognise that in our work we are exposed to significant risks relating to the safeguarding of vulnerable adults, and a failure to respond to changes in the external environment could endanger lives as well as our reputation. To manage this risk, procedures are in place in respect of both staff and clients. These processes are included in a range of policies, in particular: Safeguarding Adults; Health and Safety; Fire Safety; Personal Safety, and Lone Working.

In common with other charities the impact of Covid 19 continues to represent a risk to the work of Providence Row. Economic uncertainty is a potential threat to income at a time when the needs of homeless people are increasing and Local Authorities funds are under pressure. The Board and the Leadership Team are carefully monitoring the changing environment in which we are working.

In mitigation investment over the last three years in a new fundraising strategy to generate sustainable funds from a wider range of income streams is showing expected returns. We have also quickly adapted our fundraising strategy since Covid 19 with a major move towards online engagement which is showing better than anticipated returns to date.

Public Health England has approved our risk assessment which has enabled the limited return of additional staff and further services to the Day Centre. The safety of staff and clients will continue to be our highest priority, and we shall regularly update our risk assessment as required.

The charity's largest single source of recurring (contractual) income is currently from the London Borough of Tower Hamlets. Local Authority budgets continue to be placed under considerable pressure by public sector financing constraints. Uncertainty about future levels of Local Authority contract and grant income and hostel funding still represent a key risk for the charity. In order to address this risk, we continue to increase our capacity and experience in public sector tendering, impact monitoring and reporting and generation of income from a wide variety of sources. As a result, the Trustees consider that the risk to the charity of a large reduction in Local Authority contract income has been mitigated in the short to medium term, although they remain conscious that this risk to the charity's operations is high beyond the periods covered by current contracts. Trustees also note that long term contracts are now in place for the major services funded by Tower Hamlets Local Authority (AST and RESET).

Income from voluntary sources including individuals, communities, trusts and companies makes up over a third of our annual income (excluding legacies). The Trustees recognise that the current fundraising climate is very challenging, with increased competition for funds, and a new generation of donors whose giving habits are changing.

The charity owns a number of property assets, and the ownership and management of these properties involves a number of risks:

- The charity's main premises, the Dellow Centre complex, is a substantial purpose-built property on the Gunthorpe Street / Wentworth Street site owned by the charity, and the effective management of this and of the charity's Activity Centre on the same site represents a considerable operational and financial commitment. In particular, as it is now over 20 years since the Dellow Centre was originally constructed, we have plans to invest in improvements to the building.
- Providence Row's investment property, Sherrington Mews, is a commercial property containing twelve light industrial and office units immediately adjacent to the Dellow Centre. The property represents a source of income and in order to ensure that the investment holds its value and to maximise rental income Providence Row has appointed a professional letting agent to manage the property on its behalf. The Trustees closely monitor the management of Sherrington Mews.

Sherrington Mews was valued in January 2020. However the coronavirus pandemic was declared in March 2020, shortly before the end of the charity's financial year. Consequently, the property was valued again in November 2020. Trustees are satisfied that the latest valuation is a fair representation at 31st March 2021.

REVIEW OF RESERVES AND RESERVES POLICY

Providence Row reviews its reserves policy regularly in line with its evolving strategic outlook and operating environment and in order to ensure that the policy continues to reflect the underlying risks facing the charity and the level of reserves judged necessary to protect its core services to clients and to safeguard its long-term sustainability and independence.

Providence Row holds restricted funds (or 'special trusts') in accordance with donors' express requirements and the terms of grants or appeals. In addition, the charity has established designated (unrestricted) funds for planned future requirements in accordance with the strategic plan and three year financial forecasts. The creation of a designated fund does not legally restrict the Trustees' discretion in how to apply the unrestricted funds that have been earmarked.

As at 31 March 2021 the charity held total funds of £11,892,107 (2020: £11,386,587), comprising the restricted endowment fund, restricted income funds and unrestricted funds.

The Trustees have determined that the previously agreed medium-term target level of free reserves of £1,000,000 should remain. At 31 March 2021, the actual level of free reserves (including the contingency fund) was £1,148,184, (2020: £502,937 – restated from £346,588).

The Trustees will continue to review the target level of free reserves annually to take into account changing circumstances, revised financial forecasts and evolving challenges and opportunities facing the charity. The target level of free reserves may therefore change over time.

Movements on the funds held by the charity during the period under review and an analysis of the charity's net assets between the funds held are summarised in notes 15 to 18 to the financial statements.

Going concern

Given all the factors above the Trustees remain confident in Providence Row as a going concern. We shall continue closely to monitor financial performance during the extended period of uncertainty caused by the Covid 19 pandemic.

TRUSTEES' RESPONSIBILITIES STATEMENT

The law applicable to charities in England and Wales requires the Trustees to prepare the annual report and financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

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

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and enable them to ascertain the financial position of the charity and ensure that the financial statements comply with the Companies Act 2006. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are not aware of any relevant audit information that has not been disclosed to the charity's auditors. The Trustees have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Mazars LLP acted as auditors during the period under review and have signified their willingness to continue in office. A resolution proposing their re-appointment will be put to the annual general meeting.

These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime.

Approved by the Trustees on 26 October 2021 and signed on their behalf by

emcanning
emcanning (Nov 3, 2021 18:32 GMT)
.....
Elizabeth Canning – Chair

Richard Solomon
Richard Solomon (Nov 3, 2021 18:44 GMT)
.....
Richard Solomon – Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROVIDENCE ROW

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its surplus 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 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 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 directors 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 within the annual report. Our opinion on the financial statements does not cover the other

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of Providence Row and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to loss reserves, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

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

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

Use of the audit report

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

Signed: 
Stephen Mills (Nov 19, 2021 11:22 GMT)

Stephen Mills (Senior Statutory Auditor) For and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: 19-Nov-2021

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2021

(incorporating an income and expenditure account)

	Notes	Unrestricted Funds	Restricted Funds	Endowment Fund	Total Funds 2021	Unrestricted Funds Restated	Restricted Funds Restated	Endowment Fund Restated	Total Funds 2020 Restated
		£	£	£	£	£	£	£	£
Income from:									
Donations		537,133	36,944	-	574,077	289,363	67,767	-	357,130
Legacies		140,765	-	-	140,765	34,507	-	-	34,507
Sub-total: Donations and legacies	2a	677,898	36,944	-	714,842	323,870	67,767	-	391,638
Charitable activities	2b	1,195,472	382,317	-	1,577,789	764,134	268,744	-	1,032,878
Other trading activities	2c	773	-	-	773	20,339	-	-	20,339
Investments	2d	354,531	-	-	354,531	376,693	-	-	376,693
Other	2e	25,000	-	-	25,000	25,000	-	-	25,000
						0	-	-	
Total income		2,253,674	419,261	-	2,672,935	1,510,036	336,511	-	1,846,548
Expenditure on:									
Raising funds									
Raising donations and legacies		(409,899)	(35,447)	-	(445,346)	(448,967)	(12,320)	-	(461,287)
Other trading activities		(849)	(73)	-	(922)	(5,659)	(160)	-	(5,819)
Investment management		(192,454)	(4,132)	(8,073)	(204,659)	(138,839)	-	(10,570)	(149,409)
Sub-total: Raising funds		(603,202)	(39,652)	(8,073)	(650,927)	(593,465)	(12,480)	(10,570)	(616,515)
Charitable activities									
Advice and Support / Resource Centre		(670,609)	(267,350)	-	(937,959)	(709,978)	(118,265)	-	(828,243)
Recovery and Progression		(254,262)	(118,461)	-	(372,723)	(331,630)	(161,562)	-	(493,192)
E&T: Trainee Schemes, Food & Garden		(148,458)	(164,709)	-	(313,167)	(165,501)	(54,528)	-	(220,029)
E&T: Providence Row Bakery		(2,142)	(185)	-	(2,327)	(35,016)	(22,142)	-	(57,158)
Property let for charitable purposes		(52,096)	(1,634)	-	(53,730)	(23,915)	(4)	-	(23,919)
Sub-total: Charitable activities		(1,127,566)	(552,340)	-	(1,679,906)	(1,266,040)	(356,501)	-	(1,622,541)
Total expenditure	3	(1,730,768)	(591,992)	(8,073)	(2,330,833)	(1,859,505)	(368,981)	(10,570)	(2,239,056)
Net income/(expenditure) before net gains/(losses) on investments		522,906	(172,731)	(8,073)	342,102	(349,469)	(32,470)	(10,570)	(392,509)
Net gains/(losses) on investments									
Unrealised losses on investment property	8	-	-	-	-	(320,244)	-	-	(320,244)
Net gains/(losses) on other investments	9, 15	-	-	163,418	163,418	-	-	(103,411)	(103,411)
Net income/(expenditure)		522,906	(172,731)	155,345	505,520	(669,713)	(32,470)	(113,981)	(816,164)
Net movement in funds		522,906	(172,731)	155,345	505,520	(669,713)	(32,470)	(113,981)	(816,164)
Reconciliation of funds									
Total funds brought forward (as previously stated)		8,117,191	2,613,075	656,321	11,386,587	8,781,252	2,651,197	770,302	12,202,751
Prior year adjustment	20	156,350	(156,350)	-	-	162,002	(162,002)	-	-
Total funds brought forward - restated		8,273,541	2,456,725	656,321	11,386,587	8,943,254	2,489,195	770,302	12,202,751
Total funds carried forward		8,796,447	2,283,994	811,666	11,892,107	8,273,541	2,456,725	656,321	11,386,587

All of the above results relate to continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities above. Movements in funds are disclosed in Notes 15 to 18 of the financial statements.

Registered company number: 07452798
Charity number: 1140192

BALANCE SHEET

As at 31 March 2021

	NOTES	Total funds 2021		Total funds 2020	
		£	£	£	£
					Restated
Fixed Assets					
Tangible fixed assets	7		5,438,261		5,534,487
Investment property	8		4,450,000		4,450,000
Other Investments	9		1,386,810		1,222,938
Total Fixed Assets			11,275,071		11,207,425
Current Assets					
Debtors	10		381,571		487,328
Cash at bank and in hand			851,503		133,789
Total Current Assets			1,233,074		621,117
Liabilities					
Creditors: Amounts falling due within one year	11,13		(605,656)		(393,314)
Net Current Assets			627,419		227,803
Total Assets less Current Liabilities			11,902,491		11,435,228
Creditors falling due after more than one year	12		(10,384)		(48,641)
Total Net Assets	18		<u>11,892,107</u>		<u>11,386,587</u>
The Funds of the Charity					
Endowment Fund	15		811,666		656,321
Restricted Income Funds	16				
Tangible fixed asset fund: Restricted			2,240,000		2,296,000
Other restricted income funds			43,994		160,725
			2,283,994		2,456,725
Unrestricted Funds	17				
Tangible fixed asset fund: Unrestricted			3,198,263		3,238,488
Fixed asset fund: Investment Property			1,556,597		1,556,597
Revaluation Reserve: Investment Property			2,893,403		2,893,403
Cyclical Maintenance and repairs fund			-		19,049
Other designated reserves			-		63,067
Free Reserves					
Contingency fund: Charity running costs			800,000		502,937
General Funds			348,184		-
Total Free Reserves			1,148,184		502,937
			8,796,447		8,273,541
Total Charity Funds	18		<u>11,892,107</u>		<u>11,386,587</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 21 to 45 were approved by the Board of Trustees on 26 October 2021 and signed on its behalf by:

emcanning

emcanning (Nov 3, 2021 18:32 GMT)

Elizabeth Canning – Chair

Richard Solomon

Richard Solomon (Nov 3, 2021 18:44 GMT)

Richard Solomon – Honorary Treasurer

The notes on pages 24 to 45 form an integral part of these financial statements

STATEMENT OF THE CASHFLOWS

For the year ended 31 March 2021

	Notes	Total Funds 2021 £	Total Funds 2020 £
a) Reconciliation of net expenditure to net cash flow from operating activities			
Net income/(expenditure) for the year (as per the statement of financial activities)		505,520	(816,164)
Adjustments for:			
Depreciation charges	3,7	136,461	127,239
Unrealised loss on investment property	8	-	320,244
Net losses / (gains) on other investments	9	(163,418)	103,411
Other non-cash Income		-	(2,176)
Dividends, interest and rents from investments per the SOFA		(354,531)	(376,693)
Investment management costs per the SOFA		204,659	149,409
Decrease in debtors (operating activities)		105,757	170,627
Increase in creditors (operating activities)		174,084	80,948
Net cash provided by /(used in) operating activities		608,531	(243,156)
b) Statement of Cash Flows			
Net cash provided by/(used in) operating activities		608,531	(243,156)
Cash flows from investing activities:			
Dividends, interest and rents from investments per the SOFA		354,531	376,693
Investment management costs per the SOFA		(204,659)	(149,409)
Purchase of property, plant and equipment	7	(40,235)	(72,670)
Disposal of property, plant and equipment	7	-	12,888
Purchase of investments	9	(389,811)	-
Disposal of investments	9	396,999	-
Net cash provided by investing activities		116,825	167,502
Change in cash and cash equivalents in the year		725,356	(75,654)
Cash and cash equivalents at the beginning of the year		687,754	763,408
Cash and cash equivalents at the end of the year		1,413,110	687,754
c) Analysis of Cash and Cash Equivalents			
Cash at bank and in hand		851,503	133,789
Investments: Notice deposits (3 months or less)	9	544,258	543,807
Investments: Cash held in endowment fund (capital)	9	17,349	10,159
Total cash and cash equivalents		1,413,110	687,754

Notes to the Financial Statements For the year ended 31 March 2021

1 Accounting Policies

a. Basis of accounting

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of investments or as otherwise stated in the relevant accounting policy notes. There are no material uncertainties about Providence Row's ability to continue as a going concern. Providence Row is a public benefit entity.

The financial statements have been prepared in accordance with:

- The reporting requirements of the Companies Act 2006;
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (Charities SORP (FRS 102)), issued by the Charity Commission and the Office of the Scottish Charity Regulator in 2014 in their role as the joint SORP-making body and applicable to the financial statements of relevant charities for reporting periods beginning on or after 1 January 2015.

Incorporation and transfer of charitable undertaking at 31 March 2011

Providence Row was incorporated on 26 November 2010. Providence Row is the corporate successor to the unincorporated charity known as Providence Row Charity (PRC) (charity number 207454). (PRC was known as 'Providence Row Night Refuge and Home' until it changed its name on 21 January 2003.) With the exception of funds held on permanent endowment, the assets, liabilities, employees, operations and activities of PRC were transferred to Providence Row with effect from midnight on 31 March 2011. Providence Row became operational as an incorporated charitable company on 1 April 2011.

Also, on 1 April 2011 a Charity Commission Scheme appointed Providence Row as the sole trustee of PRC. PRC continues in existence to hold the charity's permanent endowment and to receive any legacies bequeathed to PRC after 31 March 2011. Although PRC continues to hold legal title to the Endowment

Fund assets, from an accounting perspective PRC is considered to hold these assets only as custodian for its corporate successor, due to the corporate trusteeship established by the Charity Commission Scheme. As a consequence of the constitutional arrangements (corporate trusteeship of Providence Row in relation to PRC), the financial statements of Providence Row have been prepared on the basis that they aggregate its own assets, results and activities with those of PRC. For this reason, the Endowment Fund appears on the statutory balance sheet of Providence Row, and legacy income of PRC and investment income arising from the Endowment Fund are shown within Providence Row's Statement of Financial Activities (SOFA).

b. Judgement

The valuation of the charity's investment property is included on the Balance Sheet in accordance with the Fixed Asset Investments accounting policy detailed on page 28 and the investment properties Note 8 on page 37. The property was valued on 7 January 2020, by an independent firm of professional surveyors. The outbreak of coronavirus (Covid-19) was declared by the World Health Organisation as a "Global Pandemic" in March 2020, shortly before the end of the charity's financial year. In normal circumstances the trustees would have considered the fair value of the investment properties to show little movement between 7 January 2020 and 31 March 2020, however the circumstances of the Covid-19 pandemic are unprecedented. The property was valued again on 9th November 2020 to assess the impact of pandemic to the value of the property. The Board's opinion is that the valuation of 9th November 2020 is a fair reflection of the property's value on 31st March 2020 because the Covid-19 pandemic was underway during March 2020 and was the key factor in determining a revised valuation. We considered RICS guidance which suggests that there would almost certainly have been a material uncertainty opinion attaching to any such valuation as at 31 March 2020, given the unprecedented circumstances, on which to

base a judgement. The trustees therefore considered that there was a material valuation uncertainty in relation to the carrying value of the investment properties, as at 31 March 2020.

For the March 21 year-end the trustees have considered movements in the House Prices Index and concluded that the potential uplift of 4% is within the normal margin of error used in property valuation and therefore have not booked the uplift. Further, given the November 2020 valuation did not of itself indicate a material valuation uncertainty as at that point, they have concluded that no reference to a material valuation uncertainty is required in the March 21 accounts.

c. Income

Income is recognised in the SOFA when a transaction or other event (e.g. a gift) results in an increase in the charity's assets or a reduction in its liabilities. Income is recognised only when the following criteria are met:

- Entitlement: control over the rights or other access to the economic benefit has passed to the charity;
- Probable: it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity; and
- Measurement: the monetary value or amount of the income and relevant costs incurred can be measured reliably.

In the case of a donation, entitlement usually arises immediately on its receipt. In the case of a grant, evidence of entitlement will usually exist when the formal offer of funding is communicated in writing to the charity. However, some grants contain terms or conditions that must be met before the charity has entitlement to the resources. Where grants specify a time period within which the funds must be spent and the funds are received before the start of that period, then the income is deferred and only released to income at the start of the relevant period.

Grant funding agreements may contain conditions that specify the particular activities, goods or services to be provided by the charity within the scope of its charitable activities (performance-related grants). Income derived from performance-related grants is included within the SOFA heading 'Income from charitable activities' rather than 'Income from donations and legacies'. However, simply because a grant is restricted to a particular purpose of the charity does not mean that it should be recognised as a performance-related grant. Unrestricted and restricted grants that are not subject to performance-related conditions are included within the SOFA heading 'Income from donations and legacies'.

Gift Aid recoverable from HMRC in relation to donations is included in income on an accruals basis where there is a valid Gift Aid declaration from the donor.

Donated goods, facilities and services are recognised as income when brought into use by the charity. They are included in income at an amount equivalent to their estimated value to the charity, where this can be quantified, and an equivalent amount is included in the appropriate cost line, or (in the case of tangible assets) capitalised if appropriate. The only amounts included for donated services are those provided in a professional capacity. No amounts are included in the financial statements for services donated by volunteers. Details of the contribution made by volunteers can be found in the Report of the Trustees.

Evidence of entitlement to a legacy exists when the charity has sufficient evidence, after the death of the benefactor, that a gift has been left to it and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Recognition of the legacy income is also affected by the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Receipt of a legacy is normally judged to meet the probability criterion when:

- There has been grant of probate;
- The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- Any conditions attached to the legacy are either within the control of the charity or have been met.

Where the charity has entitlement to a legacy but the criteria for income recognition have not been met (e.g. due to uncertainty as to the amount of the payment) then the legacy is treated as a contingent asset

(and is disclosed in the notes to the financial statements if material) until the criteria for income recognition are met.

Income from fundraising events, where the income is not a simple gift or donation but rather a payment in exchange for supplying goods or services to raise funds for the charity, is recognised when the event takes place and is included within the SOFA heading 'Income from other trading activities'.

Income from the sale of goods is recognised at the time of supply of goods to the buyer, provided receipt of the income is probable.

Income from contracts for the supply of services is recognised with the delivery of the contracted service.

Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably. Dividend income is recognised when its receipt is probable, and the amount receivable can be measured reliably. Dividends are accrued when the charity's right as shareholder to receive payment is established.

Rental income from property leases is recognised when it is receivable in accordance with the terms of the relevant leases, provided receipt of the income is probable. The aggregate cost of lease incentives (e.g. rent free periods or periods of concessionary reduced rents) is recognised as a reduction to the rental income over the full contractual term of the lease on a straight-line basis.

d. Expenditure

All expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is reported in the financial statements on an activity basis, as required by Charities SORP (FRS 102). This involves identifying the total cost of an activity, including direct, shared and indirect (or support) costs. Charities SORP (FRS 102) identifies three high-level categories of a charity's activities: (i) expenditure on raising funds; (ii) expenditure on charitable activities, and (iii) other expenditure. These broad categories are further analysed between their significant components.

Support costs, which are not directly attributable to activities for raising funds or charitable activities, are allocated to those categories on a basis consistent with the use of resources. The bases on which support costs have been allocated are set out in note 3 'Expenditure'. Support costs include:

- Governance costs;
- Costs of the Finance function, including financial accounting, banking, budgeting, payroll management and day-to-day financial administration;
- Human resources management, office, general and administration costs;
- Costs of central information technology resources and telecommunications;
- Property costs relating to premises used by the charity for its own activities, including buildings management;
- Senior general management (where not allocated as a direct cost to specific activities) and other central costs; and
- Depreciation charges in relation to tangible fixed assets.

Governance costs are those associated with the governance arrangements of the charity, including external audit, general legal advice for the trustees (fees for legal advice specifically relating to investment property are included in investment management costs) and costs associated with constitutional and statutory requirements and ensuring proper public accountability (e.g. the costs of preparing statutory financial statements). Governance costs include any costs associated with the strategic as opposed to day-to-day management of the charity's activities and the cost of charity employees in respect of their time when involved in and preparing for meetings with trustees.

Costs of raising donations and legacies

Costs of raising donations and legacies are those incurred in seeking voluntary donations, gifts and grants of a general nature and the costs of general marketing and communications to raise the profile of the

charity, together with the costs of administration related to legacies left to the charity. It excludes costs associated with applying for performance-related grants or negotiating contracts to provide services, which are included within the costs of the relevant charitable activities.

Other trading activities

This category includes the costs of fundraising events (where income is raised for the charity in exchange for supplying goods and services), non-charitable trading activities and costs of property temporarily surplus to operational requirements which is let or licensed to other users.

Investment management costs

Investment management costs include the costs of:

- Portfolio management and administration of investment funds and cash deposits; and
- The costs of managing the charity's investment property, including property repairs and maintenance charges, vacant property rates, utility charges, insurance, security, managing agents' fees, letting agents' fees, legal fees related to the property and staff costs.

Property let in furtherance of charitable purposes

This category covers expenditure incurred in relation to those parts of the Dellow Centre property let on short-term leases to (i) Providence Row Housing Association (PRHA) in respect of the Dellow Hostel and (ii) St Mungo's in respect of offices on the 2nd floor of the Dellow Centre. PRHA is a charitable Housing Association. Under the terms of its lease, PRHA uses the premises for charitable purposes as a hostel for those in housing need and by means of funding from the London Borough of Tower Hamlets (LBTH). Providence Row considers that the services and facilities provided by this tenant from the premises let to them are compatible with and complementary to its own charitable purposes and activities. Consequently, the rent received and other charges recovered from this tenant are included in the charity's 'Income from charitable activities' (see note 2b) and the expenditure incurred by the charity in relation to these parts of our buildings is classified as 'expenditure on charitable activities' (see note 3).

e. Tangible fixed assets

(i) Freehold land and buildings

Freehold land and buildings transferred from PRC on 31 March 2011, other than assets in the course of construction at that date, are stated at fair value on the date of transfer less depreciation charged since the transfer. Freehold buildings in use are depreciated on a straight line basis over a period of 50 years from the date of transfer. Freehold properties let to tenants on long term leases in respect of which Providence Row receives rental income are depreciated on a straight line basis over the remaining terms of the respective leases.

In the case of freehold land and buildings in use by the charity, fair value was ascertained, based on professional advice, as 'Market Value', defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the case of freehold properties let to tenants on long-term leases, fair value was determined based on a discounted cash flow analysis of expected future rental income under the existing lease terms and assumptions relating to future levels of inflation, potential outcomes of rent reviews and other factors where applicable.

The Activity Centre on the Gunthorpe Street/Wentworth Street site was under construction at the date of transfer and was brought on to the balance sheet of Providence Row at that date on the basis of historical cost of construction and related capitalised professional costs. Construction was completed in November 2011 and the building is subject to depreciation over a period of 50 years from 1 January 2012.

Included within 'Freehold land and buildings in use' are the capitalised costs of the full replacement and resurfacing of the flat roof of the charity's main Gunthorpe Street / Wentworth Street premises (the

Dellow Centre complex) undertaken during 2014-15. The costs of the new roof are being depreciated on a straight line basis over 25 years.

Freehold land is not depreciated.

ii) Other tangible fixed assets

Other categories of tangible fixed assets are depreciated on a straight line basis so as to write off their original cost over their estimated useful lives, as follows:

Office furniture and equipment	- 4 years
Computer equipment	- 3 years
Plant & mechanical equipment	- 10 years

Tangible fixed assets are capitalised if their initial cost (or, in the case of donated goods, the value to the charity – see note 1c above) is £500 or greater.

f. Fixed asset investments

Investment property assets are measured initially at cost and subsequently shown in the balance sheet at their fair value at the reporting date and are not depreciated. Changes in value of investment property arising in the period are shown in the SOFA under the heading 'Net gains / (losses) on investments' and are reflected in the 'Revaluation reserve: Investment property' (Unrestricted funds). 'Fair value' means the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted between knowledgeable, willing parties in an arm's length transaction.

The investment property was valued by an independent firm of professional surveyors as at 31 March 2015 (the first year end following acquisition), again as at 31 March 2016, due to significant changes to the tenancies and market conditions during the year (see note 8 for further details) and again as at 31 March 2018. In November 2020, the investment property was valued by an independent firm of professional surveyors. It is the policy of the charity henceforward to commission an independent professional valuation of the investment property every five years for accounting purposes, subject to a review in the intervening years in case of significant changes to the occupancy of the property, the tenancies or market conditions.

Investments in quoted collective investment funds are shown in the balance sheet at market value (bid price). Realised gains and losses are accounted for by reference to the sale proceeds and either the market value at the previous balance sheet date, or the cost of purchase, if later. Unrealised gains and losses are calculated by comparing the market value at the previous balance sheet date, or cost of purchase, if later, to the year-end valuation. Any gain or loss arising in the period is taken to the SOFA under the heading 'Net gains / (losses) on investments'. All gains and losses are dealt with as part of the funds to which they relate.

Fixed asset investments include cash deposits (both in instant access accounts and on deposits with a range of maturity dates) which the charity intends to hold as part of its on-going investment activities for more than one year from the reporting date.

g. Fund accounting

i) Endowment fund

The endowment fund represents investments, the capital of which forms the permanent endowment of the charity and must be retained and invested. Only the income from this fund is available to be used for general charitable purposes (as an addition to unrestricted funds). The assets of the endowment fund are held by Providence Row Charity (see note 1a for further information on the basis of accounting for the endowment fund assets). The investments of the endowment fund are included within 'Fixed Assets: Other Investments' (see note 9, 'Other Investments').

ii) Restricted income funds

Restricted income funds can only be used for particular purposes (within the objects of the charity) specified by the donor or grantor or the terms of an appeal.

iii) Designated funds - unrestricted

Designated funds are unrestricted funds of the charity set aside out of the general funds by the Trustees for specific purposes or projects for the furtherance of particular aspects of the charity's objects, but over which the Trustees retain full discretion.

iv) General funds - unrestricted

These comprise the funds which are available to be used for any purpose within the charity's objects.

h. Pension costs

The amounts charged to the SOFA for defined contribution pension arrangements represent the employer contributions payable in the period.

i. Operating leases

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the term of the lease.

j. Taxation

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Tax recoverable from voluntary income received under Gift Aid is recognised when the related income is receivable.

k. Subsidiaries

Providence Row Charity (charity number 207454), of which Providence Row became the sole trustee following the transfer of charitable undertaking, is a subsidiary of Providence Row. Following the transfer of charitable undertaking, the assets, results and activities of Providence Row Charity are aggregated into the financial statements of Providence Row (see note 1a above).

2 Income

a. Income from donations and legacies

	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
	£	£	£	£
Individuals	149,392	-	149,392	60,698
Corporate donors	194,958	26,594	221,552	157,728
Community	44,100	-	44,100	41,843
Gift Aid reclaimed	6,711	-	6,711	7,772
Donated goods, facilities and services*	8,294	-	8,294	1,852
Grants from trusts and foundations	133,678	10,350	144,028	87,237
Sub-total: Donations	537,133	36,944	574,077	357,130
Legacies	140,765	-	140,765	34,507
Total income	677,898	36,944	714,842	391,637

* The donated goods, facilities and services are shown separately and analysed further in the table below.

The category of 'Corporate donors' includes individuals whose connection with Providence Row derives primarily from their employer's relationship with the charity. Donations in this category from individuals during the period totalled £30,453, none of which was in restricted income (2020: £37,741).

'Community' donations include gifts from religious communities, churches, schools and local community groups. This category also includes income from individuals participating in external community events such as sponsored runs.

Donated goods, facilities and services are broken down by type in the table below (all income within this category is included within unrestricted funds):

	2021 £	2020 £
Food and kitchen equipment	8,294	504
Other goods donated for client use	-	1,348
Total donated goods, facilities and services	8,294	1,852

In accordance with Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements. However, as set out in more detail in the Report of the Trustees, our volunteers make a vital contribution to the work of the charity, including corporate volunteers, Welcome Area volunteers and general volunteers within the main service teams, Finance and Resources and Fundraising.

b. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
London Borough of Tower Hamlets (LBTH): Advice & Support - Rough Sleepers services	481,636	-	481,636	310,424
Worker & Needle Exchange, Women's Service	208,951	-	208,951	151,656
City of London: Recovery & Progression Service	48,801	-	48,801	48,500
Sub-total: Local Authority Contracts for Services	739,388	-	739,388	510,580
Performance - related grants - Trusts & Foundations	85,000	382,317	467,317	273,871
Rise Bakery Sales	-	-	-	20,419
Rents and charges from non-investment properties let in furtherance of charitable purposes	371,084	-	371,084	228,008
Total income from charitable activities	1,195,472	382,317	1,577,789	1,032,878

Income from government sources is summarised in the table below:

	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Local Authority Contracts for Services (see above)	739,388	-	739,388	510,580
Total income from government sources	739,388	-	739,388	510,580

c. Income from other trading activities

	2021 Total £	2020 Total £
Other trading activities	563	968
Income from letting and licensing of property held primarily for functional use but temporarily surplus to operational requirements (inc. room hire)	210	19,371
Total income from trading activities	773	20,339

All of the income in the table above was included in unrestricted funds.

d. Investment income

	2021 Total £	2020 Total £
Rent and charges from commercial tenants at investment property (Sherrington Mews)	330,748	352,374
Dividend and interest income from other investments	23,783	24,319
Total investment income	354,531	376,693

All of the income in the table above was included in unrestricted funds.

e. Other income

	2021 Total £	2020 Total £
Ground rents from non-investment freehold property let on long leases	25,000	25,000
Total other income	25,000	25,000

All of the income in the table above was included in unrestricted funds.

3 Expenditure

	Direct costs £	Support Costs £	2021 Total £	Direct costs £	Support Costs £	2020 Total £
Raising Funds						
Raising donations and legacies	307,827	137,519	445,346	363,173	98,114	461,287
Other trading activities	637	285	922	4,581	1,238	5,819
Investment management	191,093	13,566	204,659	139,531	9,878	149,409
Sub-total: costs of raising funds	499,557	151,370	650,927	507,285	109,230	616,515
Charitable activities						
Advice and Support / Resource Centre	648,326	289,633	937,959	652,079	176,164	828,243
Recovery and Progression	257,629	115,094	372,723	388,292	104,900	493,192
Trainee Schemes, Food & Garden	216,464	96,703	313,167	173,230	46,799	220,029
Providence Row Bakery	1,608	719	2,327	45,000	12,158	57,158
Non-investment properties let in furtherance of charitable purposes	48,364	5,366	53,730	22,337	1,582	23,919
Sub-total: costs of charitable activities	1,172,391	507,515	1,679,906	1,280,938	341,603	1,622,541
Total expenditure	1,671,948	658,885	2,330,833	1,788,223	450,833	2,239,056

Providence Row - Helping homeless and vulnerable people since 1860
Trustees' Annual Report and Financial Statements for the Year Ended 31 March 2020

Support Costs

Support costs can be analysed as follows:

	Governance £	Finance £	HR / Office Admin £	IT / Telecoms £	Property (Own Use) £	Other Central £	Depreciation £	2021 Total £	2020 Total £
Raising Funds									
Raising donations and legacies	13,796	12,213	15,811	8,141	24,956	33,278	29,324	137,519	98,114
Other trading activities	29	25	33	17	52	69	61	285	1,238
Investment management	5,481	4,852	-	3,234	-	-	-	13,566	9,878
Sub-total: costs of raising funds	19,306	17,090	15,843	11,392	25,008	33,347	29,384	151,370	109,230
Charitable activities									
Advice and Support / Resource Centre	29,057	25,722	33,299	17,146	52,561	70,087	61,762	289,633	176,164
Recovery and Progression	11,547	10,221	13,232	6,813	20,886	27,852	24,542	115,094	104,900
Trainee Schemes, Food & Garden	9,702	8,588	11,118	5,725	17,549	23,401	20,620	96,703	46,799
Providence Row Bakery	72	64	83	43	130	174	153	719	12,158
Non-investment properties let in furtherance of charitable purposes	2,168	1,919	-	1,279	-	-	-	5,366	1,582
Sub-total: costs of charitable activities	52,545	46,514	57,732	31,006	91,126	121,513	107,077	507,515	341,603
Total expenditure	71,851	63,604	73,575	42,397	116,134	154,861	136,461	658,885	450,833

Support costs are allocated to the different activities of the charity based on the proportion of direct costs attributable to the relevant activities, as follows:

- Governance, Finance, IT/Telecoms: split between all activities of the charity in proportion to direct costs of the activities;
- HR/Office Administration costs, Property (Own Use), Other Central costs: split between all activities of the charity except for investment management and non-investment property let to tenants, in proportion to direct costs;
- Depreciation charges: buildings depreciation charges are allocated to 'non-investment properties let in furtherance of charitable purposes' in relation to the physical share of the Dellow Centre let to relevant tenants; the remainder of buildings depreciation and depreciation of other tangible fixed assets is allocated to the activities of the charity (except investment management) in proportion to direct costs.

4 Staff Cost and Employee Benefits

	2021 £	2020 £
Wages and salaries (including accrual for unpaid annual leave)	1,093,481	1,120,994
Employers National Insurance contributions (social security costs)	112,425	107,528
Employer's contribution to defined contribution pension schemes	25,246	24,828
Agency staff (including agency fees)	207,672	193,659
Insurance premiums: group life assurance and employee personal accident	4,369	4,434
Termination payments and related fees	11,134	-
Total	1,454,327	1,451,443

No member of the Board of Trustees was paid any remuneration or received any other benefits for their services as a trustee or from an employment with the charity or a related entity during the year (2020: none). No Trustee received reimbursement of expenses incurred for services provided to the charity during the year (2020: none). Details of transactions with connected parties of trustees are disclosed in note 19.

During the year there was one employee whose total employee benefits (excluding employer pension costs) fell within the banding £70,000 to £79,999 (2020: one). Employer payments in the year to a defined contribution pension scheme in respect of this employee totalled £1,751 (2020: £1,181).

The key management personnel of the charity consists of the Trustees the Chief Executive and the Leadership Team. Total employee benefits received by the charity's key management personnel (excluding trustees) during the year were £264,526 (2020: £242,243).

5 Staff Numbers

The average monthly head count (number of staff employed) in the twelve month period ending 31 March 2021, analysed between full-time and part-time staff, was:

	2021	2020
Full-time staff	25.0	28.5
Part-time staff	7.3	7.7
Total Average Head Count	32.3	36.2

The average monthly number of full-time equivalent employees in the twelve month period ending 31 March 2021, analysed by activity, was:

Activity	2021	2020
Fundraising, communications, marketing	4.1	7.7
Charitable activities	19.6	21.5
Support, central, investment management	6.1	4.3
Total Average Head Count	29.8	33.5

6 Amounts Payable to the Auditors

	2021 £	2020 £
Audit fee:		
Current Year	13,500	13,500
Prior Year (overprovision)	956	1,341
Total	14,456	14,841

No other services were provided by the auditors during the year (2020: none).

7 Tangible Fixed Assets

	Freehold land and buildings in use £	Freehold properties let on long leases £	Office furniture and equipment £	Computer equipment £	Plant and mechanical equipment £	Total £
Costs or 'Fair Value' on Incorporation						
Balance at 31 March 2020	5,564,766	300,000	137,941	85,280	300,298	6,388,284
Additions	-	-	7,560	32,675	-	40,235
Balance at 31 March 2021	5,564,766	300,000	145,501	117,955	300,298	6,428,519
Accumulated Depreciation						
Balance at 31 March 2020	628,104	19,286	72,914	47,289	86,203	853,796
Charge for the year	75,248	2,143	7,347	21,693	30,030	136,461
Balance at 31 March 2021	703,352	21,429	80,261	68,982	116,233	990,257
Net book value						
At 31 March 2020	4,936,662	280,714	65,025	37,991	214,095	5,534,487
At 31 March 2021	4,861,414	278,571	65,238	48,973	184,065	5,438,261

'Freehold land and buildings in use' at 31 March 2021 includes £2,000,000 of land that is not depreciated (2020: £2,000,000).

8 Investment Property

	2021 Costs	2021 Fair Value	2020 Cost	2020 Fair Value
	£	£	£	£
Balance at beginning of the year	1,556,353	4,450,000	1,556,353	4,770,244
Add: Additions at costs	-	-	-	-
Unrealised loss on revaluation	-	-	-	(320,244)
Balance at the end of the year	1,556,353	4,450,000	1,556,353	4,450,00

The charity's investment property was valued at 31 March 2018 at £4,770,000. The property was carried at a value of £4,770,244 as at 31 March 2019. In January 2020 the property has been revalued by an independent valuer, BNP Paribas Real Estate Advisory & Property Management UK Ltd, a professional firm of Chartered Surveyors external to Providence Row with extensive experience in the location and class of property being valued. The independent valuer's report was prepared in accordance with the Royal Institute of Chartered Surveyors' 'RICS Valuation – Global Standards 2017 (the Red Book)'. The valuation was based primarily on the comparable method of valuation having regard to the capital value rates per square foot achieved for similar recent transactions in the area. Appropriate adjustments were made to reflect the strength of location, tenant covenant, prospects for alternative uses, specification and size of the property in relation to comparable evidence. The valuation was checked for reasonableness by capitalising rental income from existing tenants and prospective rental income in relation to vacant units at appropriate net equivalent yield rates. The resulting valuation per the independent valuer's January 2020 report is £4,790,000.

The outbreak of coronavirus (Covid-19) was declared by the World Health Organisation as a "Global Pandemic" in March 2020, shortly before the end of the charity's financial year. In normal circumstances the trustees would have considered the fair value of the investment properties to show little movement between 7 January 2020 and 31 March 2020, however the circumstances of the Covid-19 pandemic are unprecedented. In November 2020 the property was revalued again by BNP Paribas Real Estate Advisory & Property Management UK Ltd. The resulting valuation per the independent valuer's report was £4,450,000. The Board's opinion is that the valuation of 9th November 2020 is a fair reflection of the property's value on 31st March 2020 because the Covid-19 pandemic was underway during March 2020 and was the key factor in determining a revised valuation. We considered recent RICS guidance which suggests that there would almost certainly have been a material uncertainty opinion attaching to any such valuation as at 31 March 2020, given the unprecedented circumstances, on which to base a judgement. The trustees therefore considered that there was a material valuation uncertainty in relation to the carrying value of the investment properties, as at 31 March 2020.

On the basis the November 2020 valuation did not of itself indicate a material valuation uncertainty as at that point, there should be no reference to a material valuation uncertainty in the March 21 accounts. Furthermore, the valuation from November 2020 has not been updated, but in any event it is considered reasonable not to amend the valuation as at March 2021

9 Other Investments

	2021 Cost £	2021 Market Value £	2020 Cost £	2020 Market Value £
Unitised investments held within Endowment fund				
Balance at beginning of the year	619,592	668,973	520,119	783,096
Less: Disposals	(274,893)	(396,999)	(216,143)	(326,328)
Add: Acquisitions	389,811	389,811	315,616	315,616
Net gains / (losses) on revaluation	-	163,418		(103,411)
Balance at end of the year	734,510	825,203	619,592	668,973
Cash deposits at end of the year				
Notice deposits (3 months or less)	544,258	544,258	543,806	543,806
Cash held in Endowment fund (capital account)	17,349	17,349	10,159	10,159
Total cash deposits at end of the year	561,607	561,607	553,965	553,965
Total other investments at end of the year	1,296,117	1,386,810	1,173,557	1,222,938

10 Debtors

	2021 £	2020 £
Long term debtors (receivable after more than one year)		
Rent deposits held by agents	10,384	48,641
Short term debtors		
Trade debtors	84,493	88,125
Rent deposits held by agents	63,800	114,927
Service Charge deposits held by agents	77,246	42,027
Other debtors (legacies)	105,000	125,000
Prepayments	23,230	13,462
Accrued income	17,351	55,146
Staff loans	67	-
Total Debtors	381,571	487,328

11 Creditors: Amounts Falling Due Within One Year

	2021 £	2020 £
Trade creditors	101,723	26,228
Tax and social security	28,862	31,276
Rent deposits held from commercial tenants	14,354	19,830
Grant payments received on account	38,021	92,551
Holiday pay accrual	43,044	17,513
Other accruals	21,354	26,450
Deferred income	358,298	179,466
Total	605,656	393,314

12 Creditors: Amounts Falling Due After More Than One Year

	2021 £	2020 £
Rent deposits held from commercial tenants	10,384	48,641
Total	10,384	48,641

13 Deferred income

	2021 £	2020 £
Balance brought forward at 31 March 2020	179,466	172,803
Amounts deferred	1,300,446	444,147
Amounts released	(1,121,614)	(437,484)
Balance carried forward at 31 March 2021	358,298	179,466

14 Operating Leases

The table below sets out the future minimum lease payments under non-cancellable operating leases for the periods shown:

	2021 £	2020 £
Office equipment		
Within one year	6,547	2,952
In one to two years	18,832	344
	25,378	3,296

15 Endowment Fund

	Balance 31 March 2020 £	Investment management fees charged £	Unrealised losses on investments £	Balance 31 March 2021 £
Permanent Endowments				
Endowment fund	656,321	(8,073)	163,418	811,666

The Endowment fund represents investments, the capital of which forms the permanent endowment of the charity; only the income from the investments is available to be used for general charitable purposes (as an addition to unrestricted funds).

16 Restricted Income Funds

	Balances 31 March 2020 £ Restated	Income £	Expenditure £	Balances 31 March 2021 £
Tangible fixed asset fund: Restricted	2,296,000	-	(56,000)	2,240,000
Advice & Support				
Marie Celeste Samaritan Society: Hospital Discharge Project	12,939	71,892	(83,402)	1,429
St. Mungos	9,515	-	(9,515)	-
National Zatah Foundation	160	-	(160)	-
TGF-Welcome Area(Charlotte Bonham-Carter)	4,000	-	(4,000)	-
Learning Programme				
Big Lottery Fund	29,166	85,670	(114,836)	-
Sage	2,948	-	(2,948)	-
TGF-R2R Hospital Liason Officer(The Nationwide Foundation	3,860	26,437	(30,297)	-
CRF-RPS (Google)	500	-	(500)	-
TGF-R2R The Charles S. French Charitable Trst		1,500	(1,500)	-
TGF-Core Costs(Covid) The Julia and Hans Rausing TrustOct-Mar21		49,504	(49,504)	-
E&P-VSF Voltaire Solidarity Fund		4,000	(4,000)	-
Other Activities				
Nelsons: homeopathy service	5,164	-	(5,164)	-
CAF Resilience Fund		98,814	(98,814)	-
Crisis £4850		4,850	(4,850)	-
The Horners' Company £5k		5,000	(5,000)	-
MCSS - R2R Hardship and Personalisation Fund		5,000	(4,288)	712
Society of the Holly Child Jesus		20,000	-	20,000
Training & Employment				
Streetsmart	10,024	-	-	10,024
City Bridge Trust	1,350	-	-	1,350
Young Philanthropists' Syndicate at PWC	84	-	(84)	-
Souter	4,000	-	-	4,000
TGF-Trainee Scheme (East End Community Foundation)		10,000	(3,520)	6,480
XL Catlin	5,000	-	(5,000)	-
Leathersellers Company	20,000	-	(20,000)	-
Eleanor Hamilton Educational Trust	3,000	-	(3,000)	-
Oliver Stanley Charitable Trust	699	-	(699)	-
CRF-E&T(Bank of America Merrill Lynch)	38,110	26,594	(64,704)	-
TGF-E&T Employment (Horners Company)	5,000	-	(5,000)	-
TGF-Trainee Scheme 2020/21 (Calleva Foundation)	-	10,000	(10,000)	-
Social Enterprise inc. Providence Row Bakery ('Rise Bakery')				
Individual donors and corporate gifts	5,206	-	(5,206)	-
Total Restricted Income Funds	2,456,725	419,261	(591,991)	2,283,994

17 Unrestricted Funds

The balances on the unrestricted reserves are made up as follows:

	Balances 31 March 2020 £	Income £	Expenditure £	Net transfers between funds £	Revaluation Loss £	Balances 31 March 2021 £
	Restated					
Tangible fixed asset fund: Unrestricted	3,238,488	-	(82,213)	41,988	-	3,198,263
Fixed asset fund: Investment Property	1,556,597	-	-	-	-	1,556,597
Revaluation reserve: Investment Property	2,893,403	-	-	-	-	2,893,403
Cyclical maintenance and repairs fund	19,049	-	-	(19,049)	-	0
Other designated funds	63,067	-	-	(63,067)	-	(0)
Free Reserves						
Contingency fund: Charity running costs	502,937	-	-	297,063	-	800,000
General funds	-	2,253,674	(1,648,555)	(256,935)	-	348,184
Sub-total: Free Reserves	502,937	2,253,674	(1,648,555)	40,128	-	1,148,184
Total Unrestricted Funds	8,273,541	2,253,674	(1,730,768)	-	-	8,796,447

Tangible fixed asset fund: Unrestricted

This fund represents the carrying value of the charity's tangible fixed assets whose original acquisition or costs of construction were financed by unrestricted funds (or where the terms of a restricted grant or donation have been met once the asset has been acquired and the Trustees have accordingly transferred the corresponding amount from restricted funds). This includes part of the carrying value of freehold properties at the charity's main Gunthorpe Street/Wentworth Street site (the Dellow Centre complex) and the Activity Centre at the same site.

Fixed asset fund: Investment Property / Revaluation reserve: Investment Property

These two funds together represent the fair value of the charity's investment property, Sherrington Mews (formerly known as the Gunthorpe Street Workshops).

In accordance with regulations made under the Companies Act 2006 and the requirements of Charities SORP (FRS 102), a separate revaluation reserve is disclosed in relation to revaluation gains on the property, i.e. the difference between (i) the cost of the property when first recognised plus the value of capitalised additions at cost and (ii) the assessed fair value of the property at the end of the reporting period.

Cyclical maintenance and repairs fund

The Trustees have determined that there should be sufficient funds available in the future for major capital repairs to the charity's buildings and planned maintenance and replacement of associated plant and equipment, as well as to provide a contingency reserve for potential major risks such as mechanical breakdown or structural defects impacting on property, plant and equipment.

The net decrease in the Cyclical maintenance and repairs fund during the year of £19,049 takes the overall value of the Cyclical maintenance and repairs fund to a £nil balance. This represents a transfer to the 'Tangible fixed asset fund: Unrestricted' relating to the number of small improvements in the Dellow Centre.

Subsequent to the year-end Trustees will evaluate the appropriate level for the cyclical maintenance fund.

Other designated funds

The opening balance of £63,067 represents the balances on several funds. An amount of £50,000 was set aside as at 31 March 2016 in respect of legacy income recognised as receivable during the year where payment has not yet been received from the estate as at the date on which these financial statements have been authorised for issue. Since the timing of receipt of this legacy is not yet certain, the Trustees decided to transfer this amount into a designated fund in order to separate it from the charity's free reserves which are required to be backed by cash. As at the balance sheet date payment has not been received but the commercial properties from which this legacy is derived have been sold.

During the financial year the fund was fully utilised, decreasing to a nil balance.

Contingency fund: Charity running costs

In order to protect the charity against significant unplanned variability in operating cash flow and in particular to prevent disruption of services to beneficiaries in the event of unexpected falls in income levels, the Trustees have set aside a contingency reserve whose value is determined with reference to the following factors:

- Forecasts for future years' income and the level of risk and variability attaching to each category of income;
- The costs of running each of our services and areas of activity, and the degree of commitment or flexibility in relation to each area of expenditure;
- The potential impact of any sudden reduction in income and the minimum time period over which the charity would aim to be able to finance each of our core services in the absence of new external income;
- Changes to the level of commercial risks facing the charity following the acquisition of Sherrington Mews in 2014;
- A contingency for redundancy costs;

The fund was £502,937 as at 31 March 2020 (restated), due to a surplus during the year, the fund has been increased to £800,000 in the year ending 31 March 2021.

General funds

The General funds together with the Contingency fund (see above) represent the free reserves of the charity, i.e. those unrestricted funds, backed by cash (including cash deposit investments) which have not been designated (or 'earmarked') for a specific short or medium term purpose or otherwise as set out in relation to the remaining designated funds in the section above. The general reserve was £nil at the beginning of the year. Due to a surplus in the year, the general fund has a balance at year end of £348,184.

18 Analysis of Net Assets Between Funds

	Tangible fixed assets £	Investment property £	Other investments £	Current assets less total liabilities £	Total 31 March 2021 £
Endowment Fund	-	-	811,666		811,666
Restricted income funds					
Tangible fixed asset fund: Restricted	2,240,000	-	-	-	2,240,000
Other restricted funds	-	-	-	43,994	43,994
Unrestricted funds					
Tangible fixed asset fund: Unrestricted	3,198,263	-	-	-	3,198,263
Fixed asset fund: Investment Property	-	1,556,597	-	-	1,556,597
Revaluation fund: Investment Property	-	2,893,403	-	-	2,893,403
Cyclical maintenance and repairs	-	-	-	-	-
Other designated funds	-	-	-	-	-
Contingency fund	-	-	575,144	224,856	800,000
General funds			-	348,184	348,184
	<u>5,438,263</u>	<u>4,450,000</u>	<u>1,386,810</u>	<u>617,034</u>	<u>11,892,107</u>

19 Related Party Transactions

During the year the charity received donations from Trustees and related parties (including the Institute of Our Lady of Mercy and Mercy Union Generalate) totalling £7,000 (2020: £12,000). When Providence Row was founded in 1860, it was to the Sisters of Mercy of the Union of Great Britain and the Institute of Our Lady of Mercy that the founder turned to run the operation. Since incorporation in 2011 the Union and the Institute have the right to appoint one trustee each to the Board of Trustees.

20 Prior year adjustment

Reclassification of Contract income from restricted to unrestricted funds / prior year adjustment

	Total Funds 2021	Total Funds 2020
Statement of financial activities		
Balance of Other Restricted Funds at 1 April 2019 as previously stated		299,197
Prior year adjustment		<u>(162,002)</u>
Balance of Other Restricted Funds at 1 April 2019 as restated		<u>137,195</u>
Balance of Contingency Funds at 1 April 2019 as previously stated		676,538
Prior year adjustment		<u>162,002</u>
Balance of Contingency Funds at 1 April 2019 as restated		<u>838,540</u>
Other restricted Funds at 1 April 2020 as previously stated	317,075	
Prior year adjustment	(162,002)	
Adjustment for restricted income (as above)	(515,707)	
Adjustment for unrestricted expenditure	<u>521,359</u>	
Other restricted Funds at 1 April 2020 as restated	<u>160,725</u>	
Contingency Funds at 1 April 2020 as previously stated	346,588	
Prior year adjustment (as above)	162,002	
Adjustment for restricted income	515,707	
Adjustment for unrestricted expenditure	<u>(521,359)</u>	
Contingency Funds at 1 April 2020 as restated	<u>502,938</u>	
Summary of movement in Other restricted funds and Contingency Funds		
Unrestricted		
Prior year adjustment at 1 April 2019		162,002
Prior year adjustment at 1 April 2020		<u>(5,652)</u>
Total		<u>156,350</u>
Other restricted funds		
Prior year adjustment at 1 April 2019		(162,002)
Prior year adjustment at 1 April 2020		<u>5,652</u>
Total		<u>(156,350)</u>

21 Trusts and Foundations' income breakdown

We are immensely grateful to the following Trusts and Foundations for their generous support:

Name of funder	Funding amount (£)
Julia and Hans Rausing	49,504
CHK Foundation	10,000
Streets of London	5,000
The Worshipful Company of Fan Makers	3,650
Feltmakers' Charitable Foundation	12,000
Leathersellers' Company Charitable Fund	30,000
Salters' Charitable Foundation	5,000
The Horners' Charity Fund	5,000
The 29th May 1961 Charitable Trust	5,000
The CAF Resilience Fund, through the DCMS Community Match Challenge	98,814
Homeless Link (in partnership with The National Lottery Community Fund) – COVID-19 Homelessness Response Fund	85,000
London Homeless Collective - Winter Campaign	4,350
East End Community Foundation	13,100
Marie Celeste Samaritan Society: Hospital Discharge Project (Incl £12K Hardship Fund)	83,892
The National Lottery Community Fund	85,669
The Worshipful Company of Curriers	1,338
Derwent London plc	6,500
The Mitchell City of London Charity	3,000
Martin Lewis Coronavirus Emergency Fund	6,000
City of London Justice Rooms Charitable Trust	1,000
Wheelwrights' Charity	1,500
Crisis: In This Together Grant	4,850
The Worshipful Company of Chartered Secretaries and Administrators Charitable Trust	1,550
The Oliver Stanley Charitable Trust	1,000
Newby Trust	5,000
Sir Harold Hood's Charitable Trust	2,000
Henhurst Charitable Trust	1,250
The Voluntary Solidarity Fund	4,000
Eleanor Hamilton Educational Trust	3,000
Butt family through the Calleva Foundation	10,000
Michael Watson Charitable Trust	2,500
The Court of Aldermen (City of London Corporation)	1,700
Nationwide Foundation Carried over from 2019/20	26,437
Carried over from 2019/20	10,026
Carried over from 2019/20	1,350
Nelsons: Homeopathic Pharmacy Carried over from 2019/20	5,164
The Horners' Charity Fund Carried over from 2019/20	5,000

We would like to thank the Charlotte Bonham Carter Charitable Trust and the Souter Charitable Trust and many other smaller Trusts and Foundations that have supported over this year with donations totalling £10,470.