



Annual Report 2021

And financial statements for the year ending 31st March 2021

Charity No. 211850
Company No. 20080

TOYNBEE
HALL



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Foreword by Julian Corner, Chair of the Board of Trustees

Reflecting on the turmoil and challenge of the past year and more, there is probably little to be said that has not already been offered by others. This Foreword therefore will simply be a fairly brief introduction to our Annual Report, which outlines in more detail the impact of the period of crisis we have all been through, and the response of Toynbee Hall and how the team have worked with and supported the communities around us.

I do want to offer, however, my sincerest thanks to all of those who have supported us throughout this year. Your good faith in our work, your responsiveness and flexibility, and your continued investment – when everyone was of course suffering uncertainties and anxieties of their own – was incredibly valuable.

I know how important this support has been to our team, who once again have shown their own resilience, capacity to innovate, and their dedication to the work they do. Many of our staff faced their own challenges, anxieties and trauma during the period. But collectively and individually, they have remained resolute and supportive of each other, so as to come through this having made a significant positive impact across a very wide range of fronts – as set out through this report - despite the challenges.

Even though we have faced many uncertainties, we have actually grown this year, both in terms of our income, our partnerships and our staff numbers. These have been swelled in in part by our taking on 40 new trainees (of 70 in total across London) to grow capacity in debt advice within the capital, in anticipation of heightened need over the coming years.

Trustees have been particularly pleased at how the new trainees we have taken on have progressed, with many now qualified as debt advisors, and with how the team overall has not only coped, but taken on new challenges, and engaged with shaping recovery across London and beyond.

Most importantly, we've been proud at the organisation's commitment to introducing a real focus on equity into the organisation; making clear commitments about recruitment and progression; being open about where we are in relation to diversity and our people; and setting out a clear roadmap on which our progress can be held to account.

To do all this at the same time as supporting, advising and creating platforms for thousands of people, and adapting pretty much every aspect of the operations and services of the charity, is an achievement we can be proud of; though we recognise of course, that there is still much to do, and our approach needs always to be one of learning and reflection to improve.

We have continued to work on our strategy, setting a clearer direction and focus, on fairness and happiness, locally, across London and beyond to shape a better future, as we emerge from the pandemic. This is work in progress, but is exciting and has galvanised our team and partners as we've played our part in shaping thinking about a recovery based on the needs and experiences of London's communities.

This report and our related Impact Report give a sense of our ambitions for the future, based first and foremost on the experience of the communities we work with, which is the underpinning principle behind all we aspire to.

So I am very grateful to all the community members who have shared their thoughts and experience with us to help us develop our thinking – as we in turn have helped them turn their ideas into action. It has felt like a genuinely collaborative experience.

I finally also want to thank my fellow trustees. Just before we entered lockdown, at the beginning of 2020 we grew our Trustee Board through the recruitment of six talented and dedicated individuals, all with a strong connection to East London, and with a huge passion and commitment to our work. It is never easy joining a new Board, and familiarising yourself with an organisation, particularly a complex and long established place like Toynbee Hall, and the challenges of course heightened significantly as the pandemic struck. But our new colleagues have settled in incredibly quickly, and alongside our established trustees, we were able to give what felt like proactive and consistent support, guidance and input to the Executive throughout the crisis. We were sad to say goodbye in December to Kate Swade, who had served 3 terms and the maximum 9 years in total on the Board, having previously been a Residential Volunteer at Toynbee Hall before that. Kate has been a constant source of good sense and clarity, and brought a huge amount of knowledge and expertise to our thinking about our assets, which has resulted in the fantastic outcomes from our redevelopment which we can all enjoy now. We're so grateful for all she contributed.

In early 2022, having reached the end of my second term and sixth year as Chair, I will be stepping down from the Board and having moved out of London in 2020, after almost 20 years as a proud Tower Hamlets resident, it feels the right moment to be making this change. However, I have agreed with my fellow trustees that I will step down from the Board after managing the transition with my successor. There are big challenges ahead – and real opportunities for people's experiences to be transformed, in which Toynbee Hall can and will play a part. And we can be confident that, as this report sets out, we are in a position of relative financial strength, as we ended 2021 with a surplus – the first time for a number of years we have been able to say that.

We have begun recruitment for a new Chair. And in an organisation of our standing, it is important to be able to keep moving forward, keep seeking new ideas, insights, and keep learning from the diversity of experience of the realities of inequality and injustice. So whoever succeeds me will – I am sure – get as much pleasure, enjoyment and rich sense of fulfilment from being part of this vital organisation.

Thank you for all the support you have given us, and on a personal note, thank you for the warmth, kindness and engagement that I have been shown throughout my time as Chair of Toynbee Hall.

With very best wishes for the future.

DocuSigned by:

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 Julian Corner

In the year ending 31 March 2021 through our direct community and advice services and partnerships we supported:



753 people with free, expert legal advice on issues such as housing, employment, Family & Domestic Violence



14,821 Londoners with debt worries through Debt Free London partnership, including many nightly calls to our 24 hour service.



1,679 people, through our First Response Advice service, from initial inquiry to information gathering, calls and emails, letter-writing, referrals, and follow ups.



4152 calls were made by staff and volunteers to people who would otherwise be socially isolated and 481 people joined our online Community Centre



50% of those who spoke with us reported an increase in 'feeling respected and heard', 47% felt an increase in confidence and 44% an increased interest in getting involved in activities

Strategic Report

Introduction

While the formal financial period covered by this report is from April 2020 to end of March 2021, we recognise that the operating environment has continued to change and evolve during 2021, right up to the publication date of this report in December 2021. Our narrative therefore covers some activities beyond the end of the financial year, as it made sense to include them here. In addition some of the pictures are of activities that took place after the financial reporting period covered.

For an organisation that is over 130 years old, a 12 month period is a very small slice of our history. Nonetheless, the period from early 2020 until now, deep into 2021, has been one of the most challenging, uncertain and exhausting years in recent memory for our team and the communities we work with.

As we slowly and cautiously begin to reconnect and reopen, still unsure of what might be around the next corner, we reflect here on the resilience of the communities around us and our team and volunteers.

With hard work and the tremendous support of our funders, we have achieved financial breakeven; and end the year a bigger organisation with capacity to support even more people across London; and a clearer sense of our own future direction.

We went into April 2020 full of uncertainty, anxious for our own team, friends and families, and immediately aware of the impact the pandemic was having on the people around us. The initial shock of the first lockdown hit like a tidal wave and the response felt like a humanitarian emergency: frantic phone calls to our community-centre regulars, many who'd been visiting daily for decades; solving critical challenges for people without food, medicines or information, adapting so as to respond remotely.

Our local communities were amongst the hardest hit: by the disproportionate impact of the virus – and the lockdowns – which were immediately felt by the poorest and most vulnerable. The challenges of poor housing, insecure employment, problem debt, and fundamentally a lack of a voice were all amplified. Needs mushroomed: older and vulnerable people couldn't access services; fear and anxiety worsened existing inequalities; people were suddenly unemployed and without income. Young people alone and unheard.

The increased demand for advice and emotional support, and the persistent challenge of digital exclusion, have required an incredible and sustained response.

Our own team also faced personal challenges: including loss of friends and family, juggling work with home schooling; an inability to connect and share the pressures of being the first point of contact for our local community.

And a further challenge was the loss of income when our venue hire business closed overnight. We faced the huge pressure of supporting the needs of the local community in the context of real financial uncertainty.

Many of these challenges are ongoing – and certainly there are more to come. But we have come through the year in a position to feel we can genuinely rebuild and recover so that everyone can look forward to a fairer and happier future.

It is no exaggeration to say that pretty much everything we do at Toynbee Hall has had to change over the past year. But we were of course totally determined that all of our services – advice, community support, youth programme, access to justice – should continue. We are incredibly grateful to all the many funders and supporters who responded so quickly and flexibly to help us.

The following pages cover some of the key elements of that response in practice.

Supporting a fairer and happier local community

Advice Services

It was essential that we should maintain our local advice services – providing essential support for residents and workers in the City of London and Tower Hamlets – so we moved rapidly from a face to face drop in offer to creating a 'First Response' telephone helpline, staffed by a bank of expert advisers who could provide initial urgent help, and then refer callers on for more specialist support.

Of course, it wasn't enough for us to just hope that people would find us and our phones would ring; so as well as actively marketing our advice line number via social media, we reached out to local groups, including the many mutual aid groups which were quickly established. Not only were local people then able to refer in friends and family to us for vital advice and support, but we could play a key co-ordinating role between the groups, and be an essential link between those volunteer led efforts and wider statutory services. In the early months of the pandemic in particular, many people who had never previously needed advice or support were suddenly facing new challenges: self-employed people were of course worried that their incomes would dry up; people on furlough didn't know what would happen to their rights; people living in over-crowded accommodation suddenly faced the prospect of increased threats to their health through the virus. And incidents of domestic abuse increased, creating a need for urgent and specialist advice and support.

Our specialist advice service in partnership with MacMillan, which helps cancer patients access vital benefits, was of course unable to operate in hospitals. But thanks to the swift work of the partners, dedicated helplines were quickly established, and people were still able to access the support they needed.

Throughout the year we supported over 700 people with cancer, helping them access on average over £3,000 in additional benefits – vital funds at a time of real crisis. And our historic Free Legal Advice Centre continued – with our partners from City law firms willingly offering online appointments so that we could be as flexible as possible. We realised that there was a broader need, beyond legal advice, for information to help ensure people understood their rights, so worked with the local community to create additional resources on video and in easy to read leaflets and brochures. Debt remained a major issue for Londoners, and our Debt Free London advice partnership was extraordinarily busy, seeking to find new ways to respond. This is covered in more detail further on in this report.

For particular groups – already vulnerable – the impact was often the most severe. The disproportionate impact of Covid on black and minority ethnic communities has been well documented and we certainly witnessed this in our diverse neighbourhood.

Community response

Our community services were therefore more in need than ever – even though, once more we had to adapt.

We created an online community centre with daily activities for older people and families; and because many people could not access online activities, we partnered with local groups and recruited multi lingual community volunteers, to connect across the community.

Beyond our direct services, we recruited a cohort of volunteers from the local area, with a wide variety of languages and different experiences, so we could reach out in the community and offer further support to those whom lockdowns and the pandemic had left isolated and alone.

These volunteers were drawn from all walks of life, with a local running club becoming active supporters very early in the pandemic, and through these networks we were able to identify and respond to other support needs: co-ordinating some food and essential medical supplies for vulnerable people; and helping those community members who faced digital exclusion, by providing computers and remote training and support to get them online.



During the summer of 2020, in a brief window where we could begin to offer services again we did host some conversation bubbles and small group activities, which were hugely appreciated. And the beautiful gardens, which are the centrepiece of our redeveloped space, were vibrant and well used by families and local people throughout the summer months.

It did feel very frightening to have to close down again after Christmas, and this second wave hit our communities hard in all kinds of ways. Tragically, some close friends within our community passed on during this dark time, and two long standing members of our community centre in particular – Shoba and Manny – are hugely missed. Along with the many others who were lost through this period, including friends and family members of our teams, it is vital as we look forward that we remember them all.

Partnerships

Across the local area, our Linkage Partnership of 5 charities providing support and services for older people became even more vital. Working with trusted friends at St Hilda's East, Neighbours in Poplar, Age UK East London and others we worked hard to ensure that the local response was co-ordinated and that wherever in Tower Hamlets there were additional support needs, together we could meet them.

Linkage was one of many partnerships which we developed and strengthened during the year. Working alongside Tower Hamlets Council and the City of London we also received new funding for a local Heritage Action Zone, in the streets surrounding Toynbee Hall – giving local people a real sense of ownership and stake in a rapidly changing area. This will be a vital initiative as we slowly begin to emerge from the pandemic. At the same time, our friends in the local business community played their part, and through our strong connection with Aldgate Connect – the local business improvement district – we have begun to play a vital role in bringing the area back to life, including hosting community guardians, and using our garden spaces for bike repairs, public art and other community activities.

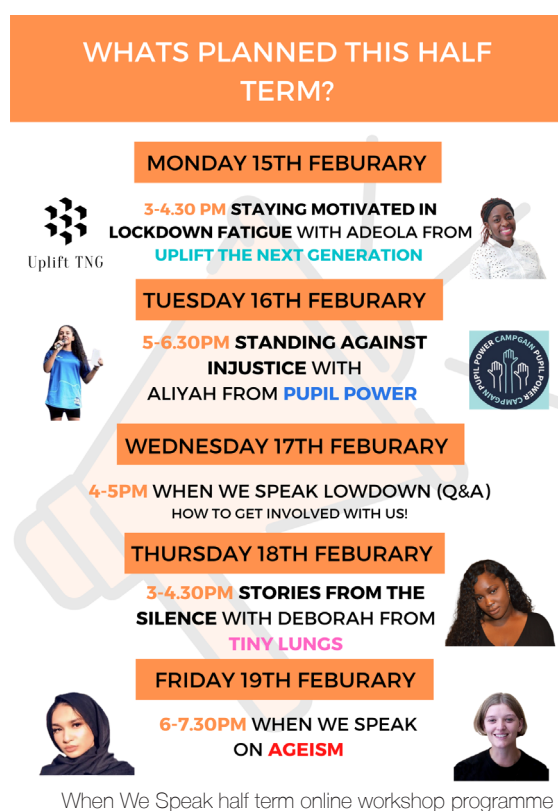
In the spring of 2021, as our new financial year started, we were delighted to form a partnership with charity Turn2Us which enabled us to offer small grants and payments direct to individuals in acute need. Turn2Us have a long established and highly regarded model and scheme for providing such support, and it has been a great relief to many of the people that we work with that we now can help them access direct funding for essential goods and unforeseen emergencies.

Working with young people

While much of our focus was on older people, families and those losing work or in housing crisis, of course for many young people and children, the impact of the pandemic and lockdowns was just as profound. Teenagers preparing for college were prevented from going; schools were disrupted; and the mental health challenges already faced by many young people were made significantly worse.

Rather than closing off our services, we wanted to ensure that we were still there for young people. So our When We Speak programme continued throughout the year, and through it we provided online support and connection for young people; facilitating group sessions; hosting zoom events; and always with a focus on giving young people a voice, and the opportunity to develop their own projects and ideas with each other.

We also maintained our strong connections with local schools. They were facing enormous pressures of their own, so the fact that we were close by and able to offer some family and other support through the crisis was very valuable.



Heritage

This past year has also seen a continued desire to celebrate the history and heritage of social action at Toynbee Hall and in the communities around us. We have a long and proud history of striving for and achieving positive social change but many of those achievements and stories, particularly those of black and minority ethnicity staff, volunteers and community members have gone unrecorded and to our great shame are barely documented in our archives, as in so many historical records. We want to tell those stories and make them a part of the fabric of our organisation. This heritage is a living part of us and can inspire us to continue the ongoing struggle for equality.

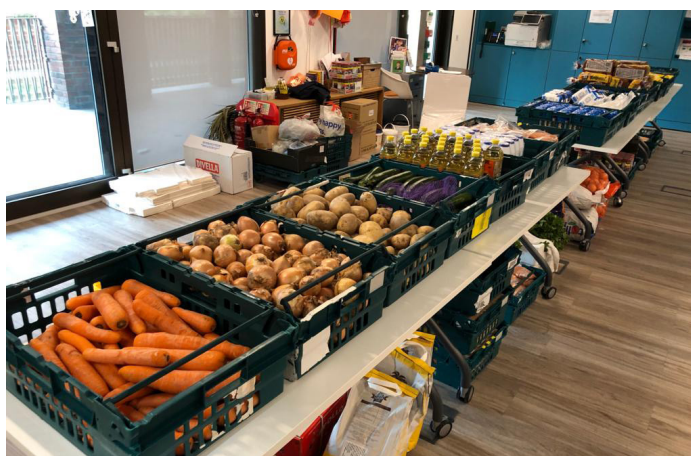
To mark Black History month in October 2020, we published a series called 'The forgotten Black activists of Toynbee Hall', a set of biographies to recognizing the work of Black individuals who improved the lives of people across London. In 2021, we have held a series of community celebrations and storytelling workshops to commemorate 50 years of Bangladeshi independence, its connection to the East End and the anti-racist movements it inspired. Our digital archive is also now live and available to the public. Our digitised physical archive stored at the London Metropolitan Archives, can be searched and thousands of archival materials such as annual reports, publications, letters and images are online to preserve our archive and make it more accessible.

Our spaces

It was essential that our assets did not lie dormant, even though we were unable to 'open' in the normal sense. In the early months of the pandemic, we gave the space to a local foodbank for Londoners with no recourse to public funds, and provided access to wrap around advice and support for those families. We then helped the foodbank set up in a permanent space close by, and maintain excellent relations with them as good friends and partners.

From January to May 2021 we also used our spaces as a Covid 19 community testing centre in partnership with the NHS and local council, allowing hundreds of local people and families each week to come for tests to play our part in stopping the spread.

Although we could not run conventional conferences and events – creating a significant reduction in our planned commercial income – we took advantage of certain exempt activities (such as film shoots) that were after safe and secure locations, keeping some income streams alive, and ensuring that our assets were in use.



As we reached the end of March 2021 – the reporting year for this review – we were still in lockdown; but could see the seeds of hope as the vaccination programme rolled out. And as spring turned to summer, we were delighted to be able to reopen our community centre, and advice spaces, offering opportunities for face to face advice, community activities and planting in the community gardens. At the same time we have started to plan for our staff team to return to the office – with a more flexible approach to home and office work; and a commitment to use some of the good changes we have made over the year to build a more sustainable and community led offer, with strong partnerships to support and create platforms for the people who need us.

Building a fairer and happier London

As an historic London institution and anchor organisation in the capital, our role has always gone beyond the immediate neighbourhood focus of our own local community, and through the last year we have played a significant role in helping London as a whole respond and begin to build recovery.

At a strategic level, Jim, our Chief Executive, was invited to co-chair one of the London Recovery missions working alongside the Deputy Mayor for Social Mobility and Integration, the Greater London Authority, London Councils and others to embark on an ambitious programme to build a more robust safety net for Londoners. This has given a voice to our communities and allowed us to use learning from across civil society to shape the way that London will be in the future, and take our agenda for fairness and happiness into the wider policy arena.

Our research team gained a reputation as a powerful source of knowledge and intelligence to help shape that recovery; we worked with Thrive London, the London Mayor's wellbeing and mental health champions, on a series of projects designed to create platforms for ordinary Londoners – young and older – to tell their stories and create together ideas and solutions to improve policy and practice.

Key amongst these was our Pandemic Stories project, where throughout the year, we trained and engaged community members to document their experiences and engage their friends, neighbours and families.



This produced a hugely valuable set of findings – which we shared regularly with funders, the local authority, other partners and the Mayor of London's team at the GLA. It is fair to say the work not only greatly increased the sense amongst our communities that people were listening, and their views were important – and more than that, gave us an evidence base and a platform to argue for longer term systemic change, some of which is reflected in the next section.

In East London, many of the organisations we work with were struggling with similar issues to us and shared the same ambitions to build back better from the past 18 months. So, we have through 2021 been co-ordinating an active group of partners with the ambition of driving community led recovery in London – giving space and opportunity to ordinary Londoners to have their voices heard and fostering a spirit of collaboration.

In the same way, we have been active associate members of London Funders, and played our part within Locality, the network of community organisations, drawing together funders and partners for conversations to help inform the development of funding streams to support community infrastructure, which have been reflected in some of the collaborative funding made available throughout 2020 and 2021.

Our Community Money Mentors work has continued, in East London and across the capital, supporting communities to shape their own ideas and solutions around financial health. We have developed an online resource and tool, Digital Money Mentors, which has come into its own this year, enabling us to connect with and offer support to community groups across London, and partnering with a range of local providers and financial institutions.

Transforming debt advice for Londoners

In 2021, we celebrated the 15th year of Toynbee Hall's leadership of a partnership of 15 community organisations providing face to face debt advice to thousands of Londoners each year. The Debt Free London partners faced many challenges in the same way as Toynbee Hall did – in terms of needing to close spaces and reconfigure services; all with the knowledge that the pandemic and lockdowns would ultimately lead to a potentially huge increase in the need for support.

The partnership is made up of a mix of local Citizens Advice agencies, community advice providers, law centres and other financial health specialists, working alongside our own team at Toynbee Hall. Their response – supported by funding from the Money and Pensions Service (MaPS) and others – has been really strong and made a significant contribution to our ability to continue to support Londoners facing problem debt and many other challenges.

We rapidly introduced new technology, and a new system to allow phone, WhatsApp, Facebook and video delivery of debt advice from our skilled team across the partnership. Crucially, all partners agreed to move to a common database – Advice Pro – meaning that we could maintain and expand a seamless service – so that if someone in one part of London wanted advice, but a local adviser was not available, another adviser in a different part of London could assist.

At the same time, we centralised the administration function, so that online bookings and other enquiries could be dealt with quickly and responsively. And to help future proof the service, and build capacity into the community advice sector in London to cope with the predictions of huge numbers of Londoners with problem debt post-pandemic, we secured from MaPS additional funding to allow us to create a training programme for new debt advisers. It was an outstanding achievement to recruit, induct and train a cohort of 60 new team members, 40 of whom were employed directly at Toynbee Hall, the others across the partnership. Many of the new trainees have already progressed into permanent debt advisor roles and we are confident that the many others will follow in their footsteps. This diverse group, many of whom are younger people, seeking a new career in a vital service for the community, have shown incredible resilience and dedication to go through their training and development remotely, and will provide excellent enhanced capacity for Londoners into the future.

From January to March, thanks to the support of the Greater London Authority and Thrive London, we were able to make the debt advice service a 24 hour 7 days a week operation, meaning that skilled advisers were available round the clock. Not only has this helped with debt advice support, but also has been a vital part of supporting Londoners' wellbeing, preventing anxiety in the middle of the night by making sure help has been at hand. We hope that we will be able to continue this service again later in 2021-22.

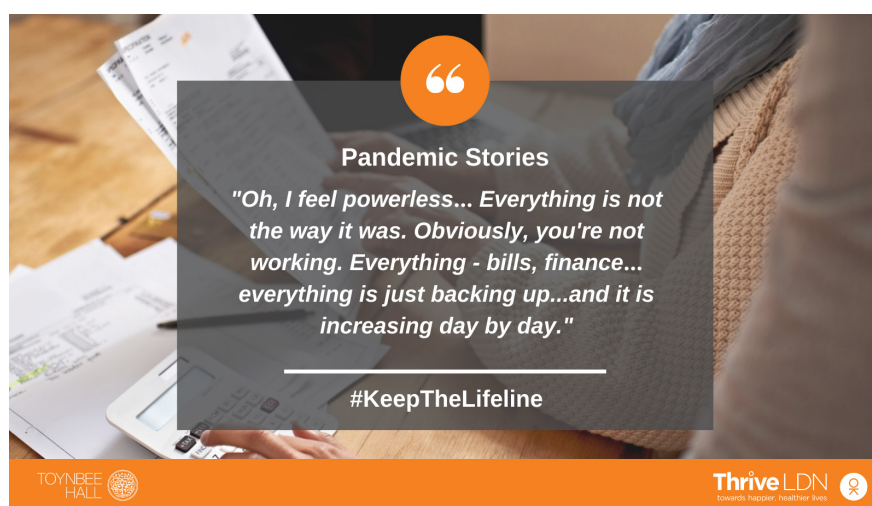
And to increase our reach across East London, as some partners were unable to continue to be part of the Debt Free London arrangements, Toynbee Hall has established satellite offices in the London Boroughs of Greenwich, Newham and Havering, to ensure that people in those places still have access to locally based face to face debt advice.

The partnership is now widely seen as a vital part of London's advice infrastructure and, through connections both locally – via the partners – and centrally from Toynbee Hall, plays an important part in ensuring Londoners do have access to advice when and where they need it.

Building a fairer and happier future – through influencing broader system change

Throughout 2020-21 while we have continued to support people in our local area and – through partnerships – across London, we have also maintained and strengthened our focus on shaping systemic change, to create platforms for people to challenge and address the policy and practical barriers that hold them back.

The Pandemic Stories work, described above, was just one example of that work. And as a demonstration of our ability to bring experience from communities to the heart of policy making, in the early part of 2021, a group of community researchers were invited to share their learning and findings with groups of MPs and Peers who make up the All Party Parliamentary Groups on Universal Credit and Food Banks. Their evidence was very powerful and well received, and among other things, they put forward persuasive, evidenced-based arguments for the maintenance of the £20 per week uplift in Universal Credit.



A few short weeks after their evidence session, the Chancellor announced that he would indeed be maintaining the uplift. Despite the fact that this only offered short term respite, and later in the year the uplift was removed, this was nevertheless an indicator that community voices had been heard and listened to, and gave us the impetus to continue to make the case for change.

Beyond Pandemic Stories, we have continued to support community-based research and enquiry across a number of areas, always looking to find new solutions and ideas from the experiences of local people. It is very important that we ensure that all of our researchers are offered some payment and incentive in return for their time, and in 2020-21 we began an exciting project to offer opportunities to community members so that they could join our own policy and research team, and they are settling in really well.

This commitment to supporting people has meant that some of our longer term projects have been able to be sustained throughout the pandemic. We've been working through 2020-21 with a group of young people living in private rented accommodation to help them identify how their experience could be better. During 2020-21 we brought them together with a group of local landlords for a series of online discussions at which they could create together some ideas to ensure both tenants and landlords had a better experience. Beyond that, they came up with a range of policy proposals designed to improve private renting everywhere, which have been shared with funders and at online housing conferences in 2021.

The Champions Project: One piece of partnership innovation which we were particularly proud of in 2020/21 was the development of the Champions Project, with our partners, City law firm Cleary Gottlieb Steen Hamilton (CGSH). We have enjoyed a partnership with CGSH for over 5 years now, and through that time they have provided funding, and more importantly significant pro-bono support for our Free Legal Advice Centre (FLAC), including dedicated legal advice and supervision for our women only clinic every fortnight. As part of our – and their – ongoing work on diversity and equity, we together developed an idea for a mentoring programme to support young black men and women to secure opportunities in the legal profession. Many of our volunteers at FLAC are from diverse communities, but often the world of commercial law firms can feel a very difficult one to become part of and to navigate. We are excited by this work and the chance it will bring not only to create opportunities for local people, but as importantly, how it will input new ideas into the way the whole industry thinks about recruitment and progression.

Our team were invited to provide research and insights from the community to help shape the Tower Hamlets poverty reduction strategy, and we are now engaged in a variety of research projects across London, including on adult learning, putting the experience of community members at the heart of these pieces of work.

Our longstanding involvement in financial inclusion work continued through last year, with Sian Williams, our Director of Policy and Innovation, continuing to be part of a national programme of work designed to support communities' rights to access cash: increasingly important as more and more transactions through Covid have been digital and electronic, risking exclusion to many people.

Building on our strong partnership with the charity Fair by Design, we have continued to work on supporting the development of products and services which break the 'poverty premium' – through which people on low incomes often pay more for basic goods and services. This has led to a new collaboration which also includes Fair for All Finance, through which we are collectively seeking to pilot new mechanisms for ensuring access to credit to those currently denied it, and are hopeful of an opportunity to develop a No Interest Loans Scheme, learning from best practice internationally.

Within wider civil society, Toynbee Hall continues to be an active voice. We were selected to be one of a cohort of charities to form part of a learning group seeking to implement some of the recommendations of the 2019 Civil Society Futures Report – looking at Power Accountability Connection and Trust. And we are active participants in ACEVO, the charity chief executives network, and our Chief Executive has blogged and provided podcasts on the experience of our communities.

We are involved in a whole range of collaborations and partnerships, and very strongly believe it is part of our role to share our learning, seek to create platforms for people, and authentically represent the voices of our communities to those who have the power to make policy and regulatory change.

Our funders - a thank you:

It is no exaggeration to say that at a time of great need, we found great comfort in the support that was offered and invested. We needed funders to be agile, open and willing to take some risk: and this was indeed how they responded. Many funders who for a number of years have invested in our work were willing to provide additional support and donations; or lift restrictions on funding to allow us to operate more flexibly. Other new funders reached out to us or opened grant streams to us that had previously been closed off and we were very pleased to be able to access new support for our work. And many hundreds of individuals offered us support – through our appeals and through direct approaches – ranging from one off gifts to significant regular donations. All of this contributed not only to allowing us to continue to meet need, and to innovate and adapt; but importantly to ensuring that the financial health of the organisation stayed intact, and as our accounts show, allowed us to balance our books. A massive and heartfelt thank you is extended to everyone that has helped, in whatever way they could.

Our People

Despite the challenges of the pandemic, and the necessity for remote working and dispersing our organisation, our team has shown incredible resilience and commitment throughout the year – despite all of us facing multiple challenges including our own health and wellbeing and that of our families; home schooling; caring responsibilities; disruption to routine and a lack of connection with each other and the wider world.

The contribution made by our entire team in these circumstances is even more extraordinary, and our trustees are incredibly grateful for their tireless efforts.

We did take advantage of the Government's furlough arrangements, offering this to 10 staff in total, but we made every effort to keep those people feeling part of our team and efforts; and topped up their salaries beyond the 80% on offer from the government scheme until September 2020

Most of our team were able to continue to work throughout, with many taking on different roles as we adapted our response through the year.



Significantly, we grew the organisation quite substantially over the last year. As set out earlier in this report, we took on 30 debt advice trainees, but also created a number of new roles across our services as funding enabled us to develop new ways of meeting need. At the end of March 2021 we had around 120 staff, having gone into 2020 with around 70.

We are proud of the way that we have managed to keep the organisation together and maintain a strong and supportive culture throughout. Some of our team established a wellbeing committee, who hosted daily drop-in virtual coffee mornings, and continue to advise our senior management with suggestions for additional support.

And throughout the year we kept up very frequent communication, to keep everyone informed and feeling connected, hosting online All Staff meetings every fortnight giving space for voices across the organisation to share updates, opportunities and challenges and provide a place for reconnecting.

In the summer of 2020, when there was the first opportunity to reopen some services as the initial lockdown ended, we took great care to survey and listen to our team, and worked hard to meet their needs: creating some provision for team members to work – safely – in the offices (as it was impossible and potentially damaging to them to work from home); and for the majority who continued to work remotely, to ensure we could meet their needs to do this in safety and comfort.



This approach has paid real dividends in terms of our overall wellbeing and culture. Of course, we have not got everything right, and many of our team are very tired, feel under pressure and have worked long and lonely hours for many months. So a strong focus on support and wellbeing is a crucial part of our planning for the coming years. But when we surveyed our team again in March 2021 to help us shape our flexible future working model we were very pleased to hear that 90% of our team felt well or very well supported by Toynbee Hall through the pandemic; and 89% agreed that communications had been good or very good.

Vitality, our whole staff team worked together with a local partner - You Make It - to create an action plan to meet the challenges of systemic racism – hugely relevant to us because of the disproportionate impact of Covid on black and Asian communities. There is more in later sections of this report on our work on equality and diversity.

Very sadly indeed, one of our team members, Jennifer Griffiths, a community researcher, tragically passed away in early 2021. This had a deep impact on her team and those who knew her, and made all of us realise just how very hard the impact of the last few months has been. We remember Jennifer very fondly, and pay tribute to her.

It has been a hugely challenging year, and it will continue to be difficult going forward. But we have come through it as a team; have a clear plan for bringing the team with us as we gradually reopen; and we are collectively even more determined to build a fairer and happier future.

Looking to the future

We have done our utmost to be a positive force for good, working with and supporting the communities around us through an unparalleled crisis. But we know that even our best wasn't enough; systemic inequality and unfairness meant that too many people entered the pandemic already vulnerable to its health, economic, social and psychological impact, and we and our local partners couldn't prevent family after family experiencing loss and hardship. So what we've seen and heard during the pandemic has only reinforced our belief that we must build back better, and meet the challenges of systemic inequality and exclusion head on.

Next year and beyond will bring further challenges – and the crisis is far from over. And for us as an organisation, we will continue to need to work hard to sustain ourselves.

Our chair Julian Corner will step down in early 2022, having led us through an incredible and transformative 6 year period. He has now moved out of London and Trustees and he share the view that the time is right time to hand-over the responsibility. The whole organisation has huge gratitude to Julian for all he has done, and work is now beginning on the search for a successor to pick up where he leaves off.

In this context our new strategic direction, refreshed to take into account the learning from the past 18 months, is hugely important, aiming to ensure we are relevant, meeting need, continuing to innovate, support our people and crucially, make a fairer and happier future; all while at the same time sustaining our organisation.

The strategy breaks our ambitions down into three overlapping levels: our local neighbourhood; our city, London; and the wider impact across society that we can inspire. And of course our strategy also focuses on how we support and develop our people, including acknowledging the need to help them recover, rebuild their resilience, and feel supported to continue to be here for the community around us.

At the heart of our strategy is our deep commitment to co-producing everything with the communities around us; and so our ambitions are less focused on 'what' we might do – and rather on 'how' we might achieve it; and clarity about how we are as an organisation, ensuring we are as effective as we can be in delivering on all of this and that we truly live the values we aspire to.

A fairer and happier East London

Our local community and wider neighbourhood are our heartland. Our ambition for East London is that: Local residents and community members will value Toynbee Hall as a place of community sharing and celebration, family support, social reform and personal growth. We want people from all parts of the community to feel welcome here, and know that their views, ideas and experiences are valued as essential drivers of social and economic reform.

Fundamentally, we will create mechanisms for East Londoners to speak directly with those who have the power to change things; we constantly seek to understand need, and help build a shared understanding of the community itself and work together to tackle systemic inequalities.



A fairer and happier London

Toynbee Hall has a huge role to play in connecting, facilitating, sharing, partnering and creating platforms for communities to shape change, and ensure that London's status as a dynamic, thriving world city delivers benefits to all of its communities. Our ambition for London is that:

We are established as a key voice in London, playing a leadership role in the capital to support the drive for recovery and beyond; ensuring the experience of communities including those we work with are increasingly at the forefront of policy change.

This will lead to us shaping further collaborative, participatory work, led by communities, to establish a robust safety net for Londoners; the green growth agenda, skills and learning, regeneration and community assets; and other aspects of the recovery agenda.

Our successful Debt Free London partnership will evolve to enable even more people to benefit from high quality debt advice, and is part of a wider better co-ordinated advice landscape across the capital. During 2021 the Money and Pensions Service are re-commissioning all debt advice services, including the partnership we lead. As at the end of 2021, we are awaiting the result of tenders we have submitted which – if successful - will lead to further opportunities to expand and develop the service; and so we will have a significant piece of work to do to create a governance and operating framework to scale that partnership. And in the event of the bids not succeeding we will have the opportunity to adapt and realign how we work.



A fairer and happier Future

We are often asked if we are a local or national organisation. The answer is both. We have been reminded even more strongly from the experience of the pandemic that, more than ever, systemic and structural barriers – and national and global forces – can prevent our community, and others across the country, from prospering and thriving. So our ambition for change, and for shaping that fairer and happier future, beyond London is that:

- We will develop, learn from and share our model for community-led change – where local people are genuinely at the heart of identifying systemic barriers and shaping solutions, giving them platforms to share and advocate for change at a national level.
- We will contribute to learning and practice around people and equity – ensuring that the voices of communities can hold us to account as an organisation which lives by its values of justice, challenging racism and other discrimination – and that we do the same to those in power.
- As well as supporting those in financial crisis, we will continue to work in partnership to tackle the drivers of debt – and to develop new solutions to supporting and nurturing financial health, always shaped by the experience of our community.

Structure, Governance and Management

Charitable Objectives

Our charitable objectives are set out in our Articles of Association and are to:

1. To prevent or relieve poverty or financial hardship;
 - 1.1 By providing goods, services and/or advice to persons who suffer from hardship or distress, including by virtue of their health, age, offending status, economic or other special circumstances.
 - 1.2 By undertaking and supporting research into factors that contribute to poverty or financial hardships and the most appropriate ways to mitigate these.
 - 1.3 By raising awareness and informing and influencing the public and public policy on these issues.
2. To promote social inclusion for the public benefit by preventing people from becoming socially excluded and assisting them to integrate into society, by undertaking and supporting research into factors that contribute to social exclusion and the most appropriate ways to mitigate it and by raising awareness and informing and influencing the public and public policy on social exclusion;
3. To advance education by providing or assisting in the provision of experiences, learning and engagement, enhancing for the public benefit, amongst other things, lifelong learning and citizenship for the public benefit;
4. To advance education by the encouragement of the Arts, including arts of drama, mime, dancing, singing and music;
5. To provide for the benefit of the public the conservation, protection and improvement of the physical environment by the preservation, repair and maintenance of the historic building known as Toynbee Hall situated at 28 Commercial Street, London, E1 6LS; and/or
6. To provide, or assist in the provision of facilities, in the interest of social welfare for recreation or other leisure time occupation of members of the public at large and/or individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

We are satisfied that we undertake all of our work within our charitable objectives and the public benefit requirement as defined in Section 17 of the Charities Act 2011.

Toynbee Hall's Board of Trustees

The Board of Trustees formally determines, in compliance with the Charity Commission rules, matters such as disposal or acquisition of property, and approves the key operating policies of the charity. The Board is also responsible for the overall risk policy and for assessing the adequacy of the risk mitigation plans. Trustees give their time voluntarily and receive no personal benefit from Toynbee Hall. They are a group with a diverse range of skills, a deep commitment to Toynbee Hall's values and mission, and throughout the last year have performed their duties - in terms of governance, and also in terms of strategic oversight of the organisation - very effectively, enabling us to achieve so many positive outcomes in a context of so much uncertainty.

Throughout the Covid crisis the Board has met much more regularly, offering very effective support and stewardship – with the new trustees rapidly learning about the organisation in some depth.

During 2020/21 Kate Swade stepped down as a trustee, having made an outstanding contribution during her 9 year involvement. Having been through a substantial recruitment of trustees to broaden and deepen the expertise on our board over the past two years we did not recruit more trustees in 2020-21 so the Board currently stands at 13 members.

As noted above, in early 2022 the Chair will step down and leave the board, so recruitment for a replacement is now underway. In addition two other long standing experienced trustees will also end their terms, so we will be seeking to bring further experience onto our board as we enter 2022.

The Board of Trustees is ultimately responsible for recruiting and appointing new trustees, as and when it becomes clear new skills and experience are needed; or as and when current trustees finish their terms of office. In 2018 and 2019, we embarked on significant recruitment of Trustees for both of these reasons. This involved open advertising across our networks and within the local community; support from an expert in charity governance to help ensure a fair process; and input from trustees, community members and staff into the selection process, with a group of Trustees making the final recommendation to the Board for approval of the trustees identified. Having been satisfied with the successful outcomes from both of these campaigns the Trustees would use a similar approach for future recruitment and indeed – supported by a specialist recruitment agency – are following a similar process for recruitment of the new Chair, overseen by a sub committee of current Trustees.

Once Trustees are recruited, our Executive Team and Head of HR plan a full induction, supporting them to understand not only their legal responsibilities but also the scope and nature of work done by the organisation, and how they can best contribute as Trustees.

Committees

In addition to the Board meetings, the governance structure of Toynbee Hall provides engagement for trustees through the Finance Committee.

Membership of the Committee is made up of trustees, and the board has the power to co-opt non-trustee Members to the Committees to address specific and identified skills gaps.

The following individuals who are not trustees sat on the Finance Committee during the year.

Richard Allan remained a co-opted member of the Finance Committee throughout 2020-21.

To help deepen our governance and the trustees understanding of the organisation, in February 2021 the trustees agreed to form two new sub committees, one for People and one for Strategy. These committees have had informal first meetings at the end of 2021 and will meet more regularly in 2022.

Executive Team

The Trustees delegate the day-to-day management of Toynbee Hall to Jim Minton, the Chief Executive who is supported by an Executive Team. During the year, the Executive Team comprised the Director of Finance, Howard Jackson, and Director of Policy and Innovation, Sian Williams.

The Chief Executive develops Toynbee Hall's strategic and business plans, both of which are approved and then monitored by the Trustees.

The team use a range of business planning and performance management systems which provide transparent targets in relation to our commitments to funders and our own ambitions to create the best outcomes we can for the community around us and beyond. The Chief Executive reports on organisational performance against strategic objectives at each Board meeting. This enables Trustees to monitor and evaluate performance regularly.

The Trustees are responsible for setting the pay and remuneration of the charity's key management personnel. We have not had any changes in the key personnel during 2020-21, nor any review of their remuneration (beyond the standard pay award offered to all members of staff). Should Trustees be required to consider remuneration of key management personnel in the future, this would be the responsibility of the newly established People Committee in the first instance, who would set criteria and parameters and carry out appropriate benchmarking before making recommendations to the full Board.

Transparency

In accordance with our remuneration policy, Toynbee Hall publicly reports Toynbee Hall's wage differentials and discloses the pay of our leadership team in [Our People report](#). Details of the remuneration of the Key Management Personnel are set out in note 6 to the financial statements.

As noted above, we published Our People in January 2021, which provided significant transparency about our salaries, our diversity and the make-up of our team. We are also signatories to the charity campaign 'Show the Salary' which commits us to openness in recruitment and disclosure.

As an anti-poverty charity and an accredited London Living Wage employer we take equity issues around pay extremely seriously and while we know there is still work to do, we can reflect in this report that we perform well against the sector benchmark on wage differentials.

As at 31 March 2021, the ratio of our Chief Executive's pay to median pay was 2.7:1 (last year 2.4:1); and of our Chief Executive's pay to the lowest salary was 4.1:1 (last year the same).

We recognise the Trade Union, Unite, and are happy to enjoy a good relationship with the Union as an important stakeholder in ensuring the organisation is well led and managed.

Equity and Diversity

As an organisation with a vision of a fairer and happier future, with a very diverse staff team, and deep roots and connections within a hugely diverse community in East London, our mission requires us to put equity and diversity at the heart of all we do. The challenges of Covid and its disproportionate impact on many of the communities around us, made this even more central to our work throughout 2020-21.

Our People, our first comprehensive report on who we are as an organisation, was produced so that everyone can see where we are on our journey; and to set out clearly what more we intend to do, with the backing and involvement of our team, our stakeholders and the community around us.

Our ambition is to offer fair and inclusive opportunity, ensuring that we are helping create employment and influencing pathways for people without the types of privilege that traditionally lead to power, or just good jobs. We want our staff and volunteer opportunities to be accessible to and representative of the local community, with people from all backgrounds able to join us and thrive here, making their contribution in whichever way is best for them.

The events of 2020, both the disproportionate impact of the COVID-19 pandemic on ethnic minority and low income communities, and the racial injustice events here and in the US that led to a growing awareness of the continued impact of structural racism, have prompted us to reflect deeply on whether we are doing all we can towards building that fairer and happier society.

We have a very diverse team, with an incredible breadth of experience, talent, knowledge and skills drawn from a very wide range of backgrounds and as well as publishing our data openly, we have explored honestly what it is telling us, and in doing so, have uncovered clearly where we believe we have more work to do.

We need of course to acknowledge that as an organisation with a diverse staff team, in a hugely diverse part of London, our most senior leadership, including our Chief Executive and Chair of Trustees, are White men. However, over the past two years we have broadened diversity within our Senior Management Team and worked proactively to recruit talented new trustees including more women, and more trustees with strong local experience and from diverse backgrounds. And as we move forward as an organisation, our Trustees will hold us to account on our commitment to continue to do more to evolve a diverse and talented leadership team.

Making commitments is the easy bit. Making change is much harder and needs real leadership and willingness to learn. So in 2020-21 we set out our practical commitment to doing more and better, in four key areas:

- More inclusive recruitment;
- Supporting progression and fair reward,;
- Better understanding and tackling the barriers people face; and
- Using our existing people development tools better to maximize the benefit to each staff member from their time with us.

We want to increase our accessibility as an employer, and have committed to the Working Families pledge to make all our roles flexible. And we must deepen our support to staff from all backgrounds to help them progress and pursue their ambitions.

We committed to publically sharing our data because we want to be transparent, and we want to be held to account on our commitments.

As well as making commitments, we also took action through 2020-21. We have increased pay in the small number of roles where the data showed there were identifiable inequality gaps, explored how they had arisen and put in place a new process to monitor for and address any future unfair pay gaps. And we have increased the level of community participation in our recruitment.

As noted earlier in this report, we partnered with You Make It, an East London charity with huge experience of challenging systemic inequalities facing local communities. The team at You Make It supported us to take our whole leadership and middle management team through their anti-racism programme, You Change It, using a human-centred approach to equip us with the knowledge and skills to build our own anti-racism allyship plan.

There is still much important work for us to do if we want to be the best champions we can for full inclusion and fairness for all people. We believe absolutely that by doing this work we will be better able to fulfil our mission to build that fairer and happier future with the communities around us.

We have committed to Toynbee Hall being a true ally against all forms of structural inequality, unfairness and injustice, both in the work we do and the way in which we create and open up access to opportunity. In early 2022, we will publish our second diversity report to share our learning and, hopefully, our progress. In all this work we want to be transparent and open to feedback and challenged, so that we can move forwards together with confidence that we are making the right changes, in the right way.

Management of Risk

In the context of a year in which, at times, it is fair to say that some of our team genuinely may have worried about exactly how we would survive and flourish into the future, such was the uncertainty faced by everyone, it is something of a challenge to draw out operational and strategic risks that impact upon us, whether or not we are in the midst of a pandemic. Nevertheless we have maintained the approach of reviewing all risks, quarterly at both Executive and Board level, taking into account the different categories of risk we face and the different mitigations.

The three categories of risk we have had to deal with this year are therefore Covid specific risks; risks relevant to Toynbee Hall; and risks which generally apply to charities and other civil society organisations. The key risks in these areas are summarised below.

In terms of process for reviewing and managing risk, while overall accountability rests with the Chief Executive, Directors and Senior Managers, our aim is to create a culture of effective risk management and mitigation within the organisation. We do this through our regular reviews amongst senior managers, and in line with updating on progress against operational plans and targets, following up with discussions in team meetings and one to ones. We introduce training - for instance on financial procedures, health and safety and safeguarding - for all staff as necessary to instil good practice, and use risk assessments to ensure we are managing day to day risk effectively in our operations. Our key policies covering safeguarding, procurement, financial management and health and safety are regularly reviewed and updated by senior managers and scrutinised by the Board in order to offer assurance.

COVID-19 related risks

Much of our focus through 2020-21 has, by necessity, focused on short term risks in relation to how we keep people safe and healthy, maintain services and our spaces; and are still able to meet need in the community while dealing with the various restrictions in place.

We set up early on – and have maintained throughout the crisis - an internal task force of the CEO, Director of Policy and Innovation, Head of HR and Head of Estate Operations to help us navigate this changing picture.

We established new – safe – operating procedures; training and induction for staff; provided guidance and support around home working; and – crucially – provided a constant flow of information to the team and to the wider community to ensure that everyone understood what we were doing – and what was required of them – to stay safe. As a result, we have managed to continue our operations and keep our spaces open and have not encountered any cases of transmission due to our activities to date – and have a workforce who feel safe and supported, while able to do their jobs as best they can.

As we have carefully reopened our spaces during 2021, we are listening to staff, and ensuring their needs and those of the wider community in terms of safety and their wellbeing remain paramount. We are conducting thorough risk assessments, consultations and careful planning – advised by our specialist health and safety partners, before implementing changes.

In addition, our suppliers and contractors are all asked to commit to our safety protocols and all staff working within our building are briefed and supported on the requirements of a Covid safe environment.

Our staff survey identified that the vast majority of our team had either been or had every intention of being vaccinated and we made vaccination available early to key workers through our partnership with Tower Hamlets and the NHS. Our protocols are strict and as a result we have had no outbreaks in our spaces, and have managed to continue to work safely in small numbers throughout.

Toynbee Hall- specific risks

While for the past 5 years and more, our risk landscape has been dominated by the conditions around our redevelopment (a major capital project affecting the entirety of the organisation), as we completed the project in early 2020, these risks have reduced, although some financing risks remain as a result. There are, however, still other risks that affect us particularly because of our operating model and these include:

Risks around the significant partnerships we lead, notably the Debt Free London capital-wide debt advice partnership, which is now around 60% of our income and half of our staff team. This is a complex multi-agency project working to support thousands of people; so our mitigating actions have been to establish appropriate support for quality standards and in-house capacity to deliver quality assurance; as well as monitoring and learning capability; and regular contact with funders to ensure confidence in our capacity to deliver outcomes. As we await the outcome of the Debt Advice service commissioning cycle, there will no doubt be further risks to consider.

Another category of Toynbee Hall specific risks are around our capacity to influence long term change rather than simply helping people in immediate crisis, so that in the long term we achieve our mission toward a fairer and happier future. As mitigation, we support and maintain a policy and research team dedicated to learning from the community and then share and amplify findings of community research; and seek to ensure as far as possible our services include strong elements of advocacy.

More generic charity risks

These are risks that all charities will face, though of course the particular context is ours. These include:

Safeguarding the people we work with and our team: we have trained safeguarding leads, a programme of induction and training around safeguarding; and a clear and well understood process for referrals to expert and external agencies and support where needed. Policies on safeguarding, child protection and safeguarding vulnerable adults are regularly reviewed, kept up to date and scrutinised by the Board annually.

The health and safety of our team and our spaces: we have a dedicated, qualified Head of Estate Operations who leads on the safety of our spaces, supported by an external agency. Staff induction focuses on health and safety, and our site is protected by security; visitors and external guests are made aware of their responsibilities and the operating environment which is there to protect them. As might be expected, the Covid pandemic created a range of additional health and safety needs as set out above.

Risks around Governance have been around ensuring the level of skills exist at trustee level to steer and scrutinise the organisation effectively; and additionally to ensure that the Board better reflected and understood the needs and concerns of those we work with. The Board has been through a period of change with 9 new trustees joining and 4 completing their terms in the past two years. The Board has sought to mitigate risk by establishing new committees to give it more oversight, and a sub group of trustees are now leading the process to recruit a new Chair.

Our finances and financial model – including our fundraising and income generation performance – create risks. Our finance committee (a sub committee of the full board) plays an active role in scrutinising our finances and performance; managers meet each month with Finance to look at budgets and reforecast; and we have a very strong and well adhered to set of financial procedures which govern how we use the charity's resources.

There are risks around our **operational effectiveness**, so we provide – and scrutinise together – quarterly performance reports on how we are doing in relation to our agreed targets; and each year develop an operating plan, in consultation with the team and trustees, which sets out what these targets require of us. Through effective line management and communication we monitor and adapt performance accordingly.

We of course want to manage risks around **our reputation** – which might stem from financial, operational or other issues, including how we communicate, and where we generate income through commercial and fundraising activities. We do have an ethical fundraising policy, and the presence of a Trustee on the Board of Toynbee Hall Trading Limited which oversees our commercial activities helps keep us conscious of mission related considerations. More widely, external communication is well managed through our communications team, and we spend a lot of time ensuring staff members understand our policies around social media and communicating more generally, and are kept informed about our progress and the news from across the charity.

As an employer of around 120 team members, **the wellbeing of our people** is a major concern, and we manage carefully the risks that a challenging operating environment, and work with vulnerable people could bring. We have a staff led wellbeing group; a dedicated confidential helpline; as well as an internal HR function to support managers, lead training and work on individual issues, backed up by external employment law advice on a retained basis from AP Partnership.

Related to this, we aim to be an inclusive organisation, and are very conscious of **risks around diversity and equality**. Above and beyond our legal duties, we have a strong commitment through the way we recruit, manage, reward and engage staff in ensuring that we are doing the best we can to be an organisation which not only challenges inequality externally, but does so in terms of our own structures and systems.

Finally, as an organisation which collects a lot of data – not only on our staff, but on members of the community who interact with us – **protection of personal information** is very important. We have a dedicated data officer; use IT and data systems which have built in protections; and train and support our staff to adhere to our policies including around GDPR.

Trustees/Directors Indemnity Insurance

Toynbee Hall provides insurance to its trustees against liability in respect of action brought by third parties, subject to the conditions set out in the Companies Act 2006.

Such qualifying third party indemnity insurance remains in force as of the date of approving the trustees' annual report

Our Finances

Financial Review

The results for the year, as set out in the Consolidated Statement of Financial Activities, show a positive net movement in funds of £481k (2020 – negative net movement in funds of £543k). This comprises:

- A net surplus of £22k (2020 - £471k) representing capital grants less management and overhead costs of the redevelopment not capitalised;
- An operational surplus of £419k (2020 – deficit of £579k), giving net income before net gains of £441k (2020 – net expenditure before net gains of £108k), of which £373k (2020 - £116k) relates to restricted income for our Debt Free London programme that will be spent in 2022; and
- Revaluation gains of £40k (2019 – losses of £435k) mainly arising from the revaluation of the Charity's investment properties.

Excluding capital grants received, income for the year was £8.896m compared to the previous year of £7.389m. The most significant increase in income related to additional funding from the Money and Pensions Service to fund the training of sixty debt advisers to provide support for an expected substantial increase in demand arising from the pandemic. There was also significant funding provided for IT infrastructure developments that is helping to improve the effectiveness of the service.

Other significant changes in income were:

- A reduction in Education income of c£200k as a result of the Charity not being able to deliver its Youth and Heritage programmes and carry out its research work during the pandemic;
- An increase in income for our Wellbeing work of c£100k as a result of the tremendous support received from funders in the form of emergency grants to fund the critical work needed in the community;
- An increase of c£200k in Investment income and c£100k in Estate income reflecting the new income arising from the letting of all four floors of the investment property; and
- A fall of c£360k in our Venue Hire income as a result of the lockdown. This was mitigated to some extent through emergency grants of c£75k to support the business and the maintenance of the building.

In view of the urgent need for our services during the year, the Charity only had a limited number of staff that could not continue our vital work and, for these people, the Charity made use of the Government's Coronavirus Job Retention Scheme by furloughing staff, as appropriate. This resulted in furlough grant income of £67k in the year.

In addition to the Debt Free London programme, we also ran a number of other advice services and this activity again ran at a deficit for the year of £207k (2020 –£297k). The Charity provides advice to the local community that is not fully funded as it considers these services to be essential and continues to seek ways to increase funding for this vital work.

Our Wellbeing services continue to be strongly supported and ran at a small deficit of £12k in the year (2020 - £38k).

For the reasons set out above, our Education services (which includes our Youth, Heritage and Research work) ran at an increased deficit for the year of £126k (2020 - £70k) and the Charity expects this position to improve as activities are allowed to restart.

Our Financial Health activities during the year were key to our understanding of the impact of the pandemic and supporting our applications for emergency funding for our services. This area ran at a slightly increased deficit for the year of £234k (2020 - £220k). However, these activities remain a key focus of the Charity in line with its strategic thinking.

As mentioned, our venue hire business, which operates through the trading subsidiary, stopped in March 2020 and was only able to generate £40k of income in the year, mainly from TV and film production companies. Rather than furloughing our staff, we developed our online offering, improved our marketing collateral and stayed in touch with our customer base. This is now paying dividends as we are generating reasonable amounts of income post March 2021 year end and expect to achieve our target of c£200k income for 2021/22.

The Charity continues to financially support the trading subsidiary via a loan facility to ensure that it survives the pandemic and provides a key source of unrestricted funding into the future. At the year end, the Charity had lent £60k to the subsidiary (2020 - £60k).

With the redevelopment of the historic Toynbee Hall building and the new building at 28 Commercial Street completed in the prior year, the Charity was extremely disappointed to not be able to fully utilise our revitalised spaces in the year. However, our Estates team put all major maintenance contracts in place and supported our tenants at this difficult time.

Market conditions in the pandemic have led to uncertainty over property values. As a result, the trustees decided to have a professional valuation carried out on value of the top four floors of the new building, which is shown as an investment property in our accounts. Trustees were pleased to see that there had been no significant loss in value with a valuation of £6.95m at 31 March 2021 (2020 - £6.89m).

Prior to the start of 2020/21 and pre-Covid, the Charity set a break-even budget that had to be drastically adjusted downwards when the crisis struck. The trustees therefore decided to apply for an additional £500k of long-term funding to add to the £2.5 million that was lent by CAF Bank Limited to fund the redevelopment. This additional funding was approved in September 2020 and drawn down in November 2020 to ensure that the Charity had access to sufficient working capital.

The trustees are extremely pleased with the result for the year. With the additional long-term funding in place and the expectation that Funders will continue to support community-based organisations, trustees are confident that the Charity has sufficient working capital to be able to fund its operations.

In that context, the trustees are confident that the decision to apply for an additional £500k of long-term funding to add to the £2.5 million lent by CAF Bank Limited to fund the redevelopment will help sustain the charity into the future. And that as our fundraising and commercial activities generate new revenues, in addition to the security of the long term rental generated, we will cover the repayments going forward.

The Charity ends the year with consolidated reserves of £14.124m (2020 - £13.643m). Of this amount, £740k (2020 - £449k) represents restricted reserves. Of the balance of £13.384m (2020 - £13.194m), £11.574m (2019 - £11.414m) has been designated in respect of the carrying value of the new estate arising from the redevelopment project.

Reserves Policy

Our reserves policy is to hold unrestricted funds equivalent to the value of two month's expenditure. Currently, this would equate to the Charity having unrestricted funds of approximately £500k (2020 - £550k), calculated by excluding the direct costs of our Debt Free London programme, which include funds distributed to and expended by the debt advice partners.

Bringing our estate back into use has been a significant achievement, designed to equip the Charity to be sustainable long into the future. The length and extent of the project meant that the Charity had not had the benefit of income from its investment and trading assets for several years. Due to the pandemic, we have also not been able to generate a reasonable return from this investment in the year.

As a consequence, all of the unrestricted realised reserves of the Charity of £11.574m (2020 - £11.414m) have been designated for the fixed assets, leaving a £nil balance on the undesignated General Fund (2020 - £10k).

With the income generating assets now fully renewed as a result of the redevelopment, and with optimistic signs that business is starting to adjust to the pandemic, the Charity is confident that it will rebuild its unrestricted funds to meet its reserves policy requirements. In the short term, the Charity has utilised the security of its substantial asset base to arrange borrowing facilities to fund this reserves gap.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Toynbee Hall for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

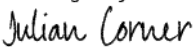
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2020 was 10 (2019 - 20). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Haysmacintyre LLP as the charitable company's auditor will be placed before the Annual General Meeting.

The trustees' annual report which includes the strategic report has been approved by the trustees on 1st December 2021 and signed on their behalf by;

DocuSigned by:

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Name: Julian Comer Position: Chair

Independent Auditor's Report to the members of Toynbee Hall

Opinion

We have audited the financial statements of Toynbee Hall for the year ended 31 March 2021 which comprise Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021, and of the group's net movement in funds, including the 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 group and the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' 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 by parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, 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, the Charities Act 2011, corporation tax, payroll tax and sales tax.

We evaluated 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 the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted that significantly impact on the result for the year and posting in areas subject to significant judgements or estimates; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Use of our report

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



Richard Weaver (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place, London
EC4R 1AG

Date: **14 December 2021**

Toynbee Hall**Consolidated Statement of Financial Activities** (incorporating an income and expenditure account)**For the year ended 31 March 2021**

	Note	Restricted Debt Free £'000	Restricted Other £'000	Unrestricted £'000	2021 Total £'000	2020 Total £'000
Income from						
Donations and legacies	3a	-	89	484	573	845
Charitable activities						
Advice		6,004	426	228	6,658	5,251
Wellbeing		-	920	-	920	808
Education		-	52	-	52	253
Financial health		-	150	-	150	103
Other activities						
Estates income		-	-	104	104	19
Trading income		-	-	49	49	401
Investments						
Dividends and interest received		-	-	-	-	1
Rentals from investment property		-	-	367	367	164
Other Income						
Release of deferred lease premium		-	-	46	46	46
Total income		6,004	1,637	1,278	8,919	7,891
Expenditure on						
Raising funds						
Fundraising and publicity		-	-	175	175	222
Costs of generating estates income		-	-	53	53	127
Costs of generating trading income		-	-	157	157	335
Costs of generating investment income		-	-	106	106	93
Charitable activities						
Advice		5,631	641	220	6,492	5,727
Wellbeing		-	932	-	932	846
Education		-	178	-	178	323
Financial health		-	384	-	384	323
Provision of accommodation		-	-	1	1	3
Total expenditure	4	5,631	2,135	712	8,478	7,999
Net income / (expenditure) before net gains / (losses) on investments		373	(498)	566	441	(108)
Net gains/ (losses) on investments	11,12	-	-	40	40	(435)
Net income / (expenditure) for the year	5	373	(498)	606	481	(543)
Transfers between funds	20	-	416	(416)	-	-
Net movement in funds		373	(82)	190	481	(543)
Reconciliation of funds						
Total funds brought forward		116	333	13,194	13,643	14,186
Total funds carried forward	20	489	251	13,384	14,124	13,643

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

The notes on pages 35 to 49 form part of these financial statements.

Toynbee Hall

Balance sheets

As at 31 March 2021

Company no. 00020080

		The group		The charity	
	Note	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fixed assets					
Tangible assets	10	9,300	9,448	9,278	9,416
Investment properties	11	7,256	7,195	7,256	7,195
Investments	12	21	14	21	14
		16,577	16,657	16,555	16,625
Current assets					
Debtors	14	1,365	842	1,407	860
Cash at bank and in hand		1,600	1,080	1,546	996
		2,965	1,922	2,953	1,856
Liabilities					
Creditors: amounts falling due within one year	16	(1,677)	(1,607)	(1,570)	(1,519)
		1,288	315	1,383	337
Total assets less current liabilities		17,865	16,972	17,938	16,962
Creditors: amounts falling due after one year	18	(3,741)	(3,329)	(3,741)	(3,329)
Net assets	20	14,124	13,643	14,197	13,633
Funds					
Restricted funds					
Debt Free London		490	116	490	116
Other funds		250	333	250	333
Total restricted funds		740	449	740	449
Unrestricted funds:					
Designated funds		11,574	11,414	11,647	11,414
General funds		-	10	-	-
Fair value reserve		1,810	1,770	1,810	1,770
Total unrestricted funds		13,384	13,194	13,457	13,184
Total funds	20	14,124	13,643	14,197	13,633

As permitted by Section 408 of the Companies Act 2006, the Statement of Financial Activities and Income and Expenditure Account of the Parent Charitable Company have not been presented as part of these financial statements. The gross income of the parent charitable company was £8,877k (2020: £7,570k) and surplus of £563k (2020: deficit of £570k).

Approved by the trustees and authorised for issue on 1st December 2021 and signed on their behalf by

DocuSigned by:

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Julian Corner
 Chair

The notes on pages 35 to 49 form part of these financial statements.

Toynbee Hall

Consolidated statement of cash flows

For the year ended 31 March 2021

	Note	2021	2020
		£'000	£'000
Net cash used in operating activities	21	(138)	(186)
Cash flows from investing activities			
Dividends, interest and rents from investments		367	165
Purchase of fixed assets		(93)	(1,255)
Rental deposits from tenants at 28 CS		-	206
Net cash provided by / (used in) investing activities		274	(884)
Cash flows from financing activities			
Draw down of bank loan		495	804
Loan repayments		(40)	-
Transfer from short term deposits		-	-
Loan interest paid		(71)	(67)
Net cash provided by financing activities		384	737
Change in cash and cash equivalents in the year		520	(333)
Cash and cash equivalents at the beginning of the year		1,080	1,413
Cash and cash equivalents at the end of the year	22	1,600	1,080

Toynbee Hall**Notes to the financial statements****For the year ended 31 March 2021**

1 Accounting policies**a) General information**

Toynbee Hall is a charitable company limited by guarantee incorporated in England and Wales (company no. 00020080) and registered with the Charity Commission (charity registration number 211850). The charitable company's registered office and principal operational office address is 28 Commercial Street, London, E1 6LS.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The charitable company meets the definition of a public benefit entity as set out in section 3 of FRS 102.

c) Basis of consolidation

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Toynbee Hall Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet.

d) Going concern

The Charity has produced a cash flow forecast up to 31 March 2023 based on its planned income and expenditure. Due to the significant contribution of the Debt Free London partnership and the fact that the Money and Pensions Service are recommissioning all debt advice services in the current year, the Charity has prepared its forecast using a scenario in which income from commissioned debt services was no longer available.

The trustees have reviewed this forecast and, in particular, the key assumptions relating to future income that is not yet committed.

Having discussed the forecast and assumptions with the management and having taken into account the Charity's fundraising plans and the wider funding environment, they consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

e) Income

Income, including that from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Government grants are accounted for under the accruals model as permitted by FRS 102. The grants received in the year are revenue based grants made under the Coronavirus Job Retention Scheme and have been recognised as donations and legacies in the Consolidated Statement of Financial Activities in the same period as the related expenditure.

Toynbee Hall**Notes to the financial statements (continued)****For the year ended 31 March 2021****1 Accounting policies (continued)****f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and economic benefit can be measured reliably. In accordance with the Charities SORP FRS 102, volunteer time is not recognised within the statement of financial activities.

On receipt, donated gifts, professional services and facilities are recognised on the basis of the value of the gift to the charity, which is the best estimate of the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are those used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

There are two funds within unrestricted funds:

- Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- General funds represent the remaining reserves of Toynbee Hall.

i) Expenditure and irrecoverable VAT

Expenditure 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 classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- The cost of charitable activities comprise project expenditure, and costs relating to the provision of accommodation for residential voluntary workers.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, support and governance costs for the direction and administration of each activity, comprising the salary and overhead costs of the central function, are apportioned in the following way based on estimated staff time and space utilisation attributable to each activity.

● Advice	72.3%
● Wellbeing	14.9%
● Education	5.2%
● Financial health	7.0%
● Fundraising	0.4%
● Toynbee Hall Trading Limited	0.2%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Toynbee Hall**Notes to the financial statements (continued)****For the year ended 31 March 2021****1 Accounting policies (continued)****k) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Amounts paid or payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless other systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

l) Lease premiums

Premiums received on the issue of leases are taken to deferred income in the balance sheet and released to the statement of financial activities on a straight line basis over the term of the lease.

m) Tangible fixed assets

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment annually and any impairment loss is recognised where the recoverable amount of the asset is less than its carrying amount.

The historic Toynbee Hall building is expected to have a residual value that will never fall below the original cost of redevelopment. As such, no depreciation is recognised as the charge is considered to be immaterial to the financial statements. Other freehold buildings in use by the Charity are depreciated over a period of 50 years.

All costs directly attributable to the construction of tangible fixed assets, incurred to bring the asset into its intended working condition, are capitalised as part of the cost of that asset. Cost includes, for qualifying assets, attributable borrowing costs capitalised. Assets in the course of construction are not depreciated.

Fixtures, fittings and equipment are stated at cost, less accumulated depreciation, which is provided on a straight line basis as follows:

Computer equipment – over 3 years

Fixture, fittings and other equipment – over 15 years

Items of equipment are capitalised where the purchase price exceeds £1,000.

Plant and machinery is stated at cost, less accumulated depreciation, which is provided on a straight line basis over 15 years.

Licences for IT software are not capitalised but expensed in the period of use.

n) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments is shown as a fair value reserve in the balance sheet. The valuation method used to determine fair value is stated in the notes to the accounts.

o) Investment in shares

Investment in shares are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value is recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments is shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

p) Investments in subsidiaries

Investments in subsidiaries are measured at cost, less impairment.

q) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Toynbee Hall**Notes to the financial statements (continued)****For the year ended 31 March 2021**

1 Accounting policies (continued)**r) Cash at bank and in hand**

Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes.

s) Current asset investments

Current asset investments are investments relating to cash or cash equivalents with a maturity date of less than one year.

Cash on deposit and cash equivalents with a maturity of less than one year are held for investment purposes rather than to meet short-term cash commitments as they fall due.

t) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

u) Pensions

The charity contributes to a group defined contribution personal pension plan for certain employees. The pension costs charged represent the contributions payable to the plan and are allocated to activities and funds on the basis set out in Note 1(i) and Note 1(j) above.

v) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgement and estimation are as follows:

Revaluation of investment properties

The Group carries its investment property at fair value, with changes in fair value being recognised in profit or loss. The key assumptions used to determine the fair value of investment property are further explained in note 11.

Mixed use property

The Group's property at 28 Commercial Street is partly occupied for its own operations and partly for the purpose of earning investment returns in the form of rental income. FRS 102 requires such mixed use property be separated between investment property and tangible fixed assets, and for the investment property component to be measured at fair value. The Group has separated the cost of construction between the components on the basis of the square footage of each floor.

In the prior year, the fair value of the investment property was determined by the directors by applying the same valuation methods used by the surveyors in their valuation of the whole property in October 2018 to the actual rental values achieved. For the current year, a desktop valuation was obtained from the surveyors. The carrying amount of the investment property component at the balance sheet date was £6,950k (2020 - £6,890k). An explanation of the key assumptions applied by the directors to estimate fair value as at 31 March 2020 is set out in note 11.

Toynbee Hall**Notes to the financial statements (continued)****For the year ended 31 March 2021****2 Detailed comparatives for the consolidated statement of financial activities**

For the year ended 31 March 2020

	Restricted Debt Free London £'000	Restricted Other £'000	Unrestricted £'000	2020 Total £'000
Income from:				
Donations and legacies		543	302	845
Charitable activities				
Advice	4,538	508	205	5,251
Wellbeing	-	808		808
Education	-	253	-	253
Financial health	-	103		103
Other trading activities				
Estates income	-	-	19	19
Trading income	-	-	401	401
Investments				
Dividends and interest received	-	-	1	1
Rentals from investment property	-	-	164	164
Other Income				
Release of deferred lease premium	-	-	46	46
Total income	4,538	2,215	1,138	7,891
Expenditure on				
Raising funds				
Fundraising and publicity	-	-	222	222
Costs of generating estates income	-		127	127
Costs of generating trading income	-	-	335	335
Costs of generating investment income	-	-	93	93
Charitable activities				
Advice	4,717	800	210	5,727
Wellbeing	-	846		846
Education	-	323	-	323
Financial health	-	323		323
Provision of accommodation	-	-	3	3
Total expenditure	4,717	2,292	990	7,999
Net expenditure before net losses on investments	(179)	(77)	148	(108)
Net losses on investments	-	-	(435)	(435)
Net expenditure for the year	(179)	(77)	(287)	(543)
Transfers between funds	136	(1,594)	1,458	-
Net movement in funds	(43)	(1,671)	1,171	(543)
Reconciliation of funds:				
Total funds brought forward	159	2,004	12,023	14,186
Total funds carried forward	116	333	13,194	13,643

Toynbee Hall

Notes to the financial statements (continued)

For the year ended 31 March 2021

3 Income	Restricted £'000	Unrestricted £'000	2021 Total £'000
a) <u>Donations and legacies</u>			
Trust and foundation grants	-	260	260
Heritage Fund	50	-	50
Capital grants for the redevelopment project	23	-	23
Other donations	3	98	101
CIRS grants	-	67	67
Donated services	13	59	72
	89	484	573
Detailed comparatives for income			
For the year ended 31 March 2020			2020 Total £'000
<u>Donations and legacies</u>			
Trust and foundation grant	-	110	110
Capital grants for the redevelopment project	501	1	502
Other donations	4	104	108
Donated services	38	87	125
	543	302	845

Donated legal and other services

Linklaters LLP has been providing pro bono legal advice to Toynbee Hall for many years. Their work over the past four years covered assisting with the strategy and implementation of our estate regeneration project and advice on access to certain charity funds. During 2020/21, the fair value of donated services from that firm is £55,763 (2019/20: £85,751) on a 'cost to firm' basis. This valuation methodology was developed by London Benchmarking Group, a consortium of over 100 leading businesses whose approach to valuing community investment is endorsed and employed by indices including DJI and GRI. 'Cost to firm' is defined by the Group as 'what it costs the firm to provide professional advice, not what the recipient would have had to pay had it been charged at commercial rates'. Linklaters followed that protocol in providing this valuation.

K&L Gates provided pro bono advice and contract work for Toynbee Hall's Free Legal Advice Centre. Their team advised us on tax risk and liability and also helped create standardised partnership and donation agreements for our work with corporate supporters. During 2020/21, the fair value of donated services from that firm was £6,143 (2019/20: £38,335), on a market value basis.

Holman Fenwick Willan LLP provided pro bono legal services to advise us on returning payments to our Venue Hire clients as a result of the pandemic and advice on a bespoke venue hire agreement. The fair value of donated services from that firm was £3,248 (2019/20: £876), on a market value basis.

Allen & Overy LLP provided pro bono legal services to advise on termination of a tenancy granted to a residential voluntary worker and related issues as well as general advice. The fair value of donated services from that firm was £6,780 (2019/20: £36,882), on a market value basis.

Safeflow Ventilation provided pro bono maintenance services by checking the Charity's ventilation system. The fair value of these donated services was £504 (2019/20: £nil), on a market value basis.

Acknowledgments

The Charity is extremely grateful to all its supporters, without whom we could not achieve all that is outlined in this report. We are pleased to formally acknowledge here income from certain funders in accordance with their wishes.

Funder	Total grant £'000	Received in year £'000	Purpose
The Charity of Sir Richard Whittington	92	32	To transform Toynbee Hall into a hub of user-led activity and social change
The Charity of Sir Richard Whittington	5	5	To support the elderly during the Covid 19 pandemic
The Mercers' Charitable Foundation	75	24	Piloting and evaluating targeted interventions to address loneliness
Trustees of The Merchant Taylors'			
Consolidated Charities for the Infirm	42	21	To establish a student / elderly befriending scheme
Garfield Weston Foundation			To support our work with local community and contribute to core running costs
	50	50	during the Covid 19 pandemic

b) Government funding

The charity has received funding from the Government and Government departments for the following projects:

Government funding	Project	2021 £'000	2020 £'000
London Borough Tower Hamlets	Tower Hamlets Debt and Money Advice	21	30
London Borough Tower Hamlets	LinkAge Plus	643	643
London Borough Tower Hamlets	Wellbeing Centre	41	34
London Borough Tower Hamlets	Financial Health Research	39	24
Greater London Authority	Redevelopment	-	306
Greater London Authority	Debt Free London	73	-
Thrive LDN	Debt Free London	34	-
The Money and Pensions Service	Debt Free London	6,004	4,538
The Money and Pensions Service	Money Coaching Pilot	-	8
The Building a Stronger Britain Together Programme	School heritage workshop programme	-	8
City of London Corporation	City Advice	200	200
HMRC Coronavirus Job Retention Scheme	Across the organisation	67	-

Toynbee Hall

Notes to the financial statements (continued)

For the year ended 31 March 2021

4 Analysis of expenditure

	Staff costs (note 6) £'000	Direct costs £'000	Reallocation of support and governance costs £'000	2021 Total £'000	2020 Total £'000
Fundraising and publicity	160	10	5	175	222
Costs of generating estates income	-	53	-	53	127
Costs of generating trading income	107	48	2	157	335
Costs of generating investment income	-	106	-	106	93
Charitable activities					
Advice	2,114	3,495	883	6,492	5,727
Wellbeing	241	510	181	932	846
Education	94	21	63	178	323
Financial health	212	86	86	384	323
Provision of accommodation	-	1	-	1	3
	2,928	4,330	1,220	8,478	7,999
Support costs	384	704	(1,088)	-	
Governance costs	94	38	(132)	-	
Total expenditure 2021	3,406	5,072	-	8,478	

Of the total expenditure, £712k was unrestricted and £7,766k was restricted.

Detailed comparatives for the analysis of expenditure

For the year ended 31 March 2020

	Staff costs (note 6) £'000	Direct costs £'000	Reallocation of support and governance costs £'000	2020 Total £'000
Fundraising and publicity	133	22	67	222
Costs of generating estates income	-	127	-	127
Costs of generating trading income	120	172	43	335
Costs of generating investment income	-	93	-	93
Charitable activities				
Advice	1,292	3,687	748	5,727
Wellbeing	193	503	150	846
Education	174	35	114	323
Financial health	173	60	90	323
Provision of accommodation	-	3	-	3
	2,085	4,702	1,122	7,999
Support costs	395	698	(1,093)	-
Governance costs	92	27	(119)	-
Total expenditure 2020	2,572	5,427	-	7,999

Of the total expenditure, £990k was unrestricted and £7,009k was restricted.

Toynbee Hall**Notes to the financial statements (continued)****For the year ended 31 March 2021****5 Net income / (expenditure) for the year**

This is stated after charging:

	2021 £'000	2020 £'000
Depreciation	213	210
Interest payable	71	67
Operating lease rentals expense	40	25
Auditor's remuneration: audit fees		
Toynbee Hall	21	22
Toynbee Hall Trading Limited	4	4
Auditor's remuneration: non-audit fees		
Toynbee Hall	3	-
Toynbee Hall Trading Limited	1	1
	3,406	2,605

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £'000	2020 £'000
Salaries and wages	2,978	2,249
Social security costs	293	219
Employer's contribution to defined contribution pension	109	95
Redundancy and termination costs	26	42
	3,406	2,605

Included within total staff costs of £3,406k (2020 £2,605k) is £nil (2020: £33k) representing project management costs incurred wholly and exclusively for the construction of a new building at 28 Commercial Street. These costs have been capitalised as part of the cost of construction.

The following number of employees received employee benefits (excluding employer's NI & pension costs) during the year between:

	2021 No.	2020 No.
£60,000 - £69,999	1	2
£70,000 - £79,999	1	-
£80,000 - £89,999	1	1

The total employee benefits, including employer's NI and pension contributions, of the key management personnel were £251k (2020: £309k).

During the year, the Key Management Personnel comprised the Chief Executive; the Director of Policy and Innovation and the Director of Finance.

	Service Period	Gross Pay £'000	Employer Pension £'000	Total £'000
CEO	April 2020 to Mar 2021	81	6	86
Director of Policy and Innovation	April 2020 to Mar 2021	70	6	77
Director of Finance	April 2020 to Mar 2021	62	-	62

Trustees did not receive any remuneration or any other benefits for the current or prior year.

Toynbee Hall**Notes to the financial statements (continued)****For the year ended 31 March 2021****7 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 102 (2020: 85).

The average monthly number of employees (full-time equivalent) during the year was as follows:

	2021	2020
	No.	No.
Fundraising and publicity	4	3
Advice	62	34
Wellbeing	7	6
Education	3	5
Financial health	4	4
Estates	2	2
Support costs	7	7
Toynbee Hall Trading Limited	2	2
	91	63

8 Related party transactions

During the year the Charity charged £8k (2020: 61k) to Toynbee Hall Trading Limited in respect of licence fees for the use of its premises to carry out its activities. In addition, the Charity charged £7k (2020: £65k) mainly in respect of shared costs. Toynbee Hall Trading Limited invoiced £36k (2020: £22k) to the Charity for the provision of consultancy services and venue hire in the year.

Aggregate donations from related parties for 2020 were £360 (2020: £555). There were no other related party transactions for 2021 (2020: none).

9 Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. Where appropriate, the Charity's trading subsidiary, Toynbee Hall Trading Limited, donates its profits to the parent charity such that it has no taxable profit.

10 Tangible fixed assets**The group**

	Freehold land & buildings £'000	Fixtures, fittings & equipment £'000	Plant & machinery £'000	Total £'000
Cost				
At the start of the year	7,629	908	1,286	9,823
Additions in year	(7)	72	-	65
Disposals in year	-	-	-	-
At the end of the year	7,622	980	1,286	9,888
Depreciation				
At the start of the year	34	214	127	375
Charge for the year	36	92	85	213
Eliminated on disposal	-	-	-	-
At the end of the year	70	306	212	588
Net book value				
At the end of the year	7,552	674	1,074	9,300
At the start of the year	7,595	694	1,159	9,448

The Charity

	Freehold land & buildings £'000	Fixtures, fittings & equipment £'000	Plant & machinery £'000	Total £'000
Cost				
At the start of the year	7,630	866	1,286	9,782
Additions in year	(7)	72	-	65
Disposals in year	-	-	-	-
Adjustments in year	-	-	-	-
At the end of the year	7,623	938	1,286	9,847
Depreciation				
At the start of the year	34	204	127	365
Charge for the year	35	84	85	204
Eliminated on disposal	-	-	-	-
At the end of the year	69	288	212	569
Net book value				
At the end of the year	7,553	650	1,075	9,278
At the start of the year	7,595	662	1,159	9,416

Toynbee Hall

Notes to the financial statements (continued)

For the year ended 31 March 2021

11 Investment properties

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Fair value at the start of the year	7,195	7,318	7,195	7,318
Additions in year	28	308	28	308
Transfer from tangible fixed assets	-	-	-	-
Revaluation during the year	33	(431)	33	(431)
Fair value at the end of the year	7,256	7,195	7,256	7,195

Investment properties include a leasehold interest in a residential flat, which was acquired in September 2015. The property has been valued based on online property valuation data at £307k (2020: £305k). The charity recognised an increase of £2k in the year (2020: 16k) which has been allocated to the fair value reserves.

Investment properties also include that part of the charity's land and buildings held for the purpose of generating an investment return. In the prior year, £308k had been incurred on completing this component of the building, bringing the cost of construction to £5,138k. The directors' view was that this final expenditure did not have any material impact on the value of the property.

At 31 March 2019, this component was remeasured at a fair value of £7,030k based on a valuation report carried out in October 2018 by an independent valuer in accordance with the RICS Valuation Standards. This resulted in a revaluation gain of £2,200k being recognised in the year to 31 March 2019.

The basis of the professional valuation was to apply an expected yield to forecast rental values and deduct an allowance for holding costs for vacant periods. By 31 March 2020, all four floors of the property had been let at a discount to the forecast rentals of approximately 6%.

As the property was fully let at 31 March 2020, the directors adjusted the valuation basis to use the actual rents achieved and to value the top four floors only, based on the same expected yield of 5.5% as utilised in the 2018 valuation, taking into account the effect of rent free periods in the existing leases but without discounting for holding costs. Using this methodology, the directors therefore remeasured the fair value of the investment property to £6,890k at 31 March 2020.

In June 2021, a professional 'desktop' valuation was carried out by the same independent valuer appointed in 2019, resulting in a valuation in the region of £6,950k. The directors have considered this valuation and consider it reasonable to adopt this valuation for accounts as at 31 March 2021. The directors view was that the final costs of construction of £28k incurred during the year did not have any material impact on the value of the property and the revaluation reserve was adjusted to £1,784k (2020 - £1,752k).

12 Listed investments

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Fair value at the start of the year	14	18	14	18
Net gain on change in fair value	7	(4)	7	(4)
Fair value at the end of the year	21	14	21	14
Historic cost at the end of the year	1	1	1	1

13 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Toynbee Hall Trading Limited, a company registered in England (company no.: 07578738, registered office: 28 Commercial Street, London, E1 6LS). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are donated to the charitable company. A summary of the results of the subsidiary is shown below:

	2021	2020
	£'000	£'000
Turnover	84	423
Cost of sales	(74)	(289)
Gross profit	10	134
Other income	1	-
Administrative expenses	(94)	(104)
Loss for the financial year	(83)	30
The aggregate of the assets, liabilities and funds was:		
Assets	95	178
Liabilities	(168)	(168)
Funds	(73)	10

Toynbee Hall

Notes to the financial statements (continued)

For the year ended 31 March 2021

14 Debtors

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade debtors	412	366	402	320
Prepayments and accrued income	950	449	941	435
VAT recoverable	-	19	-	19
Amounts due from subsidiary	-	-	1	20
Intercompany loan (see note 15)	-	-	60	60
Other debtors	3	8	3	6
	1,365	842	1,407	860

15 Debtors: amounts falling due after one year

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Intercompany loan	-	-	60	-
	-	-	60	-

On 16 August 2017 the parent charity signed a loan agreement allowing its subsidiary to borrow up to £100k which has to be repaid in 3 years of the signing date. As at 31 March 2020, only £60k has been drawn down. Interest is charged at base rate plus 2.5% per annum on amounts borrowed by Toynbee Hall Trading Limited. On 1 October 2020, to support the subsidiary during the Coronavirus pandemic, the loan facility was increased to £125k and the repayment date was extended to 31 March 2023. As no further amounts had been drawn down by 31 March 2021, the loan balance remained at £60k at that date.

16 Creditors: amounts falling due within one year

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loan	93	94	93	94
Trade creditors	612	833	608	817
Accrued expenditure	442	455	434	445
Taxation and social security	137	71	127	61
Amounts due to subsidiary	-	-	-	-
Deferred income	170	116	86	66
Other creditors	223	38	222	36
	1,677	1,607	1,570	1,519

17 Deferred income

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Balance at the beginning of the year	935	968	885	911
Amount released to income in the year	(116)	(103)	(67)	(46)
Amount deferred in the year	123	70	40	20
Balance at the end of the year	942	935	858	885

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Less than one year	170	116	86	66
Greater than one year	772	819	772	819
	942	935	858	885

On 31 October 2014, in consideration of the payment by the lessee of the Toynbee Hall Studio and Theatre building of £500,000 and the transfer and surrender of another lease, the lessee entered into a new lease for the premises until June 2038. At the time, the deferred portion of the original lease premium was £546k giving rise to a total amount deferred at 31 March 2015 of £1.046m. At 31 March 2021, of the total balance of £942k (2020: £935k), £858k is in respect of the deferred income on the lease premium (2020: £885k).

Toynbee Hall

Notes to the financial statements (continued)

For the year ended 31 March 2021

18 Creditors: amounts falling due after one year

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Deferred income (Note 17)	772	819	772	819
Tenant deposits for 28 CS	206	206	206	206
Bank loan				
- amount falling due between one and two years	96	102	96	102
- amount falling due between two and five years	409	408	409	408
- more than five years	2,258	1,794	2,258	1,794
	3,741	3,329	3,741	3,329

The prior year bank loan represents the amount drawn down as at 31 March 2020, net of capitalised loan costs, in respect of a 25 year loan facility from CAF Bank Limited. Interest accrues on amounts outstanding at the rate of 2.5% per annum above the Bank of England base rate subject to a minimum rate of 2.5%. Capital repayments were due to commence in May 2020. However, after March 2020, the bank offered a further six month capital repayment holiday, which was accepted. The balance sheet at 31 March 2020 did not reflect this variation as it was agreed after that date.

In September 2020, CAF Bank Limited agreed an additional loan of £500k on a 23.5 year term so that it was coterminous with the original loan. Interest accrues on amounts outstanding at the rate of 2.7% per annum above the Bank of England base rate subject to a minimum rate of 2.7%. The amount was drawn down in full and repayments on both loans commenced in the year. The balance at the year end is stated net of capitalised loan costs. Both loans are secured by a fixed charge over the charity's property at 28 Commercial Street and a floating charge over all the charity's assets.

19 Analysis of group net assets between funds

As at 31 March 2021

	Restricted funds	Designated funds	General funds	Fair value reserve	Total funds
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	9,243	57	-	9,300
Investment properties	-	5,094	367	1,795	7,256
Investments	-	-	6	15	21
Net current assets	740	-	548	-	1,288
Long term liabilities	-	(2,763)	(978)	-	(3,741)
Net assets at 31 March 2021	740	11,574	-	1,810	14,124

As at 31 March 2020

	Restricted funds	Designated funds	General funds	Fair value reserve	Total funds
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	8,285	1,163	-	9,448
Investment properties	-	5,433	-	1,762	7,195
Investments	-	-	6	8	14
Net current assets	449	-	(134)	-	315
Long term liabilities	-	(2,304)	(1,025)	-	(3,329)
Net assets at 31 March 2020	449	11,414	10	1,770	13,643

20 Movements in funds

	At the start of the year	Income	Expenditure	Transfer of fundraising cost	Other transfers	At the end of the year
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted funds:						
Financial health (including donated services)	120	150	(384)	-	210	96
Education	69	59	(178)	-	95	45
Advice (excluding Debt Free London)	68	433	(641)	(7)	190	43
Wellbeing	38	920	(932)	(16)	15	25
Wilson Memorial Fund	38	4	-	-	-	42
Restricted Redevelopment Fund	-	73	-	-	(73)	-
	333	1,639	(2,135)	(23)	437	251
Debt Free London	116	6,004	(5,631)	-	-	489
Total restricted funds	449	7,643	(7,766)	(23)	437	740
Unrestricted funds:						
Designated fund: Property fund	11,414	-	-	-	160	11,574
Fair value reserve	1,770	40	-	-	-	1,810
General funds	10	1,276	(712)	23	(597)	
Total unrestricted funds	13,194	1,316	(712)	23	(437)	13,384
Total funds	13,643	8,959	(8,478)	-	-	14,124

The trustees' report sets out the reasons for a number of restricted funds running at a deficit for the year. As a result, it has been necessary to transfer reserves of £510k from our unrestricted funds to our Financial Health, Education, Advice, Wellbeing funds to fulfill our commitments to these funders.

Toynbee Hall

Notes to the financial statements (continued)

For the year ended 31 March 2021

20 Movements in funds (continued)

Detailed comparatives for the movements in funds - for the year ended 31 March 2020

	At the start of the year £'000	Income £'000	Expenditure £'000	Transfer of fundraising cost £'000	Other transfers £'000	At the end of the year £'000
Restricted funds:						
Financial health (including donated services)	189	103	(323)	(3)	154	120
Education	81	253	(323)	(8)	66	69
Advice (excluding Debt Free London)	166	546	(800)	(31)	187	68
Wellbeing	36	808	(846)	(8)	48	38
Wilson Memorial Fund	49	4	-	-	(15)	38
The London Marathon Charitable Trust Grant	-	150	-	-	(150)	-
Restricted Redevelopment Fund	1,483	351	-	-	(1,834)	-
	2,004	2,215	(2,292)	(50)	(1,544)	333
Debt Free London	159	4,538	(4,717)	-	136	116
Total restricted funds	2,163	6,753	(7,009)	(50)	(1,408)	449
Unrestricted funds:						
Designated fund: Property Fund	9,739	-	-	-	1,675	11,414
Total designated funds	9,739	-	-	-	1,675	11,414
Fair value reserve	2,205		(435)	-	-	1,770
General funds	79	1,138	(990)	50	(267)	10
Total unrestricted funds	12,023	1,138	(1,425)	50	1,408	13,194
Total funds	14,186	7,891	(8,434)	-	-	13,643

Purposes of restricted funds:

Financial health

Funds for activities to improve financial health, including training services and research.

Education

Education funds are for projects working with young people in East London and heritage programmes focusing on the history of the organisation and local area.

Advice (excluding Debt Free London)

Funds for advice services include the Free Legal Advice Centre, a drop-in service provided by pro-bono lawyers and other professionals; Advice in the Community, a specialist Welfare Benefits advice service; and advice services for people affected by cancer delivered in partnership with Macmillan Cancer Support. Money Mentors provides the support of everyday money management and is being funded by JP Morgan, Big Lottery Funding, NESTA and Columbia Threadneedle Foundation.

Wellbeing

Funds for projects focussed on vulnerable adults which include: LinkAge Plus, Wellbeing in Tower Hamlets, City Outreach & Older People Services.

Wilson Memorial Fund

This fund was originally set up to support Residential Volunteering at Toynbee Hall.

The London Marathon Charitable Trust Grant

This grant was given specifically for the new Centre for Wellbeing in the new building at 28 Commercial Street. As this building was completed in the prior year, the fund was transferred to the Property 31 March 2020.

Property Fund

At 1 April 2018, the Restricted Redevelopment Fund was held for the redevelopment of the historic grade II listed Toynbee Hall and a new building at 28 Commercial Street. Part of the funding came from the Heritage Lottery Fund, which awarded Toynbee Hall with a five year grant of £1,709k. The redevelopment of Toynbee Hall was completed in June 2018 and the Restricted Redevelopment Fund relating to this building was transferred to unrestricted designated funds in 2018/19 and referred to as Land & Building (Redevelopment). The Restricted Redevelopment Fund at 1 April 2019 related to the new building at 28 Commercial Street. This included a grant of £450k from the Big Lottery Fund ('BLF') and an allocation from the Patricia Singleton legacy of £455k for the Wellbeing Centre, which occupies the ground floor of the building. There is a BLF grant obligation on the charity to operate the Wellbeing Centre for a period of 20 years. As the building was completed in the previous year, the balance on this fund was transferred to unrestricted designated funds in 2019/20 and was renamed as the Property Fund.

During the year, a final capital grant of £23k was received and transferred to the Property Fund. In addition, the Heritage Fund awarded a grant of £50k for the maintenance of the building during the pandemic.

Debt Free London

Debt Free London programme is funded by the Money and Pensions Service formerly known as the Capitalise programme funded by the Money Advice Service. This is a debt advice programme for which Toynbee Hall are one of the lead partners. A substantial proportion of funds received from MaPS by Toynbee Hall are passed down to other organisations to assist with the delivery of the Project.

Toynbee Hall

Notes to the financial statements (continued)

For the year ended 31 March 2021

20 Movements in funds (continued)

Purposes of restricted funds (continued):

Purposes of designated funds

The Restricted Redevelopment Fund had been established to set aside funds for the continued costs associated with the completion of the estates strategy. Now that the buildings are back in use, the balance of the Restricted Redevelopment Fund was transferred to the Property Fund as a designated fund in the prior year. As the value of unrestricted funds is lower than the value of land and buildings, all unrestricted funds have been designated as the Property Fund leaving the free reserves of the charity with a £nil balance.

Fair value reserve

This is a revaluation reserve for the unrealised gain on the investments and investment properties.

General Funds

The balance in this fund relates to the reserves of the trading subsidiary company.

21 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £'000	2020 £'000
Net income / (expenditure) for the reporting period	481	(543)
Depreciation charges	213	210
Losses / (gains) on investments	(40)	435
Dividends, interest and rent from investments	(367)	(165)
Amortisation of bank loan fees	4	-
Interest payable	71	67
Increase in debtors	(524)	(113)
Decrease in creditors	24	(77)
Net cash used in operating activities	(138)	(186)

22 Analysis of cash and cash equivalents

	At 1 April 2020 £'000	Cash flows £'000	At 31 March 2021 £'000
Cash at bank and in hand	1,080	520	1,600
Total cash and cash equivalents	1,080	520	1,600

23 Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	Other non- cash changes £	At 31 March 2021 £
Cash and cash equivalents				
Cash	1,080	520	-	1,600
Cash equivalents	-	-	-	-
	1,080	520		1,600
Borrowings				
Loan falling due within one year	(94)	17	(16)	(93)
Loan falling due after more than one year	(2,304)	(474)	15	(2,763)
	(2,398)	(457)	(1)	(2,856)
Total	(1,318)	63	(1)	(1,256)

24 Operating lease commitments

The group and charity have total future minimum lease payments under non-cancellable operating leases as follows for each of the following periods:

	Equipment 2021 £'000	2020 £'000
Less than one year	71	16
One to five years	88	44
	159	60

The group and charity have total future lease rentals receivable under non-cancellable operating leases for each of the following periods:

	Investment property 2021 £'000	2020 £'000
Less than one year	503	503
One to five years	1,511	1,698
	2,014	2,201

Toynbee Hall

Notes to the financial statements (continued)

For the year ended 31 March 2021

25 Post balance sheet events

There were no post balance sheet events.

26 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Reference and Administrative Information

For the year ended 31 March 2021

Company number: 20080

Charity number : 211850

Registered office: 28 Commercial Street, London E1 6LS

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Julian Corner	Chair
Halima Begum	
Ali Hussein	
Husna Mortuza	
Deirdre (Dee) O'Connell	
Laura Ratling	
Maysam Rizvi	
Tahera Rouf	
Sarah Squires	
Katherine (Kate) Swade	Retired having finished her third term in December 2020
Samuel Thomas	
David Warner	
Gemma Wosznicki	
Kawsar Zaman	

Chief Executive Jim Minton

Bankers:

CAF Bank Limited 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

National Westminster Bank Plc, Aldgate Branch, 130 Whitechapel High Street, London, E1 7PS

Auditors:

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

We asked some community members for feedback on the draft of this report before we published it. Here are some of the things they said having read the report:

“Toynbee Hall is doing great in supporting community and making positive changes in different sectors of the society. Toynbee hall is very inclusive and very good involving people from community. Toynbee Hall is transparent as well.”

“Toynbee Hall have come a long way with their dynamic approach to work and improvements in the local community and beyond. Working closely with the residents and people with lived experiences will help improve this work.”



Safer communities and young renters peer research groups, March 2020

Help us create a fairer and happier East London

Toynbee Hall
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