



# Annual Report 2023-2024

Trustees' Report and Accounts for year ended 31 March 2024

Charity No. 211850  
Company No. 00020080



Toynbee Hall

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# Foreword by Stephen Burns, Chair of the Board of Trustees

Toynbee Hall is a charity that works alongside people facing poverty, injustice, and inequality. We have been east London-based and focussed since 1884 and work with our local community to build a fairer society.

We provide vital advice and support, working in partnership to ensure everyone has an equal chance to thrive.

During 2023 we welcomed our new Chief Executive, Rebecca Sycamore, and published our Strategic Plan for 2023-26.

The strategic plan is an evolution of our work over the last few years and a recognition of the challenges we and other charities face. It draws from consultation and discussion, as well as the thinking of current and previous colleagues. It also involves the ideas of people who use our services and our peer researchers.



When Toynbee Hall first opened its doors in 1884, the need for help and support in the area outside those doors was greater than almost anywhere else in the UK. One-hundred and forty years later, and the community in which we work remains one of the most unequal in the country. However, we recognise that addressing poverty in 2024 requires new solutions, developed in collaboration with other organisations, and with those who have lived experience of the issues. Those solutions must recognise and address the disproportionate impact of poverty and injustice on minority communities, women, carers and people with disabilities.

The cost-of-living crisis continues to impact families and communities in East London as well as our own team who are dealing with similar issues to those service users they are delivering to on the front line. During 2023 we paid a cost-of-living increase to eligible staff, with those on lower salaries receiving a higher amount. We want to ensure that equity and diversity is embedded in our organisation and are currently undertaking a project to review grading, pay and reward with a view to establishing a more transparent system.

Colleagues from across the organisation took part in a survey towards the end of the year and, following this, we developed an action plan that identifies a range of actions to improve their experience and support them to carry out their roles effectively.

We are grateful to partners and funders, who continue to support us, and to the community members who contribute so much to our organisation.

This year we said goodbye to a number of our Trustees – Maysam Rizvi, Tahera Rouf, Gemma Woznicki, Dee O'Connell and Muna Yassin, and I would like to extend our thanks to all of them for their contributions over the few years. We welcome new Trustees Yu-Shan Chiu, Alice Gac, Thomas Nowacki, Claire Collins, Liam Keogh and Ademola Olaleye and look forward to working with them as we deliver our vision for a fairer future.

Signed by:

*Stephen Burns*  
CE522FABC7914B2...  
**Stephen Burns**

Chair of Trustees



# Strategic Report

## Introduction

Last year the Board set our new CEO the objectives of reviewing our strategy, strengthening culture and securing a sustainable financial position.

In December a new three-year strategic plan was launched with an updated vision, mission and values.

We also carried out a colleague survey which had high levels of participation from across the organisation and gave us a clear set of actions to support strengthening our culture.

However, it is very clear that charities across the country, including Toynbee Hall, are experiencing increased demand alongside pressure on funding. According to NPC's State of the Sector report (2024)<sup>1</sup> only a quarter of government or local authority contracts held by charities have been uplifted in line with inflation. The survey also found 62% of charities believe that they do not receive the full value it costs to deliver a public sector contract, with the average charity contributing 35% the value of a contract.

In their 2023 State of the Sector report Tower Hamlets CVS found the key challenges facing organisations are finding funding, rising costs, and short-term funding<sup>2</sup>.

We are grateful to commissioners who responded positively to our requests to increase funding so we could keep up with inflation including ensuring we could provide a cost-of-living increase to staff. We recruited a new fundraising team and also supported colleagues in services to find ways to maximise income including exploring opportunities to increase the scope of our advice services and research activity.



Photo: FLAC 125 celebration event in December 2023

As part of our commitment to safeguarding we reviewed our approach last year; including commissioning an external organisation to review our approach and update our policies. We also carried out a review of our Complaints policy.

Towards the end 2023 we marked the 125 anniversary of our free legal advice centre (FLAC), an institution that has been at the forefront of providing access to justice since its inception as 'the Poor Man's Lawyer' in 1898. As the longest continuously running free legal advice service anywhere in the world, FLAC has helped thousands of Londoners with their legal issues. With only 1 in 4 people currently eligible for legal aid, Toynbee Hall's free legal advice service continues to be lifeline to those in need of legal support.

The 140th anniversary of Toynbee Hall's opening is in 2024 and we are planning a series of events to mark this milestone.

1. [NPC's State of the Sector report \(2024\)](#)  
2. [NPC's State of the Sector report \(2023\)](#)

Over the course of the year we reviewed our strategy and took the opportunity to reconsider our Vision, Mission and Values.

Our new strategy is an evolution of our work over the last few years and a recognition of the challenges Toynee Hall and other charities face. It draws from consultation and discussion, as well as the thinking of current and previous colleagues. It also involves the ideas of some of the people who use our services and our peer researchers.

Our vision is of a fairer future with an end to poverty, injustice and inequality. The activities we undertake contribute to our vision. They are:

- Addressing poverty and injustice through advice and support and influencing systemic change.
- Shifting power to people and communities affected by injustice and inequality.
- Collaborating to end poverty and build fairer systems and institutions.

What we want to see in the world starts with our community and our organisation. This means:

Working together to build a thriving local community where people have the resources they need, feel their voices are heard and are optimistic about the future.

Being a good employer, where people are treated fairly, feel engaged and empowered, and work together to achieve our shared vision.

On a day-to-day basis our activities continue to be:

- Advice work, including debt advice
- Community support for older people, children and their families
- Research, promoting social change and involvement



Photo: peer researchers present their findings at the Emotion Support for Young People's project exhibition event

Over the 140 years of our history, Toynee Hall has played a significant role in civic society. However, as we seek solutions for poverty and inequality we recognise those solutions must be built in collaboration with other organisations, and with those who have lived experience of the issues. They must recognise the disproportionate impact of poverty and injustice on minority communities, women, carers and people with disabilities.

Our research and policy agenda is based on meaningful partnership working with communities and stakeholders; sharing power and resources, co-designing projects, supporting communities to have their voice heard and then to develop recommendations and influence change.

We conduct Participatory Action Research (PAR) which is a research method that involves professional researchers and people with lived experience of an issue (peer researchers) working as equal partners.



A core aspect is to ensure those with lived experience are able to shape research, to focus on what is important to them and those around them. Another aspect of PAR is to work with stakeholders to implement solutions.

We have set the following objectives for the strategic plan:

- Improving economic security for those affected by poverty, debt, low pay, insecure employment and housing through direct support and through work to bring about system change.
- Helping our local community thrive – increasing emotional wellbeing, optimism, economic security in key groups and focusing on celebrating the strengths, resilience and history of our community.
- Collaborating to drive social change in a way that gives a platform to the ideas and solutions of people with lived experience.
- Ensure that addressing systemic inequality and racial discrimination is a priority across our work and our organisation.



Photo: Painting with Purpose – a painting class in the Community Centre.

## Improving economic security

Our work includes the practical support we offer people around debt and money (debt advice, welfare benefits support) and the advice we provide about housing and employment rights. It also includes our system change and policy work around financial health and capability.

Trust for London's work on London's Poverty Profile shows that 24% of Londoners are living in poverty<sup>3</sup>. This figure rises to 34% for Londoners living in non-white households and 47% for single parent households.

According to Money and Pensions Service, in 2023 15% of the UK adult population needed debt advice, equivalent to 8.1 million people<sup>4</sup>.

They are typically:

- Under 35 years old
- In households with children and low incomes (73% have an annual household income of less than £30,000 before tax)
- Most (61%) rent their home from social or private landlords and a further 28% own their house on a mortgage.
- People needing debt advice are from ethnic minority communities (31%), which make up less than 20% of the adult population as a whole.
- They also were more likely to have experienced an income shock in the previous three years, like redundancy or a drop in earnings.

A further 24%, or 12.6 million people, are at risk of needing debt advice. These people are struggling to keep up with bills and credit commitments, or they are running short of money for essentials and using high-cost credit instead.

Across all our advice services a total of 14,991 people were supported last year, including 3,263 people we directly supported through our Advice Hub at Toynbee Hall. Those that accessed our advice services were £23,666,670 financially better off as a result of the advice given – this includes £6,565,487 for people that live locally.

Across our advice services we seek to reach those most effected by economic insecurity and ensure we continue to improve economic security in east London. Last year 27% of our clients were from east London, 66% were from an ethnic minority, 59% were female and 11% had a disability.

Our Money Coaching project, which launched this year, builds on our experience with money mentoring and is strategically aligned with the No Interest Loan Scheme (NILS). Whilst Toynbee Hall provided strategic input and advice in the setup of NILS, we were not directly involved in delivering the loan scheme itself. Instead, our focus was on enhancing the financial capabilities of a select group of participants from NILS through our Money Coaching sessions. The project specifically targeted individuals typically excluded from mainstream loan services due to poor credit histories, offering them tailored financial education to complement the financial relief provided by NILS. By working with a small subset of NILS participants, our Money Coaching initiative aimed to empower these individuals to make informed financial decisions, improve their financial resilience, and reduce their dependency on credit.

3. [London Poverty Profile, Trust for London](#)

4. [The UK's Debt Landscape report 2023, Money and Pensions Service](#)

Throughout the year, we engaged with 114 participants, offering modules that covered budgeting, debt management, and savings strategies. These sessions were designed to foster long-term financial stability and independence, aligning with the broader objectives of NILS to provide ethical credit options and support to underserved populations. We have many success stories, such as that of Ms. SK, demonstrating the tangible benefits of this approach, where participants not only managed to meet their immediate financial needs but also laid the groundwork for future financial wellbeing. Through personalised coaching, we were able to help participants achieve positive outcomes, such as debt reduction and increased savings, despite operating on a smaller scale within the larger NILS framework.

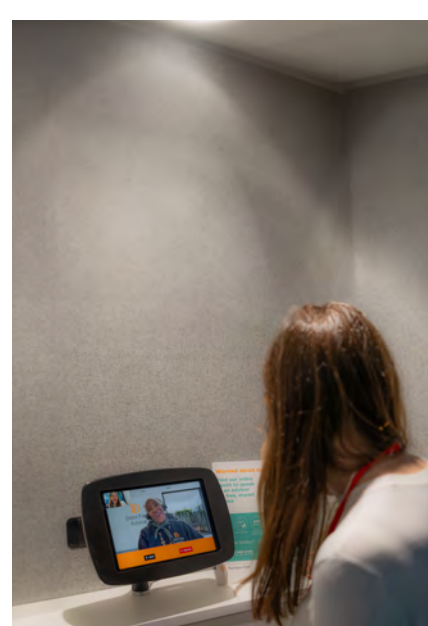
## Reducing the impact of debt

We are funded by the Money & Pensions Service (MaPS) to provide FCA regulated debt across London. To achieve this, we deliver advice directly at Toynbee Halls' Advice Hub at 28 Commercial Street as well as at satellite locations in Newham, Barking & Dagenham, and Greenwich. In addition, we are the lead partner for a partnership of 15 charities that together make up the Debt Free Advice service (DFA).

In FY23/24 DFA supported 12,697 individuals with their debt and money worries, this figure includes 2,316 in East London. As a result clients accessing this service were a minimum of £17,822,088 financially better off this includes clients in East London being £1,269,500 better off.

Given the pressure of debt on individual well-being we have been focusing on finding more convenient and accessible ways for people to access debt advice. Our video kiosks have been important in this; they are placed in locations such as town halls and employment support centres and allow people to receive free, impartial debt advice quickly and efficiently.

In March 2024 we launched one of the most notable deployments of these kiosks at HMP Brixton. This is the first instance of delivering debt advice services via video in a prison setting. This initiative aims to support prisoners by providing them with financial guidance, helping to reduce reoffending rates by equipping them with essential life management skills. The success at HMP Brixton has led to plans for expanding this service to three additional prisons, further bridging the support gap for this vulnerable group.



Photos: Debt Free Advice kiosks in locations across London



## Advice for people in Tower Hamlets and City of London

Toynbee Hall provides two primary generalist advice services, tailored to meet the specific needs of different communities close to our location: the general advice service for Tower Hamlets and the City Advice project for the City of London. Both services are funded by local authorities and aim to support a wide range of issues affecting people who live and work in these areas.

Our Tower Hamlets Generalist Advice service empowers residents to access the benefits they are entitled to and navigate the intricacies of the application process. Through our collaborative approach and knowledgeable advisors, we make a positive impact on the lives of individuals in Tower Hamlets.

As much as possible, the services are shaped and developed with input from local people.

For example, City Advice includes community advocates to promote awareness of our services and gather valuable feedback to assess their effectiveness. This collaborative approach ensures that we tailor our assistance to meet the specific needs of the community we serve.

Together these teams supported 838 people and those that received support were collectively £1,896,717 better off.



Photo: A member of the Generalist Advice team is helping a client in the Advice Centre

## Free Legal Advice

Toynbee Hall's Free Legal Advice Centre (FLAC) has been providing free, high-quality legal advice for 125 years, making it the longest continuously running free legal advice service in the world. The service is volunteer-run and offers confidential legal advice to individuals who live or work in London, prioritising low-income applicants.

The aim is to for pro-bono solicitors to help clients understand and exercise their legal rights, prepare court documents and navigate the system. Our Free Legal Advice Clinic (FLAC) is supported by volunteer legal advisers Toynbee Hall from leading law firms: A&O Shearman on employment law advice, Herbert Smith Freehills on housing law advice and Cleary Gottlieb on the Women's Free Legal Advice Clinic, focusing on issues such as domestic violence and family law.

Last year we were able to provide free legal advice to 309 people including on housing (118 cases) and employment (76 cases) and family law (31 cases).

## Welfare Benefits Advice for individuals affected by cancer

Toynbee Hall is funded by Macmillan Cancer Support to provide specialised welfare benefits advice to individuals affected by cancer. This service aims to alleviate the financial burden experienced by cancer patients and their families, offering comprehensive support in several key areas. This service is delivered at several major hospitals in East & North London, ensuring that patients can access support during their treatment. Last year this service supported 1,062 patients and those that accessed the service were almost £4m better off.

## Increasing fairness and equity in the financial system

The UK's financial system is outdated, and exacerbates unfairness and unhappiness for people experiencing discrimination and exclusion. Our financial health work is a mix of practical peer-led support and research projects which are formed by those with lived experience of the issues. Areas of interest for our researchers are a fair transition to net zero, the impact of the poverty premium which leads to people on lower incomes paying more for goods and services and understanding more about the impact on the reduction in the use of and access to cash on low-income communities.

## Helping our local community thrive

This includes: the services running from our community centre, heritage activities, and more of our participatory action research. It also includes how we make sure our commercial activities have a positive effect on the local economy.

### Community activities

Within Toynbee Hall and across the neighbourhood we offer free-to-access activities for anyone who lives in the local area, particularly older people and people experiencing structural inequality.

Tower Hamlets has a relatively small population of older people, but it is a very deprived group with 44% living in income deprivation<sup>5</sup>. This has clear implications for their physical, social and emotional well-being.

5. [Tower Hamlets State of the Borough report 2023](#)



Photos: Sewing and ballet activities in the Community Centre



We lead Linkage Plus, a project commissioned by London Borough of Tower Hamlets. Through a partnership of local community organisations, we support increased confidence, improved physical health, increased social inclusion and greater happiness across the Tower Hamlets older population.

Last year across the partnership LinkAge Plus provided practical support to 990 people, delivered 890 physical activity sessions and 1200+ sessions of social activities. At our own LinkAge Plus hub in the Community Centre at Toynbee Hall we have provided practical assistance to 187 people and run a daily programme of social and physical activities and learning sessions which have over 1,000 attendances.

We also contributed to wider work for example, collaborating with Health Watch Tower Hamlets on their research about barriers adults 65+ and people from diverse ethnic communities' face in accessing mental health and cancer screening services in the borough.

Another area of focus is enabling local children to play. Tower Hamlets children live in a borough which has the fastest growing population of any local authority in England and Wales; and it is the most densely populated, 37 times higher than any the England average (15,695 residents per square km versus 424). In 2021 the vast majority (87.8%) of Tower Hamlets residents lived in a flat. This is against the average for England of 22.6%. Space is so limited and not only is overcrowding an issue but so are safe outdoor play opportunities for children. Added to this the level of child poverty is the highest in London, with 48% of children growing up in poverty compared to a London average of 33%. Local parents told us they could not afford the local opportunities available to play or that to travel for free opportunities is an extra strain on limited resources. Our Play programme for primary school aged children developed last year as a result of this; we provided weekly sessions at two local primary schools and ran a weekly after school art club from our own space. We are planning to expand this programme next year. Over 100 local children participated in these activities.



Photo: A child is playing with a home-made mask during a Play session in the Toynbee Hall courtyard



## Heritage

For the last three years we have been running a heritage project (the Peoples History of Petticoat Lane) delivered by local people and organisations to celebrate an area rich in working-class and migrant history.

Our community commissioning in 2022-23 resulted in a series of projects that reflected the diversity and creativity of our community. Ten events took place throughout 2023, including a radical history walking tour, a traditional Bengali festival led by a local women's organisation, an exploration of the cultural history of Dhakai Jamdani weaving, a documentary about the Uber workers protest, a festival of music, art and food and a community-designed mosaic.

Over 100 local residents engaged in either commissioning or delivering activities and over a thousand people attended events.



Photo: A group of women wearing ceremonial dress at the Amm-Katli Fruit Festival as part of the People's History of Petticoat Lane project.

## Commercial events and operations

Our tenants at 28 Commercial Street, Arts Admin who lease Toynbee Studios and the Young Foundation who rent desk space in our main office, have all become a key part of the day-to-day experience on site, contributing to both our financial sustainability and our diversity.

We have places and spaces that can be used easily, safely and with dignity, by all, regardless of age, disability or gender. We balance the needs of our commercial clients (paying for venue hire and renting space from us) with ensuring our spaces are managed in the best way they can be to support and improve the local community. We buy locally; we donate surplus food; we share spaces; and we help our clients discover our heritage and that of the local area.



Photo: Toynbee Hall



## Collaborating to drive social change

We continue to develop, learn from and share our model of participatory action research. In this approach local people are at the heart of identifying systemic barriers and shaping solutions, advocating for and shaping change at a local and national level.

Over the year we ran a peer research project to understand how local cafes and pubs can help tackle older people loneliness and isolation. Peer researchers aged 65 and over carried out interviews with customers and managers across cafes and pubs in Tower Hamlets. These interviews explored the role of hospitality venues in the lives of these residents, as well as ideas for driving changes for more age-friendly venues

to tackle social isolation among older residents while also bringing benefits to the hospitality sector as it continues to struggle on the back of covid and the cost-of-living crisis. Using key findings and themes from these interviews peer researchers, venue managers and policy makers came together to co-design recommendations and possible solutions/actions.

In further research, we collaborated with Thrive LDN and young peer researchers to conduct Participatory Action Research investigating the emotional support young people from low-income backgrounds access during transition to adulthood in the context of the cost-of-living crisis. A group of 12 peer researchers from low-income families residing in Tower Hamlets identified key issues, designed question guides, and conducted interviews and workshops with 44 young people and 25 of their parents/guardians.



Photos from workshops and final exhibition of the Emotional Support for Young People's Peer Research project.

## Collaborating to end poverty and build fairer systems and institutions

Data collected by London's Poverty Profile (Trust for London) shows Tower Hamlets has the worst rate of child poverty and the worst rate of overall poverty in London. Over many years our peer research programme has looked into and suggested actions to improve the impact of poverty on our local community. We use our approach to peer research to ensure that the lived experience of our local community contributes to solutions and actions to build a fairer future.

We have worked in collaboration with staff from London Borough of Tower Hamlets and other local organisations. This year we hosted workshops for over 40 participants including peer researchers and local residents to help shape the council's Tackling Poverty Strategy.

Over the year we also piloted a new project; the Knowledge Exchange Circle was a forum for policy makers, community organisations and residents to build relationships and consider if greater shared understanding and trust could lead to more effective policy making on areas the group selected (debt, education and employment). The debt group was able to bring together peer researchers, advice organisations and researchers from the Department of Work and Pensions. Their discussions included the barriers to obtaining Debt Relief Orders (which is a cheaper alternative to bankruptcy) such as the fee of £90. The fee was abolished for lower-income applications in England and Wales from April 2024 and we are proud that this group was able to play a part shaping this decision.

Overall 20 local people from Tower Hamlets and representatives of 22 organisations made up our Knowledge Exchange Circle and we following the pilot we are exploring how to take the approach forward.



Photo: A panel discussion at a Knowledge Exchange Circle event.



## Addressing systemic inequality and racial discrimination across our work and our organisation

We know that the solutions we seek for poverty, injustice and inequality cannot be developed by Toynbee Hall alone. They must be built in collaboration with other organisations, and with those who have lived experience of the issues. Crucially those solutions must address the disproportionate impact of poverty and injustice on minority communities, women, carers and people with disabilities.

Our priorities in delivering our strategic plan include embedding our approach to diversity, inclusion, equity and doing the work necessary to become an inclusive and anti-racist organisation.

This work is delivered not only through our approach to Our People outlined in the section that follows but also in how we work across our other priorities; in our advice and community work and our participant research.

Work undertaken in 2021 identified principles for Toynbee Hall to be an equitable and inclusive organisation, which include:

- Governance, systems, and structure which are transparent.
- A strategy that explicitly declares its commitment to equality and is supported by a plan to set out priorities and actions.
- A staff team who experiences the value the organisation places on equity and fairness in both what we do and how we do it, from recruitment through to leaving the organisation.
- Policies that reflect our values and that are clear, usable, and inclusive.
- External communications that are accessible and provide a platform for underrepresented voices.
- Internal communications that provide clarity, transparency, and safety to the whole staff team.
- Services and activity that are proactive in increasing equality and which are designed by / with those they are for.

Since many of our colleagues have joined Toynbee Hall since this work was undertaken, our intention is to spend some time in 2024 reviewing what these principles mean in our current context and what else needs to be a focus of our attention.



Photo: colleagues share their work at a Debt Free Advice Townhall meeting.

## Looking to the future

In the next year we will be finalizing our participant research into the emotional support needs of young people and reporting the findings and actions that have been identified by the young people leading the project. We have funding to test out some of these approaches with the participant researchers who developed them. We also hope to launch an additional money coaching project in partnership with a London based NHS Trust.

Many of our services could be re-tendered / re-negotiated or the contract come to an end during 2024/25. Contract renegotiations or contract ends would have a significant impact on the organisation and we are trying to ensure we have the appropriate capacity to support these changes. At the same time we are seeking new funding for our research based on the priorities in the strategic plan and the areas the community want to focus on. We have built a new team, bringing together our research and communities work so we can increase our advocacy and influencing activity. As part of this refresh we are also excited to welcome new colleagues to our community centre team who will bring local experience and understanding to our work.



Photo: colleagues at the Debt Free Advice Townhall meeting.

We are prioritizing income generation but are also looking at the financial strategy of the organisation from a strategic perspective – working with Trustees to develop longer term thinking.

We will be carrying out some strategic internal projects; a review of our approach to pay and reward and the development of a new equity, diversity and inclusion plan are both priorities.

Finally, 2024 marks the 140 anniversary of the opening of Toynbee Hall and we have a series of events planned to mark this milestone. We hope to work alongside other Tower Hamlets based settlement organisations and other partners to showcase the need for place-based organisations in providing local solutions to poverty, injustice and inequality as well as sharing this learning with wider audiences and where relevant having a national impact.



# Our funders – A thank you

Throughout the year, we were deeply grateful for the commitment of funders, new and old, and your trust in us.

There are certainly great challenges ahead for communities and organisations like ours. However, your commitment, understanding, and generosity makes us confident that together we can shape a fairer, happier future for East London and drive the sustainable recovery everyone in our community needs.

From all of the team and everyone we have supported this year, a heartfelt and sincere thank you.

A&O Shearman	Financial Conduct Authority
Aldgate Connect	Hampstead Garden Suburb Trust
Ashurst	Health Foundation
Big Give Christmas Challenge	Herbert Smith Freehills
BNY Mellon	Heritage Action Zone
Childhood Trust	Historic England
Citizens Advice	London Borough of Tower Hamlets Council
City Bridge Foundation	London Legal Support Trust
City of London Corporation	Mills & Reeve Charitable Trust
Cleary Gottlieb Steen & Hamilton	Monday Charitable Trust
Compass Wellbeing	Money and Pensions Service
David Hills Trust	Ofenheim Charitable Trust
Dudley and Geoffrey Cox Charitable Trust	Proms at St Jude's
Childwick Trust	Spear Charitable Trust
French Huguenot Church of London Charitable Trust	The Worshipful Company of Coopers
The 29th May 1961 Charitable Trust	Tompkins Foundation
East End Citizens Advice Bureau	Vera Outhwaite Charitable Trust
Farrer & Co Charitable Trust	Vandervell Foundation
Fellowship House	



## Our People

We want to ensure that Toynbee Hall is experienced as a fairer and happier organisation; able to deliver and sustain the ambitions and outcomes within our new strategy.

This year we have continued to place a focus on equity, diversity and inclusion, wellbeing and building and maintaining a culture that reflects our values – inclusive, courageous and empowering.

As at 31 March 2024 we had a total of 84 employees; 67 are full time and 17 part time.

Across the organisation 40% of our colleagues describe their ethnicity as White British, English, Irish or Welsh, with 57% of colleagues from other Ethnic Minority groups and 3% not disclosed.

61% of our workforce are female and 39% are male.

19% of our colleagues have disclosed that they have a disability or long-term health condition.

Throughout 2023 and 2024 there were new appointments into the Senior Management Team. Rebecca Sycamore took over as permanent CEO in April 2023 and permanent appointments for Head of Fundraising, Head of People and Head of Communities and Social change were made throughout the year.

A People report was published in Autum 2023 and we expect to publish an updated report in Autum 2024 to demonstrate our commitment to transparency and accountability in this area.

In November 2023 we ran an internal colleague survey to help inform and prioritise some of the work centred around our staff and culture. A clear priority from colleagues was a review of our pay and reward and a total reward project is being undertaken in 2024 to increase fairness and transparency in how we pay our staff.



Photo: the staff team at Toynbee Hall.

## Fundraising

Fundraising has not been without its challenges this year – both across the sector and here at Toynbee Hall, and we're hugely grateful to our supporters for their continued generosity and commitment. Thank you for everything you make possible!

Fundraising's primary goal is to increase and diversify our income generation, ensuring we can continue to meet our mission to make East London, and beyond, a fairer place. Fundraising is integral to the delivery of Toynbee Hall's mission to tackle unfairness and ensure everyone has an equal chance to thrive. Unrestricted income is vital for our charity's financial health and is needed to cover the day to day running of the charity. Restricted income enables us to deliver projects that are needed by our community.

Our voluntary income comes from a wide range of sources. Individuals support us in various ways – through regular or one-off cash donations, volunteering, hosting fundraising events like concerts, or taking part in challenge events. Companies offer their pro bono expertise, partnership, gift in kind and cash gifts. Trusts and foundations provide valuable grants to make a real difference to the community we support.

### Fundraising standards

We hold organisational membership to the Fundraising Regulator, who set and maintain the standard for charitable giving. This ensures our fundraising meets best practice as set out by the Regulator, and our supporters can be reassured that we are working to the highest standards.

We vigilantly adhere to regulation standards and General Data Protection Regulation (GDPR), both as a wider organisation, and in our fundraising practices. Our governance also extends to how we protect vulnerable people in the context of fundraising. Our Ethical Fundraising policy ensures fundraising at Toynbee Hall is done so fairly and recognises vulnerabilities, and ensures no undue pressure is placed on supporters.

To ensure a good supporter experience, we monitor fundraisers acting on our behalf. We provide guidelines, policies and dedicated support to fundraisers acting for us in communities. We ensure volunteers and interns acting on our behalf, in our office and within the community, represent our charity in the best way, by providing policies, guidelines and dedicated support. We do not use the services of external Professional Fundraising Organisations (PFOs) but we may employ freelancers from time to time for specific projects; they are paid on a day rate and do not receive commission, and we ensure that they also follow the Code of Fundraising Practice.

We aim for everyone to have a positive fundraising experience and are pleased to have received no fundraising complaints in the past year. When complaints arise, we follow Toynbee Hall's complaint procedure. If complaints are escalated to the Fundraising Regulator, we will follow their procedure for handling complaints.



Photo: Toynbee Hall staff with staff from pro bono partners Cleary Gottlieb at the London Legal Walk.



We continue to strive for excellence and monitor the number of complaints we have against communication touchpoints in our key performance indicators.

We are keen to hear from our supporters and understand what inspires them to tackle injustice and inequality. As we celebrate our 140th anniversary next year, we will carry out supporter surveys to give our supporters the opportunity to share their stories, let us know how they would like to stay in touch and learn more about what they want hear about. We ensure supporters can clearly opt out of receiving communications and ensure our fundraisers are well trained in GDPR regulation, and on our policies and guidelines.

Looking forward, we will continue to increase our financial resilience, working with our supporters, to build our unrestricted reserves to support our core costs, and give focus to programmes that are critical to our community, yet need more restricted funding to ensure they can continue. Fundraising's primary goal is to increase and diversify our income generation, ensuring we can continue to meet our mission to make East London, and beyond, a fairer place.



Photo: Toynbee Hall team members at Cleary Gottlieb offices to mark a new pro bono partnership.



# 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.

The Board of Trustees comprises:

Stephen Burns, Chair	appointed 23 March 2023
Ali Hussein	appointed 21 April 2020, re-appointed 13 December 2023
Husna Mortuza	appointed 21 February 2019, re-appointed 14 December 2022
Laura Ratling	appointed 21 April 2020, re-appointed 13 December 2023
Sam Thomas	appointed 21 April 2020, re-appointed 13 December 2023
Yu-Shan Chiu	appointed 13 December 2023
Alice Gac	appointed 13 December 2023
Thomas Nowacki	appointed 13 December 2023
Claire Collins	appointed 11 June 2024
Liam Keogh	appointed 11 June 2024
Ademola Olaleye	appointed 11 June 2024

The following Trustees have resigned from the Board since 31 March 2023:

Gemma Woznicki resigned 21 June 2023
Dee O’Connell resigned 13 March 2024
Maysam Rizvi resigned 20 March 2024
Tahera Rouf resigned 28 April 2024
Muna Yassin resigned 4 July 2024

We are grateful to them for their service.

The Board comprised 8 members at 31 March 2024 and the Board of Trustees appointed three additional members at the 11 June 2024 meeting following a successful recruitment process.

### Committees

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

Membership of the Committees is as follows:

#### Finance and Fundraising Committee

Ali Hussein	Chair
Stephen Burns	
Alice Gac	appointed May 2024
Sarah Squires	co-opted member

People Committee

Sam Thomas	Chair
Laura Ratling	
Naomi White	co-opted member appointed May 2024
Tahera Rouf	resigned 13 March 2024

Audit and Risk Committee

Ali Hussein	
Stephen Burns	
Naomi White	
Thomas Nowacki	appointed May 2024

Senior Management Team

The Trustees delegate the day-to-day management of Toynbee Hall to the Chief Executive. Rebecca Sycamore joined as Chief Executive in April 2023. The Chief Executive is supported by the Senior Management Team.

The senior management team comprises:

Ruth McGregor	Director of Finance
Matthew Dronfield	Managing Director DFA and Director of Advice Services
Katie Taylor	Head of Communities and Social Change (appointed January 2024)
Dot Calvert	Head of People (appointed September 2023)
Ben Campion	Head of Commercial and Operations
Lizzie Stevenson	Head of Fundraising (appointed May 2023)

SMT members who left during the year:

Mila Smith	Head of People
Xia Lin	Head of Research

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.

Transparency

In accordance with our remuneration policy, Toynbee Hall publicly reports Toynbee Hall’s wage differentials and discloses the pay of our leadership team. Details of the remuneration of the Key Management Personnel are set out in note 6 to the financial statements.

As an anti-poverty charity and an accredited London Living Wage employer we take equity issues around pay extremely seriously.

At 31 March 2024 the ratio of the CEO’s pay to median FTE salary equates to 2.87:1 (2023 3:1); and of the CEO’s pay to the lowest FTE salary was 4.18:1 (2023 4.6:1).



We recognise the Trade Union, Unite, and are happy to enjoy a good relationship with the Union as an important stakeholder in encouraging and assisting good industrial relations.

## 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.

As mentioned in earlier sections, the new strategic plan sets out a key objective to:

Ensure that addressing systemic inequality and racial discrimination is a priority across our work and our organisation.

This is reflected in one of our priorities to deliver the strategic plan which sets out that we will embed our approach to diversity, inclusion, equity and do the work to become a genuinely anti-racist organisation.

Throughout this report, as we talk about the reach of our advice work, our participant research and how we work with colleagues we have identified areas of work which intend to increase equity and diversity. For example, we recognise that the cost-of-living crisis is having a disproportionate impact on people with low incomes; to that end our pay award this year was structured in a way to provide higher percentage increases to our lower paid staff.

Work undertaken in 2021 identified principles for Toynbee Hall to be an equitable and inclusive organisation, which include:

- Governance, systems, and structure which are transparent.
- A strategy that explicitly declares its commitment to equality and is supported by a plan to set out priorities and actions.
- A staff team who experiences the value the organisation places on equity and fairness in both what we do and how we do it, from recruitment through to leaving the organisation.
- Policies that reflect our values and that are clear, usable, and inclusive.
- External communications that are accessible and provide a platform for underrepresented voices.
- Internal communications that provide clarity, transparency, and safety to the whole staff team.
- Services and activity that are proactive in increasing equality and which are designed by / with those they are for.

Since many of our colleagues have joined Toynbee Hall since this work was undertaken, our intention is to spend some time in 2024 reviewing what these principles mean in our current context and what else needs to be a focus of our attention. We also know that we will be reviewing our approach to pay and reward during 2024 /25 to ensure this is transparent and equitable.

We continue to have a diverse organisation and Board of Trustees. However, there is a lack of ethnic diversity in our senior management team and we have acknowledged that this is not ideal. The SMT is committed to allyship and in working to ensure that Toynbee Hall is representative of our local community.

The work we will do in the next year will lead to the completion of a new equity, diversity and inclusion plan which includes our approach to becoming an anti-racist organisation.

## Management of Risk

The Board and senior management recognize that managing risks is essential to ensuring the success and sustainability of our operations. We are committed to implementing effective risk management practices that safeguard our mission, stakeholders, and resources.

Our aim is to create a culture of effective risk management and mitigation within the organisation linked to our long-term strategic plan, operating plan and annual budget, all of which are approved by the trustees. We do this through our regular reviews amongst senior managers, and in line with updating on progress against operational plans and targets.

We carry out 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 reviewed and updated by senior managers on an annual basis and scrutinised by the Board.

The Audit and Risk Committee and the Board regularly review the risk register which allocates risks to strategic; governance; financial; operational; people and resources; compliance and external categories. A simple scoring system is used, rating likelihood and impact, to highlight those that are most significant. The register sets out the mitigating factors that we adopt to manage risks.

The most significant risks facing the charity for the year ahead have been identified as:

Risk	Background	Mitigating factors
Limited resources force unstrategic choices regarding resources	Income from grants and services contracts is not fully covering the cost of delivery.	Work being undertaken to secure improved income from fundraising, contracts and commercial.
Insufficient free reserves inhibit investment in longer term strategy.	Cost increases not matched by increased funding resulting in a deficit which has reduced our reserves.	Budget to break even in next financial year. Costs tightly controlled. New funding sought to cover core costs or grants making a net contribution..
Fundraising does not bring in expected income.	Increased competition for grants and funding and challenging targets in place.	New fundraising strategy developed Work to re-engage lapsed supporters under way. Utilising existing relationships and exploring commercial opportunities to diversify fundraised income streams.
Failure to comply with the law and/ or regulatory requirements of external bodies.	Included as a key risk due to volume or requirements and severity of impact of non-compliance	Policies and procedures in place, annual audits and ownership assigned for regulatory requirements, and regular staff training.
Disruption to IT systems leading to a reduced ability to deliver our programmes, services and operations.	Included as a key risk due to heightened threats and severity of impact.	Most activities delivered via cloud based applications / services - removing reliance on servers physical infrastructure. Multifactor Authentication in place across core systems. Cyber essentials certification and insurance / support in place.

The Senior Management Team and Board are proactive in considering long term risks and establishing mitigating factors.

## Trustees/Directors Indemnity Insurance

Toynbee Hall pays for Trustee indemnity insurance as permitted by the Charities 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 negative net movement in funds of £227k (2023: £1,469k negative). This comprises:

- An operational deficit of £229k (2023: £428k);
- In 2023 there was a revaluation loss of £1,042k arising from a reduction in value of the Charity's investment properties. There has been no revaluation adjustment relating to investment properties in 2024. There was a £2k gain on investments relating to shares.

Income for the year was £7.77m compared to the previous year of £8.57m. This is primarily due to a reduction in income from the Money and Pensions Service ('MaPS') grant for Debt Free Advice.

Overall income has been reduced by £822k. Significant changes in income were as follows:

- Income from Debt Free Advice reduced due to the 9% reduction in funding for the new grant awarded during 2022/23 and which commenced in February 2023. This was partially offset by additional grants awarded in respect of debt modernisation, amounting to £506k. Overall the net reduction in income was £816k.
- Income for other advice services increased by £125k due to increased income from MacMillan and City of London.
- Our Wellbeing income (community activities including LINKAGE) was £47k lower than the prior year;
- Income from Education decreased by £54k
- Income from Financial Health increased by £33k due to the NILS project which has now come to an end (post year end)
- Estates income reduced by c.£25k
- Venue Hire income increased by £41k but there was a reduction in research income relating to trading resulting in an overall adverse variance of £30k
- Investment income remained constant as all four floors of the investment property; were fully let throughout the year.

The Debt Free Advice grant was renewed in 2023 for a reduced level of funding. There were additional grants awarded in the latter part of the year in respect of debt modernisation services.

Other advice services include City Advice, MacMillan benefits advice and the Free Legal Advice Centre (FLAC). As in previous years there is an overall deficit on providing these services. However, due to increased income the overall deficit has reduced to £64k (2023: £193k).

Our Wellbeing services continued to run at a deficit but expenditure for the year was significantly reduced resulting in a reduced deficit of £49k for the year (2023: £133k).

Income for our Education services (which includes our Youth, Heritage and Research work) reduced slightly but costs were reduced significantly with the resulting in overall surplus for the year of £46k (2023: deficit £111k).

Income for our Education services (which includes our Youth, Heritage and Research work) reduced slightly but costs were reduced significantly with the resulting in overall surplus for the year of £46k (2023: deficit £111k).

Our Financial Health activities during the year generated a full year's funding from the No Interest Loan Scheme (NILS) pilot which ran for the full financial year, although it has now finished. Other projects including the UK problem debt coalition have also come to an end. The overall deficit increased to £163k (2023: £155k deficit).

Our venue hire business, traded through the subsidiary Toynbee Hall Trading Limited, achieved income of £412k (2023: £371k) as business continued to improve despite various challenges. Overall after charges for Toynbee Hall the business made a deficit of £15k (2023: surplus £36k).

There has been no revaluation of our investment property by in 2023/24 following advice that the market remains stable.

The charity has £3.0m of long-term borrowings from CAF Bank Limited. During 2022 the loan was converted to a fixed rate of 7.48% for five years, after which it will revert to a variable rate. The loan is being repaid in monthly instalments and the outstanding balance of £2.6m will be fully repaid by June 2044.

With this long-term funding in place, the expectation that Funders will continue to support community-based organisations, and the expected increase in future venue hire and other commercial income, the trustees are confident that the Charity has sufficient working capital to be able to fund its operations and meet its loan repayment obligations.

The Group ends the year with consolidated reserves of £12.44m (2023: £12.66m). Of this amount, £257k (2023 - £401k) represents restricted reserves. Of the balance of £12.18m (2023: £12.26m), £11.4m (2023: £11.48m) has been designated in respect of our properties. The remaining reserves of £0.78m (2023: £0.78m) represent revaluation reserves.

## 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 £670k (2023: £650k), calculated by excluding the direct costs of our Debt Free Advice programme, which include funds distributed to and expended by the debt advice partners.

While we are generating income from our estate, the increased interest rate means that we are incurring additional costs for servicing the loan and consequently the net return is lower than previously budgeted.

In line with our policy, all of the unrestricted realised reserves of the Charity of £11.4m (2023: £11.48m) have been designated for the fixed assets, leaving a £nil balance on the undesignated General Fund (2023: £nil).

With a realistic budget in place to return to a break even position in the 2024/25 financial year, and a future income strategy being developed for the medium term, the Charity is confident that it will rebuild its unrestricted funds in the future to meet its reserves policy requirements going forward. 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 2024 was 8 (2023 - 9). 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 12 September 2024 and signed on their behalf by:

Signed by:



Name: Stephen Burns 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 2024 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 2024, 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;
- review of meeting minutes of the Board of Directors;
- 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

## 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

9 October 2024  
Date:.....

## Consolidated Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

		Restricted Debt Free London	Restricted Other	Unrestricted	2024	2023
	Note	£'000	£'000	£'000	£'000	£'000
<b>Income from</b>						
Donations and legacies	3a		3	185	188	159
Charitable activities						
Advice		4,785	382	253	5,420	6,111
Wellbeing		-	770	-	770	817
Education		-	88	-	88	142
Financial health		-	109	226	335	302
Other activities						
Estates income		-	-	81	81	106
Trading income		-	-	410	410	440
Investments						
Dividends and interest received		-	-	2	2	6
Rentals from investment property		-	-	437	437	440
<b>Other Income</b>						
Release of deferred lease premium		-	-	46	46	46
<b>Total income</b>		4,785	1,352	1,640	7,777	8,569
<b>Expenditure on</b>						
Raising funds						
Fundraising and publicity		-	-	229	229	168
Costs of generating estates income		-	-	43	43	49
Costs of generating trading income		-	-	361	361	318
Costs of generating investment income		-	-	286	286	208
Charitable activities						
Advice		5,021	389	310	5,720	6,590
Wellbeing		-	820	-	820	950
Education		-	42	-	42	253
Financial health		-	217	281	498	457
Provision of accommodation		-	-	3	3	4
<b>Total expenditure</b>	4	5,021	1,468	1,513	8,002	8,997
<b>Net income / (expenditure) before net gains / (losses) on investments</b>		(236)	(116)	127	(225)	(428)
Net gains/ (losses) on investments	11,12	-	-	2	2	(1,041)
<b>Net income / (expenditure) for the year</b>	5	(236)	(116)	129	(223)	(1,469)
Transfers between funds	19	125	83	(208)	-	-
<b>Net movement in funds</b>		(111)	(33)	(79)	(223)	(1,469)
<b>Reconciliation of funds</b>						
Total funds brought forward		259	140	12,260	12,659	14,128
<b>Total funds carried forward</b>	19	148	107	12,181	12,436	12,659

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 36 to 50 form part of these financial statements.



## Balance sheets

As of 31 March 2024

Company no. 00020080

		The group		The charity	
		2024	2023	2024	2023
	Note	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	10	9,098	9,091	9,093	9,082
Investment properties	11	6,225	6,225	6,225	6,225
Investments	12	24	22	24	22
		<b>15,347</b>	<b>15,338</b>	<b>15,342</b>	<b>15,329</b>
<b>Current assets</b>					
Debtors	14	525	1,391	491	1,380
Short term cash deposits					
Cash at bank and in hand		865	744	853	692
		<b>1,390</b>	<b>2,135</b>	<b>1,344</b>	<b>2,072</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	(874)	(1,286)	(784)	(1,190)
<b>Net current assets</b>		<b>516</b>	<b>849</b>	<b>560</b>	<b>882</b>
<b>Total assets less current liabilities</b>		<b>15,863</b>	<b>16,187</b>	<b>15,902</b>	<b>16,211</b>
Creditors: amounts falling due after one year	17	(3,427)	(3,528)	(3,427)	(3,528)
<b>Net assets</b>	19	<b>12,436</b>	<b>12,659</b>	<b>12,475</b>	<b>12,683</b>
<b>Funds</b>					
Restricted funds					
Debt Free Advice		148	259	148	259
Other funds		109	142	109	142
Total restricted funds		<b>257</b>	<b>401</b>	<b>257</b>	<b>401</b>
Unrestricted funds:					
Designated funds		11,395	11,476	11,434	11,500
General funds					-
Fair value reserve		784	782	784	782
Total unrestricted funds		<b>12,179</b>	<b>12,258</b>	<b>12,218</b>	<b>12,282</b>
<b>Total funds</b>	19	<b>12,436</b>	<b>12,659</b>	<b>12,475</b>	<b>12,683</b>

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 £7,327k (2023: £8,265k) and deficit of £212k (2023: deficit of £1,511k).

Approved by the trustees and authorised for issue on 12 September 2024 and signed on their behalf by

Signed by:



CE522FABC7914B2...

Stephen Burns  
Chair

## Consolidated Statement of cash flows

For the year ended 31 March 2024

	Note	2024	2023
		£'000	£'000
Net cash used in operating activities	21	222	(893)
Cash flows from investing activities			
Dividends, interest and rents from investments		439	446
Purchase of fixed assets		(276)	(42)
Net cash provided by / (used in) investing activities		163	404
Cash flows from financing activities			
Loan repayments		(57)	(75)
Loan interest paid		(207)	(151)
Net cash (used in)/ provided by financing activities		(264)	(226)
Change in cash and cash equivalents in the year		121	(715)
Cash and cash equivalents at the beginning of the		744	1,459
Cash and cash equivalents at the end of the year	22	865	744

Notes to the financial statements

For the year ended 31 March 2024

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**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. The financial statements are presented in UK Sterling, which is the Charity's functional currency, and rounded to the nearest thousand pounds.

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.

**d) Going concern**

The Charity has produced a cash flow forecast up to 30 September 2025 based on its planned income and expenditure. The trustees have reviewed this forecast and, in particular, the key assumptions relating to future income that is not yet committed as well as future expenditure that will be required. 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.



in the Consolidated Statement of Financial Activities in the same period as the related expenditure.

#### **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. The charity provides a range of benefits to employees including paid holiday arrangements and defined contribution pension plans. Short-term employee benefits, including holidays and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. All costs included in terminating employee contracts are accounted for on an accruals basis and disclosed in aggregate in staff costs.

#### **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	73.9%
• Wellbeing	6.5%
• Education	1.2%
• Financial health	11.6%
• Fundraising	4.0%
• Toynbee Hall Trading Limited	2.8%

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.

#### **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.

**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.

A desktop valuation was obtained from the surveyors valuing the investment property at £6.95m in June 2021 and this valuation was used as the carrying amount of the investment property component at 31 March 2021 and 31 March 2022. Following external advice that the central London market was impacted by cost of capital and returns on other investments, leading to a reduction in value of c15%, the value of the investment property was reduced to £5.9m as at 31 March 2023.

Following advice this valuation remains unchanged at 31 March 2024.

## Notes to the financial statements (continued)

For the year ended 31 March 2024

## Detailed comparatives for the consolidated statement of financial activities

For the year ended 31 March 2023

	Restricted Debt Free London £'000	Restricted Other £'000	Unrestricted £'000	2023 Total £'000
<b>Income from:</b>				
Donations and legacies		3	156	159
Charitable activities				
Advice	5,601	281	229	6,111
Wellbeing	-	817	-	817
Education	-	142	-	142
Financial health	-	192	110	302
Other trading activities	-	-		
Estates income			106	106
Trading income	-	-	440	440
Investments	-	-		
Dividends and interest received			6	6
Rentals from investment property	-	-	440	440
Other Income				
Release of deferred lease premium	-	-	46	46
<b>Total income</b>	<b>5,601</b>	<b>1,435</b>	<b>1,533</b>	<b>8,569</b>
<b>Expenditure on</b>				
Raising funds				
Fundraising and publicity	-	-	168	168
Costs of generating estates income	-	-	49	49
Costs of generating trading income	-	-	318	318
Costs of generating investment income	-	-	208	208
Charitable activities				
Advice	5,887	410	293	6,590
Wellbeing	-	950		950
Education	-	253		253
Financial health	-	410	47	457
Provision of accommodation	-	-	4	4
<b>Total expenditure</b>	<b>5,887</b>	<b>2,023</b>	<b>1,087</b>	<b>8,997</b>
<b>Net expenditure before net losses on investments</b>	<b>(286)</b>	<b>(588)</b>	<b>446</b>	<b>(428)</b>
Net gains on investments	-	-	(1,041)	(1,041)
<b>Net expenditure for the year</b>	<b>(286)</b>	<b>(588)</b>	<b>(595)</b>	<b>(1,469)</b>
Transfers between funds	201	544	(745)	-
<b>Net movement in funds</b>	<b>(85)</b>	<b>(44)</b>	<b>(1,340)</b>	<b>(1,469)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	344	184	13,600	14,128
<b>Total funds carried forward</b>	<b>259</b>	<b>140</b>	<b>12,260</b>	<b>12,659</b>

## Notes to the financial statements (continued)

For the year ended 31 March 2024

**3 Income**

	Restricted £'000	Unrestricted £'000	2024 Total £'000
a) <u>Donations and legacies</u>			
Trust and foundation grants	-	124	124
Other donations	3	41	44
DWP grants	-	1	1
Donated services		19	19
	<u>3</u>	<u>185</u>	<u>188</u>

**Detailed comparatives for income**

For the year ended 31 March 2023

Donations and legacies

	Restricted £'000	Unrestricted £'000	2023 Total £'000
Trust and foundation grants	-	71	71
Other donations	3	68	71
Donated services	-	17	17
	<u>3</u>	<u>156</u>	<u>159</u>

Donated legal and other services

Linklaters LLP has provided pro bono legal advice to Toynbee Hall for many years. Over the past five years, their support has included assisting with the strategy and implementation of our estate regeneration project, advice on access to certain charity funds and the governance of our debt advice partnership as well as advice on property agreements. During 2023/24 the fair value of donated services from that firm is £19,315 (2022/23: £17,255) on a 'cost to firm' basis. This valuation methodology was developed by the London Benchmarking Group, a consortium of over 100 leading businesses whose approach to valuing community investment is endorsed and employed by indices including DJSI 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 paid had it been charged at commercial rates'. Linklaters followed that protocol in providing this evaluation.

**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
London Borough Tower Hamlets	93	47	Deliver cultural programme in conjunction with the local community and Cultural Consortium
London Borough Tower Hamlets	90	40	For events and activities contained within the Petticoat Lane Cultural Programme

b) Government funding

The charity has received funding from central and local government and government departments for the following projects:

Government funding	Project	2024 £'000	2023 £'000
London Borough Tower Hamlets	Mayors fund	17	15
London Borough Tower Hamlets	LinkAge Plus	643	643
London Borough Tower Hamlets	Research & Pilots	11	
London Borough Tower Hamlets	Wellbeing Centre	24	41
London Borough Tower Hamlets	Wellbeing Centre - Warm Bank	-	55
London Borough Tower Hamlets	Heritage Activity Plan	-	21
London Borough Tower Hamlets	Heritage Action Zone	87	38
Greater London Authority	Debt Free Advice	-	145
City of London Corporation	City Advice	214	200
Department for Work and Pensions	Youth - Kickstart	-	16



## Notes to the financial statements (continued)

For the year ended 31 March 2024

## 4 Analysis of expenditure

	Staff costs (note 6) £'000	Direct costs £'000	Reallocation of support and governance costs £'000	2024 Total £'000	2023 Total £'000
Fundraising and publicity	143	29	57	229	168
Costs of generating estates income	-	43	-	43	49
Costs of generating trading income	100	221	40	361	318
Costs of generating investment income	-	286		286	208
Charitable activities					
Advice	1,931	2,743	1,046	5,720	6,590
Wellbeing	165	563	92	820	950
Education	12	13	17	42	253
Financial health	287	47	164	498	457
Provision of accommodation	-	3	-	3	4
	2,638	3,948	1,416	8,002	8,997
Support costs	351	870	(1,221)	-	
Governance costs	165	30	(195)	-	
<b>Total expenditure 2024</b>	<b>3,154</b>	<b>4,848</b>	<b>-</b>	<b>8,002</b>	

## Detailed comparatives for the analysis of expenditure

For the year ended 31 March 2023

	Staff costs (note 6) £'000	Direct costs £'000	Reallocation of support and governance costs £'000	2,023 £'000
Fundraising and publicity	86	46	36	168
Costs of generating estates income	-	49	-	49
Costs of generating trading income	97	189	32	318
Costs of generating investment income	-	208		208
Charitable activities				
Advice	2,286	3,174	1,130	6,590
Wellbeing	314	509	127	950
Education	156	38	59	253
Financial Health	237	127	93	457
Provision of accommodation	-	4	-	4
	3,176	4,344	1,477	8,997
Support costs	391	888	(1,279)	-
Governance costs	158	40	(198)	-
<b>Total expenditure 2023</b>	<b>3,725</b>	<b>5,272</b>	<b>-</b>	<b>8,997</b>

## Analysis of support costs

	2024 £'000	2023 £'000
Finance & Administration	277	321
IT Systems	142	170
Human Resources	95	127
Corp Communications	40	41
Estate costs	667	620
	1,221	1,279

Notes to the financial statements (continued)  
For the year ended 31 March 2024

5 Net income / (expenditure) for the year

This is stated after charging:

	2024 £'000	2023 £'000
Depreciation	260	268
Interest payable	207	151
Provision for bad debts	-	22
Operating lease rentals expense	15	61
Auditor's remuneration: audit fees		
Toynbee Hall	25	24
Toynbee Hall Trading Limited	5	5
Auditor's remuneration: non-audit fees		
Toynbee Hall	2	1
Toynbee Hall Trading Limited	1	1

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

Staff costs were as follows:

	2024 £'000	2023 £'000
Salaries and wages	2,771	3,121
Social security costs	281	340
Employer's contribution to defined	101	120
Redundancy and termination costs	1	144
	3,154	3,725

[OR]

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

	2024 No.	2023 No.
£60,000 - £69,999	1	2
£70,000 - £79,999	2	-
£100,000 - £109,999	1	1

The total employee benefits, including employer's NI and pension contributions, of the key management personnel were £544k (2023: £327k).  
During the year, the Key Management Personnel comprised the Chief Executive, Director of Finance, Managing Director of DFA/Director of Advice Services, Head of People, Head of Communities and Social Change, Head of Operations and Commercial, and Head of Fundraising.

Service Period as key management personnel		Gross Pay £'000	Employer Pension £'000	Total £'000
CEO	April 2023 to March 2024	100	3	103
Director of Finance	April 2023 to March 2024	64	3	67
Head of DFA & Advice	April 2023 to March 2024	79	3	82
Head of Research	April 2023 to October 2023	41	4	45
Head of Communities and Social change	January 2024 to March 2024	14		14
Head of HR	April 2023 to June 2023	13	1	14
Head of HR	September 2023 to March 2024	33	1	34
Head of Fundraising	May 2023 to March 2024	52	2	54
Head of Commercial and Operations*	April 2023 to March 2024	71	3	74

\*jointly employed by Toynbee Hall Trading

Trustees did not receive any remuneration or any other benefits for the current or prior year. No Trustees received any expenses during the year (2023:1 Trustee £84).

Notes to the financial statements (continued)

For the year ended 31 March 2024

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 89 (2023: 93).

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

	2024	2023
	No.	No.
Fundraising and publicity	3	2
Advice	50	60
Wellbeing	4	7
Education	1	3
Financial health	8	5
Estates	3	2
Support costs	7	7
Toyndbee Hall Trading Limited	2	2
	78	88

8 Related party transactions

During the year the Charity charged £100k (2023:£100k) to Toyndbee Hall Trading Limited in respect of licence fees for the use of its premises to carry out its activities. In addition, the Charity charged £68k (2023: £31k) mainly in respect of shared costs. Toyndbee Hall Trading Limited invoiced £91k (2023: £24k) to the Charity for the provision of staff and venue hire in the year.

Our former Trustee Muna Yassin is connected to Rooted Finance Ltd (formerly Fair Money Advice) which is a Debt Free Advice partner organisation. The charity made payments amounting to £203k (2023: 228k) to Rooted Finance UK during the year.Our Trustee Stephen Burns is connected to Peabody which is a LINKAGE partner organisation.The charity made payments amounting to £55k (2023:£51k) to Peabody during the year. There was no balance outstanding to either of these related parties at the end of the financial year.

Aggregate donations to the Charity from related parties for 2024 were £850 (2023: £9,050). There were no other related party transactions for 2024 (2023: 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, Toyndbee 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	7,618	1,280	1,285	10,183
Additions in year	-	276	-	276
Disposals in year	-	(7)	-	(7)
Adjustments in year	(2)	-	-	(2)
At the end of the year	7,616	1,549	1,285	10,450
Depreciation				
At the start of the year	140	568	384	1,092
Charge for the year	35	139	86	260
At the end of the year	175	707	470	1,352
Net book value				
At the end of the year	7,441	842	815	9,098
At the start of the year	7,478	712	901	9,091

The Charity

	Freehold land & buildings £'000	Fixtures, fittings & equipment £'000	Plant & machinery £'000	Total £'000
Cost				
At the start of the year	7,618	1,233	1,285	10,136
Additions in year	-	275	-	275
Disposals in year	-	(7)	-	(7)
Adjustments in year	(2)	-	-	(2)
At the end of the year	7,616	1,501	1,285	10,402
Depreciation				
At the start of the year	140	531	383	1,054
Charge for the year	35	133	87	255
At the end of the year	175	664	470	1,309
Net book value				
At the end of the year	7,441	837	815	9,093
At the start of the year	7,478	702	902	9,082

## Notes to the financial statements (continued)

For the year ended 31 March 2024

**11 Investment properties**

	The group 2024 £'000	2023 £'000	The charity 2024 £'000	2023 £'000
Fair value at the start of the year	6,225	7,268	6,225	7,268
Additions in year	-	-	-	-
Revaluation during the year	-	(1,043)	-	(1,043)
Fair value at the end of the year	6,225	6,225	6,225	6,225

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 £319k (2023: £319k).

Investment properties also include that part of the charity's land and buildings held for the purpose of generating an investment return.

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 Trustees sought advice concerning this valuation, with regard to the state of the market as at 31 March 2024. They have concluded that there is no further movement since the 15% reduction of the valuation in 2023 and the valuation at 31 March 2024 is £5.9m (2023 - £5.9m). There were no additional costs of construction in the current year.

**12 Listed investments**

	The group 2024 £'000	2023 £'000	The charity 2024 £'000	2023 £'000
Fair value at the start of the year	22	22	22	22
Net gain on change in fair value	2	-	2	-
Fair value at the end of the year	24	22	24	22
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:

	2024 £'000	2023 £'000
Turnover	446	463
Cost of sales	(361)	(327)
Gross profit	85	136
Administrative expenses	(100)	(94)
Profit / (loss) for the financial year	(15)	42
The aggregate of the assets, liabilities and funds was:		
Assets	124	116
Liabilities	(163)	(140)
Funds	(39)	(24)

**14 Debtors**

	The group 2024 £'000	2023 £'000	The charity 2024 £'000	2023 £'000
Trade debtors	371	551	271	268
Prepayments and accrued Income	152	604	144	1,068
Amounts due from subsidiary	-	-	74	43
Intercompany loan	-	-	-	-
Other debtors	2	1	2	1
	525	1,156	491	1,380



## Notes to the financial statements (continued)

For the year ended 31 March 2024

### 15 Creditors: amounts falling due within one year

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loan	60	56	60	56
Trade creditors	245	514	229	494
Accrued expenditure	197	319	185	315
Taxation and social security	120	163	114	151
Deferred income	208	185	153	126
Other creditors	44	49	43	48
	<b>874</b>	<b>1,286</b>	<b>784</b>	<b>1,190</b>

### 16 Deferred income

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Balance at the beginning of the year	867	1,095	806	1,034
Amount released to income in the year	(186)	(367)	(125)	(308)
Amount deferred in the year	162	139	107	80
Balance at the end of the year	<b>843</b>	<b>867</b>	<b>788</b>	<b>806</b>

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Less than one year	208	186	153	126
Greater than one year	635	681	635	681
	<b>843</b>	<b>867</b>	<b>788</b>	<b>807</b>

On 31 October 2014, in consideration of the payment by the lessee of the Toynebee 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 2024, of the total balance of £1,095k (2023: £1,095k), £681k is in respect of the deferred income on the lease premium (2023: £727k).

### 17 Creditors: amounts falling due after one year

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Deferred income (Note 16)	635	681	635	681
Tenant deposits for 28 CS	208	208	208	208
Bank loans				
- amount falling due between one and two years	65	60	65	60
- amount falling due between two and five years	250	314	250	314
- more than five years	2,269	2,265	2,269	2,265
	<b>3,427</b>	<b>3,528</b>	<b>3,427</b>	<b>3,528</b>

The bank loans represent amounts drawn down, net of capitalised loan costs, in respect of loan facilities from CAF Bank Limited. Interest accrues on amounts outstanding under the Facility at the Fixed rate of 7.48% for the 5 years from the 19th October 2022.

After the 5-year Fixed rate has expired, the facility will revert to a variable rate and interest shall accrue on amounts outstanding under the Facility at the rate of the greater of:

- (A) 2.70% per annum above the Bank of England base rate from time to time; and
- (B) 2.70% per annum.

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. The loans are being paid off in equal monthly instalments and the details are:

Initial loan value	Final repayment date	Interest rate above base rate	Minimum interest rate
£2,500,000	31/10/2043	2.5%	2.5%
£500,000	30/06/2044	2.7%	2.7%

## Notes to the financial statements (continued)

For the year ended 31 March 2024

## 18 Analysis of group net assets between funds

## As at 31 March 2024

	Restricted funds £'000	Designated funds £'000	General funds £'000	Fair value reserve £'000	Total funds £'000
Tangible fixed assets	-	8,518	580	-	9,098
Investment properties	-	5,466	-	759	6,225
Investments	-	(1)	-	25	24
Net current assets	257	-	259	-	516
Long term liabilities	-	(2,588)	(839)	-	(3,427)
<b>Net assets at 31 March 2024</b>	<b>257</b>	<b>11,395</b>	<b>-</b>	<b>784</b>	<b>12,436</b>

## As at 31 March 2023

	Restricted funds £'000	Designated funds £'000	General funds £'000	Fair value reserve £'000	Total funds £'000
Tangible fixed assets	-	8,648	443	-	9,091
Investment properties	-	5,467	(1)	759	6,225
Investments	-	-	(1)	23	22
Net current assets	401	-	448	-	849
Long term liabilities	-	(2,639)	(889)	-	(3,528)
<b>Net assets at 31 March 2023</b>	<b>401</b>	<b>11,476</b>	<b>-</b>	<b>782</b>	<b>12,659</b>

## 19 Movements in funds

	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
<b>Restricted funds:</b>						
Financial health (including donated services)	65	109	(217)	-	68	25
Education	1	88	(42)	-	(46)	1
Advice (excluding Debt Free London)	-	382	(389)	-	6	(1)
Wellbeing	28	770	(820)	-	55	33
Wilson Memorial Fund	48	3	-	-	-	51
	142	1,352	(1,468)	-	83	109
Debt Free Advice	259	4,785	(5,021)	-	125	148
<b>Total restricted funds</b>	<b>401</b>	<b>6,137</b>	<b>(6,489)</b>	<b>-</b>	<b>208</b>	<b>257</b>
<b>Unrestricted funds:</b>						
Designated fund: Property Fund	11,477	-	-	-	(82)	11,395
Fair value reserve	782	2	-	-	-	784
General funds	(1)	1,640	(1,513)	-	(126)	-
<b>Total unrestricted funds</b>	<b>12,258</b>	<b>1,642</b>	<b>(1,513)</b>	<b>-</b>	<b>(208)</b>	<b>12,179</b>
<b>Total funds</b>	<b>12,659</b>	<b>7,779</b>	<b>(8,002)</b>	<b>-</b>	<b>-</b>	<b>12,436</b>

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 £208k

## Detailed comparatives for the movements in funds - for the year ended 31 March 2023

	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
<b>Restricted funds:</b>						
Financial health (including donated services)	72	192	(410)	-	211	65
Education	30	142	(253)	-	82	1
Advice (excluding Debt Free Advice)	-	281	(410)	-	129	-
Wellbeing	37	817	(950)	-	124	28
Wilson Memorial Fund	45	3	-	-	-	48
	184	1,435	(2,023)	-	546	142
Debt Free Advice (formerly Debt Free)	344	5,601	(5,887)	-	201	259
<b>Total restricted funds</b>	<b>528</b>	<b>7,036</b>	<b>(7,910)</b>	<b>-</b>	<b>747</b>	<b>401</b>
<b>Unrestricted funds:</b>						
Designated fund: Property Fund	11,777	-	-	-	(301)	11,477
Fair value reserve	1,823	(1,041)	-	-	-	782
General funds	-	1,531	(1,087)	-	(446)	(1)
<b>Total unrestricted funds</b>	<b>13,600</b>	<b>490</b>	<b>(1,087)</b>	<b>-</b>	<b>(747)</b>	<b>12,258</b>
<b>Total funds</b>	<b>14,128</b>	<b>7,526</b>	<b>(8,997)</b>	<b>-</b>	<b>-</b>	<b>12,659</b>

Notes to the financial statements (continued)  
For the year ended 31 March 2024

Purposes of restricted funds:

Financial health

Funds for activities to improve financial health, including training services and research. The Emotional support for young people project has also been included under this heading.

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 Advice)

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. The Money Mentors programme provided the support of everyday money management and was 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.

Property Fund

Whilst our historic site was developed, funds were held in the Restricted Redevelopment Fund. Funding came from the Heritage Lottery Fund, which awarded Toynbee Hall with a five year grant of £1,709k for the redevelopment of the historic Halls building; a grant of £450k from the Big Lottery Fund ('BLF') and an allocation from the Patricia Singleton legacy of £455k both for the Wellbeing Centre, which occupies the ground floor of the new building at 28 Commercial Street. There is a BLF grant obligation on the charity to operate the Wellbeing Centre for a period of 20 years.

Following the completion of the redevelopment, the Restricted Redevelopment Fund was transferred to unrestricted designated funds and was renamed as the Property Fund.

Debt Free Advice (formerly Debt Free London)

Debt Free Advice is funded by the Money and Pensions 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.

Purposes of designated fund

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.

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

Fair value reserve

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

20 Reconciliation of net income to net cash flow from operating activities

	2024 £'000	2023 £'000
Net income/ (expenditure) for the reporting period	(223)	(1,469)
Depreciation charges	260	268
Losses / (gains) on investments	(2)	1,043
Dividends, interest and rent from investments	(439)	(446)
Amortisation of bank loan fees	5	5
Interest payable	207	151
Decrease / (increase) in debtors	631	(235)
(Decrease) / increase in creditors	(216)	(210)
Net cash used in operating activities	223	(893)

21 Analysis of cash and cash equivalents

	At 1 April 2023 £'000	Cash flows £'000	At 31 March £'000
Cash at bank and in hand	744	121	865
Total cash and cash equivalents	744	121	865

22 Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	Other non-cash £	At 31 March 2024 £
Cash and cash equivalents				
Cash	744	121	-	865
Cash equivalents	-	-	-	-
	744	121		865
Borrowings				
Loan falling due within one year	(56)	(4)		(60)
Loan falling due after more than one year	(2,640)	67	(9)	(2,582)
	(2,696)	63	(9)	(2,642)
Total	(1,952)	184	(9)	(1,777)

Notes to the financial statements (continued)

For the year ended 31 March 2024

23 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	
	2024	2023
	£'000	£'000
Less than one year	3	15
One to five years	1	3
	<u>4</u>	<u>18</u>

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

	Investment property	
	2024	2023
	£'000	£'000
Less than one year	450	503
One to five years	230	670
	<u>680</u>	<u>1,173</u>

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24 Post balance sheet events

There were no post balance sheet events.

25 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 2023  
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:

Stephen Burns	
Ali Hussein	
Husna Mortuza	
Dee O’Connell	(retired as Trustee 13 December 2023)
Laura Ratling	
Maysam Rizvi	(retired as Trustee 13 December 2023)
Tahera Rouf	(retired as Trustee on 21 June 2023)
Sam Thomas	
Gemma Woznicki	(retired as Trustee on 21 June 2023)
Muna Yassin	(retired as Trustee on 13 March 2024)
Yu-Shan Chiu	appointed 13 December 2023
Alice Gac	appointed 13 December 2023
Thomas Nowacki	appointed 13 December 2023

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

# Help us create a fairer and happier East London

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Company Number. 00020080 England & Wales

