



New Horizon
Youth Centre
Limited

Annual Report

Year ending March 31st 2021

Giving potential a home since 1967

NEW HORIZON YOUTH CENTRE LIMITED
(A Company Limited by Guarantee)

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NEW HORIZON YOUTH CENTRE LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021

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| Board of Trustees | Matthew Reed (Chairperson) Ellie Roy (Vice Chairperson) Gemma Rocyn Jones (Treasurer) Martin Dibben Katherine Hawthorne Paula McDonald Jennifer Stoker John Williams |
| Company registered number | 1393561 |
| Charity registered number | 276943 |
| Principal and Registered office | 68 Chalton Street London NW1 1JR |
| Independent auditors | Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB |
| Bankers | The Royal Bank of Scotland plc 127 -128 High Holborn London WC1V 6PQ |
| Investment Advisers | Rathbone Investment Management The Senate Southernhay Gardens Exeter EX1 1UG |

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Note from the Chair of the Board

I took up the mantle of Chair of the Board for New Horizon in January 2020, champing at the bit to develop the centre's work and ensure that more vulnerable young people have the opportunity to build a better life and fulfil their potential.

What to tell you of the time since? Well, our mission hasn't changed, but how we delivered it transformed. Youth homelessness has risen and been aggravated by the pandemic to a degree no one could have prepared for. Virtually overnight we went from an entirely in-person service to a mixed, hybrid delivery, constantly adapting to meet the needs of young Londoners with nowhere else to go.

Closing the centre doors for the first time in over 50 years, when we knew how badly we were needed as a lifeline to many, was a really tough decision to make and we were delighted to be back open again during the autumn, even with limited hours and rigorous safety procedures in place. We were so saddened to have to make the same decision when Tier 4 was announced, making Christmas 2020 our first in decades that our doors couldn't be open. The team were facing enormous barriers but have consistently gone above and beyond to continue delivering their amazing work. Despite all of these challenges, we still successfully supported young Londoners by working hard to refer young people without a safe home to emergency accommodation and enable their move on to longer-term accommodation.

The hard lessons we learned over this year have given us invaluable insight. From the resurgence of the Black Lives Matter movement, reminding us that we need to be ever more active in our anti-racism commitments to the advocacy we've done to get young people on the agenda in housing provision, during and beyond the pandemic. We've also gained a lot from further testing the hybrid delivery model of our services, which we're strengthening and taking forward.

This year has taught us so much, including many positive things that we'll be taking into 2021 to improve our offering and develop our resilience.

A huge thank you to everyone who has found a way to support us, whether financially, in-person or online, in what's been a time with its fair share of scarcity and fear. We appreciate each and every one of you.

Thank you

Matthew Reed
Chair of the Board of Trustees

The Board of Trustees (who are directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of New Horizon Youth Centre Limited (the charity) for the year ended 31 March 2021. The Board of Trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not prepared.

About New Horizon Youth Centre

Every year, thousands of young people across the Capital become homeless through no fault of their own.

That's why New Horizon Youth Centre exists.

We are a vital support network for 16-24 year olds with nowhere else to go. Through the 'one stop shop' services we provide at our daycentre, remotely and through outreach we support thousands of young people experiencing homelessness in London to improve their wellbeing, change their economic circumstances and find somewhere that they can call home.

For as long as young people are homeless and vulnerable in London, we will be on a mission to give their potential a home.

We deliver this mission through four strategic objectives adopted in the financial year:

- **Places** - Brokering more places for young people to stay in the short term or call home in the long term
- **Provision** - Improving the breadth and quality of services at our drop-in and through our outreach team
- **Partnerships** - Collaborating to ensure that young people's experiences are visible and acted upon
- **Platform** - Sustaining a well-run organisation that invests in staff so they can help young people thrive

And our work is guided by four values:

- **We see the best in everyone** - We all have strengths and the potential to make the best of our life and work, when given a fair chance
- **We are dynamic in our approach** - We are always adapting because the world changes and what young people need and want changes
- **We collaborate on solutions** - We trust and work with diverse people and organisations so that we can achieve more together
- **We are our word** - We will do what we say we will because the young people we support, our team and our partners deserve nothing less

New Horizon was founded in 1967 to address the needs of young people who were involved in drug misuse in the West End of London. 54 years later we are still working with young people in London, now with a much wider scope.

During these five decades the centre has continued to provide a safe space for young people experiencing homelessness in the capital, whether that was in our original base in Covent Garden or through our existing home in Somers Town, Kings Cross. The centre has always reflected the age-old movement of young people to London to both escape what they left behind and to find work, safety and new opportunities.

Although a lot has changed over that time, our work is as necessary as ever. In response to this we have steadily grown from a team of 3 when the centre first opened to today's diverse and multi-disciplined team of over 40 staff, delivering a wide range of wraparound services.

If housing is the hook for young people to come to New Horizon, then it is our holistic offer that keeps them coming back, providing the stability, safety and support they need to start to rebuild their lives.

Anti-racism

We have long been aware of the disadvantages and discriminations that racialised and minoritised communities experience. Young black people are disproportionately represented among those we support, and we see and hear how they face inequalities in housing, education, employment, health services and the criminal justice system. Young people tell us survival is a talent. We know that for black young people survival also means having to deal with routine and systemic racism in all its different forms: interpersonal, social, economic, political, cultural and institutional.

Anti-racism has always shaped our work, but we can't be complacent. In 2019 we undertook a thorough organisational review to identify where we were falling short and how we could do better to promote diversity and equality in all that we do, to care for and celebrate our staff and young people, and to tackle racism wherever we encounter it. We defined our ethos and commitments in our Equality and Diversity Statement and Policy, co-authored by staff and our Board of Trustees. This will continue to inform our work.

The events of summer 2020 were an overdue reminder for us all to take stock and try to do better. As an organisation, we realised we needed to explicitly prioritise anti-racism in everything that we do. We developed a Diversity Leadership Programme, reinvigorated our staff and Board Equality and Diversity working groups and delivered several rounds of anti-racism training. You'll see more about this work and our commitments going forward throughout this report.

We cannot achieve our mission to give young people's potential a home without taking on discrimination and racism. We will do what we say we will about anti-racism because the young people we support, our team and our communities deserve nothing less.

"Even though people will say we've come so far, still when I went into court with my supervisor as a student they always used to think I was the defendant. Now, when I go there in a professional capacity and I'm representing young people in court those same views still apply. The treatment of people of colour in this country has changed but racism hasn't gone away, it just manifests in different ways... I want for black people to just be able to be at the same position as our white counterparts without anyone looking at us and making us feel like we shouldn't be here. I want to feel like the same opportunities are offered to me as anyone else who works as hard as me."

Kai, Complex Case Worker

The continued need for our work

There is a lack of understanding in the UK as to exactly how many young people do not have a safe home. The data we have shows an ever-escalating crisis and even these numbers do not paint a full picture. We know from our work and evidence, such as Centrepoin's Youth Homelessness Databank, there are serious gaps in the data that prevent us from grasping the full extent of youth homelessness across the UK. In our Life Off the Streets research, 67% of young Londoners who had slept rough said they had not bedded down, making them less likely to access essential services and to be verified as rough sleepers on the Combined Homelessness and Information Network (CHAIN) database. Not only are young people already sleeping rough less visible to outreach teams but so many more are on the brink of sleeping rough, sofa surfing and experiencing other forms of hidden homelessness. Centrepoin's Databank statistics for 2019-20 showed that in London 1.2% of young people aged between 16-24 are homeless or at risk of homelessness. There is no doubt that this was aggravated by the pandemic.

TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

The Covid-19 pandemic has hit young people the hardest, especially those already experiencing disadvantage. Young people were the most likely to lose jobs, due to many in work being on zero-hour contracts. They lost out on a year's worth of education and employment, with many not being able to learn or work from home due to digital exclusion. We know that some of the most desperate situations came out of communities that have been severely let down, with overcrowded, poor quality housing and extreme pressure being put on people living in poverty with little additional support offered. These challenges were compounded for the majority of young people we support as it has been widely documented that the pandemic disproportionately impacted minoritised communities, specifically Black and Asian communities.

Not only did the pandemic create and exacerbate some of the main drivers of youth homelessness, but it also restricted young people's ability to stay off the streets. At the same time that young people's risk of homelessness was increasing due to loss of employment or income, strained family relationships and overcrowding; lockdown restrictions made it difficult or illegal to stay with friends or extended family. As a result, more young people were left without anywhere to stay at all. Despite successful government policies such as the 'Everyone In' hotels offered to all rough sleepers, the £20 weekly increase to Universal Credit and the furlough scheme, by the winter of 2020-21, we reported a 20% increase in young people with no other option than sleeping rough during the coldest months while Covid-19 infections were at an all-time high.

All of this means that many more young people have faced homelessness, with many ending up street homeless. In the first three months of lockdown, according to the official CHAIN database, 449 under-25s were reported to be sleeping rough in London alone; an 81% increase compared to the same period in 2019. The full annual CHAIN report released in June 2021 confirmed what our data and experience over 2020-21 year consistently showed. One in ten of those forced to sleep rough in London was under the age of 25, with the pandemic putting extreme pressure on already disadvantaged young people. This was reported as "a slight increase." This isn't slight to us, that's 258 more lives at risk. Every single one of those people deserved better.

The pandemic also affected the support that was available to young people. The closure of youth clubs and youth centres took away a lifeline for many young people who rely on these for emotional wellbeing and connections to other providers. The shift to remote working meant that waiting times for many other services increased and accessing assistance from councils and social services became more difficult.

Young people often have to interact with multiple organisations at once and doing this all remotely whilst navigating complex processes is extremely challenging, and much of the work our staff did in the last year was to help young people in this respect. Our Winter Snapshot research tracked an increase from 42% to 65% in young people who had already contacted their council before finding us, the vast majority of whom were not offered support or accommodation.

"I was made to leave the place I was living in sad circumstances. It was lockdown and I was working as a carer. I was looking after people and found it really stressful with PPE problems, but all the time I was also sleeping on the streets. It was hard to keep that going. And at night you wait and wait for someone from outreach who say they come to see you and then they don't. You're just stuck. The New Horizon team found me and I'm back on track. There's no shelter or something for me to stay in but I'm working on renting a room. Young people on the streets are being ignored by the system. It just doesn't work for them – the outreach services, there's hardly any temporary accommodation, the councils saying no. And we lose our job more quickly because of Covid too."

Josh, young person

This is a difficult picture to come to terms with and highlights how young people must be central to Covid recovery planning and homelessness strategies. Our messaging on this has stayed consistent since our creation: youth homelessness is a different experience and needs a different response. Many of the issues above are consistent with what young people have faced for decades, with the pandemic aggravating many of them and limiting access and resources needed to solve them. A lot of this stems from certain stereotypes and attitudes to homelessness, as well as the lack of visibility of youth homelessness. We want to change how the sector and public think about youth homelessness so we're testing a bold new project to 'reframe youth homelessness'. To follow along with our progress, follow our social media accounts and we'll have more to share soon.

Places: Brokering more places for young people to stay in the short term or call home in the long term

In the last year young people faced unprecedented challenges securing accommodation. They were more likely to be missed in the Everyone In initiative, and increased demand and waiting times meant council support was even more difficult to access. The lack of appropriate bed spaces in emergency provision was compounded by limited capacity, and changes to young people's financial situations meant long-term options were increasingly unaffordable.

Growing our 'emergency fund' so young people in crisis get better access to shelter, travel and support

Throughout the pandemic it was more important than ever that we could help young people when they were in crisis, so we continued to grow our unrestricted emergency fund to improve young people's access to shelter, travel, food and support. Across the year we spent £25,500 on 1015 nights for young people in emergency accommodation. We put £2,100 towards young people's travel and £12,700 towards food. Our teams also worked tirelessly and in extremely difficult conditions to get over 30 young people into hotel accommodation as part of the government's 'Everyone In' scheme.

Securing new resources and partners to improve access to short stay housing for young people irrespective of the levels of risk they may experience

We continued to develop new partnerships to increase young people's options for short-term housing, including projects with Shelter Community and The Stay Club. Our Accommodation Project Team opened a new site with Origin Housing, P62, and they initiated 5 new partnerships with landlords, creating more accommodation pathways for young people. Advocating on young people's behalf, they worked with new and existing partners to negotiate acceptance of Universal Credit housing costs and to house young people who were unemployed.

This past year has highlighted the long-standing need for youth-specific accommodation, and after months of campaigning, we were delighted to open a new emergency accommodation project in partnership with the Greater London Authority, London Councils and Depaul. Hotel 1824, a refurbished 40 bed hotel in West London, will accommodate up to 350 young people over its pilot year and will save lives. This provision strengthens the safety net for the most at risk, giving young people in London at danger of sleeping rough a safe place to stay in the short term as we find them somewhere to call home in the long term.

In collaboration with our partner Depaul, the project will give residents 24/7, wraparound support, tailored move-on options and a wide range of services such as counselling, healthcare, independent life skills, education and employment, family mediation and immigration advice. Hotel 1824 is an encouraging first step towards permanent solutions for young people in London and exciting proof of what the sector can do when we work together.

Using our learning and networks to open up longer-term housing options across London

We were excited to be part of the Together Alliance, a unique partnership between the Housing Association Youth Network (Clarion Housing, Hyde Housing, Metropolitan Thames Valley, Network Homes, Peabody), the London Youth Gateway (New Horizon, akt, Depaul UK, Stonewall Housing), HACT and Safer London. The partnership commissioned research to understand how to make more effective use of its collective assets (homes, support, funding and expertise) to create better pathways for supporting young people into stable accommodation, as well as preventing them from becoming homeless in the first place. The research completed by Campbell-Tickell was published in the 'Housing Solutions' report that identified three projects for youth homelessness charities and housing associations to take forward together.

Refining advice and resettlement offers to open up access to services at more times in the centre and out

We successfully implemented some of our pre-existing plans to increase access for young people to our services including setting up an online referral form so that young people could self-refer. During lockdown this offered a vital means of access, and over the year we received 226 online self-referrals. Our advice team also grew to increase our capacity to support young people. The closure of the centre radically altered the way that young people access our services, yet the move to remote support meant that we were able to reach many more young people who previously could not access the centre, whether because of travel or other risks.

Our Accommodation Project Team quickly adapted to being unable to visit sites and meet young people face to face, moving their processes online. They continued to house young people in more permanent options, supporting 64 young people into long-term accommodation. They also continued to help young people manage their tenancies, whilst young people were navigating losing their jobs, furlough, unplanned changes to their education and issues with housing costs and tenancy rights as result of Covid. Despite this, 98% of young people already housed in our accommodation projects sustained their tenancies.

Provision: Improving the breadth and quality of services at our drop-in and through our outreach team

Closing the centre was a historic moment for New Horizon and radically altered how we delivered our services to young people. Remote delivery brought its own challenges and successes, and we learnt from these to evolve a hybrid model across teams, digitising our offer whilst able to continue in-person services with reduced capacity.

Continuing to evolve a supportive and stimulating drop-in, offering a holistic service seven days a week

This year demanded the evolution of our services in a way that nobody could have predicted, and whilst it may have been unplanned, our Youth Work and Youth Outreach Project teams quickly adapted to continue to support young people with a holistic service throughout an extraordinarily difficult time.

Adjusting to the immediate circumstances of the early months of Covid, our Youth Work, Advice and Youth Outreach Project teams adapted to remote delivery, upskilling themselves in new technology and ways of working. All staff were equipped with smartphones and laptops so that they could offer case assessments, check-ins, joint-agency work and advocacy over the phone and online. Responding to what young people wanted, the Youth Work team redeveloped and refined their offer, moving some established activities online, including women's and men's groups, independent living, and communication workshops; and introducing new projects including a podcast and 'Round the Table' (a regular virtual session on a topic chosen by young people). Our Jobs, Education and Training team (JET) continued to work with young people remotely and introduced two new employability projects delivered online: Back to Life and Back on Track. 51 young people were supported to secure employment or apprenticeship opportunities, 82 young people enrolled in education or training opportunities. Our nurse continued to consult young people and run health workshops, and setup a peer mentoring programme in partnership with Fitzrovia Youth Action.

Despite 12 months of changing restrictions and lockdowns, our Youth Outreach Project team continued to put the needs of highly vulnerable young people first, getting creative in their approach to offer face to face meetings. Whilst many other services shut down and young people were increasingly isolated, as a life-saving essential service they continued to run outreach services throughout the year, supporting the young people most at risk on the street. They continued to build and maintain relationships with young people, identify support areas, refer young people to appropriate services and advocate on their behalf. We also continued our vital partnership work, such as cross-agency legal work with Just for Kids Law and the Children's Society, immigration services with the Cardinal Hume Centre and mental health service Regulate.

We listened to what young people were telling us and we undertook an internal research project into the impact of Covid on young people and what it meant for the support we offer. We paid attention to the successes of remote working, recognising that for some this was preferable and increased our capacity to support young people. Yet we also appreciated the need to offer as much in-person support as was safely possible. As the centre began re-opening from July 2020, the Youth Work and Advice teams returned to offer young people an essential drop-in service 3 days a week, navigating new and changing safety regulations.

Growing our mental and emotional health offer across our work in and out of the centre

Further developing our mental and emotional health offer across all our services was already a priority, but the onset of the pandemic meant that this became a focal point of our work throughout the year. Both the Youth Work and Youth Outreach Project teams saw an increased focus on young people's mental health and emotional wellbeing in their work, offering emotional support and stability during a time of loneliness and isolation for many. Not only did more young people want to access our counselling service, but they wanted to do so on a more regular basis and our counsellor found that moving to remote support was hugely beneficial for young people's engagement as they felt more comfortable accessing this via the phone. In total we delivered 785 counselling sessions over the year, a 134% increase on the previous year.

Young people told us they missed the social aspect of coming into the centre, and the informal mental health boost that activities such as music provided. Our teams sought new ways to improve emotional wellbeing. Our youth work team sent out self-care packs, including special packs for important events that we would normally celebrate together in the centre, such as Eid and Christmas.

They also tapped into young people's creativity and facilitated poetry projects, which wove together lines from young people across London to speak to the challenges they had faced, but also their hope and strength going forward.

Partnerships: Collaborating to ensure that young people's experiences are visible and acted upon

Working with others has always been at the heart of what we do, but it was never more important than in the past year. Amidst increasing challenges for young people, we continued to fight to put them on the political and public agenda through our policy and media partnerships. We began to leverage our learning to contribute to the evidence base in youth homelessness and after many years of considerable change, we reviewed how to better align our branding with our values. Making all of this work possible, our fundraising team worked tirelessly to develop new relationships and sustain a growing New Horizon.

Redefining our brand and messaging, ensuring it reflects our values and gets it right for young people

As a 54 year-old organisation we've seen many changes and had many faces. It was a priority for us to analyse what our brand and messaging were saying and if, after the events of 2020, they were really working hard enough to stand for everyone we employ, support or interact with. We entered a period of review, consulting all of our stakeholders, asking what New Horizon Youth Centre stood for in their view. This led to some really exciting work around messaging, including a landmark partnership with world leading firm Havas, investigating how we want to frame youth homelessness going forward and who we want to prioritise on the platforms we have access to. This work is long term, gradual and iterative, we have made a great start and will hopefully have some positive updates to next year.

Investing in our learning and using this evidence to change policy for homeless young people in London

So much of our work has had to respond to changing circumstances, resources and opportunities that we'd previously struggled with capturing all of the learning and data that our work could benefit from. In 2020, implementing rigorous learning and evaluation was a top priority and we were delighted to be able to hire a full-time Impact and Learning Officer to lead on this vital work.

Over the 2020-21 year we delivered 3 reports as well as numerous smaller pieces of learning and evaluation content. The three reports: Together Alliance report; At Risk and Uncertain: Winter snapshot report; and the Life off the streets report can all be accessed via our website.

We knew that as the pandemic escalated, we needed to build a new, evidenced narrative to change the homelessness agenda. We led a successful multi-media campaign, securing coverage in national media, including the BBC, Guardian, and Independent, bringing in £77,000 of fundraising revenue. We created a youth-led podcast, passing the mic to young people so they could tell their own stories.

From this policy and public affairs work we engaged partners such as the Greater London Authority, the Ministry for Housing, Communities and Local Government and London Councils. This resulted in the London Assembly passing a unanimous motion that the Mayor must ringfence a substantial amount of the rough sleeping budget for under-25s. We were subsequently chosen as one of the charities for the Mayor's winter fundraising drive alongside Centrepoin, akt and Depaul. We published a learning report on young people sleeping rough during the Covid-19 winter, furthering the argument and engaging funders and decision-makers. Our campaigning resulted in the launch of London's first youth-specific, Covid-safe emergency hostel for 18-24 year olds. This ground-breaking pilot project is a partnership between New Horizon, Depaul UK, London Councils and the Greater London Authority and will provide quality, 24-hour support for 350 young Londoners who would have otherwise ended up on the street.

Integrating our fundraising work with campaigning and policy so that raising awareness also raises funds

As we get bigger, we have to connect with more supporters and funders to ensure we continue to be a viable, impactful charity. Our fundraising team went from 2 to 3 people and were a real powerhouse in securing the funds we need to keep doing our vital work. Despite the financial strain of the pandemic, our fundraisers have worked hard and secured the £2.4 million per year needed to run New Horizon's services and activities. This shows how essential our services are, often providing the only safety net for young Londoners in desperate need.

Our fundraising team had some great successes with new multi-year funders coming on board as well as some Covid-19 specific emergency funding, enabling us to keep paying for emergency accommodation, basics like food, clothes and showers and provide technology to digitally excluded people. They delivered this whilst working remotely and still managed to run an impactful campaign for #NH10Days, our flagship campaign to 'take on youth homelessness' in partnership with locally based businesses such as Argent, Google and AutoTrader. This year the campaign had to completely shift online during what was a very challenging time for our supporters.

Establishing New Horizon and the London Youth Gateway as the go-to organisation and partnership in London for homeless and vulnerable young people

This financial year saw us deliver an additional and fifth year of the London Youth Gateway, a London Councils funded youth homelessness commission which we deliver in partnership with AKT, Galop, DePaul UK, Shelter and Stonewall Housing. The programme has continued to offer a responsive, high-quality service on a genuinely pan-London basis, adapting to the new needs of young people and boroughs through the pandemic. The commission has also shown to deliver services directly relevant to pressing or emerging problems, such as serious youth violence and more recently responding to Covid-19.

Platform: Sustaining a well-run organisation that invests in staff so they can help young people thrive

This year more than ever it was essential that we invest in and care for our staff so that New Horizon can support young people most effectively. The move to remote working required new equipment, skills, and ways of working. We renewed our commitment to anti-racism and our responsibility to learn, develop and do better as an organisation. We continued our work to integrate a trauma-informed approach across the organisation and reinvigorated our youth voice activities.

Reinvigorating our Governance and the ways that staff and young people feed into the running of the organisation

We entered 2020 with an appetite for change and growth. We had a new Chair of Trustees, a growing team and clear objectives of where we wanted to go next. Covid-19 threw us into the deep end but strengthened our resolve. We still delivered on our strategic aims, we just had to change how we did it. As well as updating our leadership and internal management, we led a large piece of work around youth voice. Too often charities speak on behalf of their beneficiaries without empowering or enabling them to speak for themselves. Our understanding of youth voice is informed by definitions of youth participation- the ways in which young people are involved in the decision-making processes that affect their lives. We set the intention to involve young people through creating as many opportunities as possible for young people's voices to be heard throughout New Horizon and putting in place processes that ensure what they say is taken seriously.

We want youth voice to be firmly embedded across the organisation, with opportunities for young people to engage in ways that are accessible, feasible and valuable. We want to make it possible for young people who don't normally engage in youth voice to do so, and we want to develop clear feedback loops that allow us to respond to what young people say and ensure that our priorities are being set by those we are trying to support. Our staff have made great progress on this, and it will tie in closely with our work around our external facing brand and messaging.

Investing in facilities and staff so that they have the resources they need to succeed

A key pillar of our strategy before, during and beyond this year has been our move towards trauma- informed care in everything we do. A large-scale project to research, implement and iterate this has been in place for a year and this will ensure that we are protecting and advocating for all young people who use our services, many of whom are carrying significant trauma and prevent any further re-traumatisation at the hands of services, which is all too common at the moment.

Following the events of summer 2020, we renewed and improved our commitment to anti-racism. As an organisation that employs, supports and advocates for all Londoners, we had to do more in actively fighting against oppressive structures. Our existing diversity and inclusion projects received more resources and we began more regular campaigning internally and externally to address the impact of racism on our work and our service users. Our innovative response to the challenges of this year was bolstered by high-quality training, from how to use Zoom through to rigorous diversity training. Our staff members received: three expert-led diversity training modules and three members of staff began our new Diversity Leadership Programme.

Before the onset of the pandemic, we had planned for a series of improvements and updates to enhance our services and spaces for the benefit of our service users. We pivoted in the wake of the first lockdown, reprioritising the tech and tools our staff needed to keep doing their jobs safely. This included the provision of PPE, technology, new cloud storage and online services to keep everyone's data safe in the new digital tools we started using.

As the year progressed, we revisited some of the initial plans, including some updates to our daycentre in King's Cross as well as more long-term work around our service delivery methods and flexi-work. We want to maintain the blended service model we transitioned to while the centre is closed as we found it to be more accessible for many young people who wouldn't feel comfortable or able coming to our daycentre in person. Both services will run side by side and will be iterated and improved in line with the ever-changing landscape of our sector.

Future plans

It would be easy to assume that because Covid has changed everything, we need to change our strategy wholesale too. In fact, the four pillars of our strategy (Places, Provision, Partners and Platform) have never felt more important, but we do need adapt the objectives underneath them given the new context we are all part of.

What we do know is that the challenges facing young people have only grown through the pandemic and as a result youth homelessness – and on the sharp end, rough sleeping – has grown and will continue to grow.

There is a sense of urgency that is not simply about scale either. As plans for 'building back better' are conceived and the new normal is written, it is critical that we ensure that young people, especially those experiencing homelessness, are front and centre of thinking and investment. The severity of the situation demands a bolder and bigger response than we might previously have conceived necessary, and this response will require us to grow – in every sense of the word.

We need to grow our staff headcount so that we can keep up with demand. We need to further invest in our policy and comms work so that we work our campaigning even harder. We need to invest in our staff and look after them as they take on the challenge. And we need to bring young people and all of our partners with us on the journey. As one of the young people told us back in October as part of our World Homelessness Campaign, "we need to come back and come back stronger".

In response to this we need to focus our resources and ensure so that we can expand:

- **Places:** Unlocking places that young people can stay in the short term and call home in the long term
- **Provision:** Improving the breadth and quality of our services at our drop in, remotely and through our outreach
- **Partnerships:** Collaborating to ensure that young people's experiences are visible and acted upon
- **Platform:** Sustaining a well-run organisation that invests in staff and celebrates the diversity that makes us a success

And specific to the year ahead as we emerge from Covid we need to ensure that we focus on:

- **Community** - The effects of Covid-19 and the Black Lives Matter movement has seen dramatic changes in who is coming to us for support and what they need and want. We will continue to ensure our offer remains accessible and inclusive for everyone whilst adapting to specific and growing needs from certain groups.

TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

- **Choice** - lockdown has forced us to open up our services in entirely new ways. We know that this has enabled more people to access New Horizon but stopped others from engaging. As we move past Covid, we will continue a mixed service model so that young people can engage in the ways they want on the issues they want.
- **Care** - we know that the last 12 months have caused unprecedented challenges for us as employees too and it has been and will continue to be tough for the team. As a staff team we will do more than ever to look after each other, ensuring we are all supported and connected.
- **Change** – the pandemic has only exacerbated the pre-existing challenges that young people faced. More than ever, we believe the best way of helping the most young people is to get decisions makers to better understand and invest in the issues they face. We will continue to ramp up our policy and campaigning work so that we can help many more young people, including those we never meet.

Financial review

The results for the year are set out in the Statement of Financial Activities on page 22.

Despite the many challenges posed by Covid-19 and its effects on society, New Horizon Youth Centre had a very strong year of financial performance. Having set an ambitious yet cautious budget for the year, we were pleased to deliver our expenditure slightly below planned levels and again generate a surplus on unrestricted funds at year end. This successful year was largely boosted by the generosity of our many funders in distributing emergency funding through the pandemic.

During the year we continued to benefit from support from a wide range of statutory sources and charitable trusts and continued to work hard to grow our support from corporates and individuals, most notably the emergence of a new High Net Worth donor programme. In the year under review funding from statutory sources including London Councils, The Greater London Authority, Camden Council and the Irish Government increased slightly to £727,613 (2020: £724,290). Income from Charitable Trusts was also higher this year at £1,144,664 (2020: £1,042,473), as was income from donations and gifts with £256,354 raised in year (2020: £172,231).

The Board of Trustees remain confident in its ability to continue to raise funding from the public, private and voluntary sectors because of the respect New Horizon commands in the sector. As such, and with rising levels of need, it plans to slightly increase its level of service in 2021-22 whilst also making some additional investments into the new areas of our strategy.

Investment Powers and Policy

In 2015, the Board of Trustees made a resolution to invest excess liquid funds, essentially set aside as a reserve buffer, with a reputable investment manager with a view to providing a return better than that available as a cash deposit. Rathbone Investment Management were appointed and the investment policy laid down is as follows:

- An investment objective to achieve a total return of “normalized” CPI of 2% plus 2% after costs
- A risk tolerant attitude measured as one third of the volatility of the FTSE All Share Index
- A medium to long term investment, namely 3-5 years
- Income generated to be distributed as received
- The portfolio to have regard of the ethical views of the Board of Trustees

During the financial year the portfolio gained ground and whilst income returned £10,019 (2020 - £10,477) to New Horizon, there was an unrealised gain on capital values of £61,573 (2020 - loss of £23,200) at a cost of £4,268 (2020 - £4,306).

Reserves policy

New Horizon Youth Centre is funded in a number of different ways, including significant grants and donations from a variety of sources and healthy levels of unrestricted income, including through the rental income on our accommodation projects. These diverse income streams mean we are not reliant on a single source of funding, and are unlikely to see all of our income withdrawn at the same time.

TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees of New Horizon Youth Centre therefore base their reserves policy on the identified needs to:

- Mitigate the risk of unforeseeable expenditure, with regard to the upkeep of our daycentre which requires ongoing maintenance (estimated at £50,000)
- Provide sufficient working capital for the following year, particularly to provide against a downturn in income generation and an uncertain fundraising climate in a post Covid-19 world
- Invest in innovation, developing new areas of work and organisational development, strengthening our ability to meet the demands of our work (estimated at £600,000 or equivalent to 3 months running costs)
- Ensure that if needed, sufficient funding remains for a managed closure of the charity (estimated at £440,000 of which £330,000 is for staff redundancies)

In line with our Reserves Policy the Trustees have examined the requirement for free reserves, namely those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees of New Horizon Youth Centre therefore believe that Free reserves should total £1.15million or roughly six months of total organisational operating costs based on the next budget year. This should be regularly reviewed to ensure that it meets the organisation's changing needs and circumstances.

As of 31 March 2021, unrestricted funds stood at £1,202,103, of which of £1,110,936 are free reserves, representing 99% of our target reserves level. Having reviewed this, and in consideration of our fundraising pipeline with several large funders coming to the end of multiyear agreements and with the challenges posed by Covid-19, the trustees consider this to be an appropriate level of reserves for the organisation at this time.

Risk management

New Horizon Youth Centre maintains a risk register to identify and manage the risks facing the centre and our work. The charity has established systems to enable regular reports to be produced so that the necessary steps can be taken immediately to mitigate any significant risks and our risk register is reviewed quarterly by our Management Team and every four months by our Audit and Risk Committee. The Board of Trustees has examined this and the key risks facing the organisation are detailed below:

| | |
|---|---|
| Safeguarding the young people we are supporting | <ul style="list-style-type: none">• We have formal and robust safeguarding policies and procedures in place which are reviewed annually and driven through an internal Safeguarding Action Plan• Safeguarding is managed by three Designated Officers who have all undergone training and is led by our Director of Operations• All employees and volunteers at New Horizon complete an internal safeguarding induction within their first two months. This internal training is then supplemented by mandatory annual safeguarding training for all employees, delivered by outside specialists• Delivery staff take part in bi-monthly refresher training which is tailored to the emerging safety and safeguarding needs within the service• Safeguarding forms a part of our daily practice and is often a focus on our twice staff de-brief and reflective practice meetings• We apply criteria for refusing services to young people because of risk |
| Ensuring we can continue to deliver our mission through and beyond the Covid-19 pandemic | <ul style="list-style-type: none">• We have reopened the centre with new social distancing measures and so that it is Covid compliant• Implemented a triage system so that young people can be directed to face-to-face or remote support depending on their circumstances• Many services have been moved to remote working so that young people can access support without having to travel• We have written and continually review Covid guidelines for the drop-in, our outreach work and accommodation projects• Fundraised for a new tech fund so that young people without digital access or telephones can be supported• Made this an ongoing priority and a main focus within the new strategy |

TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

| | |
|--|--|
| Securing ongoing voluntary income for our mission | <ul style="list-style-type: none">• Ensured we have a robust and evidence-based case for support for the ongoing – and growing – need for our work• Developed strong multiyear funding relationships with trusts and foundations and institutional funders, growing this core support year on year• Developed strands of work around corporates and high net worth individuals with a calendar of events to support the success of these• Prioritised stewardship for all of our supporters |
| Staff burnout through Covid, constant change and home working | <ul style="list-style-type: none">• Staff Care plan has been developed and actioned in consultation with the team• Health plans being reviewed so that we can further strengthen reflective practice, clinical supervision and wider support• Diversity Working Group and Staff Diversity Group making good progress on EDI plans and delivering an evolving diversity action plan• Staff meeting and away days being used to communicate, celebrate and connect with colleagues |

Structure, governance and management

Governing document

New Horizon Youth Centre is a charity and company limited by guarantee incorporated on 11 October 1978 and governed by its Memorandum and Article of Association. In 2016 the directors of the company, comprising all of the Board of Trustees – each of whom is a Trustee of the charity for the purposes of the Charity Commission – adopted a revised Memorandum and Articles of Association.

All of the members of the Trustee Board are also members of the Company and undertake to contribute £1 to the company in the event of winding up whilst members, or within one year of ceasing membership. Furthermore, membership of the company is by invitation by the Board only, such invitation to require a simple majority. The Articles stipulate that there shall be a minimum of 5 directors but, unless otherwise determined by ordinary resolution, there is no maximum number.

Organisation

The Trustees have ultimate responsibility for the governance, strategy and direction of the centre. Operationally the trustees have appointed a Chief Executive Officer to manage the day to day operations of the charity, along with their Senior Management Team. The Board ensures that the Chief Executive is appraised annually and their salary assessed in line with the sector norms taking comparisons based on size, budget and field of practice from similar organisation in the region.

The Board of Trustees meet six times per year for formal meetings and its work is supplemented by an Audit and Risk Committee which meets every four months to ensure a more detailed focus is in place around finances, fundraising, risk management and safeguarding. During the 2020-2021 financial year two additional Board working groups were set up. The Diversity Working Group was reformed as part of our ongoing commitment to recognise and value differences, ensuring fairness and equality; and recognising and seeking to redress inequality and disadvantage wherever possible. We also set up a Covid Working Group to support safe and effective decision making through the early stages of the pandemic. Both working groups consist of three trustees, the Operations Director and Chief Executive. The trustees retain sign-off of the strategic direction of the charity and key financial matters, including the budget.

Trustees

The Trustees who served during the year and since the year end were as follows:

Matthew Reed (Chairperson)
Ellie Roy (Vice Chairperson)
Gemma Rocyn Jones (Treasurer)
Hubert Clarke (resigned 23 November 2021)
Martin Dibben
Katherine Hawthorne
Paula McDonald
Jennifer Stoker
John Williams

Charitable objects

The charity's objects are specifically restricted to the following:

- The relief of young people who through sickness, poverty or distress are in need of care and attention (which young people hereinafter are called "the beneficiaries")
- The advancement of the education and training of the beneficiaries including their rehabilitation (where appropriate) and advancement in life; and
- In the interests of social welfare, the provision of facilities for the recreation or other leisure-time occupation of the beneficiaries so as to develop their physical, mental and spiritual capacities and so that their conditions of life may be improved.

Public benefit statement

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission when reviewing the charity's objects, activities and plans for the future. The trustees confirm, in the light of the guidance, that these aims fully meet the public benefit test and that all the activities of the charity, described in the Report, are undertaken in pursuit of these aims.

Appointment of Trustees

The Trustees undertake an annual audit of the skills required to effectively govern the charity and recruit where appropriate to provide the oversight of the company's activities and fulfil its obligations, legal and otherwise. All potential Trustees are interviewed by the Chair, Chief Executive and panel of existing Trustees and have the opportunity to observe meetings before being formally voted on to the Board. The Audit and Risk Committee has developed a comprehensive Governance Framework that provides guidance to new Trustees on their legal responsibilities. The Senior Management Team provides an induction to new Trustees ensuring that they have an overview of the operations and practices within the centre.

Related parties

The Trustees have procedures in place for identifying related parties and transactions with them. Any identified related party transactions are reported on in the notes to the financial statements.

Auditors

The auditors Lubbock Fine LLP have indicated their willingness to accept re-appointment under section 487 (2) of the Companies Act 2006 and a resolution to reappoint them will be proposed at the Annual General Meeting.

TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Board of Trustees' responsibilities

The Board of Trustees (whose members are also the directors of New Horizon Youth Centre Limited for the purposes of company law) is responsible for preparing the annual Report of Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Trustees as Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss, total recognised gains or losses and cash flows of the company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, the Trustees who are the company's directors certify that:

- So far as they are aware, there is no relevant audit information of which the charity's auditors are unaware; and
- As the directors of the company, they have taken all the steps that they ought to have taken in order to make themselves aware of any audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

The Report of the Trustees, which incorporates the requirements of the Strategic Report and the Directors Report as set out in the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, was approved by the Board and signed on its behalf by:

Gemma Rocyn Jones

Gemma Rocyn Jones

Treasurer

Date: 09 December 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW HORIZON YOUTH CENTRE LIMITED
FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of New Horizon Youth Centre Limited (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

NEW HORIZON YOUTH CENTRE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW HORIZON YOUTH CENTRE LIMITED
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

NEW HORIZON YOUTH CENTRE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW HORIZON YOUTH CENTRE LIMITED
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Responsibilities of trustees

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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- The nature of the sector and the impact of Covid 19 on financial and operating performance and policies;
- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Charities Act and Charities SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included health and safety regulations, employment law, and environmental regulations.

NEW HORIZON YOUTH CENTRE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW HORIZON YOUTH CENTRE LIMITED
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularity including fraud were in respect of income recognition and classification, management override and the incorrect allocation and “double dipping” of expenditure between restricted funds. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- agreeing income recognition and classification to supporting grant contract or supporting documentation on a sample basis;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.
- reviewing the allocation of expenditure between funds on a sample basis.
- agreeing expenditure to invoice and supporting documentation on a sample basis to verify validity.

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

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

NEW HORIZON YOUTH CENTRE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW HORIZON YOUTH CENTRE LIMITED
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Chandra

David Chandra (Senior Statutory Auditor)

for and on behalf of

Lubbock Fine LLP

Chartered Accountants & Statutory Auditors

Paternoster House

65 St Paul's Churchyard

London

EC4M 8AB

Date: 14 December 2021

NEW HORIZON YOUTH CENTRE LIMITED
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Grants and donations: | 2 | | | | |
| Statutory Grants | | - | 727,613 | 727,613 | 724,290 |
| Grants from Charitable Trusts | | 429,617 | 715,047 | 1,144,664 | 1,042,473 |
| Donations and gift aid | | 256,354 | - | 256,354 | 172,231 |
| Activities for raising funds | 3 | - | - | - | 55,732 |
| Investments | 4 | 10,488 | - | 10,488 | 12,011 |
| Other income | 5 | 117,257 | - | 117,257 | 92,843 |
| | | <u>813,716</u> | <u>1,442,660</u> | <u>2,256,376</u> | <u>2,099,580</u> |
| Total income | | | | | |
| Expenditure on: | | | | | |
| Raising funds | 6 | 143,562 | - | 143,562 | 63,367 |
| Charitable activities: | 7 | | | | |
| Provision of services for young people | | 356,083 | 1,436,590 | 1,792,673 | 1,879,583 |
| Accommodation project | | 46,547 | - | 46,547 | 58,047 |
| Depreciation of leasehold premises | | - | 77,621 | 77,621 | 77,621 |
| | | <u>546,192</u> | <u>1,514,211</u> | <u>2,060,403</u> | <u>2,078,618</u> |
| Total expenditure | | | | | |
| Net income/(expenditure) before net gains/(losses) on investments | | | | | |
| | | 267,524 | (71,551) | 195,973 | 20,962 |
| Net gains/(losses) on investments | | 55,053 | - | 55,053 | (22,054) |
| | | <u>322,577</u> | <u>(71,551)</u> | <u>251,026</u> | <u>(1,092)</u> |
| Net movement in funds | | | | | |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 879,526 | 893,086 | 1,772,612 | 1,773,704 |
| Net movement in funds | | 322,577 | (71,551) | 251,026 | (1,092) |
| | | <u>1,202,103</u> | <u>821,535</u> | <u>2,023,638</u> | <u>1,772,612</u> |
| Total funds carried forward | | | | | |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 45 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|--|-------------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 751,892 | 826,827 |
| Investments | 12 | 530,758 | 479,974 |
| | | <u>1,282,650</u> | <u>1,306,801</u> |
| Current assets | | | |
| Debtors | 13 | 88,428 | 119,002 |
| Cash at bank and in hand | | 1,164,078 | 873,362 |
| | | <u>1,252,506</u> | <u>992,364</u> |
| Creditors: amounts falling due within one year | 14 | (511,518) | (526,553) |
| Net current assets | | <u>740,988</u> | <u>465,811</u> |
| Total assets less current liabilities | | <u><u>2,023,638</u></u> | <u><u>1,772,612</u></u> |
| Charity funds | | | |
| Restricted funds | 15 | 821,535 | 893,086 |
| Unrestricted funds | 15 | 1,202,103 | 879,526 |
| Total funds | | <u><u>2,023,638</u></u> | <u><u>1,772,612</u></u> |

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Matthew Reed
Chairman



Gemma Rocyn Jones
Treasurer

Date: 09 December 2021

The notes on pages 25 to 45 form part of these financial statements.

NEW HORIZON YOUTH CENTRE LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|---|-------------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 17 | 308,216 | 311,134 |
| Cash flows from investing activities | | | |
| Dividends and interest from investments | | 10,488 | 12,011 |
| Purchase of tangible fixed assets | | (32,257) | (50,735) |
| Proceeds from sale of investments | | 62,639 | 44,400 |
| Purchase of investments | | (58,370) | (41,102) |
| Net cash used in investing activities | | (17,500) | (35,426) |
| Change in cash and cash equivalents in the year | | 290,716 | 275,708 |
| Cash and cash equivalents at the beginning of the year | | 873,362 | 597,654 |
| Cash and cash equivalents at the end of the year | 18 | 1,164,078 | 873,362 |

The notes on pages 25 to 45 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

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

New Horizon Youth Centre Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared on a going concern basis, the Council of Management having taken into account the matters referred to below.

The charity meets its running costs from grants and donations received. The nature of the charity's operations is such that there can be unpredictable variations in the timing and amount of cash inflows. The Council of Management have prepared projected cash flow information for the period up to 31 March 2023 and beyond and the cash inflows assume receipts of donations, which due to their nature, cannot be quantified, both in respect of timing and amounts, with any certainty. These have been included in the projections on the basis of amounts received in the past years and expected to be received up to 31 March 2023 and beyond.

On the basis of this cash flow information, the Council of Management consider that the charity will continue in operational existence for the foreseeable future. In forming this assessment, the Council of Management have taken into account the impact of Covid-19 on the finances and operations of the Charity.

1.2 Company Status

The Charity is a private company limited by guarantee, incorporated in England and Wales with registration number 1393561. Its registered office and principal place of business is 68 Chalton Street, London, NW1 1JR. The members of the company are the Council of Management named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Incoming resources include the total amount of grants and voluntary income receivable in respect of the year. Revenue and capital grants are accounted for gross when notification is received and conditions are met. Where the grant agreement specifies the time period over which the funds should be spent, they are recognised as income in that period. For multi year grants that have been awarded with no performance related or other conditions, income is recognised to the extent that the Charity is entitled to the income. Other grants and donations are recognised as income when received.

Income from fund raising activities is accounted for gross and the related expenditure is separately shown.

Legacies are included in full in the financial statements when there is sufficient evidence to provide the necessary certainty that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

Gifts in kind are valued and included in income to the extent that they represent goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure.

1.5 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 institution with whom the funds are deposited.

1.6 Expenditure

All expenditure is accounted for gross when incurred on an accruals basis. In accordance with the requirement of the SORP, expenditure on charitable activities includes the direct cost of the activities, depreciation on related assets, an allocation of support costs being the major part of the fixed costs of the Centre (rent, rates and utilities) and an allocation of substantially all of the costs of administrative and management staff, all of whom are closely involved in the day-to-day charitable activities.

Costs of raising funds are incurred in attracting voluntary income, and those incurred in activities that raise funds. They include an allocation of the senior worker's cost most closely involved in this activity.

Charitable activity costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities. 100% of support costs are allocated to Provision of Day Centre Services, the main activity of the Charity.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.7 Financial instruments

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.

1.8 Tangible fixed assets and depreciation

All assets costing more than £400 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|------------------------------|-------------------------------|
| Long-term leasehold property | - Straight line over 20 years |
| Office equipment | - Straight line over 4 years |

1.9 Investments

Investments 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. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.10 Operating leases

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

1.11 Debtors

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

1.12 Cash at bank and in hand

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

Cash held with the investment broker is included in investments.

1.13 Creditors and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

Trade and other creditors are recognised at the settlement amount after any trade discount received. Accruals are valued based on the estimated amount to be paid.

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.14 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2. Income from Grants and Donations

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|--|--|---------------------------------------|
| Donations and Gift Aid | 256,354 | - | 256,354 |
| Statutory Grants | - | 727,613 | 727,613 |
| Grants from Charitable Trusts | 429,617 | 715,047 | 1,144,664 |
| Total 2021 | 685,971 | 1,442,660 | 2,128,631 |

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|-------------------------------|--|--|---------------------------------------|
| Donations and Gift Aid | 172,231 | - | 172,231 |
| Statutory Grants | - | 724,290 | 724,290 |
| Grants from Charitable Trusts | 329,789 | 712,684 | 1,042,473 |
| Total 2020 | 502,020 | 1,436,974 | 1,938,994 |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Income from Grants and Donations (continued)

Included in Grants from Charitable Trusts are the following grants which have been fully expended in the year and require specific reference in the financial statements in accordance with the associated grant agreement:

| | 2021 £ | 2020 £ |
|------------------------------|-------------------------|-------------------------|
| BBC Children in Need | 17,792 | 33,806 |
| The City Bridge Trust | 50,000 | 50,000 |
| Co-op Foundation | 35,000 | 34,761 |
| Esmée Fairbairn Foundation | 97,500 | 68,600 |
| Garfield Weston Foundation | - | 35,000 |
| Greater London Authority | 187,384 | 219,384 |
| The Henry Smith Charity | 35,000 | 35,000 |
| Land Aid | 21,000 | 25,000 |
| LHA London | 15,000 | 15,000 |
| Regents Place Community Fund | 3,000 | 4,500 |
| | <u>17,792</u> | <u>33,806</u> |

Statutory grants receivable in the year and spending thereon are as follows:

| | Incoming £ | Outgoing £ |
|--|-----------------------------|-----------------------------|
| NHS Camden - Nurse's post | 44,000 | 44,000 |
| Government of Ireland: Emigrant Support Programme* | 30,360 | 30,360 |
| London Borough of Camden - Capital Grant-S106** | - | 3,883 |
| London Councils - Youth Homelessness Commission - LYG | 498,253 | 502,714 |
| London Borough of Camden - Youth Offending Project | 100,000 | 99,858 |
| London Borough of Camden - Grant Aid - Youth Work Programme | 25,000 | 25,000 |
| London Borough of Camden - Violence Reduction Unit Programme | 10,000 | 10,000 |
| London Borough of Camden - Advice Programme | 20,000 | 20,000 |
| | <u>727,613</u> | <u>735,815</u> |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Income from Grants and Donations (continued)

* Government of Ireland: Emigrant Support Programme provided a grant of £22,770 for the period from 1 October 2020 to 30 June 2021. This income has been recognised as restricted income and spread evenly over the grant period, as required by the donor. In addition, an amount of £7,590 was released to income from prior period deferred income. During the year £15,152 of income related to the 2021 grant, and £15,180 related to the 2020 grant. The remaining £7,590 of the 2021 grant has been deferred, and will be utilised during the period from 1 April 2021 to 30 June 2021. There has been no duplication of funding for the same activity covered by this grant and the grant has been used to fund a case worker's salary.

** The Capital Grant-S106 was awarded to cover the costs of purchasing IT equipment, photocopiers, storage space and a fridge.

London Councils grant:

In accordance with the London Councils grant funding, the following disclosures are made:

The grant received from the London Councils has been utilised as specified in the terms of the LYG partnership agreement in accordance with Section 37. The following table illustrates how money was allocated across the partnership and that it has been used for the purposes outlined in the funding agreement:

Grantor: London Councils **Project:** London Youth Gateway

| | Grant £ | Grant spent £ |
|--------------------------|--------------------|--------------------------|
| Partner | | |
| New Horizon Youth Centre | 498,253 | 498,330 |
| Shelter | 48,941 | 56,767 |
| Albert Kennedy Trust | 31,147 | 64,516 |
| DePaul Alone in London | 223,203 | 223,604 |
| Stonewall Housing | 108,756 | 108,756 |
| DePaul Nightstop | 77,446 | 79,818 |
| Galop | 20,592 | 20,537 |
| Total | 1,008,338 | 1,052,328 |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Income from Grants and Donations (continued)

The following table illustrates how the total grant was spent in accordance with the purposes outlined in the funding agreement:

| | Grant £ | Grant spent £ |
|--------------------|--------------------|--------------------------|
| Staff costs | 757,421 | 796,814 |
| Beneficiary costs | 22,107 | 45,304 |
| Overheads | 98,446 | 102,379 |
| Other direct costs | 130,364 | 107,831 |
| Total | <u>1,008,338</u> | <u>1,052,328</u> |

3. Income from activities for raising funds

Income from fundraising events

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|--------------------|--|---------------------------------------|
| Fundraising events | 53,950 | 53,950 |
| Barn rental | 1,782 | 1,782 |
| Total 2020 | <u>55,732</u> | <u>55,732</u> |

Owing to the Covid-19 pandemic and restrictions on social interactions during the course of the year, no events or room rental could take place. The Council of Management expect these fundraising activities to restart during the course of 2021/22.

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

4. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------------|--|---------------------------------------|
| Income from investments | 10,019 | 10,019 |
| Bank interest | 469 | 469 |
| Total 2021 | 10,488 | 10,488 |

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|-------------------------|--|--|---------------------------------------|
| Income from investments | 10,447 | - | 10,447 |
| Bank interest | 1,399 | 165 | 1,564 |
| Total 2020 | 11,846 | 165 | 12,011 |

5. Other income

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|---|--|---------------------------------------|
| Accommodation project (Vista rental income) | 52,687 | 52,687 |
| Other income | 64,570 | 64,570 |
| Total 2021 | 117,257 | 117,257 |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|---|--|---------------------------------------|
| Accommodation project (Vista rental income) | 52,595 | 52,595 |
| Other income | 40,248 | 40,248 |
| Total 2020 | 92,843 | 92,843 |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

6. Cost of raising funds

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|------------------------------|--|---------------------------------------|
| Cost of fundraising events | 19,315 | 19,315 |
| Barn booking costs | 106 | 106 |
| Investment management fees | 4,268 | 4,268 |
| Wages and salaries | 105,651 | 105,651 |
| Employers National Insurance | 9,514 | 9,514 |
| Employer pension costs | 4,708 | 4,708 |
| Total 2021 | <u>143,562</u> | <u>143,562</u> |

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|------------------------------|--|---------------------------------------|
| Cost of fundraising events | 8,142 | 8,142 |
| Barn booking costs | 445 | 445 |
| Investment management fees | 4,306 | 4,306 |
| Wages and salaries | 43,507 | 43,507 |
| Employers National Insurance | 4,784 | 4,784 |
| Employer pension costs | 2,183 | 2,183 |
| Total 2020 | <u>63,367</u> | <u>63,367</u> |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|--|--|--|---------------------------------------|
| Provision of services for young people | 356,083 | 1,436,590 | 1,792,673 |
| Accommodation project (Vista) | 46,547 | - | 46,547 |
| Depreciation of leasehold premises | - | 77,621 | 77,621 |
| Total 2021 | 402,630 | 1,514,211 | 1,916,841 |

Accommodation project costs represent only the rental cost of Project Vista working with Network Homes, the only accommodation project fully administered by New Horizon in the year. It is separately disclosed to provide a clear comparison to the rental income achieved from those young people provided with accommodation and the support of New Horizon staff. There are other overhead costs associated with the project which cannot easily be separately identified and measured and are included in the overall provision of day centre services above.

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|------------------------------------|--|--|---------------------------------------|
| Provision of day centre services | 459,842 | 1,419,741 | 1,879,583 |
| Accommodation project | 58,047 | - | 58,047 |
| Depreciation of leasehold premises | - | 77,621 | 77,621 |
| Total 2020 | 517,889 | 1,497,362 | 2,015,251 |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

8. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
|------------------------------------|--|---|---------------------------------------|
| Provision of day centre services | 1,593,802 | 198,871 | 1,792,673 |
| Accommodation project | 46,547 | - | 46,547 |
| Depreciation of leasehold premises | 77,621 | - | 77,621 |
| Total 2021 | 1,717,970 | 198,871 | 1,916,841 |

| | Activities undertaken directly 2020 £ | Support costs 2020 £ | Total funds 2020 £ |
|------------------------------------|--|---|---------------------------------------|
| Provision of day centre services | 1,636,125 | 243,458 | 1,879,583 |
| Accommodation project | 58,047 | - | 58,047 |
| Depreciation of leasehold premises | 77,621 | - | 77,621 |
| Total 2020 | 1,771,793 | 243,458 | 2,015,251 |

Analysis of support costs

| | Provision of day centre services 2021 £ | Total funds 2021 £ |
|------------------------------|--|---------------------------------------|
| Premises costs | 71,512 | 71,512 |
| General office costs | 25,579 | 25,579 |
| Canteen costs | 5,455 | 5,455 |
| Computer and equipment costs | 31,441 | 31,441 |
| Insurance | 11,024 | 11,024 |
| Legal and professional | 53,434 | 53,434 |
| Other | 426 | 426 |
| Total 2021 | 198,871 | 198,871 |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | Provision of day centre services 2020 £ | Total funds 2020 £ |
|------------------------------|--|---------------------------------------|
| Premises costs | 113,161 | 113,161 |
| General office costs | 18,259 | 18,259 |
| Canteen costs | 29,556 | 29,556 |
| Computer and equipment costs | 15,438 | 15,438 |
| Insurance | 13,960 | 13,960 |
| Legal and professional | 52,069 | 52,069 |
| Other | 1,015 | 1,015 |
| Total 2020 | 243,458 | 243,458 |

9. Net income/(expenditure)

This is stated after charging:

| | 2021 £ | 2020 £ |
|---|-------------------|-------------------|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 107,192 | 88,604 |
| Auditor's remuneration | 13,800 | 6,000 |
| Auditor's remuneration - non audit | 4,200 | 3,000 |
| Auditor's remuneration - prior year under accrual | 8,700 | - |

The increase in auditor's fees between 2020 and 2021 is as a result of a prior year under accrual.

During the current and prior year, no members of the Council of Management received any remuneration, reimbursement of expenses or benefits in kind.

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

10. Staff costs

| | 2021 £ | 2020 £ |
|--|-------------------------|-------------------------|
| Wages and salaries | 1,299,749 | 1,312,417 |
| Social security costs | 127,165 | 123,864 |
| Contribution to defined contribution pension schemes | 70,843 | 72,609 |
| | <u>1,497,757</u> | <u>1,508,890</u> |

The average number of persons employed by the Charity during the year was as follows:

| | 2021 No. | 2020 No. |
|---|---------------------------|---------------------------|
| Youth, advice, resettlement, life skills and outreach workers | 43 | 40 |
| Administration | 3 | 3 |
| | <u>46</u> | <u>43</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2021 No. | 2020 No. |
|-------------------------------|---------------------------|---------------------------|
| In the band £60,001 - £70,000 | - | 1 |
| In the band £70,001 - £80,000 | 1 | - |
| | <u>1</u> | <u>-</u> |

For the purposes of the Government of Ireland grant, 1 employee received remuneration between €80,000 and €90,000 (excluding employer national insurance and employer pension contributions).

Key management personnel received total remuneration (including employer national insurance and pension contributions) of £83,732 (2020 - £81,401) during the year ended 31 March 2021.

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

11. Tangible fixed assets

| | Long-term leasehold property £ | Office equipment £ | Total £ |
|--------------------------|---|-----------------------------------|--------------------|
| Cost or valuation | | | |
| At 1 April 2020 | 1,560,927 | 364,422 | 1,925,349 |
| Additions | - | 32,257 | 32,257 |
| At 31 March 2021 | 1,560,927 | 396,679 | 1,957,606 |
| Depreciation | | | |
| At 1 April 2020 | 782,765 | 315,757 | 1,098,522 |
| Charge for the year | 78,046 | 29,146 | 107,192 |
| At 31 March 2021 | 860,811 | 344,903 | 1,205,714 |
| Net book value | | | |
| At 31 March 2021 | 700,116 | 51,776 | 751,892 |
| At 31 March 2020 | 778,162 | 48,665 | 826,827 |

The lease of the premises is for a period not exceeding 50 years.

All tangible fixed assets are held for direct charitable purposes.

12. Fixed asset investments

| | Listed investments £ | Cash with broker £ | Total £ |
|--------------------------|-------------------------------------|-----------------------------------|--------------------|
| Cost or valuation | | | |
| At 1 April 2020 | 467,233 | 12,741 | 479,974 |
| Additions | 56,926 | - | 56,926 |
| Disposals | (69,159) | - | (69,159) |
| Revaluations | 61,573 | - | 61,573 |
| Cash movements | - | 1,444 | 1,444 |
| At 31 March 2021 | 516,573 | 14,185 | 530,758 |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Net gains/(losses) on investments

| | 2021 £ | 2020 £ |
|-------------------------------------|-------------------|-------------------|
| Unrealised investment gain/(loss) | 61,573 | (23,200) |
| Realised investment (loss)/gain | (6,520) | 1,146 |
| Total investment gain/(loss) | 55,053 | (22,054) |

13. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|-------------------|-------------------|
| Due within one year | | |
| Trade debtors | 49,689 | 10,381 |
| Other debtors | 15,761 | 29,416 |
| Prepayments and accrued income | 22,978 | 79,205 |
| | 88,428 | 119,002 |

14. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|-------------------|-------------------|
| Grants received in advance | 371,495 | 361,182 |
| Trade creditors | 13,191 | 3,873 |
| Other taxation and social security | 48,270 | 43,244 |
| Other creditors | 53,640 | 99,499 |
| Accruals | 24,922 | 18,755 |
| | 511,518 | 526,553 |

All grants received in advance in the previous financial year totalling £361,182, were applied against planned expenditure in the financial year ended 31 March 2021. Grants received in advance before 31 March 2021 relating to expenditure that will be incurred in the present financial year total £371,495. This includes the following amounts which require specific disclosure per the grant agreements: London Borough of Camden - Youth Offending Project - £25,000, London Borough of Camden - Violence Reduction Unit - £25,000 and Garfield Weston £40,000.

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

15. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 March 2021 £ |
|---------------------------------------|---------------------------------|-------------------------|---------------------------|--------------------------|-------------------------|-------------------------------------|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Infrastructure Fund | 33,628 | - | - | 16,372 | - | 50,000 |
| Technology Fund | - | 4,680 | (4,680) | - | - | - |
| Carys Fund | - | 8,556 | - | - | - | 8,556 |
| | <u>33,628</u> | <u>13,236</u> | <u>(4,680)</u> | <u>16,372</u> | <u>-</u> | <u>58,556</u> |
| General funds | | | | | | |
| General Fund | 845,898 | 800,480 | (541,512) | (16,372) | 55,053 | 1,143,547 |
| Total Unrestricted funds | <u>879,526</u> | <u>813,716</u> | <u>(546,192)</u> | <u>-</u> | <u>55,053</u> | <u>1,202,103</u> |
| Restricted funds | | | | | | |
| Operating Services | 3,245 | 1,427,345 | (1,416,208) | - | - | 14,382 |
| Building Appeal - 1994 | 8,820 | - | (8,820) | - | - | - |
| Building Appeal - 2007 | 857,956 | - | (77,621) | - | - | 780,335 |
| Other Fixed Assets | 4,615 | - | (4,615) | - | - | - |
| Camden S106 Capital grant | 18,450 | - | (3,883) | - | - | 14,567 |
| LHA London Capital Fund (Covid grant) | - | 15,315 | (3,064) | - | - | 12,251 |
| | <u>893,086</u> | <u>1,442,660</u> | <u>(1,514,211)</u> | <u>-</u> | <u>-</u> | <u>821,535</u> |
| Total of funds | <u><u>1,772,612</u></u> | <u><u>2,256,376</u></u> | <u><u>(2,060,403)</u></u> | <u><u>-</u></u> | <u><u>55,053</u></u> | <u><u>2,023,638</u></u> |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

15. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 March 2020 £ |
|---------------------------------|---------------------------------|-------------|------------------|--------------------------|-------------------------|-------------------------------------|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Designated Fund | 33,628 | - | - | - | - | 33,628 |
| General funds | | | | | | |
| General Fund | 791,229 | 662,441 | (581,256) | (4,462) | (22,054) | 845,898 |
| Total Unrestricted funds | 824,857 | 662,441 | (581,256) | (4,462) | (22,054) | 879,526 |
| Restricted funds | | | | | | |
| Operating Services | - | 1,414,641 | (1,415,858) | 4,462 | - | 3,245 |
| Building Appeal - 1994 | 8,820 | - | - | - | - | 8,820 |
| Building Appeal - 2007 | 935,412 | 165 | (77,621) | - | - | 857,956 |
| Other Fixed Assets | 4,615 | - | - | - | - | 4,615 |
| Camden S106 Capital grant | - | 22,333 | (3,883) | - | - | 18,450 |
| | 948,847 | 1,437,139 | (1,497,362) | 4,462 | - | 893,086 |
| Total of funds | 1,773,704 | 2,099,580 | (2,078,618) | - | (22,054) | 1,772,612 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Statement of funds (continued)

Unrestricted Funds:

During the course of the year the Board of Trustees agreed to make provision for future needs relating to the organisation and young people it serves, through creating three new designated funds for: infrastructure, technology and young people. The previous designated fund which related to funds raised by the Friends Committee of New Horizon and by the Jon Snow Radio Appeal prior to 1992, has been amalgamated into the infrastructure designated fund.

The infrastructure fund is a designated reserve to invest in future capital and technological upgrades for New Horizon and the centre as we emerge from the pandemic and need to allow for better hybrid working and remote delivery.

The technology fund is a designated reserve to better support young people's access to technology and ensure that young people experiencing homelessness are not digitally excluded.

The Carys fund is a designated reserve for investment in young people's emergency accommodation. The fund was created in memory of our former staff member, Carys Lewis who sadly died in 2020.

Restricted Funds:

Operating Services - These funds represent revenue grants and donations to fund the centre's operating services.

The Building Appeal - 1994 fund was established in 1994 to enable the charity to acquire and refurbish the premises in 1995 that are used to provide facilities for the young homeless in London. The total amount raised was £304,266 which was fully expended by 31 March 2021.

The Building Appeal - 2007 was established in 2007 to enable the charity to embark on a major capital improvement programme to the premises occupied costing £1,780,823. Cash reserves are retained to meet future costs of maintaining the building as set out in Note 16 below. The capital fund balance has been reduced by charges for amortisation of the leasehold premises.

Other Fixed Assets - The brought forward balance was fully expended in the year ended 31 March 2021.

Camden S106 Capital Grant - This grant was awarded for the purchase of capital equipment. The capital fund balance has been reduced by depreciation.

LHA London Capital grant - This grant was awarded to enable the charity to help young people affected by the COVID-19 pandemic.

Transfers

In the current year there was a £16,372 transfer from general funds to designated funds to allocate funds towards the infrastructure project.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 32,611 | 719,281 | 751,892 |
| Fixed asset investments | 530,758 | - | 530,758 |
| Current assets | 785,783 | 466,723 | 1,252,506 |
| Creditors due within one year | (147,049) | (364,469) | (511,518) |
| Total | 1,202,103 | 821,535 | 2,023,638 |

At the balance sheet date the Building Appeal – 2007 was made up of cash of £80,219 (2020 - £79,974) held in a separately designated bank account and £700,116 (2020 - £778,162) represented by the net book value of leasehold improvements and fixtures and fittings. This figure includes an aggregate cost of £145,850 related to donated services.

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|-------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 38,293 | 788,534 | 826,827 |
| Fixed asset investments | 479,974 | - | 479,974 |
| Current assets | 571,264 | 421,100 | 992,364 |
| Creditors due within one year | (210,005) | (316,548) | (526,553) |
| Total | 879,526 | 893,086 | 1,772,612 |

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

17. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | 251,026 | (1,092) |
| Adjustments for: | | |
| Depreciation charges | 107,192 | 88,604 |
| (Gains)/losses on investments | (55,053) | 22,054 |
| Dividends and interest from investments | (10,488) | (12,011) |
| Decrease/(increase) in debtors | 30,574 | (60,379) |
| (Decrease)/Increase in creditors | (15,035) | 273,958 |
| Net cash provided by operating activities | 308,216 | 311,134 |

18. Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Cash at bank and in hand | 1,164,078 | 873,362 |
| Total cash and cash equivalents | 1,164,078 | 873,362 |

19. Analysis of changes in net debt

| | At 1 April 2020 £ | Cash flows £ | At 31 March 2021 £ |
|--------------------------|---------------------------------------|------------------------|--|
| Cash at bank and in hand | 873,362 | 290,716 | 1,164,078 |
| | 873,362 | 290,716 | 1,164,078 |

The organisation has no debt arrangements and this remains unchanged during the year.

NEW HORIZON YOUTH CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

20. Pension commitments

The company maintains a group personal pension scheme for its employees. The scheme operates on a defined contribution money purchase basis.

The assets of the fund are held separately from those of the company in independently administered funds for the individual employees.

The charge for the year was £70,843 (2020 - £72,609). At the balance sheet date contributions of £8,781 (2020 - £8,621) were payable.

21. Operating lease commitments

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2021 £ | 2020 £ |
|-------------------------|-------------------------|-------------------------|
| Within 1 year | 60,222 | 59,873 |
| Between 1 and 5 years | 146,400 | 146,400 |
| After more than 5 years | 128,100 | 164,700 |
| | <hr/> | <hr/> |
| | 334,722 | 370,973 |
| | <hr/> | <hr/> |

22. Related party transactions

There were no related party transactions during the current or prior year.

Thank you to all of our supporters

Without the following generous donors none of our work would have been possible.

| | |
|---------------------------------------|--------------------------------------|
| 29th May 1961 Charitable Trust | London Councils |
| Action for Children | London Homeless Collective |
| Argent LLP | Mace Dragados |
| Ashcroft Charitable Trust | Macfarlanes |
| Auto Trader | Mary Kinross Charitable Trust |
| Bain | MCKS |
| Bank of America | Meetings Industry Meeting Needs |
| BBC Children in Need | Mischcon Family Trust |
| Brian Woolf Trust | Mother London Ltd |
| Camden Council | National Lottery Community Fund |
| Charles Hayward Foundation | Nationwide |
| Chartered Accountants Ireland Society | Not Actual Size Ltd |
| City Bridge Trust | Oak Foundation |
| Clarion Futures | Palatine Private Equity |
| Cooperative Foundation | Paul Hamlyn Foundation |
| De Brye Charitable Trust | Peter Cruddas Foundation |
| Esmee Fairbairn Foundation | Phoenix Court |
| Film Fixer Ltd | Randall & Quilter Holdings Ltd |
| Foundation for Youth Music | Redington |
| Foyle Foundation | Refinitiv |
| Genesis Charitable Trust | Regents Place |
| Global Make Some Noise | Rhododendron Trust |
| Greater London Authority | RSM UK |
| Havas UK | Sage UK |
| Heatherwick Studioa | Sam and Bella Sebba Charitable Trust |
| Henry Smith Charity | Somers Town Community Association |
| Irish Emigrant Advisory Service | St James Place Foundation |
| Irish Youth Foundation | Streetkidz |
| James Kent Ltd | Streets of London |
| John Armitage Charitable Trust | The Drapers' Charitable Fund |
| John Lyons Charity | The Fitch Ratings Ltd |
| Lambert Charitable Trust | The Goldsmith's Charity |
| Landaid | The Leathersellers' Company |
| LHA Ltd | Travers Smith |
| Linesight | Trust for London |
| London Community Response Fund | Wates |

As well as the countless individuals, charities and companies that have given their time, their money and their commitment to supporting our vital work.