

**centre
point**

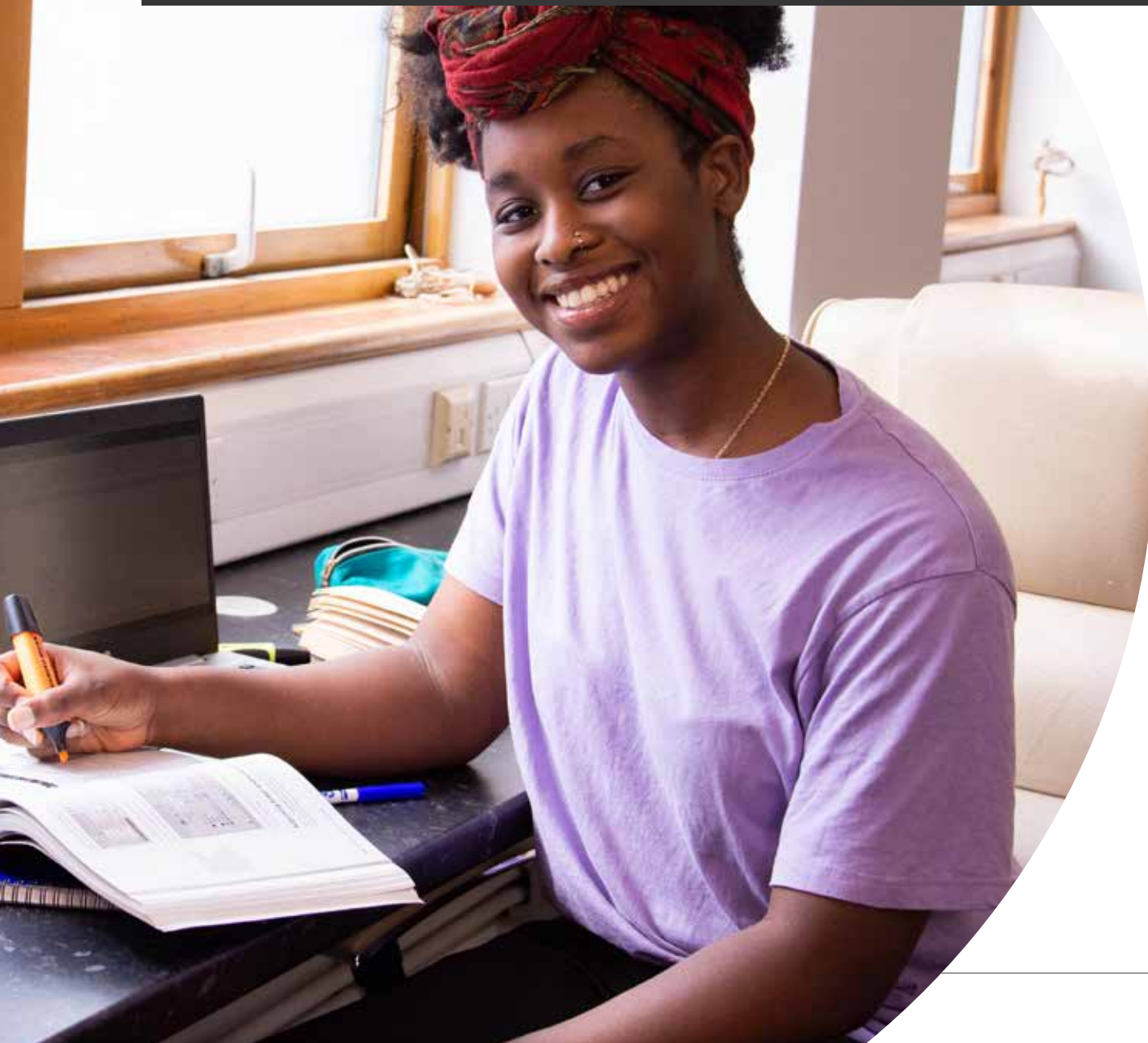
give homeless
young people
a future

**FINANCIAL
STATEMENTS
2020-21**



CENTREPOINT SOHO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



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TRUSTEES' REPORT

The directors, who are also the charity's Trustees, present their annual report and the audited financial statements for the year ended 31 March 2021. In preparing this report, the Trustees have complied with the Statement of Recommended Practice for social housing providers: Housing SORP 2018. This report contains the Trustees' Report and Strategic Report as required by company law.

Centrepont Soho (Centrepont) is both a registered charity and a registered provider and sees both of these areas represented significantly in its activities. In addition to Housing SORP 2018 where appropriate, Centrepont also follows the Statement of Recommended Practice applicable to charities: Charities SORP (FRS 102).

Please refer to the accounting policies, on page 62, for further information. In addition, a list of the Board, officers and advisers can be found on page 83.

WELCOME

FROM SEYI OBAKIN OBE, CHIEF EXECUTIVE OFFICER

Thank you for taking the time to read and review Centrepoint's annual report and financial statements for 2020-21. Alongside the figures, we have included an overview of the activities that Centrepoint delivers and stories about the life-changing impact on the homeless young people we serve.

2020-21 has been a year like no other. Unprecedented challenges brought on by the COVID-19 pandemic were felt across the UK and indeed across the globe. Our key priorities from the outset have been the safety and well-being of the young people in our care and our staff and keeping our services open.

Our senior executive team moved swiftly to implement our business continuity plans. Our crucial support and housing teams continued to provide our front line service and support staff working from home where possible. Alongside delivering essential services to young people, we immediately offered food, support and guidance to those who faced difficulties.

We could not have done this without the continued support of so many people; donors, fundraisers, ambassadors, volunteers and campaigners. Remarkably, we have been so generously supported even amid a global pandemic by so many.

Thanks to their kindness, we have been able to continue changing the story of youth homelessness and ensure that we have been able to continue lifting young people from unfathomable challenges into brighter futures.

I thank our staff, who has shown outstanding commitment and resilience through such a turbulent year. I also thank our local authority partners, our key suppliers and our development partners for working with us to take a proactive response to the pandemic over the last year.

But now, we face new and even more significant challenges. We know that more than 100,000 young people approach their Local Authority every year because they are homeless or at risk; there is a substantial lack of affordable homes for young people; youth unemployment is rising at a greater rate, particularly in response to the global pandemic; and we are in a mental health crisis. Centrepoint is needed more than ever before.

During the year, we, therefore, developed a new strategy for 2021-26, 'Change The Story: Ending Youth Homelessness All Together'. This was created through consultations with young people and a whole range of our stakeholders.

Our vision is bold; to end youth homelessness by 2037 so that no young person born in 2021 will experience homelessness and need Centrepoint services as they turn 16. However, we know we cannot do this alone and thus, to make our vision a reality, we need all the help we can get – from other organisations, volunteers, campaigners, partners and supporters. We look forward to embarking on this journey over the coming years to end youth homelessness altogether.

From me, the staff team and all the young people we support – thank you.

Seyi Obakin OBE,
Chief Executive Officer



YOUTH HOMELESSNESS: THE ISSUE

Centrepoint's research estimates that

121,000

young people in the UK asked for help from their local council because they were homeless or at risk of homelessness

This is the scale of the challenge we face every day, and we thank everyone who supports our work to alleviate and eventually eradicate youth homelessness for good.

Young people become homeless for various reasons but mainly because of relationship breakdown that makes it impossible for them to remain at home. Without a safe place to stay, young people are highly vulnerable to being manipulated and exploited. As a result, they may take huge risks with their safety by wandering the streets, sleeping rough, or trusting strangers in return for a bed for the night.

Homeless young people must be reached as soon as possible to prevent them from rough sleeping or making desperate decisions to find shelter from the streets. Sleeping rough or living in unsafe housing has a devastating impact on young lives. Physical health deteriorates through poor diet and living conditions. Mental health suffers from the effects of abandonment and the loneliness and isolation of homelessness. Education, training and employment are disrupted, and momentum is lost in the activities that will be the key to independence and a sustainable home.

This is where Centrepoint steps in to provide a safe and welcoming home, and the support young people need to get their lives back on track.

Our homes provide a good standard of accommodation and support from staff that is proactive and psychologically informed. Our health services tackle physical health problems through diet and nutrition, mental health problems through counselling and psychotherapy, and relationship difficulties through support and advice. We ensure that young people can look to the future by helping them to reconnect with education and training and to develop the skills and experience to find and keep work.

Ultimately, we strive to help those young people who find themselves homeless live sustainable independent lives and reduce the chances of other young people becoming homeless in the future. This involves more than just dealing with the symptoms of youth homelessness. It involves tackling the causes of youth homelessness too.

Our telephone helpline provides advice and guidance to thousands of young people who are homeless or at risk of becoming homeless across the country. Our campaigning and influencing work shows evidence of the challenges homeless young people face and lobbies the government for changes in policy and legislation that will improve their lives. Our Independent Living Programme is tackling the problem of good quality affordable housing for young people by working with the property and construction sector to create more homes for single young people.

OUR APPROACH

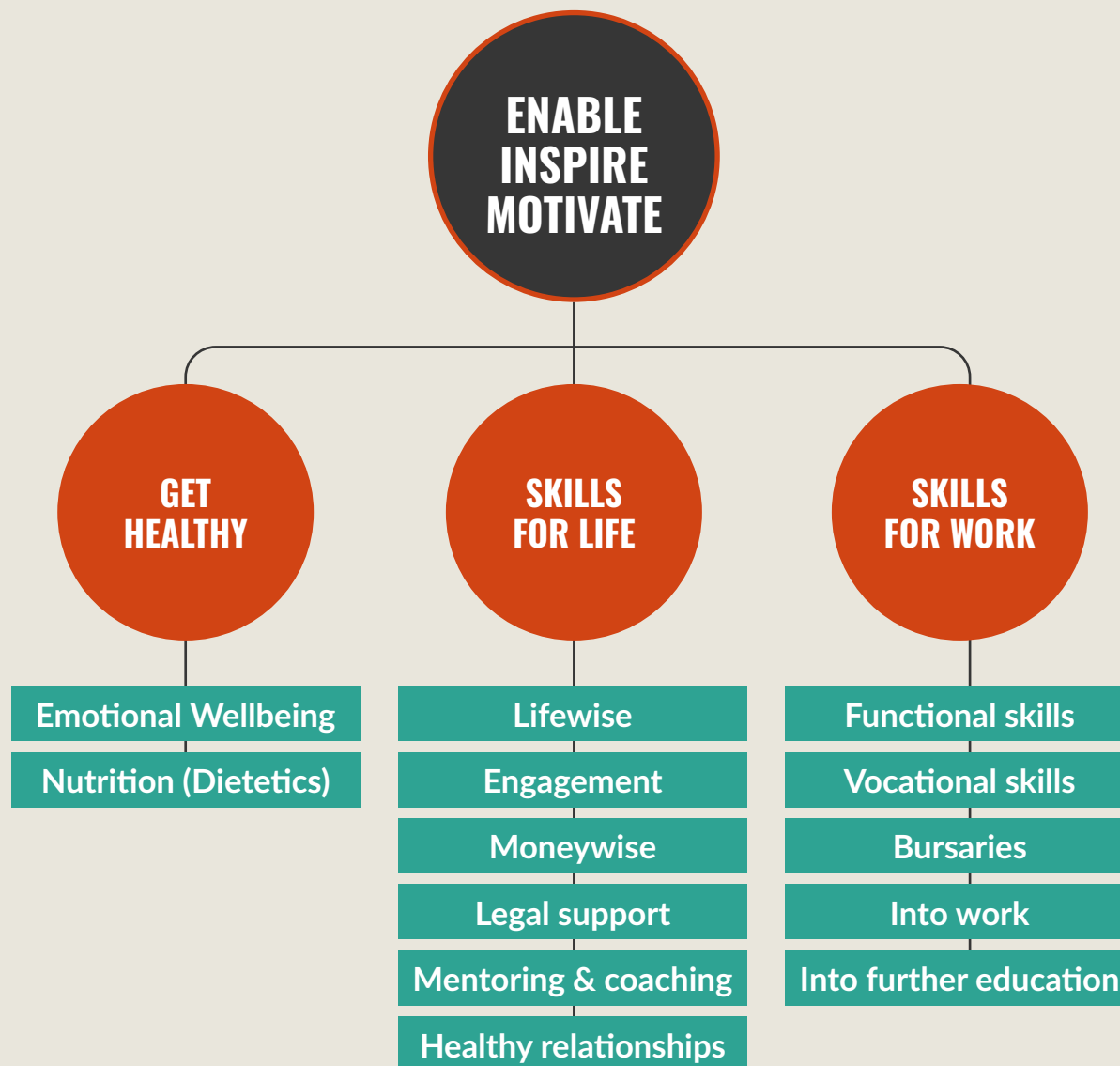
The Centrepont approach is focused on three themes:

- 1 SAFETY AND SECURITY
- 2 INSPIRE, ENABLE AND MOTIVATE
- 3 LIVE INDEPENDENTLY

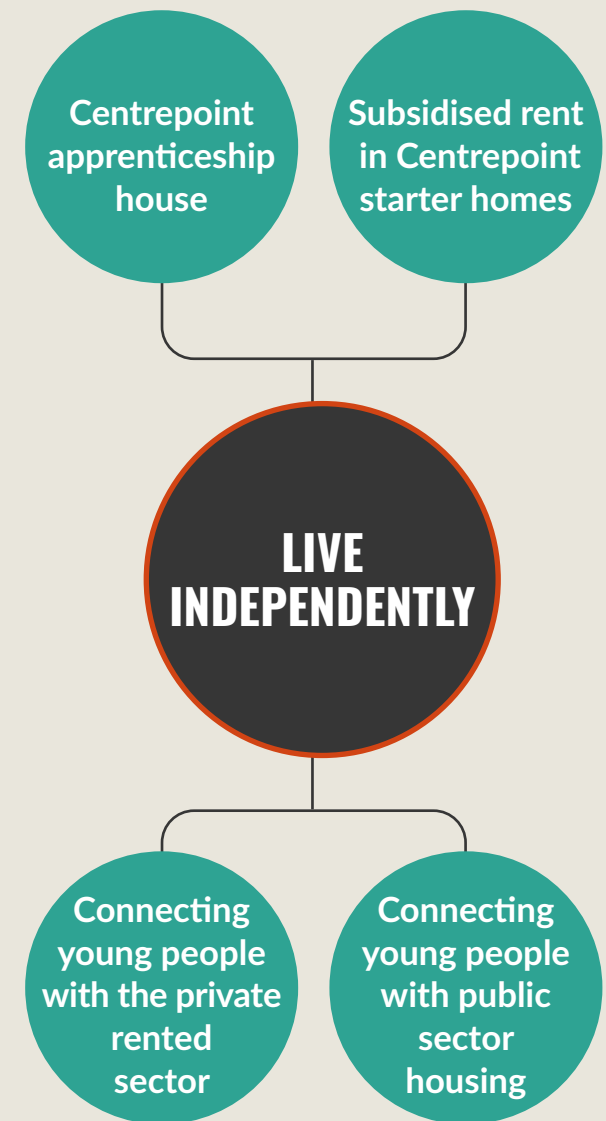
FIRST, we offer young people **safety and security** from homelessness. The range of services we offer are below:



SECOND, we **enable, inspire, and motivate** young people by offering the following services:



FINALLY, we support young people to **live independently** once they are able to do so:



STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

Centrepoint exists to give homeless young people a future. We believe every young person should be supported to have a home and a job, regardless of their background or start in life.

Our 50 years of experience tell us that no young person is the same and, therefore, the path they each take to independence will be different. With that in mind, our specialist staff works with each young person to support them to take their next step, wherever they are on their journey.

In the following pages, we highlight some of Centrepoint's vital support services that have been offered to thousands of homeless young people during the course 2020-21. This includes; a telephone helpline, supported accommodation, mental health counselling, psychotherapy, diet and nutrition, relationships advice, the delivery of qualifications and support into education, training and employment.



We continue to be inspired and driven by the talent and potential that we see in young people every day.

We have changed the names and used stock images of many young people who feature in this annual report and financial statements (*) to protect their identity. Nevertheless, their stories and experiences are genuine, as is the strength and determination that young people have shown to overcome the challenges they face.

ACHIEVEMENTS AND PERFORMANCE

COLLABORATION

We know that we cannot end youth homelessness on our own. We work within a diverse and complex environment where many charities, statutory services, companies, institutions, and individuals come together to improve the lives of homeless young people. We collaborate with a wide range of partners to ensure that we can offer the best advice, support and opportunities to every young person.

At the core of our collaboration work is a network of more than 100 local and regional charities that are just as committed to ending youth homelessness as we are. We call this network Centrepoin Partnering, and it unites the youth homelessness sector to be more influential and impactful than the sum of its parts. Collectively Centrepoin Partnering reaches over 10,000 young people, and we draw upon this reach to undertake extensive research upon the scale and scope of youth homelessness.

This evidence is used to lobby the government for changes in policy and legislation and improve homeless young people's lives and experiences.

Members of the network benefit from this support that helps raise the profile of youth homelessness, develop and share best practices, and build the sector's capacity.



ENGAGEMENT

The engagement was particularly challenging as much of our traditional face to face delivery was prevented by social distancing measures. However, young people needed connection and reassurance more than ever during successive lockdowns where their freedoms and movements were restricted. To counter this, we adapted our support and delivery to virtual models, including phone calls, e-mail, text, and virtual platforms such as Zoom and Teams. This was a challenge for our staff to learn new skills and for our operating environments that did not have the technology and connectivity to deliver this at scale.

Through our fundraising efforts, we invested in technology so that young people without devices and data could remain connected to the broader world. This was important for education, training, and work and to stay connected socially to protect mental health and well-being. Our IT team worked tremendously hard to set up and distribute Chromebooks and data loaded SIM cards to young people. Social distancing measures inside our homes meant that young people could not congregate around Wi-Fi hotspots in communal areas. Consequently, we began the installation of broadband into our housing services with a connection into every bedroom.

The Corona virus pandemic highlighted the injustice of the digital divide and **Centrepoint made significant progress during this time to make sure young people were not digitally excluded.**

The technological improvements enabled our service delivery to continue virtually. For example, our health team connected with young people to help maintain their mental health. Our employment and skills team moved onto Google Classrooms to help young people maintain education and training and find employment. During this period our staff developed new skills and our services were improved by the flexibility of delivering virtual support alongside more traditional methods.



HEALTH – TRANSFORMING HEALTH

Over the past 12 months
our Health & Wellbeing
Team supported

798

young people and
delivered over 5,000
individual interventions

Their work was needed more than ever during the pandemic as the fears and restrictions of lockdown began to impact young people's physical and mental health. Our psychotherapists and mental health advisors continued to meet the needs of young people with existing mental health conditions whilst responding to a significant increase in the numbers of new young people requiring support. This increase in capacity was achieved by employing more health professionals and delivering support over virtual platforms.

Similarly, young people's physical health began to suffer during the lockdown. Young people were unable to go out to exercise and socialise as regularly as they had before, and they had less to keep them occupied indoors. In addition, those who lost work had less money to live on and shortages in supermarkets and the fear of going out impacted diet and nutrition.

Our dietetics teams experienced an increase in demand for their services more than two and a half times on the previous year. Much of this support was for essential food items and we worked with supermarkets and food banks to secure supplies. The food provided was not convenience food and young people began to develop their cooking skills and a better understanding of diet and nutrition.



MILLIE'S STORY: SUPPORT WITH MENTAL HEALTH



Millie was 17 and in the middle of her A-levels when her mum told her to leave.

"When I first approached the council, I felt like they didn't take my situation seriously. They told me to go back home but it got worse and wasn't good for my mental health," she reflects.

Millie spent a month sofa surfing with friends, but that took its toll on her, both emotionally and mentally.

After searching online, Millie found Centrepoint and requested a referral from the council. A month before her 18th birthday, she moved in.

Millie's key worker supported her in a variety of ways, from filling out forms and updating her CV to assisting her with official phone calls. She also helped Millie with her application to university and securing her with social housing before she started university.

"I knew if I had a problem, I could go to someone I could trust and that was really important," Millie says. "I felt looked after."

Millie was further supported by Monica, one of Centrepoint's psychotherapists. Millie says it was having sessions with Monica for the past year that have had the biggest impact on her getting through this difficult period.

"I've had support I didn't even know I needed," Millie says. "Monica has helped me so much; I wouldn't have been able to do all this without her support."

HOUSING & LIFESKILLS – PROVIDING A SAFE PLACE TO STAY

Currently, Centrepont supports or houses just over 2,100 young people every day through our supported housing, floating support, rough sleeper and resettlement services.

IN 2020-21

92.6%
(2019-20 88%)

of the young people we work with moved on positively from the service we offered and...

64%
(2019-20 60%)

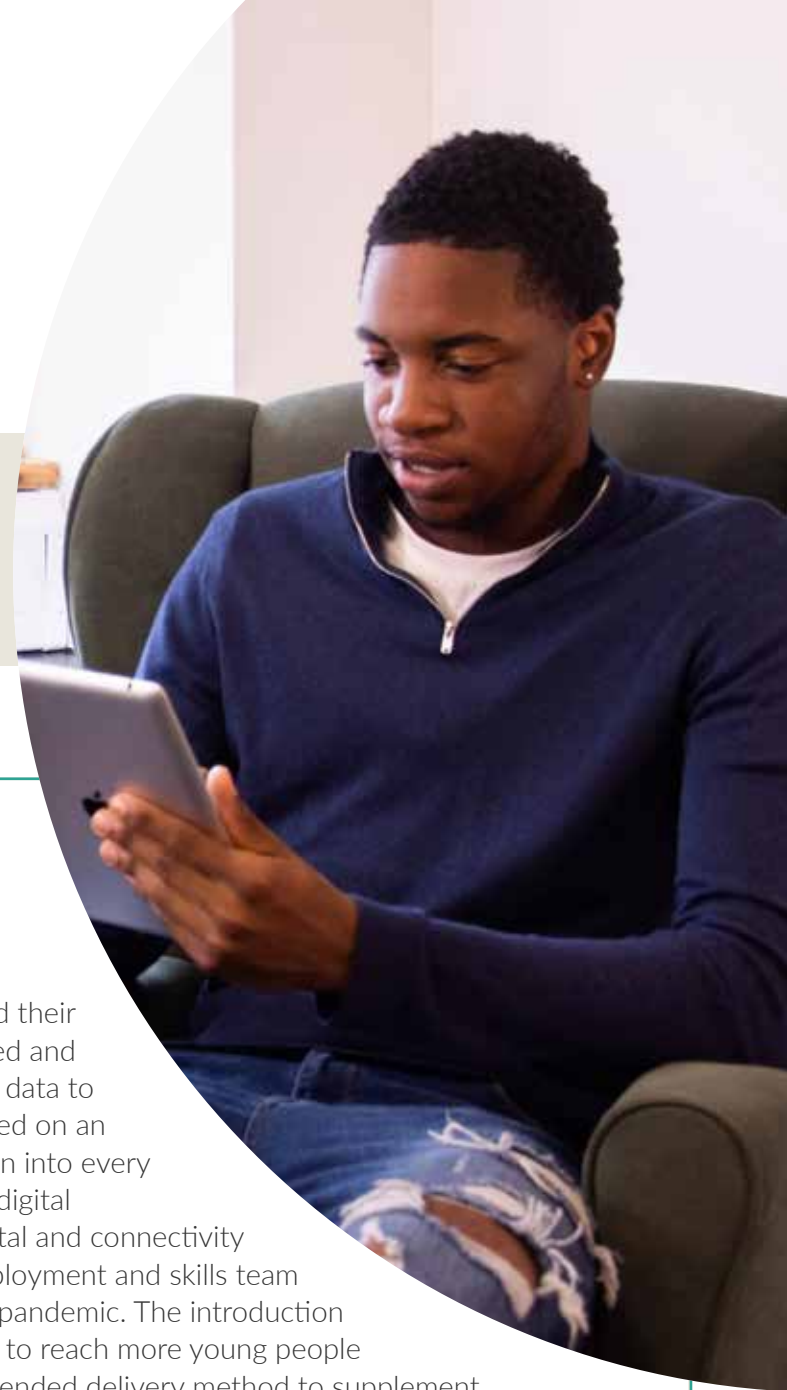
of young people moved on from our services needing no further support at all.



Throughout 2020-21 every one of Centrepont's 61 residential services remained open for every single day of the year across the country. This is a testament to the dedication and professionalism of our staff, who put the safety and wellbeing of homeless young people above that of their own—keeping our services operational involved an immense effort. Physical adaptations were made to maintain social distancing, PPE was provided to staff and young people, cleaning regimes were increased and intensified, and infection control protocols were introduced.



This was a worrying time for young people who had their movements and freedoms restricted and felt isolated and scared. To alleviate this, we distributed devices and data to help young people stay connected, and we embarked on an extensive programme to introduce Wi-Fi connection into every bedroom. This remains an ongoing target to tackle digital disadvantages for homeless young people. The digital and connectivity improvements helped our health team and our employment and skills team continue supporting young people throughout the pandemic. The introduction of virtual delivery built our capacity and enabled us to reach more young people more quickly. This has remained as part of a new blended delivery method to supplement our face to face delivery.





In 2020-21 we developed a comprehensive change programme for our support and housing services in consultation with young people and staff. The new operational model called HOMES will overhaul how we appoint, induct, train, monitor and set the standard of all our frontline services. It does so through the delivery of a psychologically-informed model of support for young people. We have every expectation that it will bring even greater consistency and performance across our frontline homelessness services.



Responding to our satisfaction survey with young people we have put considerable work into improving our property management. We have brought in a new platform for managing our property repairs to enable a faster and more effective response to call-outs. We have created a new 'Centrepunkt Property Standard' to ensure that every young person living with Centrepunkt has a home that they can be proud of. This includes a stock condition survey introducing a new planned maintenance programme across all our properties in the coming year. We are scrutinising the headline indicators for building safety and broadening the scope of our compliance work to achieve even higher building and property safety standards beyond our legal obligations.

CAMERON'S STORY: EVERY PROBLEM HAS A SOLUTION



Cameron, 19, was referred to Centrepunkt following a family breakdown. He sofa surfed for a year before social services placed him in the care of a relative. This turned out to be an inappropriate placement for Cameron, and he made contact with social services that placed him in a Centrepunkt hostel. After a year, Centrepunkt has supported Cameron into his own flat, and he has now started a degree at university. He eventually wants to go into teaching.

"Before Centrepunkt, I didn't have any stability," Cameron adds. "I was in toxic situations with toxic people, living a toxic life. I was doing stuff I shouldn't be doing, taking stuff I shouldn't be taking, but that was because I didn't have a secure place. When I moved to Centrepunkt, I had that headspace; I had security. I wasn't around those people. I had support. I had a reason to live so I could do something with my life."

Cameron says that despite the challenges of starting a degree during a pandemic, he is looking forward to the future. His advice to other young people is this: "There is always hope. My partner always says to me, 'There's always a solution to a problem. Every problem can be overcome.' So there is no point in giving up."

PROGRESSING TO INDEPENDENT LIVING

The availability of good quality affordable housing remains one of the most significant barriers to young people moving out of supported housing accommodation or escaping overcrowded and unsafe homes. To tackle this, we must increase supply and ensure that the rent young people pay is affordable in relation to the level of their earnings. Without that, young people will never be able to live independent and sustainable lives. To do this, we have launched our Independent Living Programme intending to provide.

300

new homes for single young people in London and Greater Manchester by 2026.

To increase the number of affordable homes, we have been working with local authorities and the property and construction sector to build self-contained, one-bedroom units of accommodation for single young people. In 2020 we began to transform an eight-bed property we own in Southwark into a 33-bed modular housing development offering self-contained living at rents linked to one-third of a young person's earnings. A smaller project was completed in Waltham Forest, redeveloping a six-bed property into six self-contained flats for young people

moving out of supported housing and into work. Alongside our completed properties and works in progress, we have several other developments (new builds and refurbishments) in plan in London and Greater Manchester.

We have a confirmed development pipeline of 130 new homes and an agreed strategy and roadmap to deliver the remaining 170. The Independent Living programme has established a Growth Board comprising senior professionals, investors and developers from the property sector. They have been tasked with supporting our aim to raise £6m of income and investment to meet our 300 home target.

Centrepoint would like to thank The Zochonis Charitable Trust for supporting the expansion of the independent living programme in Greater Manchester. The support of The Zochonis Charitable Trust has helped to provide safe homes for some of the most vulnerable young people in Greater Manchester, enabling them the chance to work towards a positive future. Our independent living programme is crucial to tackling the lack of affordable homes for young people. – Seyi Obakin.



The Independent Living programme is committed to providing affordable housing where we will never charge a young person more than 1/3 of their salary in rent.



THE IMPORTANCE OF A PSYCHOLOGICALLY INFORMED ENVIRONMENT (PIE)

Centrepont is committed to developing services that are psychologically informed. This means that the day to day running of our services is designed to take the psychological and emotional needs of young people into account. For example, homeless young people have often experienced neglect and abuse, and the impact of that trauma is carried with them and expressed in their behaviour and responses.

Throughout 2020-21 we have continued to train and develop our staff to understand psychological principles and practice and bring that trauma-informed approach to their work with young people. Alongside our operational delivery, we have been improving the physical spaces where young people live to create a psychologically informed environment that enables and sustains recovery.

Creating and maintaining a psychologically informed environment ensures that there is a focus on the psychological well-being of our young people and staff. It prioritises staff training, reflective practice, the creation of a 'homely' and safe physical environment, and the use of evidence to inform and improve our work.



POLICY & INFLUENCE – INFLUENCING GOVERNMENT POLICY THROUGH QUALITY RESEARCH



The fast-changing policy environment created by the pandemic has dominated our work past 12 months, and we have been working throughout to raise the needs of young people on the national stage. As part of this, we published a series of 9 research reports: Locked Out, drawing on a survey with local authorities, left-wing on a survey with frontline youth homelessness agencies from across the UK and A Year like no other, reviewing the impact of the first 12 months of the pandemic on young people's levels of homelessness, unemployment, and health. By working with others across the sector, we successfully campaigned for an extension of the £20 a week uplift in Universal Credit to September 2021 and more significant funding for frontline homelessness services to cope with the increased demand and challenges. Alongside this COVID-19 focused work, we also continued to push on our existing priorities.

Following our successful campaign for homeless young people to be eligible for a greater level of housing support when they move on (by making them exempt from the Shared Accommodation Rate as announced in the March 2020 budget), we successfully called for this change to be brought forward. It was initially not scheduled to come into force until 2023, but following ongoing pressure from Centrepont and support from our campaigners, DWP brought this forward to 31 May 2021.

Thanks to support from Trust for London, we also started a peer-led research project into Universal Credit. As a result, a group of 10 young people have been trained in research and campaigning skills, which they have used to conduct quantitative and qualitative research with young people across Centrepont and partner agencies.

We also conducted our latest annual estimate of the scale of the youth homelessness crisis in the UK. Under the freedom of information act, Centrepont requests and collates data from local authorities to develop the most comprehensive data on the scale of youth homelessness in the UK. This year's report showed that in 2019-20, 121,000 young people approached their local authority because they were homeless or at risk of homelessness. You can see the scale of the issue in your area by visiting our dedicated databank website.

www.centrepont.org.uk/databank



PREVENTION – PREVENTING YOUTH HOMELESSNESS

The Centrepunkt Helpline has seen unprecedented demand this year as a direct result of COVID-19 and lockdown measures. Call volumes were up 33% on the previous year, and the Helpline supported over 6,500 young people (2019-20 over 5,000).



Each young person who calls the Helpline has personal circumstances that put them at risk of homelessness, including domestic violence, abuse, family breakdown and poor mental health. The Helpline team is trained to take their time in listening to callers to make sure they understand their circumstances before providing bespoke advice to support them to take their next step in leaving homelessness behind.



Centrepunkt would like to thank The Co-operative Bank for another year of ongoing support. This long-standing partnership has been instrumental in supporting the expansion of the national Centrepunkt Helpline and the growth of our regional service in Manchester through their support for The Future Foundations refurbishment programme. – **Seyi Obakin.**



Centrepunkt provides legal support to young people to ensure their rights are defended. For example, in 2020-21, through our partnership with Law Works, a charity providing welfare and benefits advocacy, we offered and supported young people with an avenue to challenge their housing benefit decisions. A successful challenge often means receiving backdated payments, thereby relieving the burden of debt for young people and supporting them to sustain their homes, which might otherwise be at risk.

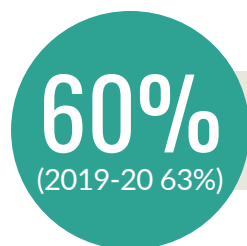
SKILLS & EMPLOYMENT – INTO EDUCATION AND WORK

The pandemic severely hit education and training. Colleges, Universities and training organisations closed their doors and began to offer virtual learning online. However, many of our young people did not have a suitable device to access online learning or the data or internet connection. Digital exclusion severely disadvantaged homeless young people in relation to their peers. We began to fundraise for data and devices for young people and provide internet connection into hostel bedrooms so that young people could access the internet whilst maintaining social distancing.

Digital exclusion remains an ongoing challenge, but we have circulated hundreds of Google Chromebooks and data cards to young people and provided Wi-Fi to around a quarter of all bedrooms. Our delivery of qualifications moved onto Google Classrooms, and we trained our delivery staff to operate the system and engage learners online. Delivery of qualifications slowed whilst we could not meet face-to-face with young people, and we transitioned to a virtual learning environment. The number of qualifications that we delivered in 2020-21 fell on the previous year by 50% from 163 to 81 as we struggled to bridge the digital divide for young people. However, by the end of 2020-21, all our staff was trained, and progress was made on digital inclusion, providing an excellent foundation for our work in 2021-22.

The Furlough scheme saved many jobs, but the number of lost jobs disproportionately impacted young people during the pandemic. Customer-facing roles in retail, entertainment, catering and hospitality suffered the most significant losses, and this is traditionally a sector where young people are employed. Our employment teams could not meet with young people face to face in traditional support settings, and we had to move our support online and over the telephone. The digital exclusion was a challenge for many young people as employers moved to recruiting online and using virtual interviews.

Community facilities with free Wi-Fi, such as libraries and day centres were closed. Towards the end of the year, our performance picked up as we distributed devices and data and installed internet connection in our housing services. By the end of the year, we had supported 490 young people into education, training and employment and this was only 10% behind the previous year's figure of 538.



of Centrepoint residents who took Centrepoint training courses in 2020-21 finished with a qualification.

TOM'S STORY: PHYSICAL WORK IS THERAPEUTIC



After studying dance at college, Tom secured a scholarship in New York. However, poor mental and physical health meant he had to return to London, ending up unemployed. Then the pandemic hit. Tom has completed a construction traineeship through Centrepoint's training team, which he loved, and is now moving on to start an apprenticeship.

And where does Tom see himself in five years? "I'd like to have my apprenticeship under my belt, but also to be focusing on my dance career – building my studio and becoming a dance teacher."

Great Portland Estates have been a vital corporate partner to Centrepoint since 2018. Supporting Centrepoint services in London, Great Portland Estates has enabled young people to access various work placement opportunities from their head office to placements within their property portfolio and with their clients/suppliers. With the support and consistency of partners such as Great Portland Estates, young people supported by Centrepoint can take advantage of such a wide variety of work opportunities.

RESPONSE TO COVID-19

The World Health Organisation classed COVID-19 as a pandemic on 11 March 2020. Following that announcement, the UK Government introduced various measures to address the impact in the UK, resulting in lockdown from 23 March 2020.

We adopted several measures to ensure the safety of the young people in our care, staff and business partners during this time. Thankfully, Centrepoin't's housing services have remained open throughout the COVID-19 pandemic. Maintaining our staffing levels has helped to reassure and support young people through the crisis. We are supporting young people to practice social distancing and, for those who have COVID-19 symptoms, to self-isolate. This restriction of movement within hostel buildings that have small rooms and limited communal spaces can be challenging. We have undertaken health and safety assessments across our properties, implementing changes such as installing Perspex screens and handle less doors that help prevent the spread of the virus.

Centrepoin't's health and learning teams are experiencing increased demand for their services, and they are using technology to reduce travel and restrict face-to-face sessions. We are exploring ways to provide young people with their own devices and data to connect to the internet. This technology will enable the health team to provide virtual support over the internet. Our learning team will help young people access online education and training and apply for work. These devices and data will reduce the loneliness and isolation that young people have felt during the lockdown.

We are cleaning our supported housing services more frequently and to a higher standard. We have sourced masks, gloves, anti-bacterial wipes and hand sanitisers for young people. Our staff has been issued personal protective equipment to protect their health whilst caring for and supporting vulnerable homeless young people. We have secured food donations to help the young people living on minimal budgets: improving their diet and nutrition and reducing their journeys for essential food items. Where donations have not been available, we have paid for supermarket deliveries. To provide more activities for young people during the lockdown phase, we have explored subscription and streaming services to help occupy young people and help them comply with the movement restrictions.

Centrepoin't launched an emergency fundraising campaign in April 2020 to help fund the increased costs of COVID-19 but also to mitigate against any anticipated shortfall of income during 2020-21. The emergency campaign raised a fantastic £2m, and we would like to thank all Centrepoin't supporters and donors for their generosity at this challenging time.

The length of the COVID-19 outbreak and the measures taken by the Government to contain this are not known and outside of our control. Still, we have put processes in place to manage the cash flow regularly and review financial stability as matters progress.



We received government grants of £466,000 under the coronavirus job retention scheme during the first national lockdown.



Volunteers critical to Centrepoin't COVID-19 response

Thank you so much to Centrepoin't's wonderful volunteers. We could not have responded to the needs of vulnerable young people facing hardship during the pandemic without the support of a team of COVID-19 Responder Volunteers, like Max:

“Throughout the pandemic, I have been mainly delivering food prepared by The NED by both car and bicycle to different centres around London. I've also been delivering non-perishable loads on an ad hoc basis as and when needed. It's been great to help out during such a tough time and is something I hope to continue with as we start to return to a new normal.”

FUTURE PLANS

In 2021-22, despite the COVID-19 crisis, Centrepont will continue to focus efforts on supporting homeless young people in finding a home and a job. Some of our plans and activities have been adjusted to allow for this new environment, while others will evolve as our world keeps changing.

Centrepont's 2021-26 strategy *Change The Story: Ending Youth Homelessness All Together* sets out our vision to end youth homelessness by 2037. Why 2037? Well, because any young person born in 2021 will turn 16 in 2037, the year in which they may need help from Centrepont. **We, therefore, aspire to end homelessness for the next generation.**

The threat of homelessness can never be removed for young people due to the multiplicity of factors that cause it. However, we believe it is eminently possible to reduce the number of young people facing homelessness significantly so that there is a clear, accessible, and practical pathway for each of those young people at the point of crisis. Therefore ending youth homelessness requires three things:

1. **Firstly** undertaking preventative action so that the number of young people being made homeless is negligible.
2. **Secondly**, there is a quick solution to provide a safe and stable place for every young person when it happens.
3. **And thirdly**, ensuring that each young person for whom a temporary safe place to live has been provided is supported and settled into a permanent home as soon as they are ready to live independently.

Systemic change is required to meet these challenges. Centrepont cannot end youth homelessness alone – this can only be achieved by organisations and individuals across society working together.

As the UK's leading youth homelessness charity, Centrepont will spearhead the endeavour to end youth homelessness by 2037 by delivering exemplar services for young people and using these insights to campaign, influence, and orchestrate systemic change. However, for this vision to become a reality, we must:

1. **Optimise** the way that we work to build the optimum capacity needed to deliver this strategy.
2. **Prevent** those young people who face immediate homelessness from experiencing it.
3. **Support** those young people who become homeless by delivering exemplary and innovative services that lead to a home and a job.
4. **Amplify** the voices of homeless young people, promoting solutions that break the youth homelessness cycle so that they can be undertaken at scale.

By working all together across society, we can end youth homelessness altogether.



OPTIMISE

Centrepoint will have the optimum capacity to deliver our strategy.

1. **We will invest in our people**, through Centrepoint's People Strategy, to be a resilient organisation that is inclusive, efficient, productive and adaptable.
2. **We will become a digitally enabled organisation**. Our staff will have the ability to be connected wherever they are, young people will be digitally included, services will be delivered digitally, and data will drive decision making.
3. **We will invest in our properties** so that every residential service meets a pre-defined minimum standard.



Given the pandemic, we will fast track several initiatives to continue supporting young people through digital channels. These include:

- supplying job boards for young people to be able to search for bespoke opportunities,
- developing our online mental health offer, and
- increasing and enabling volunteering opportunities (such as coaching and specialist volunteer roles) to be delivered online.

PREVENT

Those who face immediate homelessness are prevented from experiencing it.

1. **We will increase the reach of the Centrepoint Helpline**, working in partnership with local authorities and other organisations.
2. **We will partner with and support organisations** that provide direct prevention advice and support, including but not limited to Local Authorities, Youth Offending Institutions, and those working in early identification of children and young people at risk, the mental health of children and young people, family mediation and support for looked-after young people.
3. **We will orchestrate and campaign for prevention activity** to be undertaken across the welfare, housing, education, and care sectors.

In our policy and research work, we will support our peer researchers to complete their research into Universal Credit and help them campaign for change to address the issues they identify. Alongside this, we will continue to campaign for the government to increase the amount of Universal Credit young people living independently receive (currently, under 25s get less Universal Credit than over 25s). We will also continue to report on youth homelessness across the UK by monitoring the number of young people approaching their local authority for help and their subsequent support.

SUPPORT

Those who suffer homelessness are supported to achieve a job and a home.

- 1. We will provide exemplar support and psychologically informed homes**, including some that can be accessed directly by young people, and we will test innovative new models of housing and support provision.
- 2. We will provide specialist learning and employment work**, focusing on securing qualifications and sustainable job opportunities for young people.
- 3. We will offer health interventions**, focusing on providing young people with the mental health support that they need to reach their full potential.
- 4. We will build lifeskills**, working with young people to help them develop the necessary skills to live independently.
- 5. We will develop independent living opportunities**, proving that housing for young people can be genuinely affordable and sustainable by linking rent payable to jobs and income.

In Manchester, we will be transforming our front-line support service in Oldham Street with a £1.9 million refurbishment that will give thousands of homeless young people across Greater Manchester a safe, welcoming and inspirational environment to recover and grow to help them leave homelessness behind for good. We will also be collaborating with partner organisations. Centrepont hopes to confirm further PIE focused developments later this year.

“I am fully behind Greater Manchester Future Foundations, which will be a fantastic addition to our support in the city region.”

– Andy Burnham, Mayor of Greater Manchester.

Our Independent Living programme is on course to make significant headway in 2021-22. In London, planning permission and preparation work on our flagship property in Southwark has been completed, and the construction of 33 homes is underway. Centrepont has also established a partnership with Barnet Local Authority, and plans for at least one development in the area will be agreed soon. In Hounslow, in collaboration with the Methodist church, Centrepont

hopes to create a 26 modular homes development, providing employment and homes for young people. Centrepont is also in discussions with other London boroughs and is currently conducting feasibility studies on further development opportunities that have been identified.

AMPLIFY

Solutions that break the youth homelessness cycle are undertaken at scale.

- 1. We will undertake and share evaluation** of the interventions that we deliver both internally to improve outcomes and externally to influence the scaling of leading practice.
- 2. We will encourage and support other organisations** to deliver services that are proven to reduce youth homelessness. This includes innovations in supported housing services and independent living.
- 3. We will seek partnerships with others** who deliver the services that we do not provide ourselves. Such partnerships will range from joint advocacy through to joint ventures where necessary.

Centrepont's supporters and donors have continued to show incredible generosity during the pandemic, which has enabled us to keep all of our frontline services open to young people during this challenging year. During 2021-22, the Fundraising team will continue to build on the past year's successes. We have re-started our face-to-face activity in line with the lifting of restrictions, and the team have already had strong sign-up rates in recruiting new donors. Following on from the outstanding results of our pilot STAY:UP event, which challenged people to stay awake from 8pm – 8am, the event will now form a regular part of the Fundraising calendar to take place each May. We plan to hold Sleep Out in November following its cancellation during 2020 because of the pandemic. Sleep Out will likely become a hybrid virtual and in-real-life event, with COVID-19 restrictions still a strong possibility for the coming winter. In addition, we are planning our first integrated Christmas campaign, which will develop shared planning, creative and messaging across the Fundraising department. Throughout the year, we will continue to invest in fundraising for the long term so that we can continue to provide the best support for homeless young people as they move out of the pandemic.

APPROACH TO FUNDRAISING

Centrepont works with several agencies and suppliers to enable us to deliver our campaigns and other activities. The partnerships are essential to raising income to fund our vital work with young people. We do not have the resources in-house to deliver many of these activities, so it is much more cost-effective for us to work with third parties for certain aspects of our work.



- **Arthur:** We work with Arthur on the strategic delivery of our individual giving and legacy programme. They support us with the creative execution of all of our appeals for cash, regular giving and legacy support. With their help, our individual giving programme raised just under £16m in 2020-21.
- **All Response Media:** We work with All Response Media to plan and buy our media space. This includes television, press, inserts and social/digital activity.
- **REAL & One Sixty:** : These agencies deliver our dialogue activity. After five years of partnership, both agencies have developed an in-depth understanding of Centrepont, which has resulted in cost-effective campaigns for recruiting supporters who are both loyal and engaged with our work.
- **Ethicall:** Ethicall manage our telemarketing campaigns. This includes thanking our new supporters and asking them for additional support, where appropriate.
- **Angel:** Angel is our fulfilment agency, processing and thanking donors from both existing and new supporters. We receive so much support from the public that we outsource this to Angel as we do not have the in-house resource to manage all of the donations we receive.
- **Propack:** These are digital print and direct mail specialists who support us with our direct mail production services.
- **High Rise Communications:** We work with High Rise Communications in Manchester to support our communications and media production for our Greater Manchester Future Foundations appeal.
- **North East Guides:** We work with North East Guides, an outdoor activity organiser, to deliver our bespoke trekking fundraising events, including the Chiltern Hills Hike, and the Hadrian's Wall and Yorkshire Three Peaks events.
- **John Robert Associates:** John Roberts are a clothing supplier that Centrepont uses to source branded running tops for our challenge events participants.
- **Run for Charity:** We buy challenge event places on an ad-hoc basis, allowing supporters to choose the events they're interested in participating in to raise money for Centrepont.
- **Active Training World:** Centrepont has secured a new partnership with Active Training world for challenge events.

FUNDRAISING PRACTICE

Centrepoint always follows best practices and complies with all fundraising regulations. We are members of all the fundraising regulatory bodies, including the Fundraising Regulator, Institute of Fundraising, the Direct Marketing Association and the Information Commissioner's Office.

We have never failed to comply with the Fundraising Regulator's Code of Practice. Likewise, all of our partner agencies adhere to their relevant regulations.

We have a clear set of due diligence guidelines that we monitor our agencies by regularly. In addition, all of our agencies have data protection and vulnerable person and complaints policies in place.

HOW WE MONITOR FUNDRAISING ACTIVITY

Centrepoint and its agencies' monitoring guidelines include:

- Regular meetings
- Monitoring of performance
- Training
- Mystery shopping
- Observer agency training
- Shadowing
- Call listening
- Monitoring of complaints
- Keeping senior management and trustees informed of our performance
- Regular consultation with other charities and regulatory bodies
- Due diligence clauses in contracts

COMPLAINTS

We received 50 complaints in 2020-21, compared to 112 in 2019-20. This 50%+ drop can be mainly attributed to the significant reduction in fundraising activity, most notably in public fundraising activities. In 2019-20, public fundraising complaints accounted for more than 40% of the total complaints received. In 2020-21, they accounted for just over 20%. We have also seen decreased complaints from other fundraising channels, as expected in line with reduced activity in Q1 and Q2. All complaints were resolved, and none were escalated beyond the first stage of Centrepoint's complaints procedure.

PROTECTING VULNERABLE PEOPLE WHEN FUNDRAISING

Our partner agencies that communicate with new or existing supporters have a vulnerable person policy in place. Before working with any agency, we review their policy. With face-to-face and door-to-door agencies, we attend all fundraiser training that covers talking to vulnerable people.



OUR SUPPORTER PROMISE

- 1. Donations are the supporters' decision**

We are committed to making a difference in the lives of homeless young people. That is why we encourage people to donate to Centrepoint if they can. But we also recognise it's their decision, and supporters need to make it in their own time.
- 2. We'll always respect privacy**

Donations are entirely personal for our supporters. We adhere to General Data Protection Regulation, and our privacy policy is available on our website.
- 3. We'll never sell or swap details**

Any information given to us will be kept confidential. We'll never pass on personal details to a third party for marketing or fundraising purposes.
- 4. We'll keep our supporters updated**

We want our supporters to feel connected to the work their donations are making possible. So if they're going to receive updates from us, we'll regularly let our supporters know how they are helping to change young people's lives.
- 5. We'll use all donations carefully**

We make sure we are as cost-effective as possible so that donations can have the most significant impact on homeless young people.
- 6. We'll act quickly**

If people acting on our behalf fail to meet our high standards, we'll always take appropriate action.
- 7. We'll check with our supporters first**

Before we call our supporters, we will always ask them first to check that they are happy to speak to us.
- 8. We'll respect our supporters' wishes**

If a supporter tells us they do not want to hear from us again or wants to hear from us less, we will change the details on their record.



For more information about how we work with supporters, please visit our website.



FINANCIAL REVIEW

INCOME

Income for the year ending 31 March 2021 was **£44 million**, comparable to 2019-20 total income. However, in 2019-20 profit on the sale of fixed assets of £4.2m was included in total income. The main driver for the increase in the other categories of income has been donations and legacies, which amounted to £26.5 million, an increase of £3.1 million from 2019-20.

Income from charitable activities was £16.9 million, which was slightly more than 2019-20, at £16.4 million. Income from rent and charges amounted to £7.3 million, an increase on the previous year at £6.6 million, resulting from intensive housing management included in rents. **Income from supported housing grants reached £8.4 million** (2019-20 £8.2m) and **income from other grants and contracts was £1.2m** (2019-20 £1.6m).

EXPENDITURE

Expenditure during the year ending 31 March 2021 was **£37.9 million**, a decrease of £1 million from 2019-20

Expenditure on charitable activities was £27.5 million. This is £0.8 million less than the previous year. The prior year included a loss on disposal of fixed assets of £1.2 million. Centrepoin's Single Operating Model focuses on ensuring that every young person has access to the opportunities they need to achieve a job and a home. We have continued to invest in prevention, housing, health, skills and employment, and life skill services to meet the needs of young people.

The cost of raising donations and legacies was £10.4 million, a slight decrease from the previous year. This reflects the impact of the pandemic with reduced activities.

Expenditure on support costs increased slightly to £3.6 million in 2020-21 from £3.4 million in 2019-20. In 2019-20 we invested and transformed our IT infrastructure to provide a solid foundation to deliver sustainable services. We will continue to strive to improve efficiency and increase the number of young people we can support.

NET INCOME

The net income for the year was £6.1 million (2019-20 £5.5 million). £0.3 million (2019-20 £1.2 million) of this is for restricted projects, and £5.8 million (2019-20 £4.3 million) is for unrestricted reserves.

STATEMENT OF FINANCIAL POSITION AND CASH FLOW

The statement of financial position and cash flow remains strong. . The working capital ratio at year-end was 4.75:1 (2019-20 4.3:1). The active capital ratio is a measure of liquidity showing Centrepoin's ability to meet its payment obligations.

VALUE FOR MONEY

This report outlines our approach to value for money (VfM). What we have achieved over the last financial year is to make sure we have achieved the outcomes required under the Regulator of Social Housing's Value for Money Standard and get the most out of our resources.

Every year the critical decision taken by the Board is the approval of the business plan and budget, which sets the framework for the Group's operations.

Centrepoint has a clear framework for achieving VfM, incorporating the following:

The approach agreed by the Board to achieve VfM in meeting Centrepoint's strategic objectives and demonstrate delivery of VfM to stakeholders

Our business planning, decision-making process, and VfM strategy are designed to work together to obtain better outcomes for young people, ultimately leading to a job and a home. VfM is an integral part of our planning, from our strategic plan, business plan, and team plans to our individual objectives. It is not just about cost savings – it is about getting the most from our money for young people.

Our approach to VfM will:

- Support our vision, mission and strategic objectives.
- Provide a range of services that our stakeholders want.
- Achieve and maintain standards of quality and costs which positions Centrepoint among the top performers in our sector.
- Adopt recognised good practice where appropriate.
- Seek out better ways of performing.
- Maximise the use of our resources to provide homes for young people.
- Make the most efficient use of internal and external resources.
- Demonstrate sustained year-on-year improvement.
- Maximise our social value.

- Maximise opportunities through procurement.
- Ensure regulatory compliance.
- Involve our young people in decision-making.
- Deliver excellent performance and young people satisfaction.

Decisions about how we use our resources to deliver Strategic Objectives

Centrepoint's strategy to 2021 outlines our strategic choices:

- Diversify our sources of income so that we are more resilient.
- Increase our influence over government policy and public awareness of youth homelessness.
- Continue to provide services that are focused on delivering skills, a job and an affordable home.
- Ensure that we have the right capabilities.

Our resources are aligned to achieve the objectives of our strategy, which also contributes to achieving our overall mission – to give homeless young people a future.

The Board has approved relevant strategies and oversees their implementation through appropriate Board committees and the senior executive team. The strategies inform our objectives and priorities for the year, and we remain focused on delivering our overall organisational objectives.

We have outlined in this report how we have performed against our 2020-21 plans. These include:

- Continuation of the development of Centrepont's Single Operating Model will help us deliver our mission: a job and a home for every young person. This approach will enhance our use of resources and outcomes for young people by reducing administrative tasks, streamlining business processes, supporting finance and IT systems and improving overall efficiency.
- Over 94% of young people moved positively from Centrepont's supported accommodation; this is an improvement from 2019-20, at 88%.
- Fundraising returns on investment increased from £2.17 in 2019-20 per pound invested to £2.54 in 2020-21.
- No overall change in the number of accommodation services.
- The Helpline supported 6,527 (2019-20 5,205) young people during 2020-21.
- 60% (2019-20 63%) of Centrepont residents who took Centrepont works training courses in 2020-21 finished with a qualification.
- 65.6% (2019-20 80%) of young people receiving support from Centrepont's psychotherapy and mental health team felt their symptoms' severity was reduced.
- Increased influencing work at both local and national levels by being involved in research and lobbying through local media coverage and actions aimed at raising public awareness.

Through our strategic objectives, we articulate our strategy for delivering homes that meet a range of needs.

At the end of the financial year, we had the capacity for 2,218 young people in supported housing and general needs. This included 821-bed spaces in London and 1,397-bed spaces in regions outside of London, including Barnsley, Bradford, Manchester and Sunderland.

We have a robust property strategy, which outlines our plan to increase bed spaces towards our goal of 300 additional independent living bed spaces to ensure that we are using our resources to increase the supply of affordable housing for young people where it is needed the most. Our investment activity will focus on London and Manchester, where the lack of affordable housing for young people is most acute within our operating areas.

We will seek to divest ourselves of property in areas with an ample supply of affordable housing and reinvest funds into these target areas. Centrepont opened our first Independent living home in November 2019 for seven young people. Despite the COVID-19 pandemic, we have made progress on several developments in London and Manchester.

We expect to have completed our flagship 33 modular homes development in Southwark, London by the end of 2021. We have confirmed the development pipeline of 130 new homes and an agreed strategy and roadmap to deliver the remaining 170. Our communications with various local authorities and property developers continue at pace.

We are continuing our positive engagement and development proposals with local authorities and certain private developers to grow this pipeline to 300.

Ensuring that optimal benefit is derived from resources and assets and optimising economy, efficiency and effectiveness in the delivery of our strategic objectives

This report covers our aim to work collaboratively, harnessing the innovation and creativity of our staff, our young people and stakeholders to deliver improvements in efficiency, effectiveness and economy.

The Board measures our VfM performance against targets set under the critical elements of economy, efficiency and effectiveness. The measures below combine Centrepont's standards and those required by the Regulator of Social Housing. The Regulator of Social Housing metrics are designed for social housing; however, what Centrepont delivers is more comprehensive than this – for example, skills and employability, helpline, engagement, CP partnering and our influencing work. Those metrics in bold are the seven metrics required by the regulator.



had a positive move on from Centrepont's supported accommodation

Economy:

- This is about minimising the cost of inputs for an activity ('doing things at the right cost'). We are therefore careful in the use of resources to save expense, time or effort. This is monitored through quarterly management accounts, procurement exercises, budget proposals and benchmarking results.

	2020-21	2020-21 Target	2019-20
Fundraising return on investment ¹	£2.54	£2.31	£2.21
Business support cost ²	9.6%	12.0%	8.7%
Void loss ³	9.1%	7.4%	9.9%
Cost per young person worked with (£'000) ⁴	£1.96	£2.06	£1.96
Headline social housing cost per unit (£'000) ⁵	£26.59	£23.99	£26.63

- The Regulator of Social Housing published global accounts for 2020, which included median cost per unit (CPU) of £3.83. Centrepoin's higher CPU reflects the supported housing and the level of support we provide to the young people in our care. The CPU is similar to other similar homelessness organisations.
- The void loss of 9.1% is above the target of 7.4% and an improvement in the prior year of 9.9%. However, we have found that there have been delays in filling those voids in the pandemic, and delays in repairing work have lengthened some void turnaround periods.

Efficiency:

- This is a measure of productivity ('doing things the right way'). Therefore, we strive to deliver the same level of service for less expense, time or effort; and
- This is measured through accreditations, external 'health checks', tenant scrutiny reports and a suite of quarterly performance reports.

	2020-21	2020-21 Target	2019-20
Repairs completed on time %	80.5%	80%	44.7%
Reinvestment in housing units for young people % ⁶	3.1%	NA	3.6%
Operating margin % ⁷	Overall ⁸	1%	12.4%
	Social Housing letting	(22%)	(22.8%)
Return on capital employed ⁹	13.3%	1%	13.7%
Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs included (EBITDA MRI) Interest Cover % ¹⁰	Currently, Centrepoin do not have any borrowing or interest on borrowing. However, a property strategy is being developed which will likely result in increased investment in properties and lead to Centrepoin borrowing in the future.		
Gearing %			

Economy:

- Fundraising return on investment** – this metric looks at how much income is generated for every £1 spent.
- Business support costs** – this metric looks at the support costs as a percentage of the total cost.
- Void loss** – this metric looks at the voids as a percentage of the gross rental income.
- Cost per young person worked with** – The calculation takes the total charitable expenditure divided by the number of young people supported.
- Headline Social housing cost** – this metric looks at the cost per unit of the social housing expenditure.

Efficiency:

- Reinvestment %** – this metric looks at the investment in properties (existing stock and new supply) as a percentage of the value of total properties held.
- Operating Margin %** demonstrates the profitability of operating assets before exceptional expenses are taken into account. Our purpose and objectives, including our social objectives, means we have lower margins than average.
- Net of surplus on property disposal**
- Return on capital employed** metric compares operating surplus to total assets less current liabilities to assess the efficient investment of capital resources.
- Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs included (EBITDA MRI) Interest Cover %**. The EBITDA MRI interest cover% in measure is a crucial indicator for liquidity and investment capacity.

- **Reinvestment in housing units** – the reinvestment in housing units has decreased from 3.6% in 2019-20 to 3.1%, which is below the median performance of housing associations per the Regulator of Social Housing global accounts 2020 of 7.2%. Our strategy is to deliver 300 new bed spaces across London and Greater Manchester to enable young people to move into affordable accommodation and start living independently.
- **Operating margin** – Centrepoin’s operating margin is higher this year at 13.9% compared to 2019-20 of 12.4% and our target for the year of 1%. Our target was set cautiously taking the pandemic into account. However, this is a low operating margin compared to the median performance per the regulator of 25.7%, mainly due to the higher running costs for supported housing and the additional support that Centrepoin provides to young people.
- **Return on capital employed (ROCE)** – Centrepoin’s ROCE is lower this year at 13.3% compared to 13.7% in 2019-20. The median metric per the regulator is 3.8%. Our target, as with the operating margin, was set cautiously taking the pandemic into account.
- **Gearings and EBITDA MRI interest cover** – Centrepoin has no debt; therefore, these metrics have no data.

Effectiveness:

- This measures the extent to which intended outcomes are achieved (‘doing the right things’). For Centrepoin, results are focused on providing young people with a home, job and training.
- This is accomplished by growing the resources available to us so that we get more out of every pound invested

	2020-21	2020-21 Target	2019-20
Number of young people worked with	13,874	NA	14,405
Positive move on %	94%	85%	88%
Young people in education, employment or training (EET) on departure or made significant progress during stay	60%	60%	57.5%
Young people managing their mental health better	66%	75%	80%
Young people’s satisfaction with services	88%	85%	94%
New supply delivered %¹¹ (Social housing units)	1%	3.9%	3.0%

- The new supply delivered is below target at 1% compared to the target of 3.9% due to delays with planning. Effectiveness:

Effectiveness:

¹¹ The **new supply delivered %** metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units and non-social housing units managed at period end.

Benchmarking our performance against other organisations delivering similar services We complete VfM reviews of our activities, including:

- Defining what the outcomes are.
- Calculating the cost per outcome.
- Assessing how we can do things better and more efficiently.
- Benchmarking our services to understand their strengths and weaknesses.
- Improving the IT infrastructure to support the business.

We recognise the importance of comparing our performance with others, and our activities are benchmarked in several different ways.

Centrepont is an active member of a benchmarking group with other homelessness organisations that provide supported housing.

We use the benchmarking data to inform our housing targets, being mindful that our client group of young people, predominantly in supported housing, have lives that can be more chaotic than other general needs clients.

The last time we benchmarked housing management data was in 2018-19, with eight other peers. Here are the areas where benchmarking tells us that we perform relatively well compared to our peers:

	2020-21 Centrepont	2018-19 Centrepont	Peer results Group Mean	Peer results Group Median
% of all departures that were to known destinations	95.5%	85.2%	77.0%	78.8%
% of departures which were evictions	6.0%	12.9%	10.3%	13.2%
Rent collected as a proportion of gross annual rental income (%)	98.0%	87.1%	-	96.5%
Amount written-off as bad debt as % of annual gross rental income	2.2%	3.8%	-	2.3%

Here are the areas where benchmarking shows us that there is room for improvement:

	2020-21 Centrepont	2018-19 Centrepont	Peer results Group Mean	Peer results Group Median
% of all repairs completed to deadline	80.5%	52.0%	-	85.0%
Complaints responded to on time (%)	71.5%	73.0%	-	73.9%
Void loss as % of the annual rent due	9.8%	11.6%	-	6.4%
Current tenant arrears as % of annual gross rental income	10.7%	10.3%	-	6.8%
Former tenant arrears as % of annual gross rental income	9.1%	7.7%	5.4%	4.7%

Repairs completed on time

- In 2020-21, our performance was above target, with 80% of repairs completed on time. Responding to our satisfaction survey with young people we have put considerable work into improving our property management. We have brought in a new platform for managing our property repairs to enable a faster and more effective response to call-outs. We will continue to focus on improvement.

Complaints responded to on time

- We continue to provide training, including enhanced induction training under HOMES, to complaints are resolved on a timely basis.

Void loss

- Our void loss in 2020-21 was 9.8%, 2019-20 was 9.9% (11.6% in 2018-19 against a median of 6.4%). We have found in the pandemic there have been delays in filling those voids.

Rent collection

- Our performance has improved in 2020-21 when compared with 2019-20. However, current and former tenant arrears are behind our peers as a percentage of gross rental income (current arrears median of 6.8%, former tenant arrears 4.7%). Our client group makes this challenging.
- We continue to develop alternative rent payment options.
- We continue to provide ongoing training to key workers to support and advise young people on welfare benefits and help them with managing finances.

Ensuring that performance is managed and monitored

In addition to the key performance measures, we have also achieved the following through procurement activity focusing on quality and price:

- Run a tender for a new e-learning platform to enable remote learning.
- Run a tender for the refurbishment of Huxley Road to prepare the building for independent living.
- Run a tender for branding activities.
- The main focus for procurement activity in 2020-21 was sourcing PPE, hand sanitiser and other cleaning materials to ensure the safety of young people and staff.

Our planning process starts with our strategic plan and identifies the direction we are heading. The business plan and financial plan show how we will achieve our goals and what they will cost. During the annual budget process, resources are allocated based on the business plan and financial plan. We also consult individual teamwork plans, so all teams work together to achieve efficiencies alongside our strategic objectives.

We have policies and procedures in place which guide our staff in day-to-day activities. For example, our procurement policy and procedure, alongside our financial regulations and delegations, guides staff on purchasing decisions and the inter-connection of quality and price.

We are committed to getting feedback from young people through regular surveys and regular resident speakouts. **This year, we have invested in our young people's involvement strategy to ensure we continue getting their feedback and shaping and influencing our services.**

We publish evidence in the financial statements to enable our stakeholders to understand:

- Performance against our own VfM targets and any metrics set out by the regulator, and how that performance compares to peers.
- Measurable plans to address any areas of underperformance, including clearly stating areas where improvements would not be appropriate and the rationale for this.

We also provide evidence regarding the following:

- Young people who have attended senior management meetings to discuss any issues they have. We recognise that we need to improve our response time on complaints.
- We are working with more young people, although the number of bed spaces we own or manage has remained 821. However, we have plans to add 300-bed spaces. In addition, we have invested in apprenticeships, traineeships and functional skills, which will help us support more young people in education, employment and training.

Effectiveness plans for 2021-22

We shall address areas of underperformance to improve VfM in these areas:

- **We have maintained our response to complaints** being resolved on time at 72% compared with 74% and are looking to sustain this improved performance during 2021-22.
- **We are undertaking a full review of our repairs service** to ensure repairs are completed well and before the deadline. We have made a marked improvement in this area with repairs completed on time at 80%.
- **We are improving our systems** for Centrepoint to accurately track our contractor performance and improve our repairs completion targets.
- **We will continue our programme of retendering key procurement activities** to bring down costs of goods and services so savings can be passed onto young people in the form of reduced rent or service charges.
- **We continue with our procurement strategy**, which aligns with our organisation's overall strategy to ensure the best VfM whilst ensuring robust commercial practices, fiscal compliance and adherence to all relevant regulations. Procurement policy and procedure will become part of the rituals and routines of the organisation whereby all goods and services required by the organisation in its core activities will be covered by procurement agreements or contracts that provide VfM solutions that are compliant with any and all legislative requirements and standards.
- **Whenever possible, young people will be involved in the procurement process**, particularly to specify or contribute to specifications for goods and services that directly impact them.
- **Our measurable success will be improved by the cost rationing of tangible spending areas**, including maintenance, utilities, furnishings, starter packs, white goods, stationery and insurance.

We will continue our work to ensure we positively impact the lives of the young people we support. Over the next year, we plan to review our approach to outcomes and move better to demonstrate the effectiveness and value of our interventions.

We also review our approach to move on and resettlement to do more in helping young people make positive moves.

Centrepoint's Single Operating Model development will help us deliver our mission: a job and a home for every young person. It will reduce administrative tasks, improve performance management and improve the young person experience and outcomes.

Centrepoint's Single Operating Model focuses on ensuring that every young person has access to the opportunities they need to achieve a job and a home. We have continued to invest in prevention, housing, health, skills and employment, and life skills services to meet the needs of young people.

We have accelerated the work to make Centrepoint a PIE. PIEs are services where the day-to-day running has been designed to take young people's psychological and emotional needs into account. Reflective practice is now offered in every Centrepoint service, whilst training and changes to the physical environment have commenced.

We want to build on our success and learn from experience to fulfil our vision that young people involvement is embedded in every team and all aspects of our strategy.



We want to build on our success and learn from experience to fulfil our vision that young people involvement is embedded in every team and in all aspects of our strategy.

How the Board has gained assurances

Our Board receives regular reports on:

- Performance against key strategic targets
- Financial information
- Internal audits
- Stakeholder feedback
- External reviews

Investment policy

We hold our investments to earn revenue on designated and restricted funds until they are required. We also have reserves for any future shortfall in income to ensure we can continue to provide uninterrupted high-quality service to young people. Our policy is to hold investments in cash on short-term deposits to be readily available.

Reserves

We hold reserves to ensure the uninterrupted provision of high-quality services to young people. This includes keeping their homes in a good state of repair and continuing to campaign on their behalf to influence public policy appropriately.

Through its Audit and Risk Committee, the Board annually reviews the minimum level of reserves it needs to maintain the continuation of activities in the event of financial difficulties. The review takes account of the risks attached to all categories of our income and expenditure. Based on this review, the Board has set a target of achieving general reserves (i.e. free reserves) of at least £4.7 million (2019-20 £3.6 million).

At the end of 31 March 2021, our unrestricted reserves stood at £28.8 million, of which £24.3 million has been designated for the various essential activities we plan to carry out in the immediate future or has already been invested in fixed assets. Of the £24.3 million designations, £10.1 million represents the housing assets where young people live and other fixed assets such as computers. A further £8.1 million has been designated to invest in property, including new housing and safe spaces for young people. These funds will be used to purchase properties to help young people move to Independent Living. In the current year, the trustees have designated a further £6.2 million to advance the five-year strategy to end youth homelessness. This includes capital projects for an extensive planned maintenance programme, digital for young people, office accommodation and capacity building.

The remaining £4.4 million of our unrestricted reserves is held in general reserves as an essential part of our financial management and planning. This funding will ensure we maintain essential services for young people in the event of financial difficulties or an unplanned setback. However, this is slightly lower than the £4.7 million target set by our Board. Therefore, we will continue our efforts to strengthen the reserves through cost control.

Transfers between funds primarily represent the designation of funds by the Trustees for use for specific purposes and fixed assets purchased through restricted funds.

Financial position

The board reviewed Centrepoin't's detailed annual forecasts for 31 March 2022 and the long-term financial plan in February 2021. In addition, stress testing of the long term economic plan was completed to consider other income and expenditure scenarios based on our risk profile. As part of signing off these financial statements, the board has revisited these forecasts and is assured that future plans are affordable and that the financial statements should be prepared on a going concern basis.

Given the strength of the statement of financial position and availability and liquidity of cash and deposits, the board believe that, while uncertainty exists, scenario planning assures them that this does not pose a material uncertainty that would cast doubt on Centrepoin't's ability to continue as a going concern. The board, therefore, consider it appropriate for the financial statements to be prepared on a going concern basis.

Internal controls

In recognition of its responsibilities for Centrepont's system of internal control, the Trustees have established control systems that aim, in part, to provide reasonable but not absolute assurances against material misstatement or loss.

The controls in place include:

- **Authorisation controls by responsible personnel** to ensure that only necessary transactions that fall within the scope of the group's operations are undertaken and that alterations or amendments to existing records are appropriately authorised.
- **Recording controls** that ensure that all and only authorised transactions are taken into the accounting records. Elements of these controls comprise segregation of duties among personnel and checking reports against input source documents.
- **Safe custody of assets**, including periodic physical verification of their existence at sites where they are located, maintenance and updating of records detailing information about such assets, restricted access to premises, and use of the group's assets to authorised personnel.
- **Employment of suitably qualified and experienced staff** to take responsibility for the critical areas of the group's business, supported by a formal appraisal system.
- **Preparation of forecasts and budgets** allows the Board and executive officers to monitor the key business risks and financial objectives and identify variances arising during the monthly reporting cycles.

In addition to the general controls described above, specific control systems in respect of computer systems are also in place. These include restricting access to computer equipment, systems, and programmes, including amendment of standing data to designated personnel through approved measures such as compulsory use of passwords and access rights.

The Trustees have reviewed and continue to review the effectiveness of the internal control system through delegated authority to appropriate personnel or by engaging outside agencies.

The reviews carried out in the financial year ended 31 March 2021 have not revealed weaknesses in internal control resulting in material losses, contingencies, or uncertainties which the Trustees regard as material and therefore requiring disclosure in the financial statements.



RISK MANAGEMENT

The Board has direct responsibility for overseeing the management of risk.

We seek to be a 'risk intelligent' organisation, which means balancing risk and innovation. This may involve providing assurance for risk management processes, and managing key risks and reporting of risks. It also means creating the appropriate culture and performance management systems to deal with risk appropriately.

We have a formal register that identifies the key risks facing Centrepont. These are risks that, in our judgement, may have significant effects on the achievement of our mission, our objectives and our operational performance.

The register is updated on an ongoing basis and is formally presented to and reviewed by the Audit and Risk Committee at each meeting. It has also contributed to the Board every quarter.

The current top five risks are:

- Major incident which results in severe injury or death.
- Failure to follow our health and safety management system and strategy.
- Failure to secure and record the level of voluntary income to fulfil Centrepont's objectives.
- Failure to comply with the Landlord Health and Safety requirements.
- Risk of an event leading to business continuity issues.

The key risks identified in our risk register are prioritised in terms of potential impact and likelihood of occurrence. In addition, we consider ways of mitigating the risks and identifying a lead executive to be responsible for taking necessary actions.

As well as the register of significant risks, senior managers review risks in their own area and take appropriate action to mitigate emerging threats.



STREAM LINED ENERGY AND CARBON REPORT

The combined energy consumption for the reporting period for Centrepont was 5,665,605kWh for the year ended 31 March 2021 (2019-20 7,197,275kWh).

The combined greenhouse gas emissions for Centrepont was 1,165.1tCO₂e for the year ended 31 March 2021 (2019-20 1,569.9tCO₂e).

These include the emissions associated with UK electricity and natural gas consumption and business travel in Centrepont vehicles, as required to be disclosed by legislation. An intensity ratio of 26.6 tonnes CO₂e per £million of income (2019-2035.7 tonnes CO₂e) has been calculated to enable future year-on-year comparison against the normalized income.

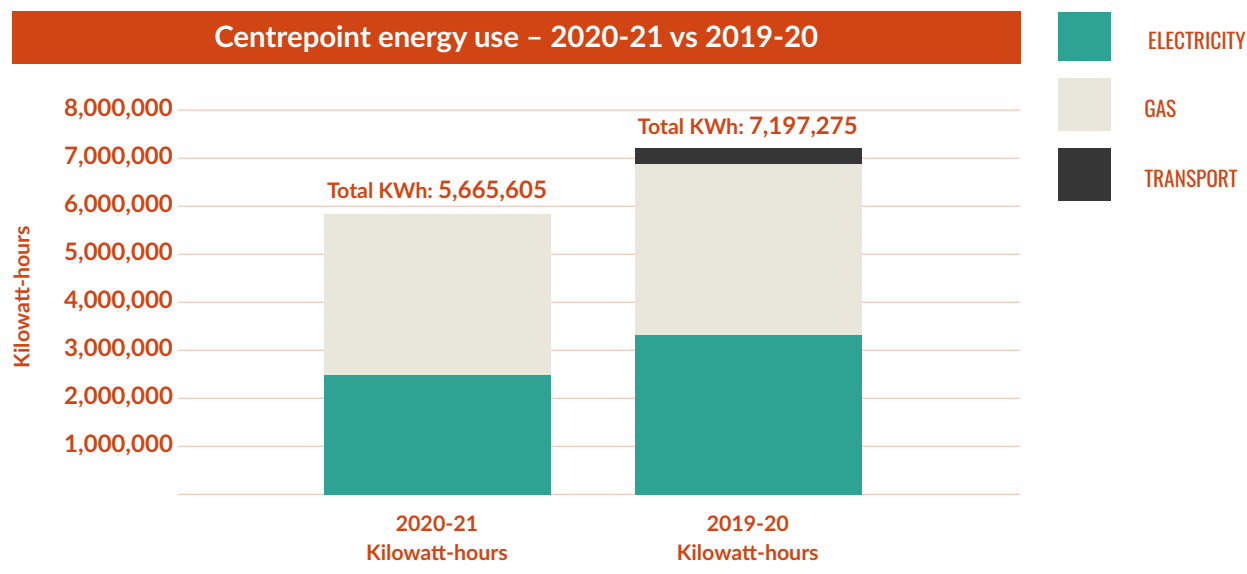
Energy consumption

The combined energy consumption for the reporting period for Centrepont was 5,665,605 kWh for the year ended 31 March 2021 (2019-20 7,197,275kWh).

Table 1: Energy consumption by fuel (kWh)

Metric	FY 2020-21 Disclosure	Unit
Total energy use	5,665,605	Kilowatt-hours (KWh)
Centrepont Charity Income 2020-21	£44,022,000	£GBP
Intensity metric	128,764	Kilowatt-hours per £million charity income (KWh/£million)
Electricity consumption	2,486,626	Kilowatt-hours (KWh)
Gas consumption	3,164,470	Kilowatt-hours (KWh)
Purchased transport fuel consumption	14,509	Kilowatt-hours (KWh)

Energy disclosure comparison with previous years



Methodology for energy disclosure – property

Property energy use has been calculated from invoices and billing data for electricity and gas provided for Centrepont's property in the UK. Primary consumption data from invoices was not available in aggregate, so a calculation has been made from financial data covering the disclosure period.

The energy calculation consists of:

- Obtaining the financial billing data from Centrepont's finance department covering property within scope for the financial year 2020-21.
- Estimating energy consumption from billing using a benchmark of cost per kilowatt-hour for electricity and gas. This benchmark was calculated from the average selection of actual electricity and gas invoices for Centrepont to provide a good quality consumption estimate.
- Where possible – the estimated consumption figures were validated against the Actual Quantity¹² figures, which were provided for most Centrepont electricity and gas supplies.

Methodology for energy disclosure – transport

The scope of SECR for transport covers situations where Centrepont pay for the fuel – either for their vehicles or when reimbursing employees for claims made for using private vehicles for business purposes (mileage claims).

For this disclosure – Centrepont had two data sets:

- Mileage log for the Centrepont van.
- Mileage claim data from employee mileage claims, including the number of business miles travelled.

This data set was used to estimate total energy consumption in kilowatt-hours from transport fuel by first converting to an estimate of associated carbon emissions (using the 2020 UK Government conversion factors for company reporting of greenhouse gas emissions.

www.gov.uk/government/collections/government-conversion-factors-for-company-reporting)

This figure was then converted into litres of diesel and then kilowatt-hours using conversion factors from the same source.

¹² **Actual Quantity (AQ)** – Is the sum of the annual consumption of all meters on a site. This comes from National Grid and is based on historical usage from previous years and therefore does not constitute actual consumption for the 2020-21 period – but can be used for validation purposes.

Table 2: Carbon disclosure (greenhouse gas emissions)

Metric	FY 2020-21 Disclosure	Unit
Total carbon disclosure	1,165.1	Tonnes carbon dioxide equivalent (tCO ₂ e)
Intensity metric	26.5	Tonnes carbon dioxide equivalent per £million charity income (tCO ₂ e/£million)
Breakdown:		
Scope 1 direct	582.2	Tonnes carbon dioxide equivalent (tCO ₂ e)
Scope 2 indirect	579.7	Tonnes carbon dioxide equivalent (tCO ₂ e)
Scope 3 indirect	3.1	Tonnes carbon dioxide equivalent (tCO ₂ e)

Scope 1. Direct carbon emissions

Scope 1 covers direct emissions from owned or controlled sources.

For Centrepoint, this includes greenhouse gas emissions from gas consumed in boilers for hot water and space heating and emissions from a company van.

Scope 2. Indirect carbon emissions

Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.

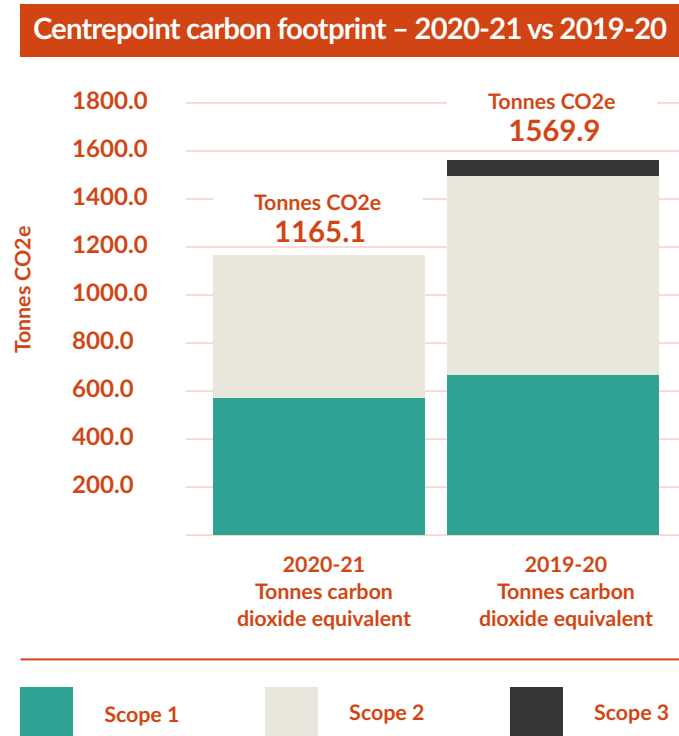
For Centrepoint this includes greenhouse gas emissions from all electricity taken from the National Grid.

Scope 3. Indirect carbon emissions

Scope 3 includes all other indirect emissions that occur in a company's value chain..

For Centrepoint, this includes emissions from employee use of their vehicles for business travel. However, it should be noted that this excludes other sources of indirect Scope 3 emissions such as those related to other forms of business travel (e.g. public transport), procurement, investments, waste disposal and others.

Carbon comparison with previous years



Carbon footprint calculation methodology

The carbon disclosure was calculated using the methodology set out in *The Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard*. This is downloadable from www.ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf.

The greenhouse gas emission factors used in the calculations were the 2020 UK Government conversion factors for company reporting of greenhouse gas emissions.

These are downloadable from:

www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

Energy and carbon reduction narrative

Centrepoint aims to develop a collaborative approach to environmental management that can be maintained and improved over the long term, creating opportunities for our staff and young people in our offices, services and other accommodation to contribute to its success.

The previous 12 months have been a challenging period for all organisations due to the global pandemic, which has meant that there has been little capacity for strategic work in reducing energy consumption and carbon emissions. However, due to decreased activity across some of Centrepoint's operations – our energy and carbon footprint has reduced by approximately a third over the previous period mainly due to a significant reduction in business mileage.

Senior Management at Centrepoint has given their backing to commencing work towards implementing the international Environmental Management System Standard ISO14001:2015, which will complement Centrepoint's existing environmental policy. Part of implementing ISO14001:2015 will be developing objectives on reducing energy consumption and carbon emissions and putting in place systems to drive emissions reduction. Centrepoint also has the work undertaken as part of the Energy Savings Opportunities Scheme (ESOS) in 2019 with several recommendations from energy audits still to implement.

HEALTH AND SAFETY

We are committed to continual improvement in health and safety performance. We recognise our duty of care to staff, volunteers, members of the public and young people using our services. To ensure our policy is implemented and maintained, we have a health and safety management system that has been put in place to assist in compliance with health and safety legislation and good practice.

We review our health and safety policies on a rolling programme and review them all at least annually. In addition, the Chief Executive Officer will check the health and safety policy and its arrangements on a biannual basis with the Board of Trustees.

COVID-19 HEALTH AND SAFETY

The Health and Safety of our staff and young people, together with keeping all of our services open, has been Centrepoin's top priority during the COVID-19 pandemic. Our response has been governed by the COVID-19 Business Continuity Group, of which both the Health and Safety Manager and the Head of Facilities & Building Safety are core members.

In early March 2020, a Task Group was established to work on pandemic preparedness and infection control in relation to the potential threat of COVID-19. The development of the Management of Viruses and Influenza (Coronavirus) Procedure also supported this. This procedure has been reviewed

and amended as required in alignment with Government guidance throughout the pandemic.

Risk control measures were rapidly put in place across all services and offices to respond appropriately to COVID-19. This included an audit of all services, an update of local infection control plans and spot checks in multiple services.

Infection Control Leads were appointed for every service and office location, who were responsible for overseeing the implementation of their local COVID-19 risk assessments and safe systems of work. These outline operational arrangements for staff and young people and have been updated throughout the period to reflect the changing environment.

Services have enforced strict protocols for working in communal areas and homes, particularly near vulnerable residents. This includes wearing correct Personal Protective Equipment (PPE), measures to prevent infection, social distance arrangements, and use of hygiene measures, e.g. alcohol gels.

Centrepoin also followed the UK Government's guidance for employers arranging for employees to work from home where practical. A COVID-19 specific procedure and risk assessment was developed, staff have self-assessed their home workstations, and any required equipment was delivered to their home address.

PUBLIC BENEFIT

The Trustees have had regard to the Charity Commission's general guidance on public benefit and its supplementary guidance on fee-charging. They are satisfied that we provide considerable public benefit, as demonstrated in this report. We have referred to the guidance when reviewing our purpose and mission. In particular, consideration is given to how planned future activities will contribute to our strategy.

All staff and Trustees are covered for professional indemnity under Centrepoin's insurance policy.



Risk control measures were rapidly put in place across all services and offices to respond appropriately to COVID-19.

STRUCTURE, GOVERNANCE AND MANAGEMENT

STRUCTURE AND DECISION-MAKING PROCESS

Centrepoint is a registered charity legally organised in a company limited by guarantee and governed by its articles of association. The Board of Trustees are members of the company and their liability in the event of the company being wound up is limited to £1 each. **Centrepoint is also a registered provider and acts entirely as a non-profit organisation.**

It has two subsidiary companies:

- **CP Trading Limited**, a non-charitable company that gifts all of its profits to the charity.
- **The American Friends of Centrepoint**, a charitable company registered in New York, donates its income to Centrepoint.

These subsidiaries have been consolidated into these financial statements.

A Board of Trustees controls Centrepoint, as set out on page 83. The Trustees are volunteers who have distinguished careers in a wide variety of activities. They provide the full range of experience and expertise required to add significant value to the work of the charity. They do not receive any remuneration for their roles as Trustees.

Trustees are recruited through a combination of newspaper adverts, recruitment consultants and referrals. They are appointed for three-year periods but may be re-elected twice, subject to performance and need. Newly appointed Trustees receive a letter of appointment and an induction programme covering general responsibilities, committee membership and involvement outside formal Trustees' meetings. Ongoing training for Board members consists of training courses, regular updates at Board meetings and a Board annual away day focused on sector developments and the impact on our strategy.

The Board sets the overall mission, direction and strategies for fulfilling Centrepoint's purposes and continued development as a viable enterprise. It scrutinises performance to secure effective implementation of the strategy. It exercises overall accountability to major stakeholders and oversees significant policies and major policy positions.

Details of implementation and execution are the responsibility of the senior executive team, led by the Chief Executive Officer. The board has established the Audit and Risk Committee and the Resources Committee to perform its role effectively. The Audit and Risk Committee is responsible for detailed oversight of risk management and internal control, internal and external audits. The Resources Committee is responsible for thorough oversight of financial management and reporting and operational

performance. The committees comprise three Board members and meet at least three times per year.

The Remuneration Committee comprises three Board members and meets at least annually to review the salaries of the senior executive team. They are also responsible for nominations and Board renewal.

The entire Board meets every quarter to:

- **scrutinise the performance of the organisation** in relation to its objectives;
- **receive reports of its committees;** and
- **deal with major strategic issues.**

One further meeting is held each year in the autumn to review strategy.

The Trustees have implemented the recommendations of the National Federation of Housing Associations' (NFHA) Code of Governance in the context of the particular features of Centrepoint and continue to abide by it.

The Trustees have reviewed the Governance and Financial Viability Standard Code of Practice, introduced by the Regulator of Social Housing, and have assessed that Centrepoint fully complies with it.

STATEMENT BY THE TRUSTEES IN PERFORMANCE OF THEIR STATUTORY DUTIES IN ACCORDANCE WITH S172(1) COMPANIES ACT 2006

The Board (both individually and collectively) acts in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard for the stakeholders and matters set out in s172 (1) (a-f) of the Act) in the decisions taken during the year ended 31 March 2021.

Key decisions made by the Board in the year have been as follows:

- The Board has approved the test and learn stage of Independent Living.
- The Board has approved the refurbishment of our Manchester property.
- The Board has approved the budget for the forthcoming period.
- The Board has approved the long term financial plan.
- The Board has approved the new strategy.

The decisions of the Board have been made taking into account the views of our stakeholders. One key example is the Independent Living project: this involved listening to young people and committing to the provision of affordable housing.

CORPORATE SOCIAL RESPONSIBILITY



BUSINESS FOR GOOD AND COMMUNITY INVOLVEMENT

We are the UK's leading charity for homeless young people. At Centrepont, our vision is to end youth homelessness, and our mission is to give homeless young people a future. We support 14,000 homeless 16-25-year-olds into a home and a job every year, working directly in London, Manchester, Yorkshire and the North East of England, and partner with other organisations across the UK. We also influence government policy with the overall aim of ending youth homelessness. HRH, The Duke of Cambridge is our Patron.

Centrepont works in partnership with local authorities through contractual relationships. Local authorities have statutory responsibilities to provide support and accommodation to certain groups of vulnerable young people. The first group are young people who are assessed by the authority to be at risk of homelessness (usually 16-17 year-olds, and 18 year-olds who have specific vulnerabilities). The second group are young people who are preparing to leave the care system who are 16-21 years old.

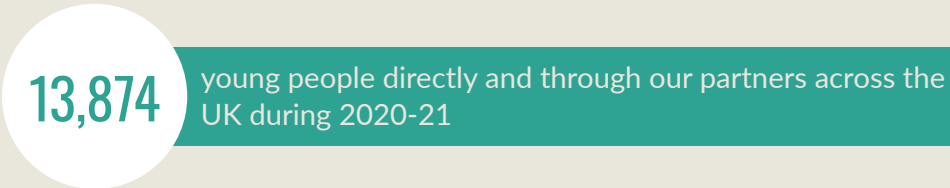
We also influence government policy with the overall aim of ending youth homelessness.

YOUTH HOMELESSNESS: THE BIG PICTURE

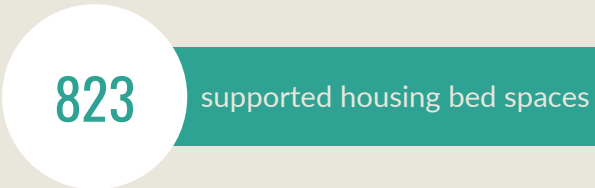
Our research estimates that



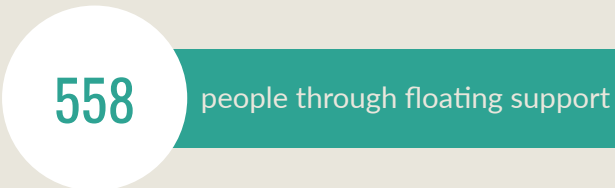
We supported more than



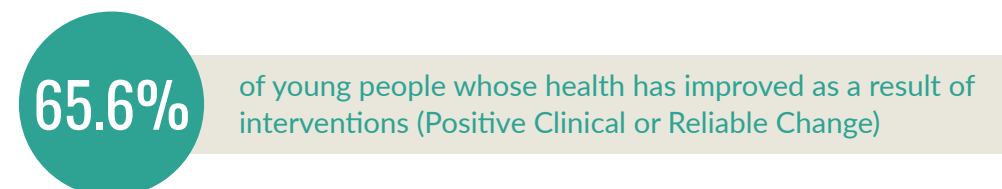
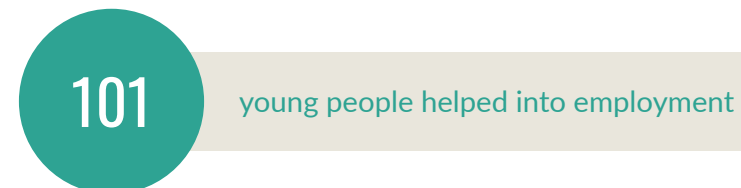
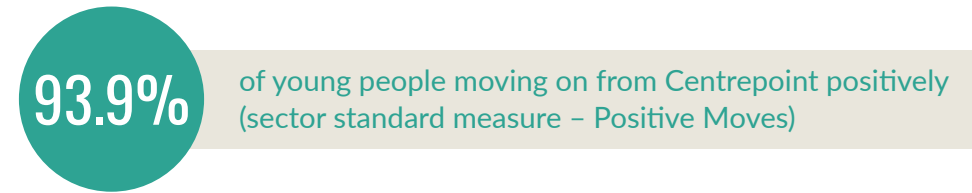
We operate



We support



OUR IMPACT FOR GOOD WITHIN THE COMMUNITY FOR THE FINANCIAL YEAR 2020-21:



WHO WE SUPPORT

23% of Centrepoint residents have slept rough

39% of Centrepoint residents are care leavers

8% of Centrepoint residents are aged 16 or 17

59% of Centrepoint residents identify as male, 41% as female, and 1% identify as transgender

57% of Centrepoint residents are BAME

6% of Centrepoint residents are refugees (with Refugee Status only)

12% of Centrepoint residents have a disability

OUR COMMITMENT

We are committed to providing excellent service to our customers. Our Customer Satisfaction Survey 2020 results suggest that we have an 88% overall customer satisfaction. We have provided quality service, but we know that there is always room for improvement. To find ways we can improve, we involve our Young People and the community we serve in our continuous improvement process.

We are dedicated to offering young people a caring and considerate environment. We want to reflect that same level of care and consideration internally for all our team members. Although we focus on equality and respect for young people today, we want to extend that focus to create a similar experience for every team member at Centrepoint.

We want to build a resilient, caring and inclusive organisation where the way you develop your career, manage your work-life, receive recognition and get paid feels fair, consistent and transparent.

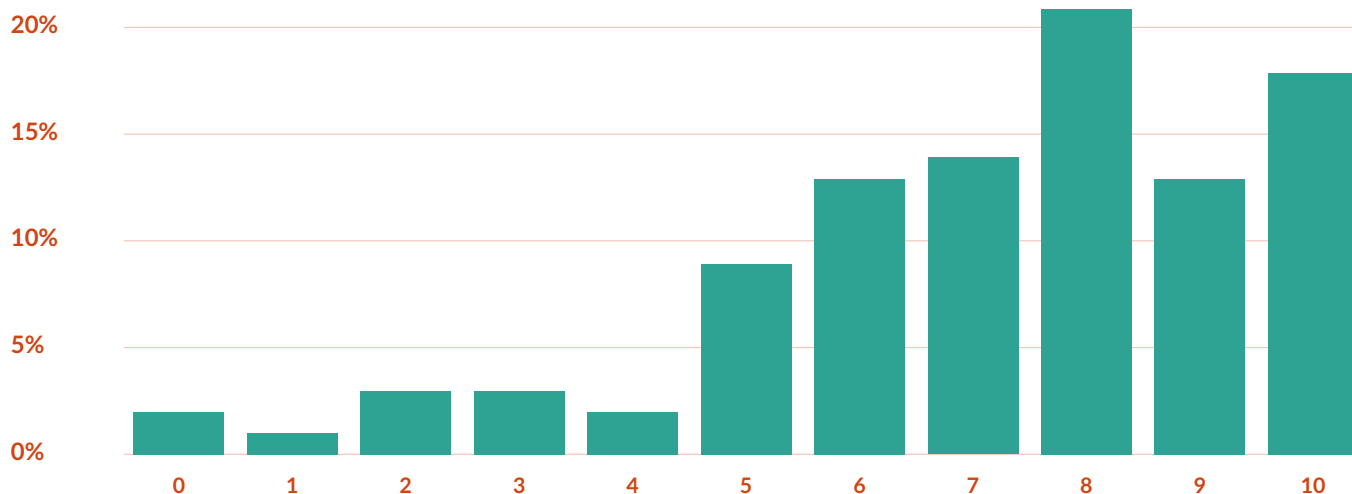


OUR PEOPLE

ENGAGEMENT

Empowering our people, and having all voices be heard, is of great importance to us. 64% of our employees felt that they could share their opinions, views and influence our future. 81% of employees felt that they receive appropriate recognition when they do good work. 62% of employees believed that all staff members have an equal opportunity to succeed at Centrepont, with 82% reporting that their role is as they expected it to be, which tells us that we are on our way to becoming a fairer and more transparent organisation. Our last Employee Survey, reviewing April 2020-March 2021, found that 88% of employees gave a positive result (5 or above) and are likely to recommend Centrepont to a friend or colleague.

on a scale from 0-10, how likely are you to recommend centrepont to a friend or colleague?



Graph 1: 88% of employees gave a positive result (5 or above) and are likely to recommend Centrepont to a friend or colleague.

Centrepont's Benefits

Staff have access to a wide range of benefits, detailed below:

Annual leave

All employees start with 25 days annual leave. This increases by a day with each full year of service to a maximum of 27 days. The annual leave year runs from 1 April until 31 March the following year. Employees are entitled to carry over up to five days of leave from one year to the next at the discretion of their managers.

Cycle to work scheme

We offer a bike loan scheme for staff who wish to purchase a bicycle.

Employee assistance programme (EAP)

Our EAP provider is Workplace Options. They provide practical information, resources, and counselling to help staff balance their work, family, and personal lives.

Osteopathy discount for staff

We are signed up to a community partnership with the British School of Osteopathy. This enables all staff and volunteers at Centrepont to book osteopathy appointments.

Payroll Giving

We offer all employees access to a payroll giving scheme via the Charities Aid Foundation (CAF), allowing them to support any charity of their choice.

Pension

We want our employees to make the most of the pension we offer them. Created in conjunction with our financial advisers, Second Sight, it's packed with videos, downloads and useful links. It can be used to enhance the economic wellbeing of our employees as it covers:

- Automatic enrolment and what this means for our employees
- How much they'll need to contribute to your pension
- Who runs our pension scheme
- What pension freedom is and what the options are
- Where employees can get financial advice to help plan for retirement
- What salary sacrifice is and how to use it to make contributions into a pension
- How Life Assurance cover could help provide financial support to your loved ones

Perkz

Perkz is an online discount scheme open to all staff in Centrepont. It provides discounts to over 80 leading retailers. Discounts can be accessed by visiting the Perkz website.

Refer a Friend

The HR team are launching a new staff benefit to

encourage staff to refer their friends to our vacancies. The employee refers their friend to apply for a vacancy, and if their friend is successful following the interview and passes their 6-month probation, the employee receives £150.

Travel Loan

We offer a travel loan to those using trains/buses to travel to and from work. We pay the gross amount upfront and deduct manageable amounts from wages for the year to reclaim the money.

Wellbeing

The mental, emotional, social, financial and physical wellbeing of our employees is essential to us, as we believe that happy, well and engaged people are a force for good, not only for us as an employer providing meaningful work, but for our young people and into the broader community.

For example, in our last Employee Survey reviewing April 2020-March 2021, we found that 90% of our employees feel supported in their wellbeing by their line manager, 66% think that it is safe to speak up and challenge the way things are done at Centrepont and 85% of employees feel that Centrepont is dedicated to diversity and inclusion.

Other indicators of our employee wellbeing are that 42% of staff have registered for the Employee Assistance Programme, and 43% are active users. 93% of cases were for EAP counselling cases, and 7% were for work-life cases. Usage is 6% lower than last year.

The overall sickness absence in London Housing

and Support has increased from 4.43% (2019-20) to 7.36% (2020-21). However, 4.12% of this was COVID-19 related sickness (2020-21); if we remove COVID-19 related sickness, sickness absence is 3.24%, lower than last year.

Mental health-related sickness, classified as anxiety, depression, low mood and stress-related absence, has decreased from 7.68% (2019-20) to 2.89% (2020-21). The more work we do around wellbeing, inclusion, culture, leadership and management capability, the more we foresee people taking time off that they need, as it is not just acceptable to do so but actively encouraged.

Psychologically Informed Environment (PIE)

We have endeavoured to make Centrepont a Psychologically Informed Environment (PIE). We do this as we believe that it is our responsibility to do so and because it is the right thing to do. Our objectives are to:

- Work more collaboratively and reflectively across the whole organisation.
- Use evidence-based psychological principles to inform our approach.
- Use psychological 'tools' to help us work with our young people even more effectively, including understanding the impact of early experiences and attachment on later behaviours.
- Enhance our relationship with young people, evidenced by increased engagement and better outcomes, such as fewer evictions.
- Meet the individual needs of our young people, providing psychological safety and security and rebuilding previously damaged attachment relationships.

- Attend regular reflective practice, empowering our employees to work more effectively and efficiently as a team, enabling us to deal with the daily challenges in our roles and increase personal resilience.
- Ensure that personal development is officially recognised.
- Consider the impact of the physical environment of our services.

We offer all staff in the organisation a specific one-off **PIE Training session** and the opportunity to continue to build PIE skills and knowledge through the further development of the existing Centrepoin Training Programme.

The staff has been offered monthly **Reflective Practice (RP)** from Centrepoin's appointed Clinical psychologist(s) adjunct to existing team meetings to embed PIE learning and provide opportunities to develop their reflective practitioner abilities in the longer term.

When we review ongoing property maintenance, we ensure that any building or maintenance projects are PIE informed and adhere to **PIE physical environment principles**. In addition, staff and young people 'coproduce' suggested changes to the physical environment of our services via an ideas application process that utilises both existing PIE funds and potential future fundraising opportunities.

We will **evaluate PIE** in conjunction with the University of Southampton, considering objective and subjective outcome measures from staff and young people. Data is collected via surveys over baseline, 1, 3 and 5 year follow up periods.



FUTURE PEOPLE PLANS

As a result of the Employee Opinion Survey, we are building an employee-informed and driven 'people' focused culture through important work related to our People Strategy, which will be delivered through 2021-23. This will comprise of six pillars, including a new performance capability framework, leadership programmes for all employees, a range of activities related to employee wellbeing and inclusion, as well as improvements to processes making them more fair and transparent for all of our employees.





ACHIEVEMENTS SO FAR

Over the last year, we have started implementing wellbeing, engagement, and people initiatives to improve our employees' experience working within Centrepoint. As a result, we have seen some exciting achievements:

- **We are facilitating culture workshops** with senior leaders from all directorates to identify current culture behaviours and ambitions across the organisation, producing data to allow ambitious values and culture change to work.
- **A bespoke leadership programme has been commissioned** for new and aspiring managers, and development is underway.
- **Created a competency framework** to help us enhance employees' professional development.
- **Created a Wellbeing Working Group**, which provides fortnightly staff wellbeing updates to raise awareness and introduce the loneliness combating Time to talk, where employees can take a break from their working day to have a chat in a safe space.
- **Created a BAME working group** to inform our approach and provide a dialogue on inclusion issues experienced in society, which may be reflected or felt within Centrepoint.
- **We have asked employees what they want and need** as we appreciate everyone's differences and know that some of them will want to return to the office daily, while others may want to pop in once a week or less.
- **Introduced bereavement awareness training**, launched SafeCall, our whistleblowing hotline, and introduced lone working devices.
- **Launched our wellbeing and gratitude initiative** to say a huge thank you to our people all for working tirelessly throughout the pandemic by giving them a gift of their choosing.
- **Introduction of an internal communications function** and the commencement of our Sharepoint Intranet, which we hope will go live by September 2021, which employees were asked to give their feedback on.

The impact of the People Strategy and its effect on our people, their wellbeing, engagement and experience within Centrepoint will be reviewed over the next year and continue to be examined into future years by speaking to our people, collecting survey data and looking at corresponding business metrics.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Centrepoint for the purposes of company law) are responsible for preparing the strategic report, annual report and financial statements in accordance with applicable law and regulations.

Company law and social housing legislation require the trustees to prepare financial statements for each financial year in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give an accurate and fair view of the state of affairs of the group and charity and of net income or net expenditure of the group and charity for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and charity's transactions and disclose, with reasonable accuracy and at any time, the financial position of the group and charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that the trustees' report is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2018.

Financial statements are published on the group's website in accordance with the legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

EMPLOYMENT

At all levels, we are committed to the elimination of all forms of discrimination. We promote equality and fulfil our duties as a registered provider and charity, particularly concerning equality and diversity legislation.

Centrepont is an equal opportunities employer. All recruitment and selection decisions will be based on the relevant skills, knowledge and experience. At all stages of the process, it is essential to avoid judgements based on protected characteristics or other irrelevant factors. Selection for all roles must be based on merit, against objective criteria that avoid discrimination. Our policy and practices reflect all relevant UK legislation, ensuring that we continue to comply with future legislative changes. This policy promotes and supports good practice for those responsible for recruitment, applying fair and consistent procedures that are non-discriminatory and avoiding unconscious bias. We are a Disability Confident Employer (registered with the Disability Confident scheme). We are fully committed to supporting people with disabilities to work with us, including providing equal employment, training and promotion. Our policy includes making reasonable adjustments and the support required and providing development and training initiatives that ensure that all employees and volunteers are safe and effective in their roles so that they can maximise their contribution to the business and their ongoing personal development in relation to the position they are employed to deliver.

In 2020, Centrepont launched its new People Strategy. A key pillar is a renewed commitment to creating a workplace in which wellbeing and inclusion are paramount. Our inclusion strategy will build on the positive steps Centrepont has already put in place to ensure a diverse and inclusive working environment for all.

Staff also have direct access to the senior executive team regularly. These visits allow both staff and the team to share information and seek views on all issues. They complement other forms of internal communication, including On Point (our internal staff newsletter), and provide staff with an opportunity to consult on issues of direct relevance to them.



DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Trustees are aware:

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

Further information about getting help, the issue of youth homelessness, the solution and getting involved can be found on our website www.centrepoin.org.uk.

The Trustees' Report, prepared under the Charities Act 2011, which also contains all information required in a Trustees' Report by the Companies Act 2006, and the incorporated Strategic Report, prepared under the Companies Act 2006, were approved by the Board, as Trustees and Directors, on 4 August 2021 and signed on its behalf by:

Symon Elliott,
Chair

Seyi Obakin,
Secretary



INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF CENTREPOINT SOHO

OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- **give an accurate and fair view** of the state of the Group's and the company's affairs as of 31 March 2021 and of the Group's and the company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- **have been adequately prepared** by the United Kingdom Generally Accepted Accounting Practice; and
- **have been appropriately prepared** in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

We have audited the financial statements of Centrepont Soho (the company) and its subsidiaries (the Group) for the year ended 31 March 2021, which comprise the consolidated statement of financial activities (incorporating an income and expenditure account), the consolidated and company statement of financial position, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and Parent Company according to the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATED TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern for 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 concerns are described in the relevant sections of this report.

OTHER INFORMATION

The Trustees are responsible for the other information. Other information comprises the information included in the Trustees' Report (incorporating the strategic report), other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the additional information. We do not express any form of assurance conclusion after. Our responsibility is to read the other information and, in doing so, consider whether the additional 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 we conclude that there is a material misstatement of this other information based on the work we have performed, we must report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the strategic report) has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the audit, we have not identified material misstatements in the Trustees' Report (incorporating the strategic report).

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

- adequate accounting records have not been kept by the parent Company or return adequately for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give an accurate and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect there under.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance. Still, it 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 based on these financial statements.

The extent to which the audit was capable of detecting irregularities, including fraud are instances of non-compliance with laws and regulations. Accordingly, we design procedures in line with our responsibilities outlined above to detect material misstatements regarding irregularities, including fraud. The extent to which our operations are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to their registration with the Regulator of Social Housing, the Charities Commission and Companies House, and we considered the extent to which non-compliance might have a material effect on the Financial Statements or their continued operation. We also considered those laws and regulations that directly impact the financial statements, such as compliance with tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting

inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to the enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

The audit procedures to address the risks identified included:

- We understood how the company is complying with the legal and regulatory frameworks most significant to the company by enquiring to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by discussing with management where it is considered there was a susceptibility of fraud relating to management override of controls and improper income recognition. In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of specific manual journals and tested the application of cut-off and revenue recognition;
- Reviewed and challenged the application of significant accounting estimates and judgements made in the preparation of the financial statements;
- Discussed with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Read minutes of meetings of those charged with governance and reviewed correspondence with HMRC and regulators.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collaboration.

Nevertheless, there are inherent limitations in the audit procedures performed. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

USE OF OUR REPORT

This report is made solely to the company members, as a body, in accordance with the Housing and Regeneration Act 2008 and Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken to state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the members as a body for our audit work, this report, or the opinions we have formed.

**Laurence Elliott,
Senior Statutory Auditor**

For and on behalf of BDO LLP, statutory auditor
2 City Place
Beehive Ring Road Gatwick
RH6 0PA

30 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted General £'000	Unrestricted Designated £'000	Restricted & Endowment £'000	Total 2021 £'000	Total 2020 £'000
Income from						
Donations & legacies	2a	23,832	-	2,626	26,458	23,448
Charitable activities	2b	16,675	192	54	16,921	16,359
Investment income		16	-	-	16	48
Profit on sale of fixed assets		-	-	-	-	4,218
Other	2c	590	-	37	627	306
Total income	4	41,113	192	2,717	44,022	44,379
Expenditure on						
Raising donations & legacies	2d	9,807	38	578	10,423	10,626
Raising Funds		9,807	38	578	10,423	10,626
Net income for charitable application		31,306	154	2,139	33,599	33,753
Expenditure on charitable activities						
Collaboration		226	3	2	231	156
Engagement		376	28	197	601	999
Health		656	20	687	1,363	1,220
Housing & lifeskills		20,014	1,261	416	21,691	21,589
Policy & influence		253	6	7	266	355
Prevention		1,029	24	286	1,339	1,829
Skills & employment		1,638	80	295	2,013	2,116
Total charitable expenditure	2d	24,192	1,422	1,890	27,504	28,264
Net income/(deficit)		7,114	(1,268)	249	6,095	5,489
Transfers	13	(6,204)	6,347	(143)	-	-
Net movements in funds		910	5,079	106	6,095	5,489
Reserves brought forward		3,512	19,265	3,824	26,601	21,112
Reserves carried forward	13	4,422	24,344	3,930	32,696	26,601

All of the above results relate to continuing activities. These financial statements were approved and authorised for issue by the Board of Trustees on 4 August 2021 and signed on their behalf by:

Symon Elliott, Chair Robert Kerse, Treasurer

CONSOLIDATED AND PARENT STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021 COMPANY REGISTRATION NUMBER 01929421

	Note	2021 £'000 Company	2021 £'000 Group	2020 £'000 Company	2020 £'000 Group
Fixed assets					
Intangible assets and goodwill	8a	261	261	344	344
Housing properties	8b	26,619	26,619	26,641	26,641
Depreciation and impairment on housing properties	8b	(4,538)	(4,538)	(4,485)	(4,485)
Net housing properties		22,081	22,081	22,156	22,156
Other tangible fixed assets	8b	2,096	2,096	2,174	2,174
Investments	12	24	-	24	-
		24,462	24,438	24,698	24,674
Current assets					
Debtors	9	4,732	4,713	3,655	3,638
Cash deposits		3,202	3,202	3,202	3,202
Cash at bank and in hand		19,149	19,185	13,019	13,060
		27,083	27,100	19,876	19,900
Creditors: amounts falling due within one year	10	(5,703)	(5,703)	(4,617)	(4,617)
Net current assets		21,380	21,397	15,259	15,283
Total assets less current liabilities		45,842	45,835	39,957	39,957
Creditors: amounts falling due after one year	11	(13,139)	(13,139)	(13,356)	(13,356)
Net assets		32,703	32,696	26,601	26,601
Reserves					
Restricted reserves					
Permanent endowment fund	13	172	172	172	172
Restricted reserves	13	3,758	3,758	3,652	3,652
Total restricted reserves		3,930	3,930	3,824	3,824
Unrestricted reserves					
Designated	13	24,344	24,344	19,265	19,265
General	13	4,429	4,422	3,512	3,512
Total unrestricted reserves		28,773	28,766	22,777	22,777
Total reserves		32,703	32,696	26,601	26,601

These financial statements were approved and authorised for issue by the Board of Trustees on 4 August 2021 and signed on their behalf by:

Symon Elliott, Chair Robert Kerse, Treasurer

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Net cash generated by operations	18		7,324		1,758
Interest		16		48	
Capital expenditure		(1,010)		(1,212)	
Proceeds from sale of tangible fixed assets		309		4,953	
Purchase of intangible fixed assets		(87)		(193)	
Social housing grants and other public grants received		(427)		(387)	
Cash (used in)/generated by investing activities			(1,199)		3,209
Increase in cash and cash equivalents			6,125		4,967
Cash and cash equivalents at the beginning of the year	19		16,262		11,295
Cash and cash equivalents at the end of the year	19		22,387		16,262

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered to be material in relation to the financial statements of Centrepont.

a. Basis of accounting

The financial statements have been prepared under the historical cost convention. In accordance with UK General Accepted Accounting Practice (FRS102), the Statement of Recommended Practice Accounting for Registered Social Housing Providers 2018 (Housing SORP), the Accounting Direction for Private Registered Providers of Social Housing 2019 and Accounting and Reporting by Charities: Statement of Recommended Practice 2019 (Charities SORP). Centrepont is a public benefit entity.

Centrepont is both a registered charity and a registered social landlord and sees these areas represented significantly in its activities. In particular, it receives a large amount of charitable income and incurs expenditure to do this. As a leading UK charity, the Trustees have prepared these financial statements to comply with applicable accounting standards and reflect its purpose.

To ensure compliance with the Housing SORP, in addition to the inclusion of a Statement of Financial Activities, a separate Statement of Comprehensive Income and Statement of Changes in Funds have been presented in notes 24 and 25. Furthermore, the Statement of Financial Activities and related notes have been configured to separate the performance of housing and non-housing activities.

Centrepont is a company incorporated in England and Wales and has taken

advantage of section 408 of the Companies Act 2006 and has not included its own SOFA (Profit and Loss Account) in these financial statements. As a result, the parent company's surplus for the year was £6.1m million (2020 £5.5 million).

The financial statements are presented in Sterling (£) and rounded to the nearest whole £1,000, except where otherwise indicated.

The Board reviewed Centrepont's forecasts for 31 August 2023 and the long term financial plan for the five year period to 31 March 2026. It was assured that these plans were affordable and that the financial statements should be prepared on a going concern basis.

However, the impact of the COVID-19 outbreak and its economic effect has meant that the senior executive team (SET) and Board have reviewed financial plans for the next 12 months and the long-term financial plan to ensure Centrepont can remain a going concern. Centrepont has modelled several scenarios based on current estimates of donations. The Board will continue to review plans with SET to make the necessary changes to continue to work with our stakeholders to deliver exceptional services in a friendly, solution-focused way.

The length of the COVID-19 outbreak and the measures taken by the Government to contain this are not known and are outside of our control. Still, we have put processes in place to manage the cash flow regularly and review financial stability as matters progress.

Based on forecasts, given the strength of the statement of financial position and availability and liquidity of cash and deposits, the Board are assured that,

1. ACCOUNTING POLICIES CONTINUED

while uncertainty exists, this does not pose a material uncertainty that would cast doubt on Centrepoin't's ability to continue as a going concern. The Board, therefore, consider it appropriate for the financial statements to be prepared on a going concern basis.

b. Income

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is probable and when there is a reasonable probability of receipt. The specific bases used are as follows:

- Income from charitable activities, including income from long-term contracts, is accounted for when earned. Income received in advance is deferred until entitlement to the income has arisen.
- Donated goods, services or facilities are brought into the financial statements at their estimated fair value. Where pro bono services are received and are material, the value of those services, as estimated by the directors, is included as income and expenditure.
- Donations, gifts, legacies and general grants receivable, which do not relate to specific charitable activities, are categorised as donations and legacies.
- Rental income is accounted for on a receivable basis, net of voids.
- Grants are recognised when the entitlement to the grant is achieved. For example, grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the various activities in furtherance of the charity's objectives in the year they are received. Grants received specifically for goods and services to be provided as part of charitable activities are recorded against the activity they relate to. Where entitlement is not conditional on delivering a specific performance by the charity, the grant is recognised when the charity becomes unconditionally entitled to it.
- Government grants under the coronavirus job retention scheme have been received in the year, which relates to eligible staff costs. This grant income has been presented in unrestricted income to match the unrestricted staff

costs the grant income was provided to support. An analysis of the income received is shown in note 2.

- The financial statements reflect no amounts in respect of time provided by volunteers.
- Legacies are recognised as income when there is an entitlement, probability of receipt and measurability of the legacy.
- Investment income is accounted for on a receivable basis.

c. Basis of consolidation

- The consolidated financial statements incorporate those of the charity and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. Thus, all financial statements are made up to 31 March 2021.
- All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

d. Adoption of FRS 102

- Reduced disclosures: In accordance with FRS 102, Centrepoin't has taken advantage of the exemptions from the following disclosure requirements in its individual financial statements: Section 7 Statement of Cash Flows – Presentation of a Statement of Cash Flows and related notes and disclosures and Section 11 Basic Financial Instruments and Section 12 Other Financial Instrument Issues – carrying amounts and Section 6 Statement of Changes in Equity.

1. ACCOUNTING POLICIES CONTINUED

e. Expenditure

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Charitable expenditure comprises direct expenditure, including direct staff costs attributable to its activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources;
- Raising funds comprise the costs associated with attracting voluntary income;
- Governance costs comprise those incurred as a result of constitutional and statutory requirements; and

Support costs represent centrally incurred costs, principally relating to Finance, Information and Communication Technology, Human Resources, Compliance, Information and Management, which cannot be attributed to specific activities but provide the organisational infrastructure that enables those activities to take place. Support costs are allocated per capita based on the number of people employed within an activity.

f. Fund accounting

- General reserves are available for use at the Trustees' discretion in furtherance of the general objectives of Centrepont.
- Designated reserves are funds that have been set aside at the discretion of the Trustees for specific purposes. The purpose and use of the designated funds are set out in note 13.
- Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.
- Endowment funds are capital funds that must be preserved, but the income can be spent. The income is added to restricted funds at the request of the donor.

g. VAT

All income and expenditure are shown exclusive of VAT. However, any irrecoverable VAT is included as part of the general expenditure.

h. Taxation

Centrepont is a registered charity and is, therefore, exempt from taxation of income and gains falling within Sections 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent these are charitably applied. Accordingly, no tax charge has arisen in the year.

i. Operating leases

Payments made under operating leases are charged to the statement of financial activities as incurred.

j. Fixed asset investments

Fixed asset investments comprise investments in subsidiary undertakings and are recorded at cost less provision for any impairment.

k. Intangible fixed assets

Intangible fixed assets include software licences and are capitalised and written-off evenly over the duration of the licence.

Goodwill is capitalised and written off evenly over ten years as in the opinion of the Trustees; this represents the period over which the goodwill is expected to give rise to economic benefits.

l. Tangible fixed assets – housing properties

Housing properties are properties for the provision of social housing and are principally properties available for rent.

1. ACCOUNTING POLICIES CONTINUED

Hostel and housing properties are stated at cost less provision for any impairment in value. As a result of the introduction of component accounting in the RSL SORP 2018, components of properties are recorded at cost and depreciated over their estimated useful life.

The components of housing property and their estimated useful lives are:

Component	Estimated useful life in years
Land	Not depreciated
Structure	100
Kitchens	15
Bathrooms	15
Central heating systems	30
Boilers	10
Lifts	30
Roofs	60
Windows	30
Doors	20
Electrical wiring	30

- Housing properties under the course of construction are recorded at cost less provision for impairment in value and are not depreciated until they are brought into use.

Leasehold properties are stated at cost and depreciated evenly over the length of the lease, or useful life, if shorter.

Other fixed assets are stated at cost and depreciated on a straight-line basis, as follows:

Asset	Estimated useful life in years
Vehicles	5
Equipment	3
Furniture	4

- Other properties include the Sunderland Foyle Street office and Bradford Foyer Training Centre, which are depreciated over the length of the lease of the buildings.
- Where social housing grants have funded hostel and housing properties, the contribution is repayable on disposal, unless it is recycled in accordance with applicable Homes England (formerly the Homes and Communities Agency) rules.
- The surplus or deficit on disposal of fixed assets is accounted for in the SOFA of the period in which the disposal occurs as the difference between the net sale proceeds and the net carrying value.

m. Capitalisation of development overheads

Directly attributable development administration costs are capitalised. These include the staffing costs of employees arising from the acquisition or construction of the property and the incremental costs that would have been avoided if the property had not been acquired or constructed.

n. Impairments of fixed assets

An assessment is made at each reporting date, at the scheme level, of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially been reversed. If such indications exist, Centrepoint estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the SOFA.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income and expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

1. ACCOUNTING POLICIES CONTINUED

o. Cyclical maintenance

Cyclical maintenance is carried out as required and charged to the SOFA in the year it is carried out.

p. Managed properties

All income and expenditure incurred by Centrepont relating to services where the properties are owned by partner associations and managed by Centrepont have been accounted for in these financial statements.

q. Pension costs

Centrepont has a defined contribution pension scheme. Accordingly, the amount charged to the SOFA regarding pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

r. Current asset investments

Cash deposits

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

Cash at bank and in hand

This is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments.

s. Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the donations will be accepted. Government grants received for

housing properties are recognised in income over the useful economic life of the asset structure and, where applicable, the individual components of the structure (excluding land) under the accruals model.

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred once reasonable assurance has been gained that Centrepont will comply with the conditions and the funds will be received.

t. Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when Centrepont becomes a party to the contractual provisions of the instrument and are offset only when Centrepont currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

u. Employee benefits

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when Centrepont is demonstrably committed to terminate an employee's employment or to provide termination benefits.

v. Critical accounting estimates, assumptions and areas of judgement

The key assumptions relate to the valuable lives of social housing assets and components included in note 1(l) and note 8 (b) and the bad debt provision, set out in note 9, under tangible fixed assets and debtors. We undertake impairment reviews across our supported housing portfolio at each reporting date to ascertain whether an indicator of impairment exists. If such an indicator

1. ACCOUNTING POLICIES CONTINUED

exists, we carry out an impairment assessment and estimate the asset's recoverable amount or cash-generating unit (CGU). The carrying amount is compared to the recoverable amount to determine any impairment loss.

Critical judgements that Centrepont has made which have a significant impact on the accounts include legacy income (see (b)(1) above and note two below). The trustees do not consider any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



2. ANALYSIS OF INCOME

a. Analysis of donations and legacies

	2021 £'000	2020 £'000
Individual giving	16,860	12,739
Legacy and in memoriam	1,004	1,172
Corporate donations (including Regional and EYH)	5,421	5,882
Statutory and trust donations	1,473	796
Major donors	1,038	581
Other donations and gifts	662	2,278
Total	26,458	23,448

b. Analysis of income from charitable activities

	Rent and charges £'000	Supported housing grant £'000	Other grants and contracts £'000	Total £'000
2021				
Collaboration	-	-	-	-
Health	-	-	-	-
Housing & lifeskills	7,332	8,415	379	16,126
Prevention	-	-	545	545
Skills & employment	-	-	250	250
Total	7,332	8,415	1,174	16,921
2020				
Collaboration	-	-	-	-
Health	-	-	36	36
Housing & lifeskills	6,572	8,202	265	15,039
Prevention	-	-	915	915
Skills & employment	-	-	369	369
Total	6,572	8,202	1,585	16,359

c. Analysis of other income

	2021 £'000	2020 £'000
Surplus on disposal of fixed assets	-	4,218
Other income	161	306
Coronavirus job retention scheme	466	-
Total	627	4,524

d. Analysis of expenditure

	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total £'000
2021				
Charitable expenditure				
Collaboration	90	105	36	231
Engagement	389	141	71	601
Health	1,002	177	184	1,363
Housing & lifeskills	11,495	8,067	2,129	21,691
Policy & influence	107	62	97	266
Prevention	802	232	305	1,339
Skills & employment	1,191	461	361	2,013
Total direct charitable expenditure	15,076	9,245	3,183	27,504
Raising donations & legacies	2,727	7,232	464	10,423
Total expenditure	17,803	16,477	3,647	37,927
2020				
Charitable expenditure				
Collaboration	86	37	33	156
Engagement	476	457	66	999
Health	859	195	166	1,220
Housing & lifeskills	9,987	9,617	1,985	21,589
Policy & influence	131	135	89	355
Prevention	1,071	473	285	1,829
Skills & employment	1,230	546	340	2,116
Total direct charitable expenditure	13,840	11,460	2,964	28,264
Raising donations & legacies	2,587	7,610	429	10,626
Total expenditure	16,427	19,070	3,393	38,890

3. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

Governance costs are included within the support costs above.

	Finance £'000	ICT £'000	Human Resources £'000	Management £'000	Governance £'000	Total £'000
2021						
Collaboration	12	13	4	3	4	36
Engagement	22	26	9	6	8	71
Health	62	70	25	15	12	184
Housing & lifeskills	748	803	282	179	117	2,129
Policy & influence	36	37	13	8	3	97
Prevention	108	116	40	26	15	305
Raising funds	171	177	62	39	15	464
Skills & employment	127	137	47	31	19	361
Total	1,286	1,379	482	307	193	3,647
2020						
Collaboration	11	12	5	3	2	33
Engagement	21	24	9	7	4	65
Health	55	63	24	18	7	167
Housing & lifeskills	628	735	275	205	142	1,985
Policy & influence	30	34	13	10	2	89
Prevention	94	107	40	30	15	286
Raising funds	141	161	60	45	22	429
Skills & employment	111	127	47	35	20	340
Total	1,091	1,263	473	353	214	3,394

4. PARTICULARS OF TURNOVER AND SOCIAL HOUSING ACTIVITIES

Group	2021 Turnover £'000	2021 Operating cost £'000	2021 Surplus / (deficit) £'000	2020 Turnover £'000	2020 Operating cost £'000	2020 Surplus / (deficit) £'000
Social housing lettings						
Gross rental income	7,332	(9,781)	(2,449)	6,572	(9,232)	(2,660)
Supported housing grant	8,415	(11,226)	(2,811)	8,202	(11,777)	(3,575)
Other grants and contracts	379	(506)	(127)	265	(372)	(107)
	16,126	(21,513)	(5,387)	15,039	(21,381)	(6,342)
Non-Social housing activities						
Collaboration	-	(231)	(231)	-	(156)	(156)
Engagement	-	(601)	(601)	-	(999)	(999)
Health	-	(1,363)	(1,363)	36	(1,220)	(1,184)
Lifeskills	-	(178)	(178)	-	(208)	(208)
Policy & influence	-	(266)	(266)	-	(355)	(355)
Prevention	545	(1,339)	(794)	915	(1,829)	(914)
Raising funds	26,458	(10,423)	16,035	23,448	(10,626)	12,822
Skills & employment	250	(2,013)	(1,763)	369	(2,116)	(1,747)
Other	627	-	627	4,524	-	4,524
Investment income	16	-	16	48	-	48
	44,022	(37,927)	6,095	44,379	(38,890)	5,489
			2021 £'000			2020 £'000
Social housing income						
Rental income net of identifiable service charges			5,235			4,134
Service charges			2,831			3,163
Gross rental income			8,066			7,297
Rental losses from voids			(734)			(725)
			7,332			6,572
Statutory grants			8,794			8,467
			16,126			15,039
Social housing expenditure						
Services			20,758			20,431
Management			116			142
Routine maintenance			627			451
Planned maintenance			59			13
Bad debts			158			89
Impairment			(205)			255
Operating cost on social housing lettings			21,513			21,381
Operating deficit on social housing lettings			(5,387)			(6,342)

5. GRANTS AND CONTRACTS

	2021 £'000	2020 £'000
Supported housing grant	8,415	8,202
Skills and employment contracts	250	369
Other	924	1,215
	9,589	9,786

6. EMPLOYEE INFORMATION

a. Staff numbers

The average full-time equivalent number of persons (including executives) employed and calculated per week during the year was:

Group	2021 Number	2020 Number
Collaboration	3	4
Engagement	6	13
Health	23	22
Housing & lifeskills	296	260
Policy & influence	6	6
Prevention	20	24
Raising donations and legacies	51	48
Skills & employment	39	40
Business support	68	61
	512	478

The average number of persons (including executives) employed during the year was:

Group	2021 Number	2020 Number
Collaboration	3	4
Engagement	6	13
Health	25	25
Housing & lifeskills	372	279
Policy & influence	8	6
Prevention	20	27
Raising donations and legacies	55	52
Skills & employment	42	42
Business support	74	64
	605	512

b. Staff costs

Group	2021 £'000	2020 £'000
Wages and salaries	16,720	15,108
Social security costs	1,591	1,422
Pension costs	615	599
Redundancy costs	110	82
	19,036	17,211
Agency staff & concierge	1,892	2,215
	20,928	19,426

6. EMPLOYEE INFORMATION (CONTINUED)

c. Emoluments of directors and employees

The number of employees, including the Chief Executive, whose emoluments as defined for taxation purposes exceeded £60,000 was as follows:

	2021 Number	2020 Number
£60,001 - £70,000	12	6
£70,001 - £80,000	3	3
£80,001 - £90,000	2	3
£90,001 - £100,000	2	-
£100,001 - £110,000	-	1
£120,001 - £130,000	-	1
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1

- During the year, pension contributions on behalf of these staff amounted to approximately £109k (2020: £106k).
- The remuneration (including pension contributions and benefits paid in kind) paid to the CEO and senior executive team during the year was £733k (2020: £772k).
- The Chief Executive is entitled to ordinary membership of the defined contribution pension scheme operated by the company. No special terms or individual pension arrangements apply to this post. The remuneration paid to the CEO was £146,631 (2020: £153,560).
- No members of the Board received any emolument for their services as Trustees, but were reimbursed for expenses which were necessarily incurred in the performance of their duties.
- Expenses amounting to £1,542 (2020: £4,436) for catering costs and stationery and supplies were incurred by all 13 of the Trustees.

7. SURPLUS FOR THE YEAR

The surplus for the year is stated after charging:

	2021 £'000	2020 £'000
Audit fee (gross)	50	50
Depreciation	761	872
Impairment	(205)	255
Operating leases - office equipment	30	121
Operating leases - other	675	662
Amortisation of intangible assets	170	135
Net (loss)/profit on disposal of fixed assets	(283)	2,919
Foreign change (loss)/gain	(38)	18

8. FIXED ASSETS

a. Intangible fixed assets

Group and company	IT Software £'000	Goodwill £'000	Total £'000
Cost			
At 1 April 2020	875	81	956
Addition of assets	87	-	87
At 31 March 2021	962	81	1,043
Amortisation and impairment			
At 1 April 2020	(576)	(36)	(612)
Amortisation	(125)	(45)	(170)
At 31 March 2021	(701)	(81)	(782)
Carrying amount			
At 31 March 2021	261	-	261
At 31 March 2020	299	45	344

8. FIXED ASSETS (CONTINUED)

b. Tangible fixed assets

Group and company	Hostels & housing properties for letting				Assets under course of construction £'000	Total £'000	Other properties £'000	Vehicles equipment & furniture £'000	Total £'000
	Freehold £'000	Long leasehold £'000	Short leasehold £'000						
Cost									
At 1 April 2020	7,923	16,125	2,339	254	26,641	2,410	2,405	31,456	
Additions	47	106	-	542	695	-	315	1,010	
Transfers	170	3	-	(175)	(2)	-	2	-	
Disposals	(95)	(544)	(76)	-	(715)	-	(12)	(727)	
At 31 March 2021	8,045	15,690	2,263	621	26,619	2,410	2,710	31,739	
Depreciation and impairment									
At 1 April 2020	(1,398)	(1,987)	(1,100)	-	(4,485)	(862)	(1,779)	(7,126)	
Charge for year	(65)	(219)	(91)	-	(375)	(52)	(334)	(761)	
Disposals	4	57	56	-	117	-	3	120	
Reversal of past impairment	-	205	-	-	205	-	-	205	
At 31 March 2021	(1,459)	(1,944)	(1,135)	-	(4,538)	(914)	(2,110)	(7,562)	
Net book value									
At 31 March 2021	6,586	13,746	1,128	621	22,081	1,496	600	24,177	
At 31 March 2020	6,525	14,138	1,239	254	22,156	1,548	626	24,330	

Included above for the year is £205,000 in relation to the reversal of a past impairment of hostels and housing properties for letting.

9. DEBTORS

Group	2021 £'000	2020 £'000
Residents occupancy	1,350	1,193
Less provision for bad debts	(995)	(950)
	355	243
Accrued income	2,303	1,625
Trade debtors	1,673	1,396
Other debtors	17	24
Prepayments	365	350
	4,713	3,638

Included in the above financial assets are financial instruments measured at amortised cost of £4.2m (2020: £2.9m).

Centrepoint has been notified of further legacies amounting to £495,000 (2020: £65,000), which have not been recognised as income at 31 March 2021 because the conditions of the accounting policy for legacies have not been met.

When these conditions are met, these amounts will be included in future years.

Company	2021 £'000	2020 £'000
Residents occupancy	1,350	1,193
Less provision for bad debts	(995)	(950)
	355	243
Accrued income	2,303	1,625
Trade debtors	1,673	1,396
CP Trading Limited	3	2
The American Friends of Centrepoint	16	15
Other debtors	17	24
Prepayments	365	350
	4,732	3,655

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	2021 £'000	2020 £'000
Trade creditors	831	1,149
Other taxes and social security costs	391	374
Accruals and deferred income	2,659	1,317
Deferred capital grants	178	183
Recycled capital grants	64	448
Other creditors	1,580	1,146
	5,703	4,617

The above includes outstanding pension contributions of £98k (2020: £100k).

Included in above financial liabilities are financial instruments measured at amortised cost of £5.1m (2020: £4.1m).

Company	2021 £'000	2020 £'000
Trade creditors	831	1,149
Other taxes and social security costs	391	374
Accruals and deferred income	2,659	1,317
Deferred capital grants	178	183
Recycled capital grants	64	448
Other creditors	1,580	1,146
	5,703	4,617

The above includes outstanding pension contributions of £98k (2020: £100k).

Recycled Capital Grant Fund Group and Company	2021 £'000	2020 £'000
As at 1 April	1,475	954
Capital grant released on sale	391	963
Recycled grant repaid	(448)	(442)
As at 31 March	1,418	1,475
Due within one year	64	448
Due after more than one year	1,354	1,027
	1,418	1,475

The amount of the recycled capital grant fund which is over three years old and repayable is £63,000 (2019-20 £448,000).

11. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

Group and Company	2021	2020
	£'000	£'000
Deferred Capital Social Housing Grant greater than one year	11,785	12,329
Recycled Social Housing Grant greater than one year	1,354	1,027
	13,139	13,356

12. SUBSIDIARIES

Centrepont had two wholly-owned subsidiary undertakings during 2020-21. CP Trading Limited is incorporated in England and Wales. The principal activity is the organisation of fundraising events and activities. The American Friends of Centrepont is registered in the United States of America. Its principal activity is to fundraise on behalf of Centrepont.

All subsidiaries are wholly owned by Centrepont. Cost of investment in subsidiaries is £24k (2020: £24k).

The only material transactions between Centrepont and its subsidiaries, which are not registered providers of social housing, are gift aid and are shown below.

a. CP Trading Limited

	2021	2020
	£'000	£'000
Income	-	2
Expenditure	(1)	(3)
Operating loss	(1)	(1)
Retained loss	(1)	(1)
Assets	26	26
Liabilities	(3)	(2)
Funds	23	24

b. The American Friends of Centrepont

	2021	2020
	£'000	£'000
Income	1	2
Expenditure	(7)	(6)
Operating loss	(6)	(4)
Retained loss	(6)	(4)
Assets	10	15
Liabilities	(16)	(15)
Deficit	(6)	-



13. STATEMENT OF FUNDS

Our designated funds represent

- **New housing property:** the purchase of new housing stock to enable young people to move from supported hostel accommodation to independent living. This fund will be spent over the next five years.
- **COVID-19:** funds set aside to cover additional costs for keeping services open for homeless young people.
- **Fixed assets:** the properties where young people live and other fixed assets, such as training centres, vehicles, equipment and furniture.

The following designations have been set up as part of the strategy to 2026.

- **Optimise** the way we work to build the optimum capacity needed to deliver our strategy. This includes investing in our people, the new ways of working post-Covid, new fundraising innovation, and digital capacity.
- **Prevent** those young people who become homeless by delivering exemplary and innovative services that lead to a home and a job. This includes investing in young people's homes and supporting young people in education and work in a post-pandemic world.
- **Support** those young people who become homeless by delivering exemplary and innovative services that lead to a home and a job. This includes investing in young people's homes and supporting young people into education and work in a post-pandemic world.
- **Amplify** the voices of homeless young people, promoting solutions that break the youth homelessness cycle so that they can be undertaken at scale. This includes investing in campaigning, influencing and orchestrating others to give a national voice to every young person at risk of homelessness.

Our restricted funds represent

- **Collaboration:** assisting our work with other providers and local authorities.
- **Engagement:** giving marginalised young people ways to return to formal learning environments.
- **Health:** supporting young people to improve their mental and physical health, removing barriers to achieving a home and a job.
- **Housing & lifeskills:** giving homeless young people aged 16-25 a safe place to stay and support them into independence. Helping young people develop the skills and confidence that they need to live independently.
- **Policy & influencing:** at a local and national level regarding issues that matter to homeless young people.
- **Prevention:** providing free advice, information and support for young people aged 16-25 who are experiencing homelessness or at risk of homelessness.
- **Skills and employment:** supporting homeless young people aged 16-25 to achieve education, qualifications, training and employment.
- **Raising donations & legacies:** for End Youth Homelessness, the national fundraising partnership and other fundraising activities.

Transfers between funds primarily represent fixed assets purchased from restricted funds where the acquisition of the fixed assets has discharged the restriction, and the assets are transferred to unrestricted funds. In addition, it represents new designated funds created by the Trustees. This relates to £6.55 million to fund aspects of the new strategy to end youth homelessness in the year.

13.STATEMENT OF FUNDS (CONTINUED)

	1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2021 £'000
Unrestricted reserves					
Designated funds					
Housing property	8,078	-	-	-	8,078
COVID-19	500	-	(500)	-	-
Prevent	-	-	-	750	750
Support	-	-	-	3,150	3,150
Amplify	-	-	-	750	750
Optimise	-	-	-	1,554	1,554
Fixed assets	10,687	192	(960)	143	10,062
Total designated funds	19,265	192	(1,460)	6,347	24,344
General reserves	3,512	41,113	(33,999)	(6,204)	4,422
Total unrestricted reserves	22,777	41,305	(35,459)	143	28,766
Restricted reserves					
Collaboration	19	21	(2)	-	38
Engagement	176	121	(197)	-	100
Health	544	513	(687)	-	370
Housing & lifeskills	1,104	814	(416)	(143)	1,359
Skills & employment	675	209	(295)	-	589
Policy & influence	(2)	7	(7)	-	(2)
Prevention	77	270	(286)	-	61
Raising donations & legacies	1,059	762	(578)	-	1,243
Total restricted charitable donations and grants	3,652	2,717	(2,468)	(143)	3,758
Restricted endowment	172	-	-	-	172
Total restricted reserves	3,824	2,717	(2,468)	(143)	3,930
Total funds	26,601	44,022	(37,927)	-	32,696

13. STATEMENT OF FUNDS (CONTINUED)

	1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2020 £'000
Unrestricted reserves					
Designated funds					
Housing property	2,974	4,218	-	886	8,078
COVID-19	-	-	-	500	500
50th Anniversary	90	-	(90)	-	-
Fixed assets	12,000	-	(1,262)	(51)	10,687
Total designated funds	15,064	4,218	(1,352)	1335	19,265
General reserves	3,137	37,022	(35,637)	(1,010)	3,512
Total unrestricted reserves	18,201	41,240	(36,989)	325	22,777
Restricted reserves					
Collaboration	-	29	(10)	-	19
Engagement	74	253	(151)	-	176
Health	434	513	(403)	-	544
Housing & lifeskills	583	953	(107)	(325)	1,104
Skills & employment	467	243	(35)	-	675
Policy & influence	-	-	(2)	-	(2)
Prevention	440	92	(455)	-	77
Raising donations & legacies	741	1,056	(738)	-	1,059
Total restricted charitable donations and grants	2,739	3,139	(1,901)	(325)	3,652
Restricted endowment	172	-	-	-	172
Total restricted reserves	2,911	3,139	(1,901)	(325)	3,824
Total funds	21,112	44,379	(38,890)	-	26,601

Included in the restricted raising donations and legacies noted above is End Youth Homelessness (EYH). EYH is a restricted fundraising campaign within Centrepont that enables eleven youth homelessness organisations across the UK to form a national platform to generate voluntary income and share experiences. The financial outturn is noted opposite:

	2021 £'000	2020 £'000
Group and company		
Donations	1,232	1,001
Less cost of raising donations	(475)	(488)
Net income for charitable application	757	513
Distributed to partners' youth homelessness services	(577)	(299)
Distributed to Centrepont's youth homelessness services	(90)	(67)
Total distributed to youth homelessness services	(667)	(366)
Net surplus	90	147
Funds brought forward	871	520
Transfer between funds	-	204
Total funds	961	871

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Endowment £'000	Restricted £'000	Designated £'000	General £'000	2021 Total £'000
Fixed assets	-	-	24,438	-	24,438
Debtors	-	-	-	4,713	4,713
Cash deposits	172	-	3,030	-	3,202
Cash at bank and in hand	-	3,758	10,257	5,170	19,185
Creditors: amounts falling due within one year	-	-	(242)	(5,461)	(5,703)
Creditors: amounts falling due after one year	-	-	13,139	-	(13,139)
	172	3,758	24,344	4,422	32,696

	Endowment £'000	Restricted £'000	Designated £'000	General £'000	2020 Total £'000
Fixed assets	-	-	24,674	-	24,674
Debtors	-	-	-	3,638	3,638
Cash deposits	172	-	3,030	-	3,202
Cash at bank and in hand	-	3,652	5,548	3,860	13,060
Creditors: amounts falling due within one year	-	-	(631)	(3,986)	(4,617)
Creditors: amounts falling due after one year	-	-	(13,356)	-	(13,356)
	172	3,652	19,265	3,512	26,601

15. FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

The total Social Housing Grant included in the Statement of Financial Position and SOFA, on 31 March 2021, is £14.1m (2020: £14.4m). These grants would require to be recognised as a liability if the properties funded were disposed of or ceased to be used for social housing purposes.

16. OPERATING LEASE COMMITMENTS

At 31 March, the future minimum operating lease payments are as follows:

	2021 Land & buildings £'000	2021 Office equipment £'000	2020 Land & buildings £'000	2020 Office equipment £'000
Group and company				
Within one year	356	24	476	24
Between one and five years	1,004	36	1,087	47
	1,360	60	1,563	71

17. ACCOMMODATION IN MANAGEMENT

Group and company	As at 31 March 2020 Number	Additions Number	Disposals Number	Change in tenure Number	As at 31 March 2021 Number
Owned or lease held by Centrepoint					
Hostel bed spaces	130	2	-	6	138
Other bed spaces	200	-	(10)	-	190
	330	2	(10)	6	328
Owned by partner registered providers					
Hostel bed spaces	312	-	-	-	312
Other bed spaces	161	10	-	-	171
	473	10	-	-	483
Total Managed accommodation	803	12	(10)	6	811
Units managed by other associations	18	-	-	(6)	12
Total owned and managed	821	12	(10)	-	823

18. RECONCILIATION OF NET INCOME TO NET CASH GENERATED BY OPERATIONS

	2021 £'000	2020 £'000
Net income	6,095	5,489
Net loss/(gain) on disposal of fixed assets	298	(2,919)
Interest receivable	(16)	(48)
Depreciation charges	761	871
Impairment charge	(205)	255
Amortisation of intangible assets	170	136
Amortisation of social housing grant	(179)	(192)
Operating cash flows before movement in working capital	6,924	3,592
Increase in debtors	(1,075)	(1,324)
Increase/(decrease) in creditors	1475	(510)
Cash generated by operations	7,324	1,758

19. NET FUNDS

	2021 £'000 Company	2021 £'000 Group	2020 £'000 Company	2020 £'000 Group
Cash deposits	3,202	3,202	3,202	3,202
Cash at bank and in hand	19,149	19,185	13,019	13,060
Net Funds	22,351	22,387	16,221	16,262

20. COMPANY LIMITED BY GUARANTEE

Centrepoint is a company limited by guarantee. If, upon the winding-up or dissolution of the company, there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the company but shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of the company. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up, such amount as may be required not exceeding the sum of £1. There are currently 13 members (2020: 12).

21. CAPITAL COMMITMENTS

Group and company	2021 £'000	2020 £'000
Capital expenditure commitments - contracted but not provided for	-	-

22. RELATED PARTY TRANSACTIONS

The following transactions are with 100% owned entities that Homes England does not regulate:

- Centrepont recharged costs to CP Trading Limited of £500 (2019-20 £2,450) during the year and owed £2,950 to Centrepont as at the year-end date (2019-20 CP Trading Ltd was owed £2,450). CP Trading has the same registered address as Centrepont, as set out on page 83.
- Centrepont recharged costs to The American Friends of Centrepont of £500 (2019-20 £1,000) and owed £15,595 (2019-20 £15,094) to Centrepont. The American Friends of Centerpoint registered address is 1600 Bausch & Lomb Place, Rochester, New York, USA, 14604-2711

23. COMPARATIVE SOFA

	Note	Unrestricted general £'000	Unrestricted designated £'000	Restricted & endowment £'000	Total 2020 £'000
Income from					
Donations & legacies	2a	20,525	-	2,923	23,448
Charitable activities	2b	16,189	-	170	16,359
Investment income		48	-	-	48
Profit on sale of fixed assets		-	4,218	-	4,218
Other	2c	260	-	46	306
Total income	4	37,022	4,218	3,139	44,379
Expenditure on					
Raising donations & legacies	2d	9,826	62	738	10,626
Raising funds		9,826	62	738	10,626
Net income for charitable application		27,196	4,156	2,401	33,753
Expenditure on charitable activities					
Collaboration		146	-	10	156
Engagement		848	-	151	999
Health		817	-	403	1,220
Housing & lifeskills		20,282	1,200	107	21,589
Policy & influence		291	62	2	355
Prevention		1,374	-	455	1,829
Skills & employment		2,053	28	35	2,116
Total charitable expenditure	2d	25,811	1,290	1,163	28,264
Net income		1,385	2,866	1,238	5,489
Transfers	13	(1,010)	1,335	(325)	-
Net movements in funds		375	4,201	913	5,489
Reserves brought forward		3,137	15,064	2,911	21,112
Reserves carried forward	13	3,512	19,265	3,824	26,601

24. STATEMENT OF COMPREHENSIVE INCOME

We present the Statement of Comprehensive income as required by the Housing SORP.

	Unrestricted general £'000	Unrestricted designated £'000	Restricted & endowment £'000	Total 2021 £'000	Total 2020 £'000
Turnover	41,097	192	2,717	44,006	44,331
Operating expenditure	(33,999)	(1,460)	(2,468)	(37,927)	(38,890)
Operating surplus/(deficit)	7,098	(1,268)	249	6,079	5,441
Interest receivable	16	-	-	16	48
Interest payable and similar charges	-	-	-	-	-
Surplus/(deficit) before tax	7,114	(1,268)	249	6,095	5,489
Taxation	-	-	-	-	-
Surplus/(deficit) for the year	7,114	(1,268)	249	6,095	5,489
Other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) for the year	7,114	(1,268)	249	6,095	5,489

25. STATEMENT OF CHANGES IN FUNDS

We present the Statement of Changes in Funds as required by the Housing SORP.

	General £'000	Unrestricted designated £'000	Restricted & endowment £'000	Total £'000
Balance as at 31 March 2019	3,137	15,064	2,911	21,112
Surplus	1,385	2,866	1,238	5,489
Transfers	(1,010)	1,335	(325)	-
Balance as at 31 March 2020	3,512	19,265	3,824	26,601
Surplus/(deficit)	7,114	(1,268)	249	6,095
Transfers	(6,204)	6,347	(143)	-
Balance as at 31 March 2021	4,422	24,344	3,930	32,696

BOARD, OFFICERS AND ADVISERS

Board of Trustees

Symon Elliott	Chair	
Tsion Balcha		
Sir David Carter		
Frances Corner		
Darren Douglas		
Amanda Holgate		
Robert Kerse		
Clare Montagu		
Ndidi Okezie	Resigned 5 August 2021	
Sally Scriminger	Resigned 5 August 2021	
Mike Westcott		
Thomas Wood		
Will Yerburgh		
Cheryl Avery	Appointed 1 September 2021	
Olubukola Olorunlogbon	Appointed 1 September 2021	

Secretary

Seyi Obakin

Senior Executive Team

Seyi Obakin	Chief Executive Officer	
Robert Cade	Director of Strategy & Performance	Resigned 4 June 2021
Balbir Chatrik	Director of Policy & Communications	
Karen Gibson	Director of Finance & Compliance	
Sally Orlopp	Director of People, Skills & Employability	
Ed Tytherleigh	Director of Support & Housing	Appointed 7 April 2020
Julie Milnes	Director of Fundraising	Appointed 16 November 2020
Di Gornall	Director of Fundraising	Resigned 30 September 2020

Registered office

Central House
25 Camperdown Street
London
E1 8DZ

Solicitors

Bircham Dyson Bell 50 Broadway Westminster London SW1H 0BL	McCarthy Denning Ltd Minster House 42 Mincing Lane London EC3R 7AE
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Registration details

Charity registration number 292411
Company registration number 01929421
Homes England registration number H1869

Auditor

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
RH6 0PA

Bankers

Barclays Level 12, 1 Churchill Place Canary Wharf London E14 5HP	Royal Bank of Scotland Group 9th Floor 280 Bishopsgate London EC2M 4RB
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**centre
point**

**give homeless
young people
a future**



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Fax 0845 466 3500

www.centrepoint.org.uk

Charity Number 292411