

**centre
point**

give homeless
young people
a future

FINANCIAL

STATEMENTS

2018-19





CENTREPOINT SOHO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

CONTENTS

Trustees' report (incorporating the strategic report)	3
The next chapter: Centrepoin't's strategy to 2021	5
Strategic report	6
Financial review	24
Independent auditor's report to the members of Centrepoin't Soho	46
Consolidated statement of financial activities (incorporating an income and expenditure account)	50
Statement of financial position	51
Consolidated cash flow statement	52
Notes to the financial statements	53
Board, officers and advisers	77



TRUSTEES' REPORT

The directors, who are also trustees of the charity, present their annual report and the audited financial statements for the year ended 31 March 2019. In preparing this report, the directors have complied with the Statement of Recommended Practice for social housing providers: Housing SORP 2014. This report contains the Directors' 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 2014, 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 53, for further information. A list of the Board, officers and advisers can be found on page 77.

WHAT WE DO

- Centrepont is the UK's leading charity for homeless young people. Our vision is to end youth homelessness by ensuring that young people gain the skills they need to access and sustain a home and a job.
- Every year, Centrepont and its partners support more than 15,000 homeless 16-25 year olds into a home and a job and campaign to change the future of thousands more.



Support for more than **15,000 homeless** 16-25 year olds.

WHAT OUR RESEARCH SHOWS

103,000

young people in the UK **asked for help** from their local council in 2017-18 **because they were homeless or at risk of homelessness.**

26%

of homeless young people **have stayed with a stranger** because they had nowhere to stay.

12%

of homeless young people **have committed a crime** to be taken into custody because they had nowhere to stay.

9%

of homeless young people **have attempted to admit themselves to A&E** to get a bed because they had nowhere to stay.

OVER 60%

of under 18s have **felt unsafe** while homeless.

ONLY 1 in 5

private landlords would be willing to let to a young person leaving supported accommodation.

Fewer than **1 in 5**

landlords would be happy letting to a tenant receiving Universal Credit.

1 in 10

young people in the UK **are unemployed** (excluding those in full-time education).

THE NEXT CHAPTER:

CENTREPOINT'S STRATEGY TO 2021

103,000 young people asked for help with homelessness last year. Behind this statistic are stories of violence, abuse, mental health crises and family breakdown and, most importantly, young people who should never find themselves with nowhere safe to call home.

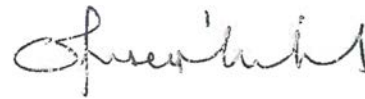
We are proud to be a safe place for thousands of young people to turn to when they have nowhere else to go and every year we strive to improve so we can support more young people into a home and a job. We know it is so important to create an environment where young people's experiences are taken into consideration. This year, we committed to taking a psychologically informed approach in everything we do and we look forward to improving our practice so we can support homeless young people to have brighter futures.

This year, we also grew our helpline, which offers help and advice to 16-25 year olds in crisis. We listened, gave advice and connected young people to the services they needed.

We also had great success in influencing the government to change policy and practice. **Following years of campaigning by Centrepoint and partners across the sector, the government has reinstated the automatic eligibility of 18 to 21 year olds to claim their housing costs through Universal Credit.** This will have a life-changing impact on thousands of vulnerable young people.

As we approach our 50th anniversary in December, we are proud to have been there for thousands of young people when they had nowhere else to turn and are thankful to every person who has supported us to do this. However, we remain frustrated that investment in supporting the most vulnerable in our society is decreasing. Local councils are having to roll back their homelessness services, leaving thousands of vulnerable young people with no safety net to fall back on.

In our 50th year, we will be calling for urgent action from our leaders and asking everyone to pull together to change the story for homeless young people. We urge you to join us. Together, we can change the story and end youth homelessness for good.



Seyi Obakin OBE

7 August 2019

STRATEGIC

REPORT



REVIEW OF THE YEAR

PREVENTION

“ Alex contacted the helpline via live chat. He had been homeless for two years and felt like nobody wanted to listen to him. The helpline offered support and reassurance, information on his rights and details of services in his area. He told the helpline: ‘it feels like you’ve helped me more today than anyone has in the whole two years.’ ”

We believe every young person should have a safe place to call home, but for some young people, violence, abuse, family breakdown and mental health problems mean they may find themselves at risk of homelessness. When this happens, we know young people often do not understand their rights or know where to go to get help.

At Centrepont, we want to ensure there is always somewhere to turn and this is where our prevention service comes in. We run crisis management programmes for young people who may be sleeping rough and aim to prevent homelessness. We also run a free telephone, email and online chat service for young people aged 16-25 who are at risk. We support young people identifying housing options, refer them to external agencies and provide them with food, cleaning facilities, clothing and some expenses.



We believe every young person should have a safe place to call home



PREVENTION AT A GLANCE

Since launching in 2017, following an appeal with our Patron, the Duke of Cambridge, and thanks to your generous support, our prevention programme has been able to hit the ground running.

This year, we have:

- **Invested a total of £374,000** in this service so we could expand the number of hours we are available to support young people and we estimate to have **helped over 5,000** young people in 2018-19.
- **Answered over 90%** of calls, web chat and email enquiries.

“ Since we opened the helpline in February 2017, there’s been so much positive news to report back on. This year’s Helpline appeal raised vital funds, which helped to extend the opening hours of this vital service. We’ve been able to have so many life-changing conversations with young people as a result, so thank you for your support this year. ”

Paul Brocklehurst, Senior Helpline Manager

PARTNER The co-operative SPOTLIGHT: bank

The Co-operative Bank has been a leading partner for Centrepoint since 2017 and, thanks to their customers and colleagues, **they’ve raised over £1 million** to support their mission to end youth homelessness. Some of this money has been used to support and develop our national Helpline and crisis prevention service in Manchester.

“ This year, we’ve been able to expand the Helpline team into Manchester so now we’ve got a dedicated team of three staff who are based in our Manchester office. Without The Co-operative Bank’s support, that would not have happened. ”

Sally Orlopp, Director of People, Skills and Employability, Centrepoint



HOUSING & LIFESKILLS

HOUSING

“ I have had lots of support to encourage me to create a positive future for myself. I have learnt living skills that will help me to live independently... Most importantly, Centrepoint has helped me regain a positive relationship with my family. I am now moving on into my own accommodation, I am feeling a bit anxious but I know I will be supported from the start to finish.”

Jodie on moving to independence and developing life skills

“ AJ started Higher Education and initially was very concerned about managing his finances. He met with the Moneywise Coordinator who worked with him to set out a budget that he could follow. He came back for more advice after two terms; he was finding paying full rent very hard. Following further advice, he has now nearly cleared his rent arrears and is feeling very positive about his next steps.”

Lifeskills worker on AJ's experiences with the programme

Whilst we work hard to prevent homelessness in the first place, for many young people, staying with Centrepoint may be the safest place for them. **We exist to make sure that no young person has to sleep somewhere unsafe** and we offer young people more than just a bed. We want to give homeless young people a future by supporting them into education and training and preparing them for independence.

Homeless young people are often forced to grow up more quickly than other young people. **Many find themselves having to manage a home, a budget, and their health with little support.** Some have experienced chaotic and unstable childhoods and may have never had positive role models. Many are unaware of their legal rights and so actions are sometimes taken against them, or decisions are made about them, that are illegal or discriminatory, but they do not have the confidence to challenge. They also face the challenge of navigating complex benefit and legal systems and do not always understand what support they are entitled to.





HOUSING AND LIFE SKILLS AT A GLANCE

All of our supported housing is tailored to meet the needs of the young people we support depending on where they are in their journey. We run supported accommodation for homeless young people aged 16-25 across London, Sunderland, Manchester, Bradford and Barnsley. Young people stay with us for up to two years and they are supported by a dedicated keyworker during this time to prepare them for independence. We have hostels, small shared houses, flats, bedsits, and visiting support.

We offer young people more than just a bed. **As a result of our support, young people tell us their relationships with family and friends are improved and they feel more confident.** They are more engaged with other services and their local community and have a greater chance of staying in education, training or employment and moving onto positive destinations in the future. They have an increased understanding of their rights and are more likely to maintain their independence.

An investment of

£18.2 million

in this service and we estimate to have **helped over 1,645** young people in housing and floating support services.

88%

of young people **left CENTREPOINT services positively**, which exceeded our target of 85%.

55%

left CENTREPOINT services in education, employment or work, which exceeded our target of 50%.

419

We received 419 complaints in relation to our housing & lifeskills services with **77% of complaints resolved on time.**

SKILLS & EMPLOYMENT

“ From the age of 15, my mum would kick me out for a couple of days, and then I'd come back. She wasn't well at the time but I didn't really know because she kept it from me.

“I ended up at Centrepont. I'm now at the University of West London, in my final year studying Criminology and Law. I live in my own flat and I'd like to become a solicitor for the next few years, and then eventually I want to become a barrister.

“Without the support that Centrepont offered, I don't know what could have happened. I wouldn't be saying that I'm about to finish university.”

Jodie's story

Young people experiencing homelessness have often had unstable and chaotic lives. Their education has been disrupted and their chances of staying in education or training and securing a job are diminished unless they receive the right support. Many young people do not have the confidence or the opportunities they need to secure a bright future.

We support vulnerable young people to realise their full potential and progress into education, training and employment. We have high aspirations for the young people we support. We believe every young person, regardless of their background or start in life, can achieve their potential.



SKILLS AND EMPLOYMENT AT A GLANCE

We deliver career advice and guidance through practical training courses and shorter sessions to support young people to understand and identify the right career path for them. We also deliver courses in hospitality, business administration, customer service, construction traineeships and digital. We offer one-on-one and group training in English and Maths and support young people to achieve the qualifications they need to move on to further education or training.

We offer tailored advice and guidance for young people, including support with open days, studying, writing personal statements and student finance. Last year, we supported young people to attend open days, write personal statements and make applications to student finance. For many, this is the first step on their journey to a bright future.

We run the Centrepoint Bursary Scheme fund which exists to help young people overcome financial barriers, so they can access any education, employment or training opportunities, and provide an extra support mechanism for young people in extreme financial hardship. We have supported young people with course costs, travel expenses, and equipment and resources for their courses.

- **80% pass rate** for our vocational skills training sessions.
- **52% of young people moved directly into employment** or formal education on completion of an apprenticeship or traineeship, an increase of 4% from last year.
- **153 young people** were supported through English and Maths qualifications.
- **157 young people** were supported to access our bursary scheme.
- **187 learners** were supported on apprenticeship programmes and **42 young people** were supported on traineeship programmes.



*We offer
tailored advice
for young
people*



ENGAGEMENT

We run inspiring programmes with young people to develop their skills and offer them a route into education and employment. Our pilot programme uses sport to inspire positive change in young people. Working with some of England's best-loved football clubs, we give players the chance to represent their country at tournaments across the globe, including the Homeless World Cup.

PARTNER/FUNDER SPOTLIGHT:



UNIQLO has been in partnership with Centrepoin**t** for a number of years. As part of Centrepoin**t**'s drive to inspire positive change in the lives of vulnerable young people, they use sport and physical fitness, combined with education, life skills and employment training to transform lives.

For the 2018 Homeless World Cup competition, UNIQLO provided the team with activewear clothing and matchwear kits to support their training and performance.



“ As soon as we wear the UNIQLO kit we know we are representing our country and it feels amazing. The kit is like my second skin! ”

Raph, Team England 2018

“ My relationship with my mum is better now. I've got a job now, as well as volunteering for Centrepoin**t**. I want to let other people know that even if you feel really down you can come back from it with programmes like this. ”

Talisha who participated in Team England.

ENGAGEMENT AT A GLANCE

- **2,865 people** from across London and the South East **took part in one of our sport sessions** this year.
- **60% of participants progressed directly to education**, employment or training after completing one of our longer programmes.
- **97% of participants** reported that their mental health and **wellbeing had improved**.

Our 16-strong Team England squad travelled to Mexico for the Homeless World Cup and played in a tournament with over 500 players from 47 different countries. **They not only developed their football skills, but more importantly their teamwork, resilience and leadership potential.** Now, 93% are in employment, education and training.

We also developed exciting new relationships with a dynamic network of businesses, delivery partners, support services and funders who share our belief that young people can achieve incredible things with the right support and confidence. **Together, we harnessed our expertise to build bespoke skills and training packages** for every young person, so that they, in time, can transform their own lives. These programmes are built around activities that young people experiencing homelessness expressed an interest in, including art, culture, technology and food.

“ I have experienced therapy before but this time it felt different. I was supported in an environment where I felt comfortable rather than having to go to a clinic, I didn't have to wait months to be seen and I was offered more sessions and follow-up appointments if I needed them at any point. I now feel less anxious, tense and stressed because I have been allowed to talk and get things off my chest. I have been believed in, listened to and understood which for the first time has helped me to see a future that I want to be a part of. ”

Sarah

Being homeless takes its toll on the physical and mental health of young people, putting them at risk of health problems. Homeless young people often have low incomes and struggle to maintain a good diet, often due to food poverty. Many young people have experienced abusive relationships or trauma and need support with their mental and physical health.

We support young people to improve their mental and physical health, and remove some of the barriers to them achieving a home and a job.

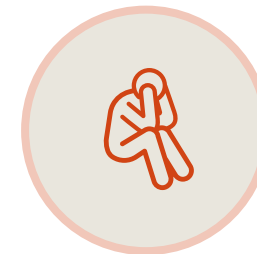


We offer psychotherapy, substance use support and mental health support to help young people cope with emotional difficulties in their lives, including suicidal ideation and self-harm. This year, our emotional wellbeing support has been a real focus for the team and we have grown our services so we can support more young people and provide support sooner.

In addition to this, we have run a **nutrition programme designed to support young people to understand good nutrition and improve their health and quality of life.** We have also supported young people to identify what constitutes an abusive relationship, increase their confidence and support them to develop coping mechanisms to break the cycle of abuse.

HEALTH AT A GLANCE

- Supported over 600 young people with their mental health.
- Opened an innovative new service called **The Food Point** aimed at tackling food poverty by providing young people with affordable food and dietary information.
- **65% of young people** who received support for their emotional wellbeing **report a reduction in the severity of their symptoms.**
- **Over 70%** of young people who accessed our dietetics programme **have increased understanding of the importance of good diet and nutrition.** They have improved their cookery skills and their ability to use diet to manage their health.



*We support
mental and
physical health*

POLICY & INFLUENCE

“ I feel like we aren't wanted anyway. A lot of private landlords don't want to have people categorised as 'homeless young people' coming to rent their housing, because they assume we're not capable of paying the money. They'd rather rent to somebody else. ”

Naomi, London. "Ready to Move On" report.

Every day, we support young people experiencing homelessness into a home and a job, but we know if we do not tackle the societal reasons for why young people find themselves homeless in the first place, then we will never end youth homelessness.

We use research and evidence from our services, partners and the wider sector to identify solutions to ending youth homelessness, and work alongside homeless young people, the government and parliamentarians to create lasting change.



We use *research and evidence* to identify solutions to ending homelessness



POLICY AND INFLUENCE AT A GLANCE

- We persuaded the government to **reinstate the automatic eligibility of 18 to 21-year olds** to claim their housing costs through Universal Credit.
- We estimate that **103,000 young people approached their council to ask for help** because they were homeless or at risk last year.

We focus on areas of policy including housing, employment and the benefits system. **We campaign to ensure homeless young people are getting the right support** when it comes to their benefits and personal finance, education, skills and employment opportunities.

Through our research, **we try to identify the best way to protect young people from becoming homeless in the first place**, better understand what it is like to be young and homeless in this country, and identify solutions for how we support young people out of homelessness into a better future.

Our research this year showed that there is a **shortage of affordable homes** and increasingly restrictive welfare policies, which mean more and more young people are unable to find and secure suitable housing. It showed that many young people who are ready to move into independent accommodation following a period of support find themselves with no suitable accommodation.

We were able to secure a number of significant changes in policy this year.

The Government's rough sleeping strategy acted on our recommendation to establish a work coach homelessness expert to act as a single point of contact in every Jobcentre, and to improve support for prisoners prior to release by providing assistance to help them access benefits and employment support. We were also able to secure greater protections for homeless young people within Universal Credit such as additional funding for those yet to transition to the new system.



“ This year, Centrepoin’s policy and public affairs team continued to raise awareness of youth homelessness with politicians at all levels of government. We launched several new pieces of research on key issues including the barriers that prevent young people moving on from homelessness and the latest in our Youth Homelessness Databank research series. It is so important that we understand the bigger picture about why so many young people find themselves homeless and vulnerable so we can prevent it happening to more young people in the future. ”

Abigail Gill,
Senior Policy and Research Manager at Centrepoin.

COLLABORATION

“ For two of our young people to have been honoured at the Awards is a great testament to their personal strength, sense of aspiration and sheer effort. The achievements of Sally and Jade are an inspiration to us all at Stepping Stone Projects and we thank Centrepoin for the public recognition and support. ”

Stepping Stones Projects Board of Trustees.

The Centrepoin Partnering scheme is a **national network of organisations working together to support homeless young people**. Stretching the length and breadth of the country, our members provide a range of services and all share our aim to give homeless young people a future.

This year, we have **worked with over 90 organisations through the Centrepoin Partnering scheme**. Over 6,500 young people have benefitted through joint working with Centrepoin. These may be young people who have achieved accreditations through our life skills programme, Lifewise; received employment, education or training bursaries or who have benefitted from the information and support that we offer to our members.



*Our members
share our aim
to give homeless
young people
a future*

In March, we held the ‘Change the Story Youth Homelessness Conference’ in Coventry. The conference brought together **over 130 participants to share ideas and best practice for delivering effective solutions to change the story for homeless young people**. The event was opened by two young people who proudly introduced a video message from Centrepoin’s patron, HRH The Duke of Cambridge. The conference heard from speakers including Rt Hon Liam Byrne MP and Rt Hon John Healey MP, the Shadow Secretary of State for Housing. 97% of attendees said they would recommend the conference to their colleagues.



MOBILISING SUPPORT AND SUPPORTERS

VOLUNTEERING

We rely on volunteers to support our mission to give homeless young people a future. Our volunteers take on a broad range of roles from supporting young people directly to making sure our offices can run smoothly. Volunteers support young people's career ambitions, engage them with our services and programmes, help them into accommodation or just give them that little extra nudge to trying something new.

Last year, alone, **volunteers gave up 18,800 hours of their time to support us.** They took on roles such as Helpline Advisors, gardeners, music tutors and catering tutors. We also worked with a range of fantastic organisations to build meaningful, long-term partnerships. These include South Yorkshire Fire and Rescue service, Sunderland A.F.C and Police Now to name but a few.

“ I’m currently studying towards a teaching qualification at the University of Sunderland, so volunteering at Centrepoint has been extremely useful in helping me on the path to become a teacher.

“I’ve been supporting young people by teaching Functional Skills English. While at Centrepoint, I’ve become aware of the difficulties learners are facing – both in their own lives and in education. By tackling these issues head on, it’s definitely helped prepare me for the classroom – so there have been lots of benefits of volunteering.”

Philip, volunteer

INDIVIDUAL GIVING

Centrepoint can only achieve its mission of giving homeless young people a future because of the thousands of incredible individuals who support us each year. Through our appeals and other activities, **this amazing group of people raised £10.9 million.** This was from a combination of legacies, one-off donations, regular donations, face-to-face and door-to-door fundraising. **Our Christmas Appeal raised £1.4 million.**



Through our appeals and activities raised **£10.9 million**

CORPORATE FUNDRAISING



Corporate fundraising generated **£4.9 million** in 2018-19.

This year we celebrated with The Co-operative Bank, who have raised over £1 million for Centrepoin since the partnership began three years ago. The donations from **The Co-operative Bank have made a significant difference to the Centrepoin Helpline**, which has been able to increase its number of advisors, extend its hours of operation, and open a second office in Manchester. We have also been able to invest time in updating our website, so young people still have a resource they can go to even if the Helpline is not open. Centrepoin's Manchester Helpline was officially opened by Andy Burnham, the Mayor of Greater Manchester, and The Co-operative Bank in December 2018.

We continue to enjoy strong partnerships with **ASOS and Selfridges**. **Selfridges raised their largest amount so far at £60,000** and we want to thank them for their growing commitment to Centrepoin across the UK.

The team won a new lucrative partnership with **Great Portland Estates (GPE)**, who have committed £100,000 to help Centrepoin tackle youth homelessness in London and, as well as offering traineeships within their own business, have also encouraged their supply chain to get involved - opening up wider opportunities for the young people we work with in London.

This year, we also **celebrated our fourteenth year of running Sleep Out**, an event that sees Centrepoin supporters swap their beds for sleeping bags to raise money and awareness for homeless young people. Thanks to the **support of over 1,000 individuals** and corporate partners, we raised more money than ever, including £722,000 via Sleep Out London.



END YOUTH HOMELESSNESS

End Youth Homelessness (EYH) is a UK-wide movement, **bringing together 11 major regional charities to tackle youth homelessness collaboratively**. EYH aims to attract funding that members are unable to secure on their own. Centrepoin has supported EYH since 2012 and was formally appointed the Administrator of EYH in 2014. EYH aims to be self-funding and to-date has succeeded in covering all of its operational costs, excluding desk space and back-office support, which Centrepoin provides free of charge.

In 2018-19, **EYH raised over £1.29 million** against a target of £1.2 million.

REGIONAL FUNDRAISING

In 2018-19 we raised over £1 million regionally. Regional Sleep Out events continued to grow across the board, both in terms of participant numbers and income raised, and we once again want to thank the Morrisons Foundation who chose to support us again in 2018/19 with a donation of £46,708 to allow us to roll out Centrepoin's Engagement Programme in Yorkshire.

APPROACH TO FUNDRAISING

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

- **Campfire:** We work with Campfire on the strategic delivery of our regular giving campaigns. With their support, this financial year, our cash appeal programme raised over £1.6 million.
- **All Response Media:** We work with All Response Media to plan and buy our media space. This includes television, press inserts, digital and outdoor advertising.
- **REAL & One Sixty:** These agencies work with us in our face-to-face and door-to-door campaigns. After three years of partnership, both agencies have developed an in-depth understanding of Centrepont, our long-term goals and our objectives.

- **Ethicall:** Ethicall carries out telemarketing to our existing supporters. This includes thanking supporters and asking them for additional support where appropriate.
- **Angel:** Angel is our fulfilment agency who works with us to process donations from both existing and new supporters.
- **Smile Fundraising Ltd:** We work with Smile Fundraising on long-term donor recruitment through door-to-door and private site activity.
- **Propack:** Digital print and direct mail specialists who supports us with our direct mail production services.
- **Forward Action:** Forward Action is a digital movement building agency, who is supporting us to create strategies and engineering tools that get people to take action. They are mainly supporting our new campaigning work, which is launching as part of our 50th anniversary in 2019-20.





FUNDRAISING PRACTICE

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

We have never failed to comply with the Fundraising Regulator's Code of Practice. **All of our partner agencies adhere to their relevant regulations.** We also make sure any agency working directly with the public has their own policy on vulnerable people.

COMPLAINTS

In 2018-19, we received 28 complaints in total, compared to 56 in 2017-18. All of the complaints that we received were resolved. **We ensure that we learn from all complaints and use this to improve our practice.** We are therefore pleased that complaints have fallen by 50% from last year even though we have significantly increased our fundraising activity.



*We always follow
best practice*

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 contract

We listen to a randomly selected sample of the calls made by our telemarketing and fulfilment agencies on a weekly basis. We score these calls and feedback improvements or concerns.

OUR SUPPORTER PROMISE

1 Donations are the supporter's decision

We are committed to making a difference in the lives of homeless young people. That's why we encourage people to make a donation to Centrepoint if they're able to. **But we also recognise it's their decision and supporters need to make it in their own time.**

2 We will always respect privacy

Donations are completely personal to our supporters. **We adhere to the EU's General Data Protection Regulation** and our privacy policy is available on our website here.

3 We will never sell or swap details

Any information given to us will be kept **confidential**. We will never pass on personal details to a third party for marketing or fundraising purposes.

4 We will keep our supporters updated

We want our supporters to feel connected to the work their donations are making possible. If they want to receive updates from us, **we will regularly let our supporters know about how they're helping** to change young people's lives.

5 We will use all donations carefully

We make sure we're as **cost effective** as possible, so donations can have the greatest impact for homeless young people.

6 We will act quickly

If people acting on our behalf fail to meet our high standards, we'll always **take appropriate action**.

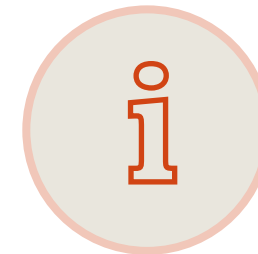
7 We will check with our supporters first

Before we call our supporters, we will always ask them first to **check if they're happy to speak to us**.

8 We will respect our supporters wishes

If a supporter tells us they don't want to hear from us again, or want to hear from us less, **we will change the details on their record**.

All of 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.



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

BUSINESS SUPPORT

2018-19 saw strong progress towards delivering Centrepoin't's Single Operating Model. This **sets out the way that we work at Centrepoin't to give every young person the opportunity to achieve a home and a job, regardless of their geographic location or complexity of their need.**

This has included looking at the way that we work, the activities that we undertake and the systems that we use, as well as making sure there are no barriers to being the best that we can be.



TECHNOLOGY AND DIGITAL TRANSFORMATION

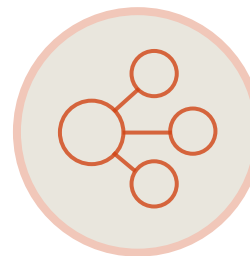
As a charity, **it is hugely important that we have technology that supports us to achieve our objectives.** This does not mean having the latest and most expensive technology but rather the functionality to meet our current and future needs. It can help us to improve our communications, be more efficient and agile in our working. This year, we migrated our systems to a secure cloud environment, adding more resilience and reliability.

DATA INSIGHT AND PERFORMANCE

We have streamlined our use of data across the organisation.

By developing an internal centre of excellence for data, insight and performance, we have improved Centrepoin't's capability to make data-informed decisions, and reduced our external spend.

We **will be redeveloping our applications** that we use to hold data on our young people. The improved usability of these systems will increase the amount of time that our keyworkers spend directly with young people and improve the insight that they can access.



*Centrepoin't's
Single Operating
System*

FINANCIAL REVIEW



FINANCIAL REVIEW

INCOME

Income for the year ending 31 March 2019 was £34 million, an increase from £32.7 million in 2017-18. The main driver for the increase has been from donations and legacies which was £18.5m, an increase of £1.1m from 2017-18. This has enabled us to deliver more services to more young people.

Income from charitable activities was £15.2 million, which was comparable to 2017-18 at £15 million.

EXPENDITURE

Expenditure during the year ending 31 March 2019 was £32.8 million, an increase of £1.1 million from 2017-18.

Expenditure on charitable activities was £24.3 million. This is £0.5 million more than the previous year, which is due to the increased number of services offered to young people. Centrepoin't's Single Operating Model focuses on ensuring that every young person has access to the opportunities that they need to achieve a job and a home. As such, we invested more into our engagement, health and prevention services to meet the needs of young people.

The cost of raising donations and legacies was £8.5 million, an increase of £0.7 million. This reflects increased fundraising activity. With the reduction of public sector grants, we have increased our investment in fundraising to ensure an uninterrupted service to young people.

Expenditure on support costs increased to £3.8 million. This reflects an increase in the number of young people we support, an increase in the

number of activities that we offer, and investment in infrastructure to provide a solid foundation from which to deliver sustainable services. We continue to strive to improve efficiency and to increase the number of young people that we can support.

SURPLUS

The surplus for the year was £1.2m. £0.6m of this is for restricted projects and £0.6m is for unrestricted reserves.

STATEMENT OF FINANCIAL POSITION AND CASH FLOW

The statement of **financial position and cash flow remains strong.** Working capital ratio at year-end was 2.4:1.



VALUE FOR MONEY

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

Every year, the key decision taken by 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:

Approach agreed by the Board to achieve VfM in meeting these objectives and demonstrate delivery of VfM to stakeholders

Our business planning, decision-making process and VfM strategy is designed to work together to obtain better outcomes for young people that ultimately lead to a job and a home. VfM is an integral part of all of our planning, from our strategic plan, business plan, team plans and 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 position 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 focussed 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 contribute to achieving our overall mission – to give homeless young people a future.

The Board has approved relevant strategies and oversees their implementation through relevant Board committees and Senior Executive Team. The strategies inform our objective and priorities for the year and we remain focused on the delivery of our overall organisational objectives.

We have outlined in this report how we have performed against our 2018-19 plans. These include:

- **Launch of phase one of the development of Centrepoint's Single Operating Model** - which will help us to 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, streamline business processes, support Finance and IT systems and improve overall efficiency.
- **Over 88%** of young people had a positive **move on from Centrepoint's supported accommodation**, which is an improvement from 2017-18 at 84%.

- Fundraising return on investment decreased from £2.22 in 2017-18 per pound invested to £2.19 in 2018-19.
- **Increase of accommodation services of 54** including 19 bedspaces in Harrow and 9 bedspaces in Wandsworth. This is an increase of 6%.
- A continuing **programme to recruit more Helpline volunteers**. Recruiting additional volunteers to take calls and provide advice and guidance increases capacity and supplements the paid staff, resulting in better value for money for the Helpline service.
- Centrepoint **Works service is now available** to all young people.
- Partnering has **increased membership** from 75 to 91 members.
- **Increased influencing work** at both local and national level by being involved in research and lobbying, through local media coverage and actions aimed at raising public awareness.
- With a robust formula in place to calculate the financial contribution that our volunteers make to Centrepoint each month, **attention this year turns to how we measure the satisfaction of young people and staff with the support they receive through the service**. A further priority is to secure the resource to have a dedicated programme running in Manchester, where there is clear demand for the use of volunteers to enhance outcomes for young people.

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 capacity for 1,479 young people in supported housing and general needs. This includes 764 bedspaces in London and 715 bedspaces in regions out of London including Barnsley, Bradford, Manchester and Sunderland.

We have a robust property strategy, which outlines our plan to increase bedspaces towards our goal of 300 additional move on bed spaces by 2021 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 be focused in London and Manchester where the lack of affordable housing for young people is most acute within our operating areas. We will seek to divest of property in areas where there is an ample supply of affordable housing and reinvest funds into these target areas.

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

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

Our VfM performance is measured by the Board against targets set under the key elements of economy, efficiency and effectiveness. The measures below are a combination of Centrepoint's measures and those required by the Regulator of Social Housing. The Regulator of Social Housing metrics are designed for social housing, however, what Centrepoint delivers is wider than this, for example, skills and employability, Helpline, Engagement, CP Partnering and our influencing work.



Delivering homes that meet a range of needs



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, tender exercises, budget proposals and benchmarking results.

	2018-19	2018-19 Target	2017-18
Fundraising return on investment ¹	£2.19	£2.03	£2.22
Business support costs ²	10.6%	10.6%	7.9%
Void loss ³	11.0%	7.6%	8.6%
Cost per young person worked with ⁴	£1,523	£1,462	£2,183
Headline social housing cost per unit ⁵	£1,444	£1,281	£1,525

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;
- This is measured through accreditations, external 'health checks', tenant scrutiny reports and a suite of quarterly performance reports.

	2018-19	2018-19 Target	2017-18
Repairs completed on time %	67%	75%	84%
Reinvestment in housing units for young people % ⁶	0.9%	n/a	4%
Operating margin % ⁷	Overall ⁸ 3.6%	1%	3%
	Social housing letting	(30%)	(31%)
Return on capital employed ⁹	3.5%	n/a	3.1%

Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs included (EBITDA MRI) Interest Cover %.¹⁰

Currently, Centrepont does not have any borrowing or interest on borrowing. However, a property strategy is being developed, which will likely to result in increased investment in properties and lead to Centrepont borrowing in the future.



Effectiveness:

- This is a measure of the extent to which intended outcomes are achieved ('doing the right things'). For Centrepont, outcomes are focused on providing young people a home, job and training;
- This is through growing the resources available to us so that we get more out of every

	2018-19	2018-19 Target	2017-18
Number of young people worked with	15,976	n/a	10,916
Positive move on %	88%	85%	84%
Young people in Education, Employment or Training (EET) on departure or made significant progress during stay	55%	50%	43%
Young people managing their mental health better	75%	75%	73%
Young people's satisfaction with services	91%	85%	93%
New supply delivered % ¹¹ (Social housing units)	5.7%	8.4%	5.2%

Benchmarking our performance against other organisations delivering similar services

We complete VfM reviews of our activities, including:

- What the outcomes are
- The cost per outcome
- How we can do things better and more efficiently
- Benchmark our services to understand strength and weaknesses
- Improve 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.

- 1 **Fundraising return on investment** – this metric looks at how much income is generated for every £1 spent.
- 2 **Business support costs** – this metric looks at the support costs as a percentage of the total cost.
- 3 **Void loss** - this metric looks at the voids as a percentage of the gross rental income.
- 4 **Cost per young person worked with** – The calculation takes the total charitable expenditure divided by the number of young people supported.
- 5 **Headline Social housing cost** – this metric looks at the cost per unit of the social housing expenditure.
- 6 **Reinvestment %** - this metric looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.
- 7 **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.
- 8 **Net of surplus on property disposal**
- 9 **Return on capital employed** metric compares operating surplus to total assets less current liabilities to assess the efficient investment of capital resources.
- 10 **Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs** included (EBITDA MRI) Interest Cover %. The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity.
- 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.

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

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

The last time we benchmarked housing management data was in 2017-18, with eight other agencies and results are:

	2018-19	2017-18 Peer results		
	Centrepont	Centrepont	Group Mean	Group Median
% of all departures that were known destination	94.6%	91.5%	84.0%	84.3%
% of all repairs completed to deadline	67.0%	84.0%	90.7%	92.5%
% emergency repairs completed to deadline	69.7%	86.7%	93.9%	93.3%
Complaints responded to on time (%)	78.6%	84.8%	77.9%	85.3%
Void loss as % of the annual rent due	11.0%	8.6%	6.67%	7.0%
Rent collected as a proportion of gross annual rental income (%)	94%	95%	97.2%	97.8%
Current tenant arrears as % of annual gross rental income	12%	11%	6.26%	6.18%
Former tenant arrears as % of annual gross rental income	9%	8%	4.79%	4.48%
Amount written off as bad debt, as percentage of annual gross rental income	4.9%	4.5%	2.22%	2.22%



The 2017-18 benchmark data also showed that:

Clients moving on

- We were above average for clients moving to a known destination (91.5% against an average of 84% and median of 84.3%). This has improved further in 2018-19 to 94.6%.

Repairs completed on time:

- The target we set for repairs completed on time is higher than our peers. In 2018-19 performance was below this target with 67% of repairs completed on time. Improvement in this area is a key focus for Centrepoint. We have undertaken a full review of our repairs service during 2019-20. This includes improving our systems to enable us to accurately track contractor performance and we aim to have this complete by the end of 2019. Key milestones to date have all been met and therefore we are confident that this will allow us to meet our long term strategy to see repairs completed to target in 2020-21.



Rent collection

- Our performance is comparable to 2017-18 in the current year. However, current tenant arrears as a percentage of gross rental income is higher (11% in 2017-18 and 125 in 2018-19 against an average of 6.26%). Our client group makes this challenging.
- We continue to provide ongoing training to key workers to support and advise young people on welfare benefit and help them with managing finances.

Write off bad debts

- We were slightly behind on performance on amount written off as bad debt, as a percentage of gross rental income (4.5% in 2017-18 and 4.9% in 2018-19 against an average of 2.22%). Our client group makes this challenging, however, our plan for 2019-20 includes referring all ex-tenant debt to a debt recovery agency where appropriate and we have already had some success in recovery. We are also tackling current rent arrears, investing increased resource into housing management with a focus on income management.

Void loss

- Our void loss in 2018-19 was 11% and is higher than last year (8.6% in 2017-18 against an average of 6.67% and median of 7.0%). During the year, we have continued to work with commissioners in developing pathways that better meet the needs of young people. We have already seen some success and will continue to work on this area.

Ensuring that performance is managed and monitored

In addition to the key performance measures, we have also achieved the following through procurement activity:

- **National tender** of all elements of reactive and voids repair maintenance. This delivered improved management and run rate savings of 8% or £40,000.
- **Insurance premiums** maintained at current levels with a 20% increase in sums insured, a reduction in excess and more favourable terms.
- A review of our **procurement policies** and procedures. This included how we procure and identify different methods such as direct tender and procurement frameworks for generic items, and direct tender for more specialised items.
- The introduction of **procurement workshops** to understand procurement needs and deliver best value products to our young people. For example, we have standardised starter packs for young people entering our services and reduced costs while exceeding regulatory safety requirements.

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 are working 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 involvement strategy to ensure we continue to get their feedback and enable them to shape and influence our services.

We publish evidence in the statutory accounts to enable our stakeholders to understand:

- Performance against our own value for money 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 any areas where improvements would not be appropriate and the rationale for this.

We also provide evidence around 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 and the number of bedspaces we own or manage has increased from 858 to 909. We have invested in apprenticeships, traineeships and functional skills, which will help us to support more young people into education, employment and training.

Effectiveness plans for 2019-20

We shall address areas of underperformance to improve value for money in these areas:

- **We have improved our response to complaints** being resolved on time from 78.6% to 84.8% and are looking to sustain this improved performance during 2019-20.
- **We are undertaking a full review of our repairs service** to ensure repairs are completed well and to deadline.
- **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 reduced rent and/or service charges.
- We are **developing procurement strategy which is aligned to our organisation's overall strategy** to ensure the best value for money whilst ensuring robust commercial practices, fiscal compliance and adherence to all relevant regulation. 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 value for money solutions that are compliant to any and all legislative requirements and standards.

- Whenever possible, **young people will be involved in the procurement process**, particularly to specify or contribute in specifications for goods and services that directly impact them.
- Our **measureable success will be improved** cost ratios of tangible spend areas, including maintenance, utilities, furnishings, starter packs, white goods, stationery and insurance.
- We are **improving our systems** in order for Centrepont to be able to accurately track our contractor performance and improve our repairs completion targets. Key milestones to date have all been met and therefore we are confident that this will allow us to meet our long term strategy to see repairs completed to target in 2020-21.

We will continue our work to ensure we have a positive impact on the lives of the young people we support. Over the next year, we plan to review our approach to outcomes and impact so we can better demonstrate the effectiveness and value of our interventions.

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

The development of Centrepont's Single Operating Model will help us to 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.

We have appointed a lead for Psychologically Informed Environments (PIE) and look forward to improving our practise so we can support homeless young people to have brighter futures.

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.



*Improved our
response to
complaints*

How the Board has gained assurance

Our Board receive 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 hold reserves for any future shortfall in income to ensure we can continue to provide an uninterrupted high-quality service to young people. Our policy is to hold investments in cash on short-term deposit to be readily available and to maximise the return.

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 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. total 'unrestricted' reserves) of at least £3.2 million (2017-18 £2.9 million).

At the end of 31 March 2019, unrestricted reserves stood at £18.2 million, of which £15.1 million has been designated for the various essential activities we plan to carry out in the immediate future or already have invested in fixed assets. Of the £15.1m designation, £12.0m represents the housing assets where young people live, and other fixed assets such as computers. A further £0.5m has been designated to invest in new housing stock. These funds will be used to purchase properties to help young people move on from supported hostel accommodation.

The remaining £3.1 million of our unrestricted reserves is held in general reserves as an important 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. This is slightly lower than the £3.2m target set by our Board. Therefore, although reserves are

in a satisfactory position, we will continue our efforts to strengthen them.

Transfers between funds primarily represent the designation of funds by the trustees for use for specific purposes. The trustees approved the designation of £500,000 for our housing property fund to reinvest the sale of proceeds from fixed assets back into our housing stock for young people. The trustees have also approved designation of £90,000 to commemorate our 50th anniversary.

End Youth Homelessness has been classified as a restricted fund in Centrepont and the brought forward balance transferred from unrestricted funds.

Financial position

The Board considers there are sufficient reserves held at 31 March 2019 to manage any foreseeable downturn in the UK economy. The Board also considers there is a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future and for this reason, the Board continues to adopt the 'going concern' basis in preparing the accounts.

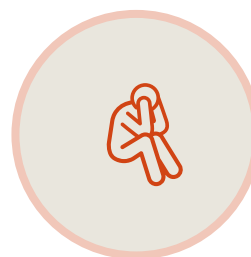


PLANS FOR NEXT YEAR

PREVENTION

Our work so far has given us a clear picture of what we need to do to ensure every young person who needs support can turn to us. **We have split our three-year vision into three clear themes: technology, marketing and communications and collaboration.**

We need to grow and embrace technology and test alternative platforms to telephone and e-mail for connecting with young people, including expanding our web chat service and the hours it is open. We will need to develop a young person focussed website and consult with young people to develop a coherent and impactful Helpline brand that young people can relate to so we can continue to spread the word. **We need to deliver advice and guidance for local authorities, young people and the professionals** and other adults that support homeless young people. We also want to grow our volunteering programme, particularly in our new office in Manchester so we can make sure 100% of calls are answered first time and we can open later into the evening. We will also work towards achieving our Partnership Quality Standard to allow us to deliver as high quality a service for young people as possible.



*We ensure every young person **who needs support can turn to us***

HOUSING

HOUSING

We are always looking to develop our housing offer based on evidence and to pilot new ways of working so we can provide the best support for homeless young people. This year we have secured funding to pilot a number of exciting new housing offers including running a Housing First for care leavers project in London, and piloting a new programme that offers intergenerational supported housing schemes for young parents and older people.

LIFESKILLS

We want to build the capacity of our legal service to engage more legal experts in various areas of law, support more voluntary organisations and reach more young people with free legal advice. This will enable more young people to challenge evictions and unreasonable landlord actions, safeguard their employment and consumer rights, and protect their civil liberties, benefits and immigration status.

SKILLS & EMPLOYMENT

We are keen to ensure our programmes are accessible for the most hard to reach young people including young people leaving care, looked after children, teenage parents, young carers and children in need. This year we will be working on the development of strategic relationships with local authorities so we can open up our opportunities to more vulnerable young people.

ENGAGEMENT

We have been running a successful sports programme for a number of years with proven outcomes. We want to take our learnings from this programme and engage with the hardest to reach young people through new programmes like arts and culture, technology and food.

Each strand within each programme will have an inspirational primary delivery partner with whom Centrepont will collaborate to deliver weekly engagement activity. Our hugely successful sports programmes delivered collaboratively with high profile partners like Arsenal and Chelsea show that such activity creates instantly inspiring environments where participants are highly engaged and feel a sense of safety and belonging.

We will continue to expand our new programmes and existing sport programmes across different regions of the UK, including London, Manchester and Yorkshire.



*We run
successful sports
programmes*

HEALTH

We are committed to taking a **psychologically informed approach** to supporting young people. This means creating environments that take into consideration the thinking, emotions, personalities and experiences of the people we support. We have appointed a Lead for Psychologically Informed Environments (PIE) and look forward to improving our practice so we can support homeless young people to have brighter futures.

COLLABORATION

We will **continue to run a series of events throughout the year** including the National Youth Homelessness Conference 2020, the Partnering forum and themed events for our members. These will enable our members to feel more informed, confident and support us to influence policy and practice by sharing their experiences.

POLICY & INFLUENCE

We will be **calling on the government to revise the benefit system** to ensure that young people leaving homelessness accommodation can afford to pay their rent. We will do so through a public facing campaign as part of the 50th anniversary. We aim to secure 10,000 signatures on a petition which will be presented to Downing Street during the Autumn. **We will hold the government to account on the implementation of the Homelessness Reduction Act**, and our Youth Homelessness Databank will continue to provide evidence on the scale of youth homelessness. We will also publish crucial new research on key policy issues affecting young people, including criminal exploitation, and the impact of the gig economy and the Youth Obligation programme on vulnerable young people.



We will be **calling on government** to revise the **benefit system**



MOBILISING SUPPORT AND SUPPORTERS

VOLUNTEERING

We will **continue to support 136 volunteers, building our relationships with existing organisations and forging new ones.** We plan to develop a Volunteering Leadership Programme so we can give back to those people who give so much to support us, through training and skills development.



INDIVIDUAL GIVING

We will be **moving towards a supporter led approach,** building on the support of our donors and creating a growing and dynamic movement of people who want to change the lives of young people. We will be investing in new income streams and products to attract new audiences to support the work of Centrepont. We will also be changing the way we communicate with our supporters. We will be prioritising digital communication channels and improving how our supporters can interact with us online.

CORPORATE FUNDRAISING

We will **seek to strengthen our existing partnerships** and win new strategic partnerships to help support Centrepont's wider vision of a home and a job for all homeless young people. We will also look for new ways to increase our corporate income. This will include promoting sponsorship opportunities and maximising our brand value.

END YOUTH HOMELESSNESS

We will **continue to raise awareness and funds through nationwide corporate partnerships.** We will deliver a portfolio of national services supporting homeless young people across EYH charities, including a national rent deposit scheme, a jobs coaching programme and a bursary scheme. We will develop new fundraising mechanisms and products to diversify our income streams towards our 2020 target to raise £1.5 million.

REGIONAL FUNDRAISING

We will **work collaboratively with our operational teams to raise money for services** that will support Centrepont's vision of a home and a job for every young person. We will also be ambitious for Centrepont and our young people, using our skills to support colleagues to deliver against targets outside our immediate directorate.

BUSINESS SUPPORT

We will be redeveloping our applications that we use to hold data on our young people. The improved usability of these systems will **increase the amount of time that our keyworkers spend directly with young people** and improve the insight that they can access.

INTERNAL CONTROLS

In recognition of its responsibilities for the company's system of internal control, the directors 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 transactions which are necessary and fall within the scope of the company's operations are undertaken and that alterations or amendments to existing company records are properly 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 these are located; maintenance and updating of records detailing information about such assets and restricted access to premises and use of the company's assets to authorised personnel.

- **Employment of suitably** qualified and experienced staff to take responsibility for the key areas of the company's business, supported by a formal appraisal system.
- **Preparation of forecasts and budgets** which allow the Board and the 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 restriction of access to computer equipment, systems and suites of programs including amendment of standing data to designated personnel through approved measures such as compulsory use of passwords and access rights.

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

The reviews carried out in the financial year ended 31 March 2019 have not revealed weaknesses in internal control resulting in material losses, contingencies, or uncertainties which the directors regard as material 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 managed' organisation, which means being able to provide assurance on risk management process, management of 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 effect 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 of its meetings. It is also presented to the Board every quarter.

The current top five risks are:

- **Failure to comply** with Landlord Health & Safety requirements.
- **Failure to comply** with Employee Health & Safety requirements
- **Safeguarding principles** are not applied correctly in every relevant situation
- **Major incident** which results in serious injury or death
- **No Deal or Hard Brexit** that leads to a breakdown in economic functioning in the external environment.

The key risks identified in our risk register are prioritised in terms of potential impact and likelihood of occurrence. We consider ways of mitigating the risks and identify a lead executive that is responsible for taking necessary actions.

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

HEALTH AND SAFETY

We are **committed to continual improvement in health and safety performance.** We recognise our duty of care to personnel, 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 which 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 all at least annually. The Chief Executive Officer will review the health and safety policy and its arrangements on a biannual basis with the Board of Trustees.

PUBLIC BENEFIT

The directors have had regard to the Charity Commission's general guidance on public benefit and its supplementary guidance on fee charging and 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 directors are covered for professional indemnity under Centrepont's insurance policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

STRUCTURE AND DECISION MAKING PROCESS

Centrepoint is a registered charity legally organised in the form of a company limited by guarantee and governed by its memorandum and 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 which donates its income to Centrepoint.

These subsidiaries have been consolidated into these financial statements.

Centrepoint is controlled by a Board of Directors, as set out on page 77.

The directors, who are also Trustees of the charity, 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 directors.

Directors 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 that cover 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 successful fulfilment of Centrepoint's purposes and continued development as a viable enterprise. It scrutinises performance to secure effective implementation of strategy. It exercises overall accountability to major stakeholders and oversees major policies and major policy positions.

Details of implementation and execution are the responsibility of the Senior Executive Team, led by the Chief Executive Officer. In order to perform its role effectively, the Board has established the Audit and Risk Committee. The Audit and Risk Committee is responsible for detailed oversight of risk management and internal control, internal and external audit, financial management and reporting, and operational performance. **The Committee comprises five Board members and meets at least three times per year.**

The Remuneration Committee comprises three Board members and meets annually to review the salaries of the Senior Executive Team. They are also responsible for nominations and Board renewal.

The full Board meets every quarter to:

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

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

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Centrepont for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.



Company law and the law applicable to charities in England and Wales requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Housing SORP 2014.
- Observe the methods and principles in the Charity SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company. This enables them to ensure financial statements comply with the Companies Act 2006, the Charities Act 2011, 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the directors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The directors 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.



EMPLOYMENT

At Centrepont we are committed to doing all we can to make sure our staff feel highly engaged and are able to be highly productive. We want everyone to feel empowered and inspired, and to know they play an important role in sustaining an effective, professional and innovative service, creating positive outcomes for young people.

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 in relation to equality and diversity legislation. We have published our second gender pay gap report and this can be found on our website www.centrepont.org.uk. Our report has identified that our mean gender pay gap is significantly lower than the national average and we have made some positive progress on our mean gender pay gap over the past twelve months.

Centrepont is an equal opportunities employer. All recruitment and selection decisions will be based on relevant skills, knowledge and experience. At all stages of the process, it is important to avoid judgements based on any protected characteristics or any other irrelevant factors. Selection for all roles must be based on merit, against objective criteria that avoid discrimination. Our policy and practices reflect all current relevant UK legislation and we will ensure that we continue to comply with future legislative changes. This policy promotes and supports good practice for those with responsibility for recruitment, applying fair and consistent procedures that are non-discriminatory and avoid unconscious bias.

To do this we need as many channels of communication as we can get – up, down and across our organisation. The Employee Forum plays a key part in providing this. The Forum aims to contribute to the continuous improvement of Centrepont through the involvement of our employees by:

- Enabling staff knowledge to be shared throughout the organisation.
- Strengthening and enhancing open and timely communication with staff by offering an additional channel for people to be informed and to raise issues that affect Centrepont as an organisation, employees and young people.
- Involving employees, through their representatives, in the decision-making process by consulting more broadly on staff views and ideas, and trialling new initiatives.
- Enhancing the links and communication between the various office locations and remote workers.

We offer a comprehensive learning and development programme that is developed and offered each year to employees.

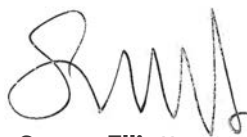
The wellbeing of our employees is essential to the success of Centrepont as well as the engagement and retention of our teams. Strategies are constantly being reviewed to

enhance how we support our teams and in particular those who on a daily basis have to work with the most complex challenges of our young people.

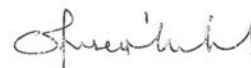
Staff also have direct access to the Senior Executive Team on a regular basis. These visits provide the opportunity to both staff and the Senior Executive Team to share information and seek views on all issues. They complement other forms of internal communication including On Point (our internal staff newsletter) and provide staff with an opportunity to consult on issues of direct relevance to them.

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

The Trustees' Report prepared under the Charities Act 2011, which also contains all information required in a Directors' 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 7 August 2019 and signed on its behalf by:



Symon Elliott
Chair



Seyi Obakin
Company Secretary





**INDEPENDENT
AUDITOR'S REPORT
TO THE MEMBERS OF
CENTREPOINT SOHO**

OPINION ON FINANCIAL STATEMENTS

We have audited the financial statements of Centrepont Soho (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the balance sheets, consolidated statement of financial activities, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- **give a true and fair view** of the state of the group's and the parent company's affairs as at 31 March 2019 and of the group's income and expenditure for the year then ended;
- **have been properly prepared** in accordance with United Kingdom Generally Accepted Accounting Practice;
- **have been properly 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 2015.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of 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 returns adequate 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS, AS TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities set out on page 43, the Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent 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 auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



STEPHANIE WARBOYS (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Date: 27 September 2019

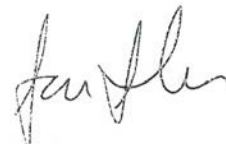
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2019

	Note	Unrestricted General £'000	Unrestricted Designated £'000	Restricted & Endowment £'000	Total 2019 £'000	Total 2018 £'000
Income from						
Donations and legacies	2a	15,665	-	2,849	18,514	17,411
Charitable activities	2b	14,815	213	214	15,242	14,997
Investment income		32	-	-	32	15
Other		190	-	25	215	286
Total income	4	30,702	213	3,088	34,003	32,709
Expenditure on						
Raising donations and legacies	2c	7,528	148	778	8,454	7,827
Raising funds		7,528	148	778	8,454	7,827
Net income for charitable application		23,174	65	2,310	25,549	24,882
Expenditure on charitable activities						
Collaboration		138	3	21	162	217
Engagement		721	13	29	763	616
Health		370	19	701	1,090	855
Housing & lifeskills		17,172	721	299	18,192	18,164
Policy & influence		355	7	34	396	352
Prevention		1,271	60	374	1,705	1,537
Skills & employment		1,658	35	338	2,031	2,090
Total charitable expenditure	2c	21,685	858	1,796	24,339	23,831
Net income		1,489	(793)	514	1,210	1,051
Transfers	13	(1,009)	881	128	-	-
Net movements in funds		480	88	642	1,210	1,051
Reserves brought forward		2,657	14,976	2,269	19,902	18,851
Reserves carried forward	13	3,137	15,064	2,911	21,112	19,902

All of the above results relate to continuing activities. These financial statements were approved and authorised for issue by the Board of Directors on 7 August 2019 and signed on their behalf by:


Simon Elliott, Chair


Ian Holborn, Treasurer

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

COMPANY REGISTRATION NUMBER 01929421

	Note	2019 £'000 Company	2019 £'000 Group	2018 £'000 Company	2018 £'000 Group
Fixed assets					
Intangible assets and goodwill	8a	286	286	331	331
Housing properties	8b	28,268	28,268	28,348	28,348
Depreciation on housing properties	8b	(3,939)	(3,939)	(3,610)	(3,610)
Net housing properties		24,329	24,329	24,738	24,738
Other tangible fixed assets	8b	1,951	1,951	2,061	2,061
Investments	12	24	-	24	-
		26,590	26,566	27,154	27,130
Current assets					
Debtors	9	2,331	2,313	3,509	3,343
Cash deposits		3,193	3,193	3,180	3,180
Cash at bank and in hand		8,056	8,102	4,380	4,573
		13,580	13,608	11,069	11,096
Creditors: amounts falling due within one year	10	(5,581)	(5,581)	(4,296)	(4,296)
Net current assets		7,999	8,027	6,773	6,800
Total assets less current liabilities		34,589	34,593	33,927	33,930
Creditors: amounts falling due after one year	11	(13,481)	(13,481)	(14,028)	(14,028)
Net assets		21,108	21,112	19,899	19,902
Reserves					
Restricted reserves					
Permanent endowment fund	13	172	172	172	172
Restricted reserves	13	2,739	2,739	2,097	2,097
Total restricted reserves		2,911	2,911	2,269	2,269
Unrestricted reserves					
Designated	13	15,064	15,064	14,976	14,976
General	13	3,133	3,137	2,654	2,657
Total unrestricted reserves		18,197	18,201	17,630	17,633
Total reserves		21,108	21,112	19,899	19,902

These financial statements were approved and authorised for issue by the Board of Directors on 7 August 2019 and signed on their behalf by:


Symon Elliott, Chair


Ian Holborn, Treasurer

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £'000	2019 £'000	2018 £'000	2018 £'000
		Company	Group	Company	Group
Net cash generated by operations	18		3,805		1,316
Interest		32		15	
Capital expenditure		(549)		(1,404)	
Proceeds from sale of tangible fixed assets		267		-	
Purchase of intangible fixed assets		(113)		(16)	
Social housing grants and other public grants received		102		261	
Cash used in investing activities			(263)		(1,144)
Increase in cash and cash equivalents			3,542		172
Cash and cash equivalents at the beginning of the year	18		7,753		7,581
Cash and cash equivalents at the end of the year	18		11,295		7,753

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the accounts of Centrepoint.

a. Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with UK General Accepted Accounting Practice (FRS102), the Housing SORP 2014 and Charities SORP (FRS102) (The Financial Reporting Standard applicable in the UK and Republic of Ireland). Centrepoint is a public benefit entity. Centrepoint is both a registered charity and a registered social landlord and sees both of these areas represented significantly in its activities. In particular, it receives a large amount of charitable income and incurs expenditure to do this. The directors consider that the financial statements prepared to reflect Centrepoint's aims and to satisfy the different reporting needs of users. Therefore, they have produced a Statement of Financial Activities (SOFA), incorporating an income and expenditure account which satisfies the reporting requirements of the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

Centrepoint 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. The parent company's surplus for the year was £1.2 million (2018 £1.1 million).

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

b. Income

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain and when there is adequate certainty 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;
- Grants are recognised when the entitlement to the grant is confirmed. 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 objects in the year in which they are received. Grants received specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate;
- Rental income is accounted for on a receivable basis, net of voids.
- Donations, gifts, legacies and general grants receivable, which do not relate to specific charitable activities, are categorised as donations and legacies;
- The financial statements reflect no amounts in respect of time provided by volunteers;
- Donated goods, services or facilities are brought into the accounts 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 both income and expenditure;
- Legacies are recognised as income when there is entitlement, probability of receipt and measurability of the legacy;
- Investment income is accounted for on a receivable basis.

1. ACCOUNTING POLICIES (CONTINUED)

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 so as 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. All financial statements are made up to 31 March 2019.
- 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, Centrepont 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”.

e. Business combinations

- The cost of a business combination is the fair value at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination.
- The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.
- Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

f. 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 comprises the costs associated with attracting voluntary income;
- Governance costs comprise those incurred as a result of constitutional and statutory requirements;
- Support costs represent centrally incurred costs, principally relating to Finance, Information and Communication Technology, Human Resources, Contracts and Quality, Information and Management, which cannot be attributed to specific activities but provide the organisational infrastructure that enables those activities to take place.

g. Fund accounting

- General reserves are available for use at the discretion of the directors in furtherance of the general objectives of Centrepont.
- Designated reserves are funds that have been set aside at the discretion of the directors 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 where the capital must be preserved but the income can be spent. The income is added to restricted funds at the request of the donor.

1. ACCOUNTING POLICIES (CONTINUED)

h. VAT

All income and expenditure is shown exclusive of VAT. Any irrecoverable VAT is included as part of general expenditure.

i. Taxation

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

j. Operating leases

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

k. Fixed assets

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

l. Impairments of fixed assets

An assessment is made at each reporting date, at 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 reversed. If such indications exist, Centrepont 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.

m. 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 directors, this represents the period over which the goodwill is expected to give rise to economic benefits.

n. Tangible fixed assets – housing properties

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

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 2014, 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.

1. ACCOUNTING POLICIES (CONTINUED)

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

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

- Other properties include Sunderland Foyle Street office and Bradford Foyer Training Centre which are depreciated over the length of the lease of the buildings.
- Where hostel and housing properties have been funded by social housing grants, the grant is repayable on disposal, unless it is recycled in accordance with applicable Homes England (formerly 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.

o. 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.

p. Cyclical maintenance

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

q. Managed properties

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

r. Pension costs

Centrepoint has a defined contribution pension scheme. The amount charged to the SOFA in respect of 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 balance sheet.

s. 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.

t. 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 grants will be received. Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset 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 Centrepoint will comply with the conditions and the funds will be received.

u. 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 Centrepoint becomes a party to the contractual provisions of the instrument, and are offset only when Centrepoint 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.

1. ACCOUNTING POLICIES (CONTINUED)

v. 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 the employment of an employee or to provide termination benefits.

w. Critical accounting estimates and assumptions

The key assumptions relate to the useful lives of social housing assets and components included in 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 exists, we carry out an impairment assessment and estimate the recoverable amount of the asset or cash-generating unit (CGU). The carrying amount is compared to the recoverable amount to determine any impairment loss.

x. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. As part of the impairment review undertaken, we have assessed the North east general needs properties as a single cash-generating unit and as such have reviewed the impairment on that basis. These properties are treated as a single CGU on the basis that they were purchased and managed under one programme.

y. Restatement of comparative period

We have changed and updated the categories of charitable activities to reflect how the organisation now operates and monitors performance. As a result of this change, we have restated the comparative Statement of Financial Activities to ensure that the financial statements are comparable. Details are given in note 23. There is no overall impact on total income, total expenditure, net income and net assets as this is a matter of presentation only. The impacted notes are as follows:

- Note 2(b)
- Note 2(c)
- Note 3
- Note 4
- Note 6(a)
- Note 13

2. ANALYSIS OF INCOME

a. Analysis of donations and legacies

	2019	2018
	£'000	£'000
Individual giving	10,936	9,894
Legacy and in memorial	840	687
Corporate donations (including Regional and EYH)	4,847	4,009
Statutory and trust donations	837	1,127
Major donors	504	1,012
Other donations and gifts	550	682
Total	18,514	17,411

b. Analysis of income from charitable activities

	Rent and charges	Supported housing grant	Other grants and contracts	Total
	£'000	£'000	£'000	£'000
2019				
Collaboration	-	-	-	-
Health	-	-	50	50
Housing & lifeskills	6,502	7,175	217	13,894
Prevention	-	-	1,013	1,013
Skills & employment	-	-	285	285
Total	6,502	7,175	1,565	15,242
2018				
Collaboration	-	-	20	20
Health	-	-	-	-
Housing & lifeskills	6,508	7,067	228	13,803
Prevention	-	-	843	843
Skills & employment	-	-	330	330
Total	6,508	7,067	1,422	14,997

c. Analysis of expenditure

	Staff costs	Other direct costs	Support costs	Total
	£'000	£'000	£'000	£'000
2019				
Charitable expenditure				
Collaboration	83	50	29	162
Engagement	311	390	62	763
Health	737	182	171	1090
Housing & lifeskills	8,321	7,439	2,432	18,192
Policy & influence	185	128	83	396
Prevention	1,047	375	283	1,705
Skills & employment	1,226	468	337	2,031
Total direct charitable expenditure	11,910	9,032	3,397	24,339
Raising donations & legacies	2,204	5,824	426	8,454
Total expenditure	14,114	14,856	3,823	32,793
2018				
Charitable expenditure				
Collaboration	69	133	15	217
Engagement	199	373	44	616
Health	551	206	98	855
Housing & lifeskills	9,767	6,666	1,731	18,164
Policy & influence	287	31	34	352
Prevention	168	1,162	207	1,537
Skills & employment	1,413	436	241	2,090
Total direct charitable expenditure	12,454	9,007	2,370	23,831
Raising donations & legacies	2,044	5,444	339	7,827
Total expenditure	14,498	14,451	2,709	31,658

3. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

Governance costs are included within the support costs above.

	Finance	ICT	Human Resources	Management	Governance	Total
2019	£'000	£'000	£'000	£'000	£'000	£'000
Collaboration	11	9	4	3	2	29
Engagement	21	17	9	6	9	62
Health	55	60	22	15	19	171
Housing & lifeskills	639	1,158	260	172	203	2,432
Policy & influence	30	25	12	8	8	83
Prevention	93	100	38	25	27	283
Raising funds	141	152	57	38	38	426
Skills & employment	110	119	45	30	33	337
Total	1,100	1,640	447	297	339	3,823
2018						
Collaboration	7	3	2	2	1	15
Engagement	18	9	7	7	3	44
Health	39	21	16	15	7	98
Housing & lifeskills	525	434	329	303	139	1,731
Policy & influence	15	7	5	5	2	34
Prevention	78	46	35	32	15	207
Raising funds	126	77	58	53	25	339
Skills & employment	91	54	41	38	17	241
Total	898	652	495	455	209	2,709

4. PARTICULARS OF TURNOVER AND SOCIAL HOUSING ACTIVITIES

	2019			2018		
	Turnover	Operating cost	Surplus/ (deficit)	Turnover	Operating cost	Surplus/ (deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings						
Gross rental income	6,502	(8,469)	(1,967)	6,508	(7,058)	(550)
Supported housing grant	7,175	(9,345)	(2,170)	7,067	(9,317)	(2,250)
Other grants and contracts	217	(282)	(65)	229	(1,684)	(1,455)
	13,894	(18,096)	(4,202)	13,804	(18,059)	(4,255)
Non-social housing activities						
Collaboration	-	(162)	(162)	20	(217)	(197)
Engagement	-	(763)	(763)	-	(616)	(616)
Health	50	(1,090)	(1,040)	-	(855)	(855)
Lifeskills	-	(96)	(96)	-	(105)	(105)
Policy & influence	-	(396)	(396)	-	(352)	(352)
Prevention	1,013	(1,705)	(692)	843	(1,537)	(694)
Raising funds	18,514	(8,454)	10,060	17,411	(7,827)	9,484
Skills & employment	285	(2,031)	(1,746)	330	(2,090)	(1,760)
Other	215	-	215	286	-	286
Investment income	32	-	32	15	-	15
	34,003	(32,793)	1,210	32,709	(31,658)	1,051
			2019			2018
			£'000			£'000
Social housing income						
Rental income net of identifiable service charges			4,179			4,047
Service charges			3,125			3,072
Gross rental income			7,304			7,119
Rental losses from voids			(802)			(611)
			6,502			6,508
Statutory grants			7,392			7,296
			13,894			13,804
Social housing expenditure						
Services			16,809			16,778
Management			206			305
Routine maintenance			682			661
Planned maintenance			41			23
Bad debts			358			292
Operating cost of social housing lettings			18,096			18,059
Operating deficit of social housing letting			(4,202)			(4,255)

5. GRANTS AND CONTRACTS

	2019	2018
	£'000	£'000
Supported housing grant	7,175	7,067
Skills and employment contracts	285	310
Other	1,280	1,112
	8,740	8,489

6. EMPLOYEE INFORMATION

a. Raising funds

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

	2019	2018
	Number	Number
Collaboration	3	2
Engagement	8	6
Health	19	12
Housing & lifeskills	239	274
Policy & influence	6	6
Prevention	31	4
Raising donations and legacies	50	48
Skills & employment	38	39
Business support	48	39
	442	430

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

	2019	2018
	Number	Number
Collaboration	3	2
Engagement	8	6
Health	21	14
Housing & lifeskills	244	278
Policy & influence	7	7
Prevention	35	5
Raising donations and legacies	52	49
Skills & employment	39	41
Business support	50	41
	459	443

6. EMPLOYEE INFORMATION (CONTINUED)

b. Staff costs

	2019	2018
	£'000	£'000
Wages and salaries	13,404	12,382
Social security costs	1,260	1,164
Pension costs	536	409
Redundancy costs	59	149
	15,259	14,104
Agency staff & concierge	1,889	2,033
	17,148	16,137

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:

	2019	2018
	Number	Number
£60,001 - £70,000	8	6
£70,001 - £80,000	2	1
£80,001 - £90,000	3	2
£90,001 - £100,000	1	-
£110,001 - £120,000	-	1
£140,001 - £150,000	1	1

- During the year, pension contributions on behalf of these staff amounted to approximately £104k (2018: £89k)
- The remuneration (including pension contributions and benefits paid in kind) paid to the CEO and senior executive team during the year was £716k (2018: £658k).
- The Chief Executive is entitled to ordinary membership of the defined pension contribution pension scheme operated by the company. No special terms or individual pension arrangements apply to this post.
- No members of the Board received any emolument for their services as Trustees, but are reimbursed for expenses which are necessarily incurred in the performance of their duties.
- Expenses amounting to £3,752 (2018: £2,235) for travel and accommodation costs were incurred by all 12 of the trustees.

7. SURPLUS FOR THE YEAR

The surplus for the year is stated after charging.

	2019	2018
	£'000	£'000
Audit fee (gross)	38	43
Depreciation	818	682
Operating leases - office equipment	98	90
Operating leases - other	568	378
Amortisation of intangible assets	158	130
Net profit on disposal of fixed assets	17	-
Foreign exchange gain/(loss)	24	(42)

8. FIXED ASSETS

Group and company	IT Software	Goodwill	Total
	£'000	£'000	£'000
Cost			
At 1 April 2018	569	81	650
Addition of assets	113	-	113
At 31 March 2019	682	81	763
Amortisation and impairment			
At 1 April 2018	(299)	(20)	(319)
Amortisation	(150)	(8)	(158)
At 31 March 2019	(449)	(28)	(477)
Carrying amount			
At 31 March 2019	233	53	286
At 31 March 2018	270	61	331

8. FIXED ASSETS (CONTINUED)

b. Tangible fixed assets

Group and company	Hostels & housing properties for letting							
	Freehold £'000	Long leasehold £'000	Short leasehold £'000	Assets under course of construction £'000	Total £'000	Other properties £'000	Vehicles, equipment & furniture £'000	Total £'000
Cost								
At 1 April 2018	8,392	16,678	2,415	863	28,348	2,133	1,989	32,470
Additions	-	-	-	228	228	-	321	549
Transfers	627	-	-	(627)	-	-	-	-
Disposals	-	(232)	(76)	-	(308)	-	(40)	(348)
At 31 March 2019	9,019	16,446	2,339	464	28,268	2,133	2,270	32,671
Depreciation								
At 1 April 2018	(1,281)	(1,368)	(961)	-	(3,610)	(587)	(1,474)	(5,671)
Charge for year	(77)	(226)	(101)	-	(404)	(139)	(275)	(818)
Disposals	-	11	64	-	75	-	23	98
At 31 March 2019	(1,358)	(1,583)	(998)	-	(3,939)	(726)	(1,726)	(6,391)
Net book value								
At 31 March 2019	7,661	14,863	1,341	464	24,329	1,407	544	26,280
At 31 March 2018	7,111	15,310	1,454	863	24,738	1,546	515	26,799

9. DEBTORS

Group	2019 £'000	2018 £'000
Residents occupancy	1,152	1,267
Less provision for bad debts	(1,075)	(998)
	77	269
Accrued income	1,121	1,432
Trade debtors	654	1,212
Other debtors	29	29
Prepayments	432	401
	2,313	3,343

Included in above financial assets are financial instruments measured at amortised cost of £1.8m (2018: £2.9m).

Company	2019 £'000	2018 £'000
Residents occupancy	1,152	1,267
Less provision for bad debts	(1,075)	(998)
	77	269
Accrued income	1,121	1,432
Trade debtors	653	1,212
CP Trading Limited	5	153
American Friends of Centrepoint	14	13
Other debtors	29	29
Prepayments	432	401
	2,331	3,509

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group	2019 £'000	2018 £'000
Trade creditors	779	1,144
Other taxes and social security costs	330	317
Accruals and deferred income	2,274	1,276
Deferred capital grants	194	196
Other creditors	2,004	1,363
	5,581	4,296

The above includes outstanding pension contributions of £95k (2018: £66k).

Included in above financial liability are financial instruments measured at amortised cost of £4.2m (2018: £3.2m).

Company	2019 £'000	2018 £'000
Trade creditors	779	1,144
Other taxes and social security costs	330	317
Accruals and deferred income	2,274	1,276
Deferred capital grants	194	196
Other creditors	2,004	1,363
	5,581	4,296

The above includes outstanding pension contributions of £95k (2018: £66k).

Other creditors include the following balance in respect of recycled capital grants

Group and company	2019 £'000	2018 £'000
As at 1 April	883	995
Capital grant released on sale	71	-
Recycled grant repaid	-	(112)
As at 31 March	954	883
Due within one year	890	435
Due after more than one year	64	448
	954	883

11. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

Group and company	2019 £'000	2018 £'000
Deferred Capital Social Housing Grant greater than one year	13,417	13,580
Recycled Social Housing Grant greater than one year	64	448
	13,481	14,028

The total Social Housing Grant included in the Statement of Financial Position and SOFA, at 31 March 2019, is £15.5m (2018: £15.4m).

12. SUBSIDIARIES

Centrepoint had two wholly owned subsidiary undertakings during 2018-19. CP Trading Limited is incorporated in England and Wales. The principal activity is the organisation of fundraising events and activities. American Friends of Centrepoint is registered in the United States of America. Its principal activity is to fundraise on behalf of Centrepoint.

All subsidiaries are wholly owned by Centrepoint. Cost of investment in subsidiaries is £24k (2018: £24k).

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

a. CP Trading Limited

	2019 £'000	2018 £'000
Income	70	272
Expenditure	(1)	(55)
Operating profit	69	217
Interest receivable	-	-
Retained profit	69	217
Gift aid distribution	-	(217)
Assets	93	174
Liabilities	-	(150)
Funds	93	24

b. American Friends of Centrepoint

	2019 £'000	2018 £'000
Income	-	-
Expenditure	(1)	(6)
Operating profit / (loss)	(1)	(6)
Retained profit	(1)	(6)
Assets	19	19
Liabilities	(14)	(13)
Funds	5	6

13. STATEMENT OF FUNDS

Our designated funds represent

- Centrepoint Helpline: for the running costs of our emergency Helpline for homeless young people and those at risk of homelessness.
- 50th anniversary: funds set aside to raise awareness and influence public policy on youth homelessness
- New housing stock: the purchase of new housing stock to enable young people to 'move on' from supported hostel accommodation towards independent living.
- Fixed assets: the properties where young people live and other fixed assets such as training centres, vehicles equipment and furniture.

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 local and national level in respect of issues that matter to homeless young people
- Prevention: provide 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 funds: for End Youth Homelessness national fundraising partnership

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, in the year this relate to the 50th anniversary as well as an additional £500k for housing property. EYH has been recognised as a restricted fund and as such the brought forward unrestricted fund has been transferred to restricted funds.

13. STATEMENT OF FUNDS (CONTINUED)

	1 April 2018 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2019 £'000
Unrestricted reserves					
Designated funds					
Centrepoint Helpline	30	-	(30)	-	-
50 th Anniversary	-	-	-	90	90
Housing property	2,474	-	-	500	2,974
Fixed assets	12,472	213	(976)	291	12,000
Total designated funds	14,976	213	(1,006)	881	15,064
General reserves	2,657	30,702	(29,213)	(1,009)	3,137
Total unrestricted reserves	17,633	30,915	(30,219)	(128)	18,201
Restricted reserves					
Collaboration	-	19	(21)	2	-
Engagement	21	82	(29)	-	74
Health	556	579	(701)	-	434
Housing & lifeskills	456	426	(299)	-	583
Skills & employment	461	344	(338)	-	467
Policy & influence	-	10	(34)	24	-
Prevention	287	527	(374)	-	440
Raising donations & legacies	316	1,101	(778)	102	741
Total restricted charitable donations and grants	2,097	3,088	(2,574)	128	2,739
Restricted endowment	172	-	-	-	172
Total restricted reserves	2,269	3,088	(2,574)	128	2,911
Total funds	19,902	34,003	(32,793)	-	21,112

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Endowment	Restricted	Designated	General	2019
	£'000	£'000	£'000	£'000	Total
					£'000
Fixed assets	-	-	26,566	-	26,566
Debtors	-	-	-	2,313	2,313
Cash deposits	172	-	3,021	-	3,193
Cash at bank and in hand	-	2,739	43	5,320	8,102
Creditors: amounts falling due within one year	-	-	(1,085)	(4,496)	(5,581)
Creditors: amounts falling due after one year	-	-	(13,481)	-	(13,481)
	172	2,739	15,064	3,137	21,112

	Endowment	Restricted	Designated	General	2018
	£'000	£'000	£'000	£'000	Total
					£'000
Fixed assets	-	-	27,130	-	27,130
Debtors	-	-	-	3,343	3,343
Cash deposits	172	2,097	426	485	3,180
Cash at bank and in hand	-	-	2,079	2,494	4,573
Creditors: amounts falling due within one year	-	-	(631)	(3,665)	(4,296)
Creditors: amounts falling due after one year	-	-	(14,028)	-	(14,028)
	172	2,097	14,976	2,657	19,902

15. FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

There were no known contingent liabilities at 31 March 2019 (2018: none).

16. OPERATING LEASE COMMITMENTS

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

	2019	2019	2018	2018
	Land & buildings	Office equipment	Land & buildings	Office equipment
	£'000	£'000	£'000	£'000
Within one year	466	85	378	90
Between one and five years	1,705	69	655	-
	2,171	154	1,033	90

17. ACCOMMODATION IN MANAGEMENT

Group and company	As at 31 March	As at 31 March
	2019	2018
	Number	Number
Owned or lease held by Centrepoint		
Hostel bed spaces	113	113
Other bed spaces	262	256
	375	369
Owned by partner registered providers		
Hostel bed spaces	336	308
Other bed spaces	180	163
	516	471
Total	891	840

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

	2019	2018
	£'000	£'000
Net income	1,210	1,051
Net gain on disposal of fixed assets	(17)	-
Interest receivable	(32)	(15)
Depreciation charges	818	682
Amortisation of intangible assets	158	130
Amortisation of social housing grant	(196)	(152)
Operating cash flows before movement in working capital	1,941	1,696
Decrease/(increase) in debtors	1,030	(563)
Increase in creditors	832	183
Cash generated by operations	3,803	1,316

	2019	2019	2018	2018
	£'000	£'000	£'000	£'000
	Company	Group	Company	Group
Cash and cash equivalents represent				
Cash deposits	3,193	3,193	3,180	3,180
Cash at bank and in hand	8,056	8,102	4,380	4,573
	11,249	11,295	7,560	7,753

19. 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 12 members (2018: 13).

20. CAPITAL COMMITMENTS

Group and company	2019	2018
	Number	Number
Capital expenditure commitments contracted but not provided for	63	-

21. RELATED PARTY TRANSACTIONS

David Montague, appointed as a trustee on 1 August 2018, is also Chief Executive of London & Quadrant (L&Q). L&Q are a Registered Social Housing Landlord for our Lambeth and Lewisham contracts. The contracts have been in place for a number of years and as such there was no conflict of interest at the time of the contract award. L&Q charged rent and service charges totalling £336,647 for the year to 31 March 2019. Centrepoint had at balance payable with L&Q as at 31 March 2019 for £85,748.

Ndidi Okezie, appointed as a trustee on 1 August 2018, is also Vice President at Pearson Schools. Pearson Schools provide qualifications for our learners and have been providing this service for a number of years. Pearson Schools charged £7,780 during the year to 31 March 2019. Centrepoint had a balance payable with Pearson Schools as at 31 March 2019 of £nil.

22. SOFA COMPARATIVE

	Note	General £'000	Unrestricted Designated £'000	Restricted & Endowment £'000	Total 2018 £'000
Income from					
Donations and legacies	2a	14,641	-	2,770	17,411
Charitable activities	2b	14,935	-	62	14,997
Investment income		15	-	-	15
Other		281	-	5	286
Total income	4	29,872	-	2,837	32,709
Expenditure on					
Raising donations and legacies	2c	7,665	-	162	7,827
Raising funds		7,665	-	162	7,827
Net income for charitable application		22,207	-	2,675	24,882
Expenditure on charitable activities					
Collaboration		99	-	118	217
Engagement		616	-	-	616
Health		855	-	-	855
Housing & Lifeskills		16,898	-	1,266	18,164
Policy & influence		220	-	132	352
Prevention		1,537	-	-	1,537
Skills & employment		1,224	-	866	2,090
Total charitable expenditure	2c	21,449	-	2,382	23,831
Net income		758	-	293	1,051
Transfers	13	180	(142)	(38)	-
Net movements in funds		938	(142)	255	1,051
Reserves brought forward		1,719	15,118	2,014	18,851
Reserves carried forward	13	2,657	14,976	2,269	19,902

23. RESTATED COMPARATIVES

We have changed and updated the categories of charitable activities to reflect how the organisation now operates and monitors performance.

Restated comparatives are presented on pages 74-80.

a. Note 2(b). Analysis of income from charitable activities

	As previously analysed £'000	Restatement £'000	As current note 2b (restated) £'000
Rent and Charges			
Collaboration	-	-	-
Health	-	-	-
Housing & lifeskills	-	6,508	6508
Prevention	-	-	-
Skills & employment / Skills & employability	-	-	-
Housing	6,508	(6,508)	-
Support	-	-	-
Influencing policy / Policy & influence	-	-	-
Total	6,508	-	6,508
Supported Housing Grant			
Collaboration	-	-	-
Health	-	-	-
Housing & lifeskills	-	7,067	7,067
Prevention	-	-	-
Skills & employment / Skills & employability	-	-	-
Housing	-	-	-
Support	-	-	-
Influencing policy / Policy & influence	7,067	(7,067)	-
Total	7,067	-	7,067
Other grants and contracts			
Collaboration	20	-	20
Health	-	-	-
Housing & lifeskills	-	228	228
Prevention	-	843	843
Skills & employment / Skills & employability	310	20	330
Housing	152	(152)	-
Support	940	(940)	-
Influencing policy / Policy & influence	-	-	-
Total	1,422	-	1,422
Total			
Collaboration	20	-	20
Health	-	-	-
Housing & lifeskills	-	13,803	13,803
Prevention	-	843	843
Skills & employment / Skills & employability	310	20	330
Housing	6,660	(6,660)	-
Support	8,007	(8,007)	-
Influencing policy / Policy & influence	-	-	-
Total	14,997	-	14,997

23. RESTATED COMPARATIVES (CONTINUED)

b. Note 2(c). Analysis of expenditure

		As previously analysed £'000	Restatement £'000	As current note 2(c) (restated) £'000
Staff Costs	Housing	1,584	(1,584)	-
	Support	8,941	(8,941)	-
	Skills & employment / Skills & employability	1,607	(194)	1,413
	Influencing policy / Policy & influence	287	-	287
	Collaboration	110	(41)	69
	Engagement	-	199	199
	Health	-	551	551
	Housing & lifeskills	-	9,767	9,767
	Prevention	-	168	168
	Raising funds / Raising donations & legacies	1,969	75	2,044
		14,498	-	14,498
Other direct costs	Housing	5,279	(5,279)	-
	Support	2,866	(2,866)	-
	Skills & employment / Skills & employability	776	(340)	436
	Influencing policy / Policy & influence	96	(65)	31
	Collaboration	72	61	133
	Engagement	-	373	373
	Health	-	206	206
	Housing & lifeskills	-	6,666	6,666
	Prevention	-	1,162	1,162
	Raising funds / Raising donations & legacies	5,570	(126)	5,444
		14,659	(209)	14,451
Support costs	Housing	195	(195)	-
	Support	1,711	(1,711)	-
	Skills & employment / Skills & employability	268	(27)	241
	Influencing policy / Policy & influence	28	6	34
	Collaboration	11	4	15
	Engagement	-	44	44
	Health	-	98	98
	Housing & lifeskills	-	1,731	1,731
	Prevention	-	207	207
	Raising funds / Raising donations & legacies	287	52	339
		2,500	209	2,709
Total Expenditure	Housing	7,058	(7,058)	-
	Support	13,518	(13,518)	-
	Skills & employment / Skills & employability	2,651	(561)	2,090
	Influencing policy / Policy & influence	411	(59)	352
	Collaboration	193	24	217
	Engagement	-	616	616
	Health	-	855	855
	Housing & lifeskills	-	18,164	18,164
	Prevention	-	1,537	1,537
	Raising funds / Raising donations & legacies	7,826	-	7,826
Total		31,658	-	31,658

23. RESTATED COMPARATIVES (CONTINUED)

c. Note 3. Analysis of support and governance costs

		As previously analysed £'000	Restatement £'000	As current note 2(c) (restated) £'000
Finance	Housing	73	(73)	-
	Support	612	(612)	-
	Skills & employment / Skills & employability	96	(5)	91
	Influencing policy / Policy & influence	10	5	15
	Collaboration	4	3	7
	Engagement	-	18	18
	Health	-	39	39
	Housing & lifeskills	-	525	525
	Prevention	-	78	78
	Raising funds / Raising donations & legacies	103	23	126
		898	-	898
ICT	Housing	56	(56)	-
	Support	441	(441)	-
	Skills & employment / Skills & employability	70	(16)	54
	Influencing policy / Policy & influence	7	-	7
	Collaboration	3	-	3
	Engagement	-	9	9
	Health	-	21	21
	Housing & lifeskills	-	434	434
	Prevention	-	46	46
	Raising funds / Raising donations & legacies	75	2	77
		652	-	652
Human resources	Housing	34	(34)	-
	Support	343	(343)	-
	Skills & employment / Skills & employability	53	(12)	41
	Influencing policy / Policy & influence	6	(1)	5
	Collaboration	2	-	2
	Engagement	-	7	7
	Health	-	16	16
	Housing & lifeskills	-	329	329
	Prevention	-	35	35
	Raising funds / Raising donations & legacies	57	1	58
		495	-	495
Management	Housing	32	(32)	-
	Support	315	(315)	-
	Skills & employment / Skills & employability	49	(11)	38
	Influencing policy / Policy & influence	5	-	5
	Collaboration	2	-	2
	Engagement	-	7	7
	Health	-	15	15
	Housing & lifeskills	-	303	303
	Prevention	-	32	32
	Raising funds / Raising donations & legacies	52	1	53
		455	-	455

23. RESTATED COMPARATIVES (CONTINUED)

c. Note 3. Analysis of support and governance costs continued...

		As previously analysed £'000	Restatement £'000	As current note 4 (restated) £'000
Governance	Housing	15	(15)	-
	Support	145	(145)	-
	Skills & employment / Skills & employability	22	(5)	17
	Influencing policy / Policy & influence	2	-	2
	Collaboration	1	-	1
	Engagement	-	3	3
	Health	-	7	7
	Housing & lifeskills	-	139	139
	Prevention	-	15	15
	Raising funds / Raising donations & legacies	24	1	25
		209	-	209
Total	Housing	210	(210)	-
	Support	1,856	(1,856)	-
	Skills & employment / Skills & employability	290	(49)	241
	Influencing policy / Policy & influence	30	4	34
	Collaboration	12	3	15
	Engagement	-	44	44
	Health	-	98	98
	Housing & lifeskills	-	1,731	1,731
	Prevention	-	207	207
	Raising funds / Raising donations & legacies	311	28	339
		2,709	-	2,709

d. Note 4. Particulars of turnover and social housing activities

		£'000	£'000	£'000
Social housing lettings	Turnover			
	Gross rental income	6,508	-	6,508
	Supported housing grant	7,067	-	7,067
	Other grants and contracts	1,092	(863)	229
		14,667	(863)	13,804
Non-social housing activities	Skills & employment / Skills & employability	310	20	330
	Influencing public policy / Policy & influence	-	-	-
	Collaboration	20	-	20
	Engagement	-	-	-
	Health	-	-	-
	Lifeskills	-	-	-
	Prevention	-	843	843
	Raising funds / Raising donations & legacies	17,411	-	17,411
	Other	301	(15)	286
	Investment income	-	15	15
		32,709	-	32,709
Operating Cost Social housing lettings	Gross rental income	(7,508)	-	(7,508)
	Supported housing grant	(9,317)	-	(9,317)
	Other grants and contracts	(4,201)	2,517	(1,684)
		(20,576)	2,517	(18,059)

23. RESTATED COMPARATIVES (CONTINUED)

d. Note 4. Particulars of turnover and social housing activities

		As previously analysed £'000	Restatement £'000	As current note 4 (restated) £'000
Non-social housing activities	Skills & employment / Skills & employability	(2,651)	561	(2,090)
	Influencing public policy / Policy & influence	(411)	59	(352)
	Collaboration	(193)	(24)	(217)
	Engagement	-	(616)	(616)
	Health	-	(855)	(855)
	Lifeskills	-	(105)	(105)
	Prevention	-	(1,537)	(1,537)
	Raising funds / Raising donations & legacies	(7,827)	-	(7,827)
	Other	-	-	-
	Investment income	-	-	-
		(31,658)	-	(31,658)
Surplus / (deficit) Social housing lettings	Gross rental income	(550)	-	(550)
	Supported housing grant	(2,250)	-	(2,250)
	Other grants and contracts	(3,109)	1,654	(1,455)
		(5,909)	1,654	(4,255)
Non-social housing activities	Skills & employment / Skills & employability	(2,341)	581	(1,760)
	Influencing public policy / Policy & influence	(411)	59	(352)
	Collaboration	(173)	(24)	(197)
	Engagement	-	(616)	(616)
	Health	-	(855)	(855)
	Lifeskills	-	(105)	(105)
	Prevention	-	(694)	(694)
	Raising funds / Raising donations & legacies	9,584	-	9,584
	Other	301	(15)	286
	Investment income	-	15	15
Total		1,051	-	1,051

23. RESTATED COMPARATIVES (CONTINUED)

e. Note 6(a). Employee information

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

		As previously analysed Number	Restatement Number	As current note 2(c) (restated) Number
Staff Numbers	Housing	26	(26)	-
	Support	259	(259)	-
	Skills & employment / Skills & employability	47	(8)	39
	Influencing policy / Policy & influence	13	(7)	6
	Collaboration	4	(2)	2
	Engagement	-	6	6
	Health	-	12	12
	Housing & lifeskills	-	274	274
	Prevention	-	4	4
	Raising funds / Raising donations & legacies	48	-	48
	Business Support	33	6	39
		430	-	430

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

Staff Numbers	Housing	27	(27)	-
	Support	266	(266)	-
	Skills & employment / Skills & employability	48	(7)	41
	Influencing policy / Policy & influence	14	(7)	7
	Collaboration	4	(2)	2
	Engagement	-	6	6
	Health	-	14	14
	Housing & lifeskills	-	278	278
	Prevention	-	5	5
	Raising funds / Raising donations & legacies	49	-	49
	Business Support	35	6	41
		443	-	443

23. RESTATED COMPARATIVES (CONTINUED)

f. Note 13. Statement of funds

		As previously analysed £'000	Restatement £'000	As current note 2(c) (restated) £'000
Unrestricted reserves	Designated funds			
	Centrepoint Helpline	30	-	30
	Housing property	2,474	-	2,474
	Fixed assets	12,472	-	12,472
	Total designated funds	14,976	-	14,976
	General reserves	2,657	-	2,657
	Total unrestricted funds	17,633	-	17,633
Restricted reserves	Support	1,209	(1,209)	-
	Skills & employment / Skills & employability	720	(259)	461
	Engagement	-	21	21
	Health	-	556	556
	Housing & lifeskills	-	456	456
	Prevention	-	287	287
	Raising funds / Raising donations & legacies	168	148	316
	Total restricted charitable donations and grants	2,097	-	2,097
	Restricted endowment	172	-	172
	Total restricted reserves	2,269	-	2,269
Total funds	19,902	-	19,902	

BOARD, OFFICERS AND ADVISERS

Board

Symon Elliott	Chair
Ian Holborn	Treasurer
Sir David Carter	Appointed 1 August 2018
Frances Corner	Appointed 6 June 2018
Robert Kerse	
Jon Milward	Retired on 21 November 2018
Clare Montagu	
David Montague	Appointed 1 August 2018
Poppy Noor	Appointed 1 August 2018
Ndidi Okezie	Appointed 1 August 2018
Sally Scriminger	
Alan Wardle	Retired 5 June 2019
Mike Westcott	

Secretary

Seyi Obakin

Senior Executive Officers

Seyi Obakin	Chief Executive Officer	
Robert Cade	Director of Strategy & Performance	
Balbir Chatrik	Director of Policy & Communications	
Karen Gibson	Director of Finance & Compliance	
Martin Gill	Director of Housing & Support	
Diana Gornall	Director of Fundraising	Appointed 8 May 2018
Jo Hills	Director of Property Development	Resigned 5 October 2018
Sally Orlopp	Director of People, Skills & Employability	

Registered office

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25 Camperdown Street, London, E1 8DZ

Registration details

Registered Charity No: 292411
Company Registration No: 01929421
Homes England Agency registration No: H1869

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Banker

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Charity Number 292411