

Resource for London

Report and Financial Statements

31 December 2019

Resource for London

Contents

For the year ended 31 December 2019

	Page
Reference and administrative details	3 - 4
Report of the trustees	5 – 12
Independent Auditor's report	13 - 15
Statement of financial activities	16
Balance sheet	17
Cash flow statement	18
Notes to the financial statements	19 - 24

Resource for London

Reference and administrative details

For the year ended 31 December 2019

Company number 02676631

Charity number 1015305

Registered office 4 Chiswell Street
London
EC1Y 4UP

Operational address 356 Holloway Road
London
N7 6PA

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

Kevin Pease
Julian Rouse (resigned 1 April 2020)
Lynda Stevens (Chair)
Wilf Weeks
Stephen Burns
Denise Joseph
Michael Raibin

Company Secretary Carol Harrison (Director of Finance and Administration of Trust for London)

Centre Manager Mark Deakin

Auditors Crowe U.K. LLP
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

Solicitors Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Solicitors

Birketts LLP
22 Station Road
Cambridge
Cambridgeshire
CB1 2JD

Hewitsons LLP
Exchange House
482 Midsummer Boulevard
Central Milton Keynes
MK9 2EA

Bankers

Lloyds Bank plc
39 Threadneedle Street
London
EC2R 8AU

Resource for London

Report of the trustees

For the year ended 31 December 2019

The trustees present their report and the audited financial statements for the year ended 31 December 2019.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS102).

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 10 January 1992 and registered as a charity on 23 November 1992.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The charity is wholly owned by Trust for London, the largest independent charitable foundation funding work which tackles poverty and inequality in the capital.

All new Board members are appointed on five-year terms with a maximum of 2 terms.

Risk Management

Once a year at a meeting of the Trustees, the register of risks is reviewed and updated. Each risk is rated for likelihood and impact, steps to mitigate the risk are identified and owners allocated. Major risks are monitored at each meeting of the Board. The risks are reviewed under governance, operational, financial, external, compliance and environmental. The most significant risk identified is the charity's dependence on its income sources, namely the charitable and voluntary sector. This risk is mitigated by close monitoring of the cash flow, the budget and the market. The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the risks. Trustees make key management decisions.

The most Significant risks are as follows:

At the Board meeting in January 2020 Coronavirus was identified as a potential major risk to be added to the Risk Register. If the virus spreads it could impact significantly on RfL's income streams (rental, service charges and meeting room bookings). The Ethical Property Company was asked to monitor the situation closely and the impacts this may have on future cash flows.

Since early March the situation has been carefully monitored and whilst Tenants continue to have the right to access their offices, in effect the building has been virtually empty since 25 March when the Government lockdown was implemented. Tenants have continued to pay their rent and service charges although the latter were reduced by 25% to reflect the anticipated reduction in service costs from an unused building. There has been virtually no meeting room income since that date. We remain in constant communication with our tenants.

Competition from similar organisations - Resource for London's Board monitors customer service satisfaction levels to ensure high levels of satisfaction are maintained. We monitor the market for office and meeting space for the voluntary sector as part of our annual Business Plan review and we carefully monitor the Marketing Plan to ensure targets are being fully met.

Failure to maintain building in a good condition - The Board commissioned a 10-year condition survey by an independent specialist in 2015 which was updated in 2019. These reports are used to prioritise major repairs and improvement works each year and to monitor planned maintenance works.

Dependency on Income Sources - Office voids and tenancy turnover and meeting room demand and lettings are monitored and reviewed in quarterly reports to the Board. The market for office rentals and meeting room hire are monitored as part of annual budgetary process to ensure competitiveness and affordability for London's voluntary sector.

Brexit implementation and a possible downturn in the economy - the risk of a downturn has increased with the pandemic, but the Board retains the flexibility to change meeting rooms into offices should demand for the conference business decrease. Contingency plans are to be developed late summer 2020 to identify the critical stages at which any plans for change will need to be implemented. This provides the assurance that budgets will be sustained as the office space has been in heavy demand. The Board also monitor the managing agent's staffing levels and all expenditure to ensure that budget targets are met and in developing contingency plans the managing agent will be identifying potential savings in their costs.

The trustees are aware of the Charity Governance code published in July 2017. The trustees have been reviewing their approach to the governance code in line with the principles set out and in June 2020 they received a full report on the Charity's status in complying with the code. The main finding of the report identified the need for the charity to codify its Trustee related policies which it has now done.

All trustees give freely of their time and no trustee remuneration was paid in the year. Note 3 to the accounts provides the nil disclosure for trustee remuneration and related party transactions. Trustees are required to disclose all relevant interests and withdraw from decisions where a conflict of interest arises in accordance with policy. New trustees that join the Resource for London board are inducted by the Chair. Trustees are recruited based on their professional background and commitment to Resource for London's objectives.

Objectives and Activities

We have given due consideration to the Charity Commission's published guidance on the Public Benefit requirements under the Charities Act 2011 when reviewing our aim and objectives and in planning our future activities.

The object of Resource for London is to benefit the public by the promotion and improvement of the efficiency and effectiveness of charitable organisations.

In delivering this object Resource for London's Centre provides office space and meeting rooms to London based charitable organisations at affordable rents. It is where London's voluntary sector comes together to work, meet and exhibit - a key hub for the sector for the last 25 years. It delivers outstanding social impact within the voluntary sector in many ways. It is home to 22 organisations addressing poverty and inequality in the capital by leading campaigns or providing services and support. Our tenants currently include Hibiscus, the British Deaf Association, the Equality Trust and the Directory of Social Change.

Conferencing and meeting room space was booked by more than 400 different organisations in 2019, with a number of new users becoming regular "customers". Satisfaction levels with the services provided reached 99.5%.

A new Agreement was signed with the Ethical Property Company (EPC) commencing on 1st January 2019 for the day-to-day management of the centre and during the year the staff team has provided a friendly, efficient reliable service to centre tenants and users contributing to the high levels of customer satisfaction.

Kudos, the catering company at the Centre completed their first year on site and satisfaction with their services contributed to the centre's success. They have made improvements to the café area making it a far more welcoming space with further improvements planned for the future.

Overall 2019 has, therefore, been another very successful year for Resource for London and we were proud to publish a Review of our 25 years' work for the voluntary sector. Sadly, Charities continue to find it harder and harder to rent good quality space that they can afford. Office space at Resource for London is sought after, not just because of the costs, but also because we work hard to create positive links and synergy between groups thereby increasing the overall levels of social impact that they achieve.

The diversity of charities and other not for profit organisations that choose Resource for London for their events is very striking and they range from small, often volunteer lead community groups to major national charities. Directory of Social Change, who are based at the Centre, continued to deliver their successful training programme at Resource for London providing capacity building at all levels for the sector.

A major highlight of the year was the superb exhibition held in April and May – "Journey to Justice Islington" which was opened by Councillor Rakhia Ismail, the Mayor of Islington. It included an exhibition in the café and the Exhibition hall open daily and 22 events including activist walks, seminars, talks and film showings. Working with many different partners the exhibition celebrated the lives of some of the now lesser-known residents of the borough who have fought for civil and human rights. They included suffragettes imprisoned in the now closed Holloway Prison as well as people who struggled against South African apartheid and home-grown racism and exclusion.

The project successfully engaged thousands of Islington residents and connected them with their social justice heritage. A key aim was to encourage more people to be actively involved in activities that address human and civil rights issues. In addition, RfL established strong partnerships with City & Islington College, Race on the Agenda, Islington Museum, Islington People's Rights and the Anti-Apartheid Centre. They were part of the steering group that worked on the project in the six months leading up to the April opening and are continuing to work with RfL on legacy projects and other initiatives.

The free exhibition programme had a further positive year and included 'Women's Photography' with Hibiscus, an exhibition for Black History Month in the café and lift lobby with staff at Galop and, currently, 'Bearing Witness' in association with Street Talk. This last group is a new charity that has recently taken up residence in the Enhance Deskspace. They provide counselling services for women trapped in street-based prostitution, as well as women who have been the victims of trafficking.

A number of other projects will be developed in 2020 grant applications with a major new bid to the Greater London Assembly and City Bridge Trust – Civil Society Roots Fund. If successful, this will result in a significant number of events at RfL for groups working with migrants and refugees.

JW3 is a Jewish arts, culture and educational hub in north London. In 2019 we organised an event with them as part of Journey to Justice Islington. JW3 has developed a compilation - 'Jewish Britain on Film' from the BFI archive that premiered in November. We plan to screen this as part along with other BFI films linked with Jewish life in London and poverty. The proposal is to show films at both JW3 and RfL in 2020 combined with one or more talks about the issues raised.

The Board of Resource for London has worked hard over the year to build on the progress made in recent years to maximise the potential for the charity and the building. We have committed further significant investment in the fabric of our large Victorian building including additional energy efficient lighting, a new heating system and refurbishment of various common areas. Ensuring that the Centre is in good overall condition means it will continue to attract to office tenants and meeting room users and assist them in the efficient delivery of their objectives.

Resource for London also measures its social impact through the provision of good quality, affordable office space to charities through being based in affordable office space and meeting facilities. In addition, we set ourselves targets around improving the effectiveness of the voluntary sector in London through both our facilities and through special projects that we deliver directly. Evaluating our effectiveness in these ways ensures that the Centre remains an essential and vibrant hub that is widely respected.

Once again, we thank the Trust for London for their support for our work. They own the building we lease and have continued to demonstrate their full commitment to our aims and plans for the future. In accordance with our new lease agreement with the Trust we have pledged to continue to use any surplus generated to maintain and improve the building. Despite the impact of the pandemic on meeting room income Trustees intend to undertake essential repairs and building works to ensure that the building is safe. Planned Improvement works for 2020 will however have to be deferred.

The overall financial outturn for the year showed that all of our activities had achieved their targets and that we are well placed to face the future. Through all of our promotions we say 'Resource for London - amazing space for London's voluntary sector'. Whether that is offices for some of the most important groups tackling disadvantage, meeting rooms for the wider charity sector or imaginative projects raising awareness of the need for action to address poverty and inequality, we will continue to provide London's most amazing space.

Plans are in place to build on the achievements of recent years in several ways:

Investment in the Centre - The Board of Resource for London has a robust plan that will ensure that the facilities at our Holloway Road Centre are fully maintained and improved. Key objectives during 2020 will be to ensure fire risk is reduced and but other work will be deferred. In addition, refurbishment of the tea making areas were completed in the Spring of 2020. The major investment will benefit both office tenants and meeting room users.

An asset management review of RfL's IT and telephony systems identified the need for investment in new hardware to ensure that the centre offers high quality competitive services. The proposed programme of upgrades will start in 2020.

Achievements and performance

Resource for London provides serviced office space for 22 charities and not-for-profit organisations. Offices are currently fully occupied.

In 2019 Resource for London had 166 new meeting room "customers" and 99.5% of all meeting space users said they would book again with 97% of users rating their overall experience at RfL as "Good/Excellent". 1,030 conferences, meetings, training events, seminars and AGMs were hosted and attended by thousands of people. The highest ranked reasons for users to book with RfL are the suitability of the rooms, value for money and location.

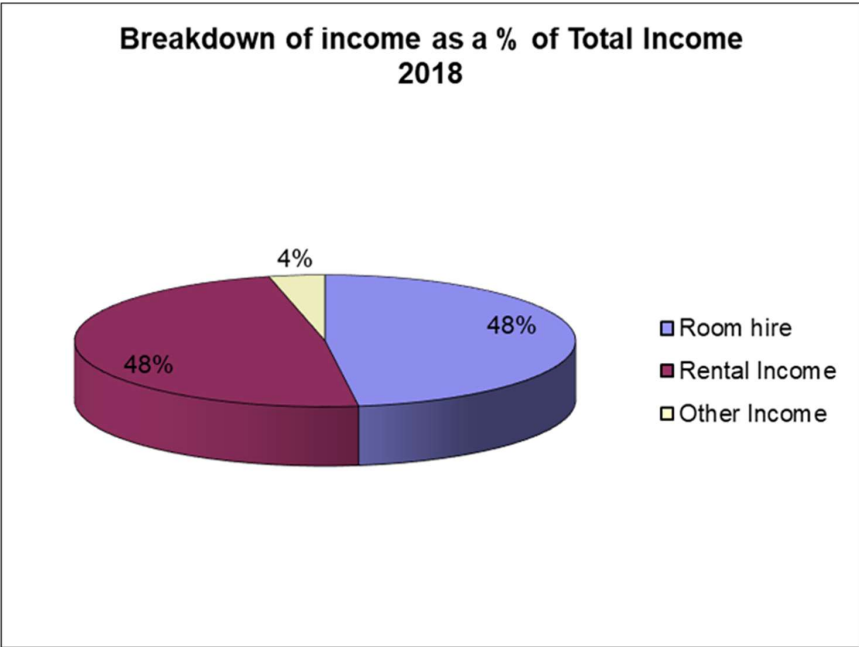
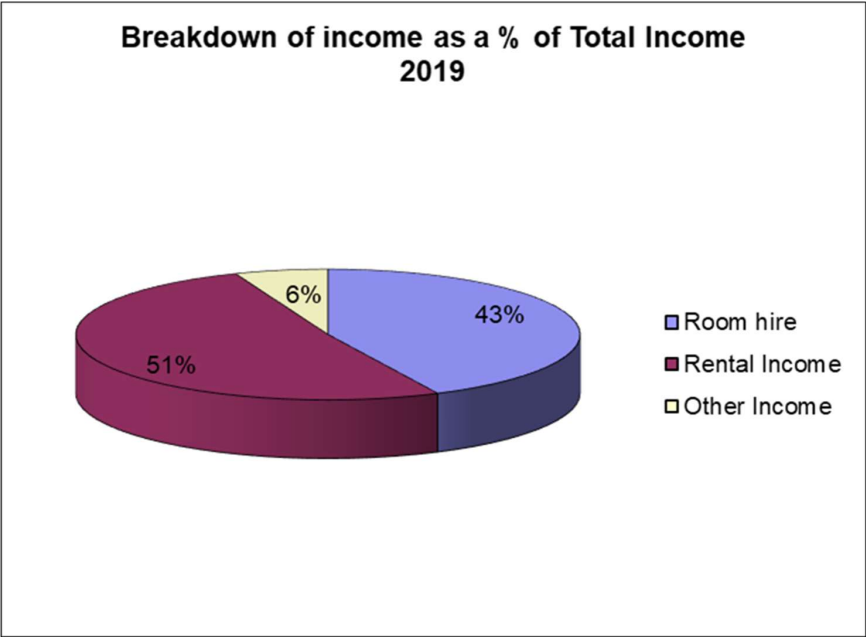
The Resource for London cafe run by Kudos, is increasingly popular with customers within the building and the local community. Kudos is committed to the ideals of Resource for London, by sourcing food locally where possible, using Fair Trade and sustainably sourced stocks, and paying the London Living Wage.

RfL sets itself challenging environmental targets; it has reduced its energy consumption and waste and increased the volume of re-cycling by 10%.

Financial review

Income

In general, room hire contributed about 46% of income, rental income 52% and miscellaneous income 2%. This is broadly unchanged from 2018.



Resource for London Report and Financial Statements 31 December 2019

In the year ended 31 December 2019 Resource for London increased unrestricted funds by £207,236. At the end of December 2019, the annual sales target for meeting room bookings at Resource for London had been achieved and exceeded by 12.2%. Total expenditure from unrestricted funds increased to £1,346,036 from £1,208,445 in 2018, which is mainly due to ongoing major improvement works that took place in 2019. The total charity funds increased in 2019 from £301,716 to £497,215.

Rents (2019: £300,000; 2018: £231,712) are paid to Trust for London as landlord of 356 Holloway Road under the terms of the lease.

After reviewing the charity's forecasts and projections, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Since the year end our operations have been impacted by the coronavirus. Our office space and meeting rooms have been closed in line with government restrictions and are expected to reopen in September 2020 with social distancing and other safeguarding measures in place. A number of actions have been taken to ensure operations can continue and ensure sufficient financial resources are in place to meet the day to day needs of the charity including utilisation of the Government's coronavirus job retention scheme, receipt of retail, hospitality and leisure grants, suspension of all discretionary spend and deferral of rent payments to Trust for London. We have also offered our tenants discounts on service charges and rent holidays as part of our package of support to tenants.

We have prepared a revised forecast to the end of 2020 which considers our cash position, sources of income and planned expenditure and considered the position for the period to July 2021. This includes the impact of coronavirus on operations together with assumptions around recovery thereafter. This forecast considers reduced income from meeting rooms and catering services and the cash impact of offering rent holidays and service charge discounts to tenants as well as from savings identified from other measures noted above. The board has scrutinised the key assumptions within this forecast and are satisfied that the cash reserves are adequate to meet the group's obligations as they fall due.

The financial statements have been prepared on a going concern basis on the grounds that Trust for London, the ultimate parent charity, will provide financial support, to enable Resource for London to meet their liabilities as they fall due, and support is in place to ensure it remains a going concern.

Resource for London has given due consideration to the Code of Fundraising Practice and Charity Commission Guidance on Fundraising and notes that the charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Reserves policy

Total funds at 31 December 2019 amounted to £497,215 compared to £301,716 in 2018. Restricted funds at 31 December 2019 totalled £9,539, leaving £487,676 unrestricted reserves. Free reserves, after discounting the net book value of fixed assets and designated funds, are £354,804 (2018: £144,393).

General reserves

Resource for London has a target to build unrestricted reserves to a level sufficient to ensure adequate working capital for the operations of the business without recourse to external capital. The working capital requirements have been identified as three months of operating costs. This is considered sufficient to safeguard the charity under challenging operating conditions. This is calculated as 25% of unrestricted expenditure included in the 2019 budget, being £352,000.

The unrestricted reserves of £487,676 (2018: £280,440) is fully allocated to the general reserve. This exceeds the target for general reserves.

Plans for future periods

Resource for London will continue to invest in the centre to ensure that it meets the needs and aspirations of the voluntary sector in the Capital.

Having recently completed a major survey of the building we are clear about the priorities for future years to ensure that Resource for London continues to be the first choice for organisations planning their meetings, training sessions and conferences. The most immediate of these will be implementing any measures necessary to safeguard the building during the current pandemic and any further outbreaks.

Our vision is for Resource for London is to be a vibrant hub for activities addressing inequality. To this end we will continue to focus on an exciting programme of talks, arts events and other activities designed to attract people from across the capital. A further focus is on supporting joint working between office tenants and those organising their meetings at the centre. In addition to facilitating regular meetings we also plan to secure further grants from trusts and other sources for new projects.

Everyone involved with Resource for London including Ethical Property and Trust for London, remain committed to realising the tremendous potential for the Centre in the years ahead.

Disclosure of information to auditors

The trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware; and the trustees have taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of expenditure over income for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

In so far as each trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and each trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2019 was 1 (2018 - 1). The trustees are not members of the charity therefore they have no entitlement to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor for the next financial year.

Approved by the trustees on 23rd July 2020 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Lynda A Stevens'.

Lynda Stevens
Chair

Independent auditor's report to the Members of Resource for London

Opinion

We have audited the financial statements of Resource for London for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 our audit

- the information given in the trustees' report, which includes the directors' prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2-6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

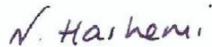
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
29 July 2020

Resource for London
Statement of financial activities
For the year ended 31 December 2019

	Note	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total £	2018 Total £
Income					
Income and endowments from:					
Charitable activities	2	1,553,240	19,000	1,572,240	1,423,644
Investments		32	-	32	20
Total Income		1,553,272	19,000	1,572,272	1,423,664
Expenditure					
Expenditure on:					
Charitable activities	3	1,126,748	30,737	1,157,485	1,020,725
Other	3	219,288	-	219,288	219,496
Total Expenditure	3	1,346,036	30,737	1,376,773	1,240,221
Net income/(expenditure)		207,236	(11,737)	195,499	183,443
Reconciliation of funds					
Funds brought forward at 1 January		280,440	21,276	301,716	118,273
Funds carried forward at 31 December	9	487,676	9,539	497,215	301,716

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 19 to 24 form part of these financial statements

Resource for London
Company Number 02676631
Balance sheet

For the year ended 31 December 2019

	Note	2019 £	2018 £
Fixed assets:			
Tangible assets	5	<u>132,872</u>	<u>136,046</u>
Total fixed assets		132,872	136,046
Current assets:			
Debtors	6	193,955	205,310
Cash at bank and in hand		<u>525,458</u>	<u>327,195</u>
Total current assets:		719,413	532,505
Liabilities			
Creditors: Amount falling due within one year	7	<u>(355,070)</u>	<u>(366,835)</u>
Net current assets		<u>364,343</u>	<u>165,670</u>
Total net assets		<u>497,215</u>	<u>301,716</u>
The funds of the charity	9		
Restricted income funds		9,539	21,276
Unrestricted funds		<u>487,676</u>	<u>280,440</u>
Total charity funds		<u>497,215</u>	<u>301,716</u>

Approved by the trustees on 23 July 2020 and signed on their behalf by



Lynda Stevens
Chair

The notes on pages 19 to 24 form part of these financial statements.

Resource for London

Cash flow statement

For the year ended 31 December 2019

	2019 £	2018 £
Cash flows from operating activities:		
Net cash provided by operating activities	<u>219,191</u>	<u>144,145</u>
Cash flows from investing activities:		
Interest from investments	32	20
Purchase of property, plant and equipment	<u>(20,960)</u>	<u>(115,220)</u>
Net cash (used in) investing activities	<u>(20,928)</u>	<u>(115,200)</u>
Cash flows from financing activities:		
Repayment of loan to parent charity	<u>-</u>	<u>(124,269)</u>
Change in cash and cash equivalents in the reporting period	198,263	(95,324)
Cash and cash equivalents at the beginning of the reporting period	<u>327,195</u>	<u>422,519</u>
Cash and cash equivalents at the end of the reporting period	<u>525,458</u>	<u>327,195</u>

	2019 £	2018 £
Reconciliation of net income to cash flow from operating activities		
Net income for the year ended 31 December 2019	195,499	183,443
Adjustments for:		
Depreciation charges	24,134	44,083
Interest from investments	(32)	(20)
Decrease/(increase) in debtors	11,355	(43,396)
(Decrease)/increase in creditors	<u>(11,765)</u>	<u>(39,965)</u>
Net cash provided by operating activities	<u>219,191</u>	<u>144,145</u>

	2019 £	2018 £
Analysis of cash and cash equivalents		
Cash in hand	<u>525,458</u>	<u>327,195</u>
Total cash and cash equivalents	<u>525,458</u>	<u>327,195</u>

Resource for London

Notes to the financial statements

For the year ended 31 December 2019

Entity Details

Resource for London is a charitable company limited by guarantee, incorporated within England and Wales on 10 January 1992 and registered as a charity on 23 November 1992 and is a Public Benefit Entity.

Company Number : 02676631

Charity Number : 1015305

Registered Address : 4 Chiswell Street, London, EC1Y 4UP.

All decisions are made by the Trustees of Resource for London. Some day to day decisions are delegated to The Ethical Property Company.

1. Accounting policies

a) Basis of Accounting

The accounts (financial statements) have been prepared in accordance with the Charities SORP applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Companies Act 2006.

The financial statements have been prepared on a going concern basis on the grounds that Trust for London, the ultimate parent charity will provide financial support to enable Resource for London to meet their liabilities as they fall due, and support is in place to ensure it remains a going concern.

Since the year end our operations have been impacted by the coronavirus. Our office space and meeting rooms have been closed in line with government restrictions and are expected to reopen September 2020 with social distancing and other safeguarding measures in place. A number of actions have been taken to ensure operations can continue and ensure sufficient financial resources are in place to meet the day to day needs of the charity including utilisation of the Government's coronavirus job retention scheme, receipt of retail, hospitality and leisure grants, suspension of all discretionary spend and deferral of rent payments to Trust for London. We have also offered our tenants discounts on service charges and rent holidays as part of our package of support to tenants.

We have prepared a revised forecast to the end of 2020 which considers our cash position, sources of income and planned expenditure. This includes the impact of coronavirus on operations together with assumptions around recovery thereafter. This forecast considers reduced income from meeting rooms and catering services and the cash impact of offering rent holidays and service charge discounts to tenants as well as from savings identified from other measures noted above. The board has scrutinised the key assumptions within this forecast and are satisfied that the cash reserves are adequate to meet the group's obligations as they fall due.

Having regard to the above, the trustees are satisfied that there are no material uncertainties around the decision to adopt the going concern basis of accounting in preparing these financial statements.

b) Charitable activities income - rents, hiring, service charge income and similar income

Rents, hiring, service charge income and similar income are shown exclusive of value added tax (VAT). rental income, conference income and service charge income is recognised on a daily basis in line with the use of the facilities. Deposit income from hiring is deferred to the extent that it is receivable in relation to a future booking.

c) **Investment income**

Interest income is accounted for on a receivable basis.

d) **Rents payable and reserves**

Included in expenditure is rents payable to Trust for London. A rent is paid to Trust for London for the premises. Further rent can then be payable based on the surplus in the audited annual accounts, as adjusted to allow for capital expenditure, working capital, recovery of unrestricted reserves and any other adjustments agreed with Trust for London. Liabilities are recognised as a constructive obligation arises.

Costs relating to central operations are classed as Charitable Activities. Costs relating to the buildings service charge are classed under other; these costs are charged to tenants through the Service Charge as per their lease. Resource for London splits costs under the following headings in the management accounts; Services, Staff and Management, and Administration Costs.

e) **Fund accounting**

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are part of unrestricted funds which have been designated by the Trustees for a specific administrative purpose. Restricted funds have donor-imposed restrictions and are used accordingly.

f) **Taxation**

Resource for London satisfies the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

g) **Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included in historic costs. Depreciation is provided to write off the cost of tangible fixed assets by equal instalments over their estimated economic useful lives as follows:

Leasehold improvements	4%
Fixtures and fittings	20%
Computer equipment	25%

h) **Operating lease**

Operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

i) **Grant Policy**

Grant income is recognised when the charity becomes unconditionally entitled to the grant. Grants receivable which are subject to donor imposed restrictions are recorded as restricted funds in the statement of financial position.

j) **Accounting judgements and sources of estimation**

In the application of the charity's accounting policies, which are described above, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis and revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the reporting date are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. Other trading activities

	2019	2018
	£	£
Rents, hiring and similar income	1,327,119	1,127,196
Service charge income	245,121	296,448
	<u>1,572,240</u>	<u>1,423,644</u>

3. Expenditure

	Depreciation	Direct Costs	2019	2018
	£	£	Total	Total
			£	£
Charitable activities - centre operations	24,139	1,133,346	1,157,485	1,020,725
Other - service charge expenses	-	219,288	219,288	219,496
	<u>24,139</u>	<u>1,352,634</u>	<u>1,376,773</u>	<u>1,240,221</u>

The staff at the Centre are employed by The Ethical Property Company, the managing agent. Resource for London does not employ any members of staff.

The trustees received no remuneration in the year (2018: none).

Fees payable in relation to the statutory audit in 2019 were £5,877 (2018: £5,740).

4. Taxation

Resource for London is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

5. Tangible fixed assets

	Leasehold Improvements £	Fixtures and Fittings £	Computer Equipment £	Total £
Cost				
At 1 January 2019	114,610	1,541,033	123,241	1,778,884
Additions	-	8,153	12,807	20,960
Disposals	-	-	-	-
At 31 December 2019	<u>114,610</u>	<u>1,549,186</u>	<u>136,048</u>	<u>1,799,844</u>
Depreciation				
At 1 January 2019	5,805	1,517,851	119,182	1,642,838
Charge for the year	4,583	14,462	5,089	24,134
Eliminated on disposal	-	-	-	-
At 31 December 2019	<u>10,388</u>	<u>1,532,313</u>	<u>124,271</u>	<u>1,666,972</u>
Net book value				
At 31 December 2019	<u>104,222</u>	<u>16,873</u>	<u>11,777</u>	<u>132,872</u>
At 31 December 2018	<u>108,805</u>	<u>23,182</u>	<u>4,059</u>	<u>136,046</u>

All fixed assets are held for charitable purposes.

The authorised or contracted capital commitments at 31 December 2019 were £Nil (2018: £Nil).

6. Debtors

	2019 £	2018 £
Trade debtors	80,526	92,058
Prepayments	102,631	104,592
Accrued income	10,798	8,660
	<u>193,955</u>	<u>205,310</u>

Debtors shown net of a provision for doubtful debts of £8,675 (2018: £8,603).

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	116,903	64,562
Other creditors	86,405	70,447
Accruals	37,036	93,616
Deferred income	10,566	16,817
Amounts owed to parent charity	<u>104,160</u>	<u>121,393</u>
	<u>355,070</u>	<u>366,835</u>

Amounts owed to parent charity represent rent due under a collections agreement.

8. Deferred income

	£
Brought forward at 1st January 2019	16,817
Received during the year	81,871
Release of deferred income in the year	<u>(88,122)</u>
Carried forward at 31st December 2019	<u><u>10,566</u></u>

9. Restricted funds

	2019 £	2018 £
Restricted funds balance at 1 January	21,276	13,142
Grant received during the year	19,000	39,910
Expenditure	<u>(30,737)</u>	<u>(31,776)</u>
Restricted funds balance at 31 December	<u><u>9,539</u></u>	<u><u>21,276</u></u>

Net assets split between funds

2019	Restricted	Unrestricted	Total
Fixed assets	-	132,872	132,872
Net current assets	<u>9,539</u>	<u>354,804</u>	<u>364,343</u>
	<u><u>9,539</u></u>	<u><u>487,676</u></u>	<u><u>497,215</u></u>
2018	Restricted	Unrestricted	Total
Fixed assets	-	136,046	136,046
Net current assets	<u>21,276</u>	<u>144,394</u>	<u>165,670</u>
	<u><u>21,276</u></u>	<u><u>280,440</u></u>	<u><u>301,716</u></u>

Restricted funds are held for the Enhance Project.

10. Operating lease commitments

A - Operating lease commitment to parent charity.

	2019 Land and Building £	2018 Land and Building £
Total rental payable commitments under operating leases which expire:		
Between 1 - 5 years	1,592,063	1,527,067
Over 5 years	<u>3,528,352</u>	<u>3,893,348</u>

Lease payments are recognised in the statement of financial activities in 2019.

B - Operating lease commitments from tenants.

	2019 Land and Building £	2018 Land and Building £
Rental commitments receivable under operating leases which expire or tenant break dates if sooner:		
Under 1 year	308,910	272,608
Between 1 - 5 years	<u>-</u>	<u>-</u>

11. Share capital

The company has no share capital and is a private company limited by guarantee. The sole member's liability under the guarantee is limited to £1.

12. Ultimate parent undertaking

In the opinion of the trustees, Resource for London is a subsidiary of Trust for London. Resource for London prepares separate accounts as it is a limited company. Trust for London is a charity registered with the Charity Commission for England and Wales. Trust for London's charity number is 205629. The accounts of Trust for London can be obtained from the Chief Executive at 4 Chiswell Street, London, EC1Y 4UP. Trust for London's main objective is to tackle poverty and inequality in London, and to support the Church of England.

13. Related party transactions

Payments totalling £182 were made to Trustees during the year (2018: nil). Payments of £323,019 (2018: £233,559) were made to Trust for London for rent (£300,000) and insurance (£23,019). A payment of £12,000 was also made for historic rent charges. The amounts due to Trust for London 2019 £104,160 (2018: £121,393).

In 2017, Resource for London has received £30,000 from Trust for London towards the Enhance Project (2019: nil; 2018: nil). £9,539 remains held as restricted funds in 2019.

14. Post balance sheet events

On 11 March 2020 the World Health Organisation declared Covid-19 a global pandemic. Our building was closed following government-imposed restrictions. Revised budgets and cash forecasts have been prepared which cover the period to December 2020. These include consideration of the key risks arising from the current crisis alongside the charity's planned response and Board review of significant assumptions. The trustees' consideration of this impact is discussed further in the trustees' annual report and accounting policy on going concern.