

# WEST LONDON YMCA

England & Wales · Charity number 1058593

## Details

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|                |                                                         |
|----------------|---------------------------------------------------------|
| Status         | Registered                                              |
| Legal form     | Charitable company                                      |
| Company number | <a href="#">03244611</a>                                |
| Registered     | 1996-10-10                                              |
| Register       | <a href="#">View on the Charity Commission register</a> |

## Contact

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|         |                                                                        |
|---------|------------------------------------------------------------------------|
| Address | Ymca<br>49 Victoria Road<br>Surbiton<br>Surrey<br>KT6 4NG              |
| Phone   | 020 8399 5427                                                          |
| Email   | <a href="mailto:enquiries@ymcaspg.org">enquiries@ymcaspg.org</a>       |
| Website | <a href="http://www.ymcastpaulsgroup.org">www.ymcastpaulsgroup.org</a> |

## Activities

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**Objects:** THE OBJECTS OF THE ASSOCIATION ARISE FROM ITS ACCEPTANCE OF ITS FOUNDING CHRISTIAN PRINCIPLE, THE PARIS BASIS OF 1855 INCORPORATED INTO THE NATIONAL STATEMENT OF THE AIMS AND PURPOSES OF THE YMCA IN ENGLAND AS IT MAY BE AMENDED FROM TIME TO TIME. CONSEQUENTLY THE ASSOCIATION IS PART OF THE WORLDWIDE YMCA, A CHRISTIAN MOVEMENT WHICH SEEKS TO UNITE THOSE WHO, REGARDING JESUS CHRIST AS THEIR GOD AND SAVIOUR ACCORDING TO THE HOLY SCRIPTURES, DESIRE TO BE HIS DISCIPLES IN THEIR FAITH AND IN THEIR LIFE, AND TO ASSOCIATE THEIR EFFORTS FOR THE EXTENSION OF HIS KINGDOM. ANY DIFFERENCE OF OPINION ON ANY OTHER MATTER SHALL NOT INTERFERE WITH THE HARMONIOUS RELATIONS OF THE YMCA MOVEMENT. THE ASSOCIATION WELCOMES, SERVES AND WORKS WITH PERSONS OF ALL RELIGIOUS FAITHS AND OF NONE. ACCORDINGLY THE OBJECTS OF THE ASSOCIATION ARE: TO ADVANCE THE CHRISTIAN FAITH, INCLUDING BY (A) PROMOTING A CHRISTIAN ENVIRONMENT INSPIRED AND MOTIVATED BY THE LIFE, EXAMPLE AND TEACHING OF JESUS CHRIST, WHERE PEOPLE OF FAITH AND PEOPLE OF NONE CAN WORK TOGETHER FOR THE TRANSFORMATION OF COMMUNITIES AND (B) ENABLING PEOPLE OF ALL AGES AND IN PARTICULAR YOUNG PEOPLE, TO FLOURISH THROUGH EXPERIENCING AND RESPONDING TO THE LOVE OF GOD DEMONSTRATED BY THE LIFE, EXAMPLE AND TEACHING OF JESUS CHRIST. TO PROVIDE OR ASSIST IN THE PROVISION IN THE INTERESTS OF SOCIAL WELFARE OF FACILITIES FOR RECREATION AND OTHER LEISURE TIME OCCUPATION FOR MEN AND WOMEN WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE. TO PROVIDE OR ASSIST IN THE PROVISION OF EDUCATION FOR PEOPLE OF ALL AGES AND IN PARTICULAR YOUNG PEOPLE, WITH THE OBJECT OF DEVELOPING THEIR PHYSICAL, MENTAL OR SPIRITUAL CAPACITIES. TO RELIEVE OR ASSIST IN THE RELIEF OF PEOPLE OF ALL AGES AND IN PARTICULAR YOUNG PEOPLE, WHO ARE IN CONDITIONS OF NEED, HARDSHIP OR DISTRESS BY REASON OF THEIR SOCIAL, PHYSICAL, EMOTIONAL, SPIRITUAL OR ECONOMIC CIRCUMSTANCES. TO PROVIDE RESIDENTIAL ACCOMMODATION, INCLUDING SOCIAL HOUSING, FOR PEOPLE OF ALL AGES AND IN PARTICULAR YOUNG PEOPLE, WHO ARE IN NEED, HARDSHIP OR DISTRESS BY REASON OF THEIR SOCIAL, PHYSICAL, EMOTIONAL, SPIRITUAL OR ECONOMIC CIRCUMSTANCES

**Activities:** West London YMCA's mission is developing opportunities to transform young lives. The charity aims to show Christian faith in action in its local communities. West London YMCA works through supported housing, training and development, youth work and children's activities, open to all and prioritizing youth with fewer opportunities.

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Accommodation/housing, Religious Activities, Amateur Sport, Economic/community Development/employment
- **Who:** Children/young People, Other Defined Groups

## Geography

- **Area of benefit:** NOT DEFINED - IN PRACTICE, WEST LONDON
- Brent
- Ealing
- Hammersmith And Fulham
- Harrow
- Hillingdon
- Hounslow

## Finances

| Period end | Income     | Expenditure | Assets     | Employees |
|------------|------------|-------------|------------|-----------|
| 2025-03-31 | £0         | £0          | -          | -         |
| 2024-03-31 | £0         | £0          | -          | -         |
| 2023-03-31 | £8,426,000 | £8,148,000  | £0         | 69        |
| 2022-03-31 | £7,843,765 | £7,666,565  | £8,684,115 | 80        |
| 2021-03-31 | £7,931,191 | £7,606,206  | £8,506,915 | 81        |

## Trustees

| Name              | Role | Appointed  |
|-------------------|------|------------|
| Christopher Stern |      | 2020-09-19 |
| Ian McLean Adams  |      | 2025-11-29 |

**WEST LONDON YMCA**

England & Wales - Charity number 1058593

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# Accounts

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**WEST LONDON YMCA**  
**(Limited by guarantee)**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**Registered company: 03244611**  
**Registered charity: 1058593**  
**Registered housing provider: H4128**

**ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2023**

**Contents**

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### Trustees and Directors

|                      |                                                                         |
|----------------------|-------------------------------------------------------------------------|
| Andy Palmer (Chair)  | <i>(resigned 19 November 2022)</i>                                      |
| Helen Brewer (Chair) | <i>(appointed as Chair 19 November 2022, already a serving Trustee)</i> |
| Gerald Chifamba      | <i>(resigned 10 May 2022)</i>                                           |
| Louise Hedges        | <i>(resigned 7 October 2022)</i>                                        |
| Ken Youngman         |                                                                         |
| Aderonke Savage      |                                                                         |
| Duncan Ingram        |                                                                         |
| Christopher Stern    |                                                                         |

### Company Secretary

David Martin

### Executive Team

|                |                                                          |
|----------------|----------------------------------------------------------|
| Richard James  | Chief Executive Officer                                  |
| Fred Angole    | Group Finance Director                                   |
| Marjorie James | Group Director of People <i>(until 31 December 2022)</i> |
| Jessica Laryea | Group Director of Operations                             |
| David Boden    | Group Director of Property and Places                    |

### Corporate information

|                                     |                                            |
|-------------------------------------|--------------------------------------------|
| Registered Office:                  | 49 Victoria Road, Surbiton, Surrey KT6 4NG |
| Company:                            | 03244611                                   |
| Charity:                            | 1058593                                    |
| Registered Social Housing Provider: | H4128                                      |

### Auditor (External)

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

### Auditor (Internal)

Mazars LLP  
Tower Bridge House  
St Katharine's Way  
London, E1W 1DD

### Principal solicitors

Devonshires Solicitors LLP  
30 Finsbury Circus  
London, EC2M 7DT

Bates Wells LLP  
10 Queen Street Place  
London, EC4R 1BE

### Principal bankers

Barclays Bank Plc  
Fleet Street Business Centre, 99 Hatton Garden  
London, EC1N 8DN

## **Introduction**

West London YMCA ("the Charity") is an inclusive organisation, which respects and honours its Christian foundations. It is a subsidiary of YMCA St Paul's Group ("the Group"). The Group is the sole corporate member of the Charity.

As part of the YMCA global movement, the Charity's **Vision** is of "places where young people thrive and communities flourish" and the **Mission** is to be "an inclusive Christian Charity transforming communities so that all young people can belong, contribute and thrive".

The Charity's **Values** are to be "inclusive, aspirational, honest and excellent".

## **Charitable Objectives**

Our charitable objectives are for the public benefit. They are:

- (i) to advance the Christian faith, including by:
  - a. promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
  - b. enabling people of all ages and, in particular, young people, to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ;
- (ii) to provide or assist in the provision of social welfare facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
- (iii) to provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities;
- (iv) to relieve or assist in the relief of people of all ages and, in particular, young people, who are in conditions of need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances; and
- (v) to provide residential accommodation, including Social Housing, for people of all ages and in particular young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.

## **Governance framework**

The Charity is governed by its Articles of Association which provides the constitutional framework. These are available for inspection on the Companies House website or from the Company Secretary.

As part of the Group, the Charity is committed to sound corporate governance and has adopted the National Housing Federation's Code of Governance (2020). With effect from 1 January 2023, the Charity adopted the National Housing Federation's Code of Conduct (2022), which replaced the earlier Trustee Code of Conduct (2012). The adoption of the 2022 Code incorporated additional provisions embracing safeguarding given the Charity's work as both a housing association and registered charity, and the beneficiaries that are served. The Group's Trustees review its compliance with these Codes annually and they confirm that both the Group and the Charity is compliant with them.

## **Principal Activities**

In delivery of the vision and mission, and as part of the Group, the principal activities of the Charity were to:

- provide over 410 bed spaces every night because the Charity believes every person should have a safe place to stay;
- deliver Health and Wellbeing services because the Charity believes everyone should enjoy the benefits of good health and wellbeing;
- support young people and families through children, youth and family services because the Charity believes every young person and family should have the support they need to develop and lead more fulfilling lives; and
- provide extensive chaplaincy work because the Charity believes every person should have someone they can trust.

## **Strategic report**

### **Corporate Transfer**

On 31 March 2023, the Charity transferred its charitable undertaking, assets and liabilities (the 'Corporate Transfer') to its Parent Charity, YMCA St Paul's Group. This was in pursuance of the long-held strategic objective of locating all of the Parent Charity's activities within the Parent Charity itself, to secure value for money efficiency savings. As the Charity was a wholly owned subsidiary of the Parent Charity, the Corporate Transfer was a natural progression. The Corporate Transfer completed on 31 March 2023 and the relevant Charity Commission Orders were obtained to navigate the necessary governance controls. As part of the Corporate Transfer, all of the Charity's borrowings were either repaid or novated to the Parent Charity. Furthermore, the pension deficit was also apportioned to the Parent Charity and the Transfer Agreement addressed all other necessary points to deliver up a nil balance sheet.

### **Achievements and performance**

Throughout 2022/23, West London YMCA continued to deliver support to young people and communities across the London Boroughs of Ealing, Harrow, and Hillingdon. After 2 years of responding to Covid restrictions, 2022/23 brought the challenge of a steep increase in energy costs and ongoing challenges to recruit and retain staff. Despite these challenges, the staff of the charity continued to work with a passion to deliver transformation in the lives of the many beneficiaries the charity serves.

The significant spike in energy costs meant that energy became the charity's second highest expenditure item after staffing. An energy management plan was introduced that sought to reduce consumption, improve efficiency and therefore reduce costs. Recruitment continued to be a significant challenge during the year, with all departments struggling to fill vacancies. This in turn led to some community services being closed or numbers restricted.

Despite these challenges, there were many things to celebrate:

### **Housing, Care & Support**

During the year the charity supported 601 young and vulnerable people with housing care and support needs. This Housing, Care and support was provided across 8 different housing projects. During the year 228 people 'moved on' from living with the YMCA with 209 moving on in a positive and planned way.

Resident satisfaction was measured as part of the wider YMCA St Paul's Group annual survey, which demonstrated that 89% of residents were satisfied with the support they received from the YMCA and 77% said that the YMCA had made a positive impact in their lives.

### **Children, Young People and Families**

The Children, Youth and Families teams delivered weekly sessions throughout 2022/23 across Hayes and Northolt, ranging from sports such as football, non-contact boxing and basketball through to creative sessions including music, an arts and wellbeing programme as well as on-site youth clubs.

Over 300 young people attended one or more sessions with recorded outcomes that included improvements in mental health and well-being, family relationships, behaviour, attainment and increased resilience through creativity and sports. Funders included John Lyon's, Young Londoners, London Youth, MOPAC, Garfield Weston, and London Sport.

The Crime Diversion Project in West London has been providing bespoke support to young people aged 11-18 who are largely involved in complex serious violence, crime, and gang affiliation and have come to the attention of youth justice services. During the year, with funding from John Lyon's, we worked with 15 young people, who each received around 80 hours of individual mentoring. The project won the Young Ealing Foundation 'Youth Violence Intervention Award'.

The YMCA Jumpers Nursery in Ealing were awarded a Good Grading by Ofsted in the summer of 2022.

## Financial review

The Charity achieved a surplus of £278k (2022: £177k), for the financial year ended 31<sup>st</sup> March 2023. Turnover increased by 7.2% to £8,407k (2022: £7,844k), due mainly to inflationary uplifts in housing income. Operating costs increased by 5.6% to £7,899k (2022: £7,480k), due to the inflationary uplift in key areas of expenditure, particularly energy costs.

**Turnover from our social and other activities for the years ended 31 March is shown below:**

|                                 | <b>2023</b>  | <b>2022</b> |
|---------------------------------|--------------|-------------|
|                                 | <b>£</b>     | <b>£</b>    |
| Social housing lettings         | <b>6,199</b> | 5,556       |
| Other social housing activities | <b>1,492</b> | 1,500       |
| Other activities                | <b>716</b>   | 788         |
| <b>Total Turnover</b>           | <b>8,407</b> | 7,844       |

## Summary Statement of Comprehensive Income

The Charity's principal sources of income arise from its charitable activities of providing Accommodation, Health and Wellbeing services and Family, Youth and Children's Work.

|                                  | <b>2023</b>    | <b>2022</b> |
|----------------------------------|----------------|-------------|
|                                  | <b>£</b>       | <b>£</b>    |
| Turnover                         | <b>8,407</b>   | 7,844       |
| Operating cost                   | <b>(7,899)</b> | (7,480)     |
| Loss on disposal of fixed assets | <b>-</b>       | (1)         |
| <b>Operating surplus</b>         | <b>508</b>     | 363         |
| Interest receivable              | <b>19</b>      | -           |
| Interest and refinancing costs   | <b>(249)</b>   | (186)       |
| <b>Surplus for the year</b>      | <b>278</b>     | 177         |

## Summary Statement of Financial Position

|                                       | <b>2023</b> | <b>2022</b> |
|---------------------------------------|-------------|-------------|
|                                       | <b>£</b>    | <b>£</b>    |
| Intangible and Tangible fixed assets  | <b>-</b>    | 27,149      |
| Net current liabilities               | <b>-</b>    | (1,431)     |
| Total assets less current liabilities | <b>-</b>    | 25,718      |
| Long-term liabilities                 | <b>-</b>    | (17,034)    |
| Net assets / reserves                 | <b>-</b>    | 8,684       |

The balance sheet is nil at 31 March 2023 due to the merger with the Charity's parent company, YMCA St Paul's Group, on that date, at which point the assets and liabilities of the company were transferred to the parent company at book value.

## **Value for Money**

The Value for Money strategy is completed at Group level and takes account of the Regulator of Social Housing's Value for Money Standard. Please refer to the Group's Financial Statements for its approach to the annual Value for Money statement.

## **Employees**

The Charity recognises the strength of its employees who are committed to the objectives and the best interests of its residents and service users. The Charity shares information on its objectives, progress and activities through regular management and staff departmental meetings. In addition, staff conferences and team days are used to celebrate success, generate ideas and positively engage with staff.

## **Health & safety**

The Trustees are aware of their responsibilities on all matters relating to health and safety. The Charity has prepared detailed health and safety policies and provides staff training and education on health and safety matters.

## **Information security**

The Charity is committed to information security and continues to promote good and appropriate collection and use of data and information.

## **Compliance with taxation**

The Charity is committed to conducting its business with integrity, transparency and fairness, and in compliance with all relevant rules, regulations and legislation. It values its reputation for ethical behaviour, financial probity and, as a Charity, it disapproves of tax evasion in any form. The Charity will not knowingly engage with any individual or business that does not share its commitment to the prevention of tax evasion. The Charity requires all trustees and staff to demonstrate the highest standards of honesty at all times.

## **Indemnity insurance**

The Group's insurance policies indemnify the Trustees and Officers against liability when acting for the Charity providing their actions are not reckless or fraudulent.

## **Public Benefit**

The Trustees held service users at the heart of its approach to formulating the strategic objectives and associated strategies. In doing so, the Trustees confirm that they have complied with Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. Through the work that the Charity undertakes in its service areas, it delivers public benefit and serves a wide range of people, many of whom are vulnerable.

## **Reserves Policy**

Following the Corporate Transfer on 31 March 2023, the Charity's assets and liabilities were transferred to the Parent Charity. Accordingly, there is no ongoing obligation to have a Reserves Policy.

## **Going concern**

Following a decision of the Trustee Board, West London YMCA was merged with its parent company, YMCA St Paul's Group, on 31 March 2023. The assets and liabilities of the company were transferred to YMCA St Paul's Group at book value and for no consideration at this date. As a result of this business combination, West London YMCA will become dormant and is therefore no longer considered to be a going concern at the balance sheet date. As a result, the accounts have been prepared on a basis other than that of a going concern.

## **Risk management**

The Group risk management strategy embraces the Charity's requirements. The Group regularly considers risk and has developed a detailed risk strategy that takes into account strategic, operational and project risks. The Charity managed its strategic risks during the year using the 3-line assurance model. The Charity's strategic risks in the year under review were:

- a) Governance
- b) Financial viability
- c) Safeguarding
- d) Health & safety
- e) ICT, information & cyber security
- f) Organisational stretch
- g) Cost and shortage of labour
- h) Rent Standard compliance

During the year, the Charity maintained its Business Continuity Plan, making provision for unforeseen incidents that could occur. During the year, the Plan was deployed in response to a third-party incident at one of the Charity's sites. Whilst the incident was beyond the Charity's control, the response arrangements were good and all useful learning points were captured.

The Charity's operational risk management arrangements ceased on 31 March 2023 when the Corporate Transfer took effect. Moving forward, the Charity will become dormant and its primary risk is a governance one to ensure that it:

- a) complies with all necessary legal and governance obligations and requirements; and
- b) fulfils its obligation under the Transfer Agreement associated with the Corporate Transfer.

## **Statement of Trustees' responsibilities**

The trustees are responsible for preparing the strategic report, annual report and the financial statements in accordance with applicable law and regulations.

Company law and social housing legislation requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and association and of surplus or deficit of the group and association for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed and the Statement of Recommended Practice: Accounting by registered providers of social housing 2018, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**Statement of Trustees' responsibilities (*continued*)**

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and association's transactions and disclose with reasonable accuracy at any time the financial position of the group and association and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction or Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

**Internal controls**

The Board has overall responsibility for establishing and maintaining the Charity's system of internal control and for reviewing its effectiveness.

The Trustees recognise that no system of internal control can provide absolute assurance against financial misstatement or loss or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Charity's assets and interests.

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Charity. This approach has operated throughout the year under review up to and including the date of approval of the annual report and accounts.

Some of the key elements of the control framework that are established are:

- Significant risks, considered as part of the decision-making process.
- Regular reviews of key performance indicators.
- The operation of a comprehensive budgeting system and the regular review of financial performance.

Included within the Group internal control framework:

- The incorporation of key risks into a risk map.
- The review and approval of all corporate policies including the Governance Framework (which incorporates Terms of Reference), Financial Regulations, Whistleblowing, Anti-Bribery and Conflicts of Interest and documentation of policies and procedures for all key operational areas by the Charity and YMCA St. Paul's Group.
- The operation of an outsourced internal audit function, following a needs and risk-based plan. The implementation of recommendations is monitored by the Group Audit and Risk Committee.

The Charity applies the Group Anti-Fraud Policy which is aimed at tackling fraud, corruption, theft and breaches of regulations. There is a whistle blowing and disciplinary policy and procedure in place which links into the Group Anti-Fraud Policy. There is a Fraud Response Plan which is aimed at ensuring the Group responds promptly to fraud or fraud allegations and is able to recover its assets where necessary. There is a Fraud Register which is reviewed at each Group Audit and Risk Committee meeting.

**Internal controls (continued)**

The Board confirms that there have been no regulatory concerns which have led the Regulator of Social Housing to intervene in the affairs of the Charity, neither are there significant problems in relation to failures of internal controls which require disclosure in the financial statements. The Board has reviewed the Charity's compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and are satisfied the Charity meets the requirements.

The Charity has adopted the NHF Code of Governance (2020 version) and NHF Code of Conduct 2022. The Board confirms the Charity is compliant with both the Code of Governance and Code of Conduct.

**Auditors**

At the date of this report each Board member confirms the following:

- so far as each Board member is aware, there is no relevant information needed by the Charity's auditors in connection with preparing their report of which the Charity's auditors are unaware; and
- each Board member has taken all of the steps that they ought to have taken as a Board member in order to make themselves aware of any information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information.

By order of the Board



Helen Brewer  
Trustee and Chair  
21 September 2023

## **Independent auditor's report to Members of West London YMCA**

### **Opinion on the financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of West London YMCA ("the Charity's") affairs as at 31 March 2023 and of the Charity's 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 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 2022.

We have audited the financial statements of West London YMCA ("the Charity") for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

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

#### *Independence*

We remain independent of the Charity 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.

### **Emphasis of Matter – Financial statements prepared on a basis other than that of a going concern**

We draw your attention to the "Going concern" section of the Accounting Policies (note 2), which explains that as a consequence of a decision taken by the Board the Charity was merged with its parent company, YMCA St Paul's Group, on 31 March 2023. The assets and liabilities of the company were transferred to YMCA St Paul's Group at book value and for no consideration at this date and the Charity has ceased operation and become dormant. The Charity is therefore no longer considered to be a going concern and the financial statements have been prepared on a basis other than that of a going concern.

Our opinion is not qualified in this respect.

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

### **Other information**

The board 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 we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information including Trustees' Report (incorporating the Strategic Report) 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.

## **Independent auditor's report to Members of West London YMCA (continued)**

### **Other Companies Act 2006 reporting**

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) the Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report included in the Trustees' Report of the Board has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charity 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 Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board 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 the board**

As explained more fully in the board members responsibilities statement, set out on page 7, the board is 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 board members 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 board are responsible for assessing the Charity'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 board either intend to liquidate the Charity 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.

#### ***Extent to which the audit was capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**Auditor's responsibilities for the audit of the financial statements (continued)**

*Non-compliance with laws and regulations*

Based on:

- Our understanding of the Charity and the industry in which it operates;
- Discussion with management and those charged with governance
- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations;
- We considered the significant laws and regulations to be the applicable accounting framework, the Regulator for Social Housing's Economic and Consumer Standards, Cooperative and Communities Benefit Societies Act 2014, Companies Act 2006 and Corporate Tax and VAT legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of identified instances of non-compliance with laws and regulations to determine their effect on the financial statements.

*Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance also considered Audit Committee, internal audit regarding any known or suspected instances of fraud;
- Obtaining an understanding of the charity 's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be fraud in income recognition and management override of controls or bias in accounting estimates and judgements leading to material misstatement.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- We will undertake substantive transactional testing on each income streams within the financial statements;
- Assessing significant estimates made by management for bias;

**Auditor's responsibilities for the audit of the financial statements (continued)**

*Fraud (continued)*

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

**Use of our report**

This report is made solely to the members of the Charity, as a body, in accordance with the Housing and Regeneration Act 2008 and Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
9EDBE2FE668E4BE...

Paul Jagger (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick

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

28 September 2023

**Statement of Comprehensive Income  
for the year ended 31 March 2023**

**West London YMCA**

|                                                            | Notes | 2023<br>£'000 | 2022<br>£'000 |
|------------------------------------------------------------|-------|---------------|---------------|
| Turnover                                                   | 6     | 8,407         | 7,844         |
| Operating cost                                             | 6     | (7,899)       | (7,480)       |
| Loss on disposal of fixed assets                           |       | -             | (1)           |
| <b>Operating surplus</b>                                   | 8     | <u>508</u>    | <u>363</u>    |
| Interest receivable                                        |       | 19            | -             |
| Interest and financing costs                               | 13    | (200)         | (186)         |
| Loan refinancing costs                                     |       | (49)          | -             |
| <b>Surplus before taxation</b>                             |       | <u>278</u>    | <u>177</u>    |
| Taxation                                                   | 9     | -             | -             |
| <b>Surplus for the year and total comprehensive income</b> |       | <u>278</u>    | <u>177</u>    |

The company was merged with its parent company, YMCA St Paul's Group, on 31 March 2023, at which point the assets and liabilities of the company were transferred to the parent company at book value.

The accompanying notes form part of these financial statements.

**Statement of Changes in Reserves  
for the year ended 31 March 2023**

**West London YMCA**

|                                            | Designated<br>funds<br>£ | Restricted<br>funds<br>£ | Revenue<br>reserve<br>£ | Total<br>£   |
|--------------------------------------------|--------------------------|--------------------------|-------------------------|--------------|
| <b>Balance as at 1 April 2021</b>          | 22                       | 59                       | 8,426                   | 8,507        |
| Surplus for the year                       | -                        | -                        | 177                     | 177          |
| Transfer (from) / to restricted funds      | -                        | 9                        | (9)                     | -            |
| <b>Balance as at 31 March 2022</b>         | <b>22</b>                | <b>68</b>                | <b>8,594</b>            | <b>8,684</b> |
| Surplus for the year                       | -                        | -                        | 278                     | 278          |
| Distribution of reserves to parent company | (22)                     | (68)                     | (8,872)                 | (8,962)      |
| <b>Balance as at 31 March 2023</b>         | <b>-</b>                 | <b>-</b>                 | <b>-</b>                | <b>-</b>     |

The company was merged with its parent company, YMCA St Paul's Group, on 31 March 2023, at which point the assets and liabilities of the company were transferred to the parent company at book value. Further details of this transaction are given in Note 29 of the financial statements.

The accompanying notes form part of these financial statements.

## Statement of Financial Position as at 31 March 2023

## West London YMCA

|                                                         | Note | 2023<br>£'000 | 2022<br>£'000  |
|---------------------------------------------------------|------|---------------|----------------|
| <b>Fixed assets</b>                                     |      |               |                |
| Intangible assets                                       | 14   | -             | -              |
| Housing properties at cost                              | 15   | -             | 25,966         |
| Other property                                          | 15   | -             | 825            |
| Other tangible assets                                   | 16   | -             | 358            |
|                                                         |      | <u>-</u>      | <u>27,149</u>  |
| <b>Current assets</b>                                   |      |               |                |
| Stocks                                                  | 17   | -             | 10             |
| Debtors                                                 | 18   | -             | 438            |
| Cash at bank and on deposit                             |      | -             | 481            |
|                                                         |      | <u>-</u>      | <u>929</u>     |
| Creditors: amounts falling due within one year          | 19   | -             | (2,360)        |
| <b>Net current liabilities</b>                          |      | <u>-</u>      | <u>(1,431)</u> |
| <b>Total assets less current liabilities</b>            |      | <u>-</u>      | <u>25,718</u>  |
| Creditors: amounts falling due after more than one year | 20   | -             | (17,034)       |
| <b>Total net assets</b>                                 |      | <u>-</u>      | <u>8,684</u>   |
| <b>Capital and reserves</b>                             |      |               |                |
| Designated funds                                        | 22   | -             | 22             |
| Restricted funds                                        | 23   | -             | 68             |
| Revenue reserve                                         |      | -             | 8,594          |
| <b>Total Capital and reserves</b>                       |      | <u>-</u>      | <u>8,684</u>   |

The company was merged with its parent company, YMCA St Paul's Group, on 31 March 2023, at which point the assets and liabilities of the company were transferred to the parent company at book value.

The accompanying notes form part of these financial statements.

Approved by the Trustees and authorised for issue on 21 September 2023 and signed on their behalf by:



**Helen Brewer**  
Trustee & Chair  
Company Number: 03244611



**David Martin**  
Company Secretary

## **1. Legal Status**

The company is registered under the Companies Act 2006 and is a registered housing provider.

## **2. Accounting policies**

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for YMCA St. Paul's Group includes FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland", the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, "Accounting by registered social housing providers" 2018, the Accounting Direction for Private Registered Providers of Social Housing from April 2019 and the Companies Act 2006.

The financial statements are prepared in accordance with the historical cost convention as modified by the revaluation of current asset investments.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The financial statements are presented in Sterling (£).

### **Subsidiary/ Parent disclosure exemptions**

In preparing the consolidated financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- the exemption from preparing a statement of cashflows;
- no disclosure has been given for the aggregate remuneration of the key management personnel of the company as their remuneration is included in the totals for the Group as a whole; and
- the company had a dormant immaterial subsidiary which was dissolved on 20th October 2020 and therefore group financial statements have not been prepared. Accordingly, these financial statements present information about the company as a single undertaking.

### **Public Benefit Entity**

West London YMCA is a Public Benefit Entity, as defined within FRS 102 as "an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members."

### **Going concern**

Following a decision of the Trustee Board, West London YMCA was merged with its parent company, YMCA St Paul's Group, on 31 March 2023. The assets and liabilities of the company were transferred to YMCA St Paul's Group at book value and for no consideration at this date. As a result of this business combination, West London YMCA will become dormant and is therefore no longer considered to be a going concern at the balance sheet date. As a result, the accounts have been prepared on a basis other than that of a going concern. Further detail on the value of the assets transferred is given in note 29.

## **2. Accounting policies (continued)**

### **Turnover**

Income is measured at the fair value of the consideration received or receivable. The Group generates the following material income streams:

- **Rent:** rental income receivable including care services, (after deducting lost rent from void properties available for letting) is recognised from the point when properties under development reach practical completion and are formally let.
- **Grant Income:** all grants subject to restriction are recognised in the year of receipt, whilst unrestricted grants (including Supporting People) are recognised as they fall due under the contractual arrangements with Administering Authorities.
- **Donations:** are accounted for when received.
- **Other income:** other income is recognised as receivable on the delivery of services provided.

### **Pension**

West London YMCA participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. Due to insufficient information, the plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to West London YMCA for the purposes of FRS 102 disclosure. The employer contributions in relation to the YMCA pension plan are determined by the Directors based on advice from a qualified actuary and charged to income and expenditure as made.

West London YMCA had a contractual obligation to make pension deficit contribution payments over the period to April 2029. However, this contractual obligation has been transferred to West London YMCA's parent company, YMCA St Paul's Group, following the merger of the two entities on 31 March 2023. During the year ended 31 March 2023 pension deficit contributions payments totalling £55k were made to the plan (2022: £50k). In accordance with the actuarial valuation the pension deficit contribution payments increase by 3% each year. The present value of these payments was shown as a statement of financial position liability in the pension's deficit liability note to these accounts.

In addition, West London YMCA is required to contribute to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made. During the year ended 31 March 2023 operating expenses of £13k (2022: £12k) were charged to the Statement of Comprehensive Income as made. These operating expenses are also subject to an annual 3% increase.

Contributions payable from West London YMCA to the plan under the terms of its funding agreement for past deficits are recognised as a creditor in West London YMCA's financial statements. The liability is calculated based on the discounted value of expected future payments.

### **Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the date of the statement of financial position and is carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement and accrued at the date of the statement of financial position.

### **Termination benefits**

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment.

## **2. Accounting policies (continued)**

### **Value Added Tax**

The company charges Value Added Tax (VAT) on some of its income and can recover part of the VAT it incurs on expenditure. The Statement of Comprehensive Income includes VAT to the extent that it is suffered by the company and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

### **Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### **Housing Properties**

Housing properties constructed or acquired (including land) on the open market are stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property includes the cost of acquiring land and buildings, development costs, interest capitalised during the development period, directly attributable administration costs and expenditure incurred in respect of improvements and replacements of major components of existing properties.

Where housing properties are in the course of construction, finance costs are only capitalised where construction is on-going and has not been interrupted or terminated. Where a development project is deemed to be relatively inactive, capitalisation of interest is ceased until the development becomes active again.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised.

Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Social Housing Grant used to finance buildings is repayable under certain circumstances, primarily following the sale of such property. The amount which would be repayable is the amount by which any sale proceeds exceed all other liabilities arising from the release of any loan charges on the property.

Housing properties in the course of construction, are included in Property, Plant, and Equipment (PPE) and held at cost less any impairment and are transferred to completed properties when ready for letting.

### **Depreciation of housing property**

Social housing assets, whether freehold or long leasehold, are split, for the purposes of depreciation between land, structure and other major components that are expected to require replacement over time with substantially different economic lives.

Land is not depreciated on account of its indefinite useful economic life.

With exception of land, these are depreciated on a straight-line basis, following the year of acquisition, according to their useful economic life or the life of the lease in the case of long leasehold assets, if this is shorter.

**2. Accounting policies (continued)**

**Depreciation of housing property (continued)**

The major components and useful economic lives range as follows:

| <b>Depreciation</b>  | <b>Economic useful life</b> |
|----------------------|-----------------------------|
| Structure            | 100 years                   |
| Modular structure    | 50 years                    |
| Roofs                | 60 years                    |
| Bathrooms            | 30 years                    |
| Kitchens             | 20 years                    |
| Lifts                | 30 years                    |
| Windows & doors      | 30 years                    |
| Heating system       | 30 years                    |
| Electrics            | 25 years                    |
| Energy improvements  | 20 years                    |
| Boilers              | 15 years                    |
| Short – term housing | 10 years                    |

**Other tangible fixed assets**

Other tangible fixed assets are measured at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company capitalises costs incurred as a result of staff spending time on capital projects, provided that time can be linked to bringing a specific, separately identifiable asset into working condition, or substantially enhancing the working life of an existing asset.

**Intangible Fixed Assets – Computer Software**

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

**Depreciation of other than social housing fixed assets**

Other than social housing assets, depreciation on other assets is charged to allocate the cost, less estimated residual value of each asset, over its anticipated useful life using the straight-line method, as follows:

| <b>Depreciation</b>                       | <b>Economic useful life</b> |
|-------------------------------------------|-----------------------------|
| Intangible assets: IT software            | 4 years                     |
| Other property: short leasehold buildings | Life of the lease           |
| Other Furniture and equipment             | 5 years                     |
| Office fittings and equipment             | 7 years                     |
| Motor vehicles                            | 5 years                     |
| Computer equipment                        | 4 years                     |
| Other Fixtures & Fittings                 | 10-20 years                 |

## **2. Accounting policies (continued)**

### **Housing Capital Grants**

Grants received are accounted for using the accrual model. Grants are carried as deferred income in the statement of financial position and released to the income and expenditure account on a systematic basis over the useful economic lives of the asset for which it was received. Where grants are restricted to a specified future expiry date the grant is amortised in equal instalments, so it is fully amortised by the expiry date. Grants for mixed asset types are amortised using the weighted average depreciation rate of 3.33%. This is based on the rates used in component accounting.

### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

### **Debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded initially at transaction price less attributable transaction costs. Any losses arising from impairment are recognised in the income statement in other operating expenses.

### **Recoverable amount of rental and other trade receivables**

The Group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts.

### **Financial liabilities and equity**

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

### **Financial instruments**

All the financial instruments held by the Charity during the year meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 and are accounted for under an amortised cost model.

### **Cash and cash equivalents**

Cash and cash equivalents in the Group's Consolidated Statement of Financial Position consists of cash at bank, in hand, deposits, bank overdrafts and short-term investments with an original maturity of three months or less.

### **Leased assets: Lessee**

For the leases treated as operating leases their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

### **Provision for liabilities**

The company would recognise provisions for liabilities of any uncertain timing or amounts. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the date of the statement of financial position. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at the present value using a discount rate. The unwinding of the discount is recognised as a finance cost in income and expenditure in the period it arises.

## **2. Accounting policies (continued)**

### **Reserves**

Income received, and expenditure incurred, for restricted purposes is separately accounted for within restricted funds.

The company establishes designated reserves where reserves are earmarked by the directors for a particular purpose.

## **3. Judgements in applying accounting policies**

In preparing these financial statements, the key judgements have been made in respect of the following:

Whether there are indicators of impairment of the company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The Board have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on existing use value for social housing or depreciated replacement cost. The Board have also considered impairment based on their assumptions to define cash or asset generating units. Distinguishing the point at which a project is more likely than not to continue, allowing capitalisation of associated development costs requires judgement.

Whether leases entered into by the company either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation such as standard rates of inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions can significantly influence the value of the liability recorded and annual defined benefit expense.

Management judgement is applied in determining the extent to which the risks and benefits are transferred to the Charity when considering the income to be recognised.

## **4. Key Sources of estimation uncertainty in preparing these financial statements**

The key sources of estimation uncertainty are:

### **Tangible fixed assets**

Tangible fixed assets, other than investment properties, are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as the condition of the asset and its future income generating potential are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset, technological advances and projected disposal values.

The residual values, useful lives and depreciation methods for assets are adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

### **Rental and other trade receivables (debtors)**

The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed based on age and where practical, on an individual debtor basis to consider whether each debt is recoverable (see note 18).

**4. Key Sources of estimation uncertainty in preparing these financial statements (*continued*)**

**Defined benefit and multi-employer pension schemes**

Estimations in relation to financial and actuarial assumptions are based upon best estimates derived from the Group's policies and practices and confirmed with actuaries where these are beyond management expertise. Variation in these assumptions may significantly impact the defined benefit obligation amount and the annual defined benefit expenses.

**Other areas of estimation uncertainty include:**

Project or scheme costs which are capitalised on the basis that the scheme will be completed and the costs for each unit upon completion is apportioned on square footage or area of each unit.

Should a project or scheme become non-feasible the costs will be written off to the Statement of Comprehensive Income as abortive costs.

Revenue recognition around particular contracts: income is generated from a range of sources, in particular, from rent and service charges to local authorities under a wide variety of contract types, durations and service specifications. Judgement is applied as to income recognition and recoverability on a source-by-source and/or contract by contract basis.

**5. Housing units under management**

The number of units of housing accommodation being managed by the Charity is as follows:

|                   | 2023<br>No. | 2022<br>No. |
|-------------------|-------------|-------------|
| Supported housing | 412         | 409         |
|                   | <u>412</u>  | <u>409</u>  |

Note that following the merger between the company and its parent company, YMCA St Paul's Group, on 31 March 2023, the supported housing units have been transferred to the parent company.

**6. Particulars of turnover, operating costs and operating surplus**

Other non-social housing activities income includes Covid-19 related Furlough grant income of £nil (2022: £2k) and other grant income of £107k (2022: £57k).

|                                  | 2023         |                 |                   | 2022              |
|----------------------------------|--------------|-----------------|-------------------|-------------------|
|                                  | Turnover     | Operating costs | Operating surplus | Operating surplus |
|                                  | £'000        | £'000           | £'000             | £'000             |
| Social housing lettings (note 7) | 6,199        | (4,997)         | 1,202             | 746               |
| Other social housing activities: |              |                 |                   | -                 |
| Supporting people                | 1,492        | (1,492)         | -                 | -                 |
| Non-social housing activities:   |              |                 |                   | -                 |
| Other                            | 716          | (1,410)         | (694)             | (382)             |
|                                  | <u>8,407</u> | <u>(7,899)</u>  | <u>508</u>        | <u>364</u>        |
| Loss on disposal of fixed assets | -            | -               | -                 | (1)               |
|                                  | <u>8,407</u> | <u>(7,899)</u>  | <u>508</u>        | <u>363</u>        |

**7. Particulars of income and expenditure from social housing lettings**

| <b>Supported housing</b>                                          | <b>2023<br/>£'000</b> | <b>2022<br/>£'000</b> |
|-------------------------------------------------------------------|-----------------------|-----------------------|
| Rent receivable net of identifiable service charges               | 2,686                 | 2,305                 |
| Service charge income                                             | 3,207                 | 2,945                 |
| Deferred Capital Grant release to income and other revenue grants | 306                   | 306                   |
| <b>Turnover from social housing lettings</b>                      | <b>6,199</b>          | <b>5,556</b>          |
| Management                                                        | 1,946                 | 3,084                 |
| Service charge costs                                              | 2,346                 | 753                   |
| Routine and planned maintenance                                   | 201                   | 574                   |
| Bad debts                                                         | 197                   | 112                   |
| Depreciation of housing properties                                | 307                   | 287                   |
| <b>Operating costs on social housing lettings</b>                 | <b>4,997</b>          | <b>4,810</b>          |
| <b>Operating surplus on social housing lettings</b>               | <b>1,202</b>          | <b>746</b>            |
| Void losses                                                       | 245                   | 306                   |

**8. Operating surplus**

|                                                             | <b>2023<br/>£'000</b> | <b>2022<br/>£'000</b> |
|-------------------------------------------------------------|-----------------------|-----------------------|
| This is stated after charging:                              |                       |                       |
| Operating leases                                            | 6                     | 15                    |
| Auditor's remuneration (excl. VAT) - for audit services     | 25                    | 21                    |
| Auditor's remuneration (excl. VAT) - for non-audit services | -                     | 3                     |
| Depreciation                                                | 315                   | 308                   |

**9. Taxation**

The Charity is exempt from corporation tax on its charitable activities.

**10. Board members and executive directors**

The non-executive directors of the charitable company are its trustees for the purpose of charity law and are collectively referred to as the Trustee Board ('the Board'). None of the Board (for company law purposes) received any remuneration in the year (2022: £nil). There were no expenses reimbursed to the Board members (2022: £nil).

## 11. Employee costs

|                                                  | 2023<br>£'000 | 2022<br>£'000 |
|--------------------------------------------------|---------------|---------------|
| Wages and salaries                               | 2,228         | 2,659         |
| Social security costs                            | 190           | 171           |
| Other pension costs                              | 139           | 95            |
|                                                  | <u>2,557</u>  | <u>2,925</u>  |
|                                                  | 2023<br>£'000 | 2022<br>£'000 |
| <b>Redundancy and termination payments</b>       |               |               |
| Statutory redundancy payments                    | 60            | -             |
| Payment in lieu of notice period                 | 42            | -             |
| Ex-gratia payment for loss of office             | 8             | -             |
|                                                  | <u>110</u>    | <u>-</u>      |
|                                                  | 2023<br>No.   | 2022<br>No.   |
| <b>Average full time employees</b>               |               |               |
| Managers                                         | 16            | 23            |
| Service Delivery                                 | 53            | 57            |
| Average number of full-time equivalent employees | <u>69</u>     | <u>80</u>     |

## Key management personnel

The emoluments of the key management personnel are shown in the group accounts.

## 12. Pensions

The Group operates a number of pension schemes:

### Defined benefit pension scheme

West London YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of West London YMCA and at the year-end these were invested in the Mercer Dynamic De-risking Solution 62% matching portfolio and 38% in the growth portfolio and Schroder (property units only).

The most recent completed three-year valuation was as at 1 May 2020. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 2.59% and 1.09% respectively, the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m, which represented 79% of the benefits that had accrued to members.

The Pension Plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits all employed deferred members became deferred members as from 1 May 2011.

**12. Pensions (*continued*)**

**Defined benefit pension scheme (*continued*)**

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £39 million. Following the merger of West London YMCA and its parent company, YMCA St Paul's Group on 31<sup>st</sup> March 2023, all future monthly contributions relating to West London YMCA's share of the overall deficit, and any potential future liabilities arising in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit, will be the responsibility of YMCA St Paul's Group.

**Defined contribution schemes**

West London YMCA also operates a defined contribution pension scheme for most of its employees. The assets of this scheme are also held separately from those of the company and contributions are charged to the income and expenditure as they fall due (see note 21).

**13. Interest payable and similar charges**

|                        | 2023<br>£'000 | 2022<br>£'000 |
|------------------------|---------------|---------------|
| Loan interest          | 200           | 186           |
| Loan refinancing costs | 49            | -             |
|                        | <u>249</u>    | <u>186</u>    |

**14. Intangible assets**

|                       | 2023<br>Computer<br>Software<br>£ | 2022<br>Computer<br>Software<br>£ |
|-----------------------|-----------------------------------|-----------------------------------|
| <b>Cost</b>           |                                   |                                   |
| At 1 April            | -                                 | 169                               |
| Additions             | -                                 | -                                 |
| (Disposals)           | -                                 | (169)                             |
| At 31 March           | <u>-</u>                          | <u>-</u>                          |
| <b>Depreciation</b>   |                                   |                                   |
| At 1 April            | -                                 | 169                               |
| Charge for year       | -                                 | -                                 |
| (Disposals)           | -                                 | (169)                             |
| At 31 March           | <u>-</u>                          | <u>-</u>                          |
| <b>Net book value</b> |                                   |                                   |
| At 1 April            | <u>-</u>                          | <u>-</u>                          |
| At 31 March           | <u>-</u>                          | <u>-</u>                          |

15. Tangible fixed assets – Properties

|                                      | Housing property   |          | Other Property |                     |
|--------------------------------------|--------------------|----------|----------------|---------------------|
|                                      | Total<br>Leasehold | Freehold | Freehold       | Total<br>Properties |
|                                      | £'000              | £'000    | £'000          | £'000               |
| <b>Cost</b>                          |                    |          |                |                     |
| At 1 April 2022                      | 19,491             | 9,369    | 876            | 29,736              |
| Reclassifications                    | -                  | -        | -              | -                   |
| Additions                            | 111                | 17       | -              | 128                 |
| Disposals                            | (11)               | -        | -              | (11)                |
| Transfer of assets to parent company | (19,591)           | (9,386)  | (876)          | (29,853)            |
| <b>At 31 March 2023</b>              | -                  | -        | -              | -                   |
| <b>Depreciation</b>                  |                    |          |                |                     |
| At 1 April 2022                      | 2,170              | 724      | 51             | 2,945               |
| Reclassifications                    | -                  | -        | -              | -                   |
| Charge for the year                  | 168                | 56       | 3              | 227                 |
| Transfer of assets to parent company | (2,338)            | (780)    | (54)           | (3,172)             |
| <b>At 31 March 2023</b>              | -                  | -        | -              | -                   |
| <b>Net book value</b>                |                    |          |                |                     |
| <b>At 31 March 2023</b>              | -                  | -        | -              | -                   |
| At 1 April 2022                      | 17,321             | 8,645    | 825            | 26,791              |

Works to the housing properties have been treated as follows:

|                      | 2023<br>£'000 | 2022<br>£'000 |
|----------------------|---------------|---------------|
| Capitalised          | 128           | 209           |
| Income & expenditure | 201           | 574           |
|                      | <u>329</u>    | <u>783</u>    |

16. Other fixed assets

|                                      | Furniture<br>and<br>equipment<br>£'000 |
|--------------------------------------|----------------------------------------|
| <b>Cost</b>                          |                                        |
| At 1 April 2022                      | 900                                    |
| Reclassifications                    | -                                      |
| Additions                            | 20                                     |
| Disposals                            | -                                      |
| Transfer of assets to parent company | (920)                                  |
| At 31 March 2023                     | -                                      |
| <b>Depreciation</b>                  |                                        |
| At 1 April 2022                      | 542                                    |
| Reclassifications                    | -                                      |
| Disposals                            | -                                      |
| Charge for year                      | 88                                     |
| Transfer of assets to parent company | (630)                                  |
| At 31 March 2023                     | -                                      |
| <b>Net book value</b>                |                                        |
| At 31 March 2023                     | -                                      |
| At 1 April 2022                      | 358                                    |

17. Stocks

|                  | 2023<br>£'000 | 2022<br>£'000 |
|------------------|---------------|---------------|
| Consumable items | -             | 10            |
|                  | -             | 10            |

18. Debtors

|                                  | 2023<br>£'000 | 2022<br>£'000 |
|----------------------------------|---------------|---------------|
| Rent and service charges arrears | -             | 626           |
| Provision for bad debts          | -             | (297)         |
|                                  | -             | 329           |
| Other debtors                    | -             | 53            |
| Prepayments and accrued income   | -             | 56            |
|                                  | -             | 438           |

**19. Creditors: amounts falling due within one year**

|                                                 | <b>2023</b>  | <b>2022</b>  |
|-------------------------------------------------|--------------|--------------|
|                                                 | <b>£'000</b> | <b>£'000</b> |
| Bank loans and overdrafts (secured see note 20) | -            | 303          |
| Trade creditors                                 | -            | 20           |
| Deferred income                                 | -            | 624          |
| Social Housing Grants deferred (see note 26)    | -            | 296          |
| Other housing grants deferred (see note 26)     | -            | 10           |
| Other creditors                                 | -            | 7            |
| Accruals                                        | -            | 653          |
| Pension deficit liability (see note 21)         | -            | 45           |
| Taxation and social security                    | -            | 54           |
| Amounts owed to parent                          | -            | 348          |
|                                                 | <u>-</u>     | <u>2,360</u> |

Rental receipts in advance of £nil are included within deferred Income (2022: £484k).

**20. Creditors: amounts falling due after more than one year**

|                                              | <b>2023</b>  | <b>2022</b>   |
|----------------------------------------------|--------------|---------------|
|                                              | <b>£'000</b> | <b>£'000</b>  |
| Loans                                        | -            | 3,409         |
| Housing property finance (secured see below) | -            | 295           |
| Social Housing Grants deferred (see note 26) | -            | 12,212        |
| Other housing grants deferred (see note 26)  | -            | 844           |
| Pension deficit liability (see note 21)      | -            | 274           |
|                                              | <u>-</u>     | <u>17,034</u> |

The loans and housing property finance are secured by charges on certain leasehold and freehold housing properties. Analysis of the secured loans and housing property finance:

|                                            | <b>2023</b>  | <b>2022</b>  |
|--------------------------------------------|--------------|--------------|
|                                            | <b>£'000</b> | <b>£'000</b> |
| Due within one year or on demand           | -            | 303          |
| One year or more but less than two years   | -            | 321          |
| Two years or more but less than five years | -            | 889          |
| Five years or more                         | -            | 2,494        |
|                                            | <u>-</u>     | <u>4,007</u> |

21. Pension deficit liability

|                                                     | 2023<br>£'000 | 2022<br>£'000 |
|-----------------------------------------------------|---------------|---------------|
| At 1 April                                          | 319           | 364           |
| Unwinding of discount provision and under provision | 54            | 5             |
| Triennial revaluation increase                      | -             | -             |
| Contribution paid                                   | (55)          | (50)          |
| Transfer of provision to parent company             | (318)         | -             |
| At 31 March                                         | <u>-</u>      | <u>319</u>    |

The Pension Deficit Liability represents the amounts set aside to meet payments to the YMCA Pension and Assurance Plan towards its deficit and is included under creditors within the Statement of Financial Position.

Following the merger of West London YMCA and its parent company, YMCA St Paul's Group, on 31<sup>st</sup> March 2023, all future monthly contributions relating to West London YMCA's share of the overall deficit, and any potential future liabilities arising in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit, will be the responsibility of YMCA St Paul's Group. The contractual obligation to make pension deficit contribution payments, as calculated based on the discounted value of expected future payments, is split as follows:

|                                            | 2023<br>£'000 | 2022<br>£'000 |
|--------------------------------------------|---------------|---------------|
| Due within one year                        | -             | 45            |
| One year or more but less than two years   | -             | 45            |
| Two years or more but less than five years | -             | 90            |
| Five years or more                         | -             | 139           |
|                                            | <u>-</u>      | <u>319</u>    |

22. Designated funds

|                     | 2023       |                        |                            |             | 2022       |                        |             |  |
|---------------------|------------|------------------------|----------------------------|-------------|------------|------------------------|-------------|--|
|                     | At 1 April | Designated in the year | Transfer to parent company | At 31 March | At 1 April | Designated in the year | At 31 March |  |
|                     | £'000      | £'000                  | £'000                      | £'000       | £'000      | £'000                  | £'000       |  |
| Youth Board reserve | 15         | -                      | (15)                       | -           | 15         | -                      | 15          |  |
| Progression fund    | 7          | -                      | (7)                        | -           | 7          | -                      | 7           |  |
|                     | 22         | -                      | (22)                       | -           | 22         | -                      | 22          |  |

The Youth Board Reserve represents amounts set aside to be spent on projects, activities or equipment determined by young people.

The Progression Fund was created to hold funds from corporate fundraising events to purchase specific items that will contribute to our mission of "developing opportunities that transform young lives".

The designated funds were transferred to the parent company, YMCA St Paul's Group, on 31 March 2023.

## 23. Restricted funds

|                        | 2023       |                    |                  |                            |             | 2022       |                    |                  |             |  |
|------------------------|------------|--------------------|------------------|----------------------------|-------------|------------|--------------------|------------------|-------------|--|
|                        | At 1 April | Incoming resources | Resource expend. | Transfer to parent company | At 31 March | At 1 April | Incoming resources | Resource expend. | At 31 March |  |
|                        | £'000      | £'000              | £'000            | £'000                      | £'000       | £'000      | £'000              | £'000            | £'000       |  |
| Jack Petchey fund      | 20         | -                  | -                | (20)                       | -           | 11         | 9                  | -                | 20          |  |
| Foyer Health fund      | 46         | -                  | -                | (46)                       | -           | 46         | -                  | -                | 46          |  |
| Profile of Achievement | 2          | -                  | -                | (2)                        | -           | 2          | -                  | -                | 2           |  |
|                        | <b>68</b>  | <b>-</b>           | <b>-</b>         | <b>(68)</b>                | <b>-</b>    | <b>59</b>  | <b>9</b>           | <b>-</b>         | <b>68</b>   |  |

The Jack Petchey Fund underwrites Achievement Awards for young people.

The Foyer Health Fund sponsors activities to enable young people to develop in body, mind and spirit through programmes which cover healthy eating, lifestyles and emotional health.

The Profile of Achievement Fund sponsors life skills programmes for young people.

## 24. Capital commitments

At the year end the Directors had approved plans for the following aggregated amounts of capital expenditure contracted but not provided for of £nil (2022: £3k) to be funded by Internal cash reserves.

## 25. Operating lease commitments

The future minimum lease payments are set out below. The leases relate to the laundry equipment.

|                                     | 2023<br>£'000 | 2022<br>£'000 |
|-------------------------------------|---------------|---------------|
| Due within one year                 | -             | 7             |
| Between one and five years          | -             | 11            |
| Five years or more                  | -             | 2,170         |
|                                     | <b>-</b>      | <b>2,188</b>  |
| Lease payments expensed in the year | <b>6</b>      | <b>15</b>     |

## 26. Social housing grant and other capital grants deferred

The Social Housing Grants are repayable under certain circumstances (for example the sale of the properties). The total accumulated amount of Social Housing Grant and other capital grants received and released to income is as follows:

|                               | 2023<br>£'000   | 2022<br>£'000 |
|-------------------------------|-----------------|---------------|
| Social Housing Grants         | <b>12,518</b>   | 12,814        |
| Other capital grants          | <b>844</b>      | 854           |
| Released to income            | <b>(306)</b>    | (306)         |
| Transferred to parent company | <b>(13,056)</b> | -             |
|                               | <b>-</b>        | <b>13,362</b> |

**27. Share capital**

The company is limited by guarantee and therefore has no share capital. Each member (see numbers below) agrees to contribute £1 in the event of the company winding up.

|                        | 2023<br>£ | 2022<br>£ |
|------------------------|-----------|-----------|
| At 1 April             | 1         | 1         |
| Joined during the year | -         | -         |
| Left during the year   | -         | -         |
| At 31 March            | <u>1</u>  | <u>1</u>  |

**28. Related parties**

Intra-group management fees are receivable by the parent from the company to cover the running costs the parent incurs on behalf of managing the company.

The company recovered any cost incurred whilst providing services to the parent.

The following transactions took place between the parent and the company during the year:

|                                | 2023<br>£'000 | 2022<br>£'000 |
|--------------------------------|---------------|---------------|
| <b>Charges from the parent</b> |               |               |
| Overheads charges              | 2,350         | 2,024         |
| Catering charges               | 405           | 24            |
|                                | <u>2,755</u>  | <u>2,048</u>  |
| <b>Charges to the parent</b>   |               |               |
| Counselling for residents      | (44)          | (44)          |
|                                | <u>(44)</u>   | <u>(44)</u>   |

**29. Transfer of assets to parent undertaking**

Following a decision of the Trustee Board, the trade and assets of YMCA West London were transferred into the company's parent company, YMCA St Paul's Group, on 31 March 2023 for no consideration.

The book net asset value transferred as a result of this business combination is £8,962k, with the following assets and liabilities transferred as at 31 March 2023:

|                                                                | 2023<br>£'000 |
|----------------------------------------------------------------|---------------|
| <b>Fixed assets</b>                                            | 26,970        |
| <b>Current assets</b>                                          |               |
| Stocks                                                         | 7             |
| Debtors                                                        | 607           |
| Cash at bank and on deposit                                    | 203           |
|                                                                | <u>817</u>    |
| <b>Creditors: amounts falling due within one year</b>          | (5,521)       |
| <b>Creditors: amounts falling due after more than one year</b> | (13,304)      |
| <b>Net assets transferred to YMCA St Paul's Group</b>          | <u>8,962</u>  |

**30. Ultimate parent undertaking**

YMCA St Paul's Group is sole corporate member of West London YMCA and ultimate controlling entity. YMCA St Paul's Group is the only entity in the Group that produces consolidated financial statements. YMCA St Paul's Group is a company limited by guarantee (company number 02971930), a registered charity (number 1041923) and is registered with the Regulator of Social Housing as a social housing provider (number LH4078). Consolidated financial statements of YMCA St Paul's Group can be obtained from the Company Secretary at 49 Victoria Road, Surbiton, Surrey KT6 4NG.

**WEST LONDON YMCA**

England & Wales - Charity number 1058593

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# Accounts

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**WEST LONDON YMCA**  
**(Limited by guarantee)**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Registered company: 03244611**  
**Registered charity: 1058593**  
**Registered housing provider: H4128**

**ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

**Contents**

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**President**

Rt Revd Pete Broadbent, Bishop of Willesden (*resigned 30 September 2021*)

**Trustees and Directors**

Andy Palmer (Chair)

Gerald Chifamba

(*resigned 10 May 2022*)

Louise Hedges

Helen Brewer

Edward Weiss

(*resigned 20 November 2021*)

Ken Youngman

Aderonke Savage

Duncan Ingram

Christopher Stern

**Company Secretary**

David Martin

**Executive Team**

Richard James

Chief Executive Officer

Fred Angole

Group Finance Director

Marjorie James

Group Director of People

Mark Agnew

Group Director of Property and Places (*resigned 6 June 2021*)

Jessica Laryea

Group Director of Operations

David Boden

Group Director of Property and Places (*appointed 14 June 2021*)

**Corporate information**

Registered Office:

49 Victoria Road, Surbiton, Surrey KT6 4NG

Company:

03244611

Charity:

1058593

Registered Social Housing Provider:

H4128

**Auditor (External)**

BDO LLP

55 Baker Street

London, W1U 7EU

**Auditor (Internal)**

Mazars LLP

Tower Bridge House

St Katharine's Way

London, E1W 1DD

**Principal solicitors**

Devonshires LLP

30 Finsbury Circus

London, EC2M 7DT

Bates Wells LLP

10 Queen Street Place

London, EC4R 1BE

**Principal bankers**

Barclays Bank Plc

Fleet Street Business Centre, 99 Hatton Garden

London, EC1N 8DN

## **Introduction**

West London YMCA ("the Charity") is an inclusive organisation, which respects and honours its Christian foundations. It is a subsidiary of YMCA St Paul's Group ("the Group"). The Group is the sole corporate member of the Charity.

As part of the YMCA global movement, the Charity's **Vision** is of "places where young people thrive and communities flourish" and the **Mission** is to be "an inclusive Christian Charity transforming communities so that all young people can belong, contribute and thrive".

The Charity's **Values** are to be "inclusive, aspirational, honest and excellent".

## **Charitable Objectives**

Our charitable objectives are for the public benefit. They are:

- (i) to advance the Christian faith, including by:
  - a. promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
  - b. enabling people of all ages and, in particular, young people, to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ;
- (ii) to provide or assist in the provision of social welfare facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
- (iii) to provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities;
- (iv) to relieve or assist in the relief of people of all ages and, in particular, young people, who are in conditions of need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances; and
- (v) to provide residential accommodation, including Social Housing, for people of all ages and in particular young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.

## **Governance framework**

The Charity is governed by its Articles of Association which provides the constitutional framework. These are available for inspection on the Companies House website or from the Company Secretary.

As part of the Group, the Charity is committed to sound corporate governance and has adopted the National Housing Federation's Code of Governance (2020) and Trustee Code of Conduct (2012). The Group's Trustees review its compliance with these Codes annually and they confirm that both the Group and the Charity is compliant with them.

## **Principal Activities**

In delivery of the vision and mission, and as part of the Group, the principal activities of the Charity are to:

- provide over 380 bed spaces every night because the Charity believes every person should have a safe place to stay;
- deliver Health and Wellbeing services because the Charity believes everyone should enjoy the benefits of good health and wellbeing;
- support young people and families through children, youth and family services because the Charity believes every young person and family should have the support they need to develop and lead more fulfilling lives; and
- provide extensive chaplaincy work because the Charity believes every person should have someone they can trust.

## **Governance review**

During the year, the Group commissioned an external board effectiveness review which was carried out by Campbell Tickell. This benefitted the work of the Group and the Charity. No material changes were required as a result of the review

The review determined that no changes were required.

## **Strategic report**

### **Achievements and performance**

Throughout 2021/22, West London YMCA continued to deliver support to young people and communities across the London Boroughs of Ealing, Harrow, and Hillingdon. Despite a challenging environment, throughout the year, the staff of the charity continued to work hard, with a passion to deliver transformation in the lives of the many beneficiaries the charity serves.

The most significant impact on operations was the ongoing Covid 19 pandemic, which meant restrictions continued in place across the different services. Housing, Care and Support services continued to restrict visitors to sites for most of the year and residents were asked not to eat in communal areas or in groups. Meanwhile, within the Children, Family & Youth work department, outreach services did start to remobilize but this was delivered alongside the launch of a digital youth service, which include resources and activities for young people who were being asked to self-isolate. Within Jumpers Nursery, activities, numbers and visitors were restricted in order to reduce the risk of infection. Staff at Jumpers continued to provide additional, wrap around support to the families of key workers.

Recruitment was the most significant challenge during the year, with all departments struggling to fill vacancies. This in turn led to some community services being closed or numbers restricted.

Despite these challenges, there were many things to celebrate:

### **Housing, Care & Support**

During the year the charity supported 642 young and vulnerable people with housing care and support needs. This Housing, Care and support was provided across 8 different housing projects. During the year 257 people 'moved on' from living with the YMCA with 230 moving on in a positive and planned way.

Resident satisfaction was measured as part of the wider YMCA St Paul's Group annual survey, which demonstrated that 92% of residents were satisfied with the support they received from the YMCA and 90% said that the YMCA had made a positive impact in their lives

### **Children, Young People and Families**

The crime diversion project in West London was successfully relaunched but with a younger cohort of participants. This resulted in several award nominations, and a Young Ealing Foundation award in 2022. This project continued to attract a range of support from grant makers and local corporate sponsors. The 'Get on Track' programme was re-introduced after a Covid-enforced break. 10 people took part, with 3 moving into Education, Employment or training as a result.

A new project, working with young people and families, was launched at RAF Northolt as part of a wider YMCA consortium.

Many of the children's recreational activities were paused during the peak of the pandemic, but we have been able to welcome back 50% of families into our services, aimed at improving the physical wellbeing of children in the communities we serve.

Sadly, during the year Jumpers was downgraded by Ofsted. However, an action plan was agreed and was quickly implemented. As a result, during early 2022 the nursery was awarded 9 out of 10 on the Day Nursery portal (based on parent feedback).

# Trustees' report (incorporating Strategic report) for year ended 31 March 2022 (continued)

West London YMCA

## Financial review

The Charity achieved a surplus of £177.2k (2021: £325.0k), for the financial year ended 31<sup>st</sup> March 2022. Turnover decreased by £87.4k, as a result of a drop in Covid support grants, and the operating cost increased by £164k mainly due to an increase in routine maintenance costs.

Turnover from our social and other activities for the years ended 31 March is shown below:

|                                 | 2022<br>£      | 2021<br>£      |
|---------------------------------|----------------|----------------|
| Social housing lettings         | 5,556.1        | 5,523.2        |
| Other social housing activities | 1,500.4        | 1,709.1        |
| Other activities                | 787.1          | 698.7          |
| <b>Total Turnover</b>           | <b>7,843.6</b> | <b>7,931.0</b> |

## Summary Statement of Comprehensive Income

The Charity's principal sources of income arise from its charitable activities of providing Accommodation, Health and Wellbeing services and Family, Youth and Children's Work.

|                                                        | 2022<br>£    | 2021<br>£    |
|--------------------------------------------------------|--------------|--------------|
| Turnover                                               | 7,843.6      | 7,931.0      |
| Operating cost                                         | (7,479.8)    | (7,315.8)    |
| Operating cost -triennial defined benefit pension cost | -            | (89.9)       |
| Loss on disposal of fixed assets                       | (1.1)        | -            |
| <b>Operating surplus</b>                               | <b>362.7</b> | <b>525.3</b> |
| Interest receivable                                    | 0.2          | 0.2          |
| Net interest payable                                   | (185.8)      | (200.5)      |
| Surplus for the year                                   | 177.1        | 325.0        |

## Summary Statement of Financial Position

|                                       | 2022<br>£  | 2021<br>£  |
|---------------------------------------|------------|------------|
| Intangible and Tangible fixed assets  | 27,148.7   | 27,200.7   |
| Net current liabilities               | (1,430.6)  | (1,006.1)  |
| Total assets less current liabilities | 25,718.1   | 26,194.6   |
| Long-term liabilities                 | (17,034.0) | (17,687.7) |
| Net assets / reserves                 | 8,684.1    | 8,506.9    |

The cost of housing properties held as tangible fixed assets (after allowing for additions, disposals and annual depreciation charges), was £26m as at 31 March 2022 (2021: £26m)

## Value for Money

The Value for Money strategy is completed at Group level and takes account of the Regulator of Social Housing's Value for Money Standard. Please refer to the Group's Financial Statements for its approach to the annual Value for Money statement.

### **Employees**

The Value for Money strategy is completed at Group level and takes account of the Regulator of Social Housing's Value for Money Standard. Please refer to the Group's Financial Statements for its approach to the annual Value for Money statement.

### **Health & safety**

The Value for Money strategy is completed at Group level and takes account of the Regulator of Social Housing's Value for Money Standard. Please refer to the Group's Financial Statements for its approach to the annual Value for Money statement.

### **Employees**

The Charity recognises the strength of its employees who are committed to the objectives and the best interests of its residents and service users. The Charity shares information on its objectives, progress and activities through regular management and staff departmental meetings. In addition, staff conferences and team days are used to celebrate success, generate ideas and positively engage with staff.

### **Health & safety**

The Trustees are aware of their responsibilities on all matters relating to health and safety. The Charity has prepared detailed health and safety policies and provides staff training and education on health and safety matters.

### **Information security**

The Charity is committed to information security and continues to promote good and appropriate collection and use of data and information.

### **Compliance with taxation**

The Charity is committed to conducting its business with integrity, transparency and fairness, and in compliance with all relevant rules, regulations and legislation. It values its reputation for ethical behaviour, financial probity and, as a Charity, it disapproves of tax evasion in any form. The Charity will not knowingly engage with any individual or business that does not share its commitment to the prevention of tax evasion. The Charity requires all trustees and staff to demonstrate the highest standards of honesty at all times.

### **Indemnity insurance**

The Group's insurance policies indemnify the Trustees and Officers against liability when acting for the Charity providing their actions are not reckless or fraudulent.

### **Public Benefit**

The Trustees held service users at the heart of its approach to formulating the strategic objectives and associated strategies. In doing so, the Trustees confirm that they have complied with Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. Through the work that the Charity undertakes in its service areas, it delivers public benefit and serves a wide range of people, many of whom are vulnerable.

### **Reserves Policy**

The reserves that the Charity have set aside provide financial stability and the means for the continued development of the principal charitable activities. The Charity intends to maintain unrestricted funds at a sufficient level to cover management and administration costs for at least three months. The Charity maintains a strong reserves position to protect its social housing activities.

The Board regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfil continuing obligations. This is guided by the Charity's Business Plan, Risk Mitigation Protocol, banking covenants and stress testing activities.

## Trustees' report (incorporating Strategic report) for year ended 31 March 2022 (continued)

West London YMCA

### Going concern

The financial statements are prepared on the basis that West London YMCA will continue for the forthcoming 12 months from the date of signing of these financial statements. The annual budget for 2022/23 and the business plans have also been approved by the Board. The Budget and the business plan were re-done under the Covid-19 conditions and subjected to various adverse scenarios. This work, along with the consideration of the mitigation plans and good level of liquidity, provides evidence in support of the going concern. For this reason, West London YMCA continues to adopt the going concern basis in preparation of the financial statements.

West London YMCA recognises possible concern relating to its participation in a defined benefit pension scheme. Appropriate action has been taken: The scheme was closed to new members in 2007, and the link to final salary broken in 2011 with additional contributions continuing to be made to reduce the deficit. As part of the YMCA federation, the multi-employer pension scheme is run by an independent Trustee board with employer representation through the Principal Employer, National Council of YMCAs. The pension scheme Trustee obtains an actuarial

### Going concern (continued)

valuation every three years and we have considered the implications to the Charity's finances from the latest available actuarial valuation. We have reviewed the Charity's ability to continue to deliver its charitable objectives by ensuring budgets, forecasts and plans are available and include the impact of deficit repayments. The pension scheme Trustee included the impact of pension scheme deficit repayments in considering going concern status, reserves, and the risks and uncertainties that the Charity face noted elsewhere in this Report.

West London YMCA benefits from the pension scheme Trustee and the Principal Employer seeking suitable specialist profession advice both to manage the scheme and in the continuing effort to explore ways of reducing the overall pension deficit. The notes to the Accounts include an accounting policy and further details in notes 12 and 21.

### Risk management

The Group risk management strategy embraces the Charity's requirements. The Group regularly considers risk and has developed a detailed risk strategy that takes into account strategic, operational and project risks.

Within the Group, all Board reports include a consideration of risk and any new project or major development has its own risk register and is presented as part of the governance process.

### Key Risks

| Risk                        | Mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Health & Safety             | Key aspects of our health and safety are audited by internal auditors, as part of a quarterly compliance check. Fire and gas safety, water hygiene and asbestos are also subject to in-depth audits on a three year rolling programme. Expert advisors are engaged in all these areas to ensure that the assessments and processes are thorough and remain in step with best practice. The Charity has invested in its Property & Places department in order to ensure that it has the in-house expertise to deal with some complex major works projects related to safety.                                                                                                |
| IT and information security | An IT Strategy has been approved by the Board that involves significant investment in IT security. The Charity has also updated privacy notices and trained all staff on the data protection and information security. In terms of system security, there is a well thought out security architecture, well developed framework of management controls and independent penetration testing.                                                                                                                                                                                                                                                                                |
| Financial viability risk    | The Board has approved a fully funded long-term financial plan. Our financial performance and position is closely monitored by the Executive Team and is reported to the Board regularly. Whilst the external factors that could lead to financial shock cannot be controlled or prevented by the Charity, the Business/financial Plan is subjected to multivariate stress testing and we ensure that there is adequate headroom to withstand such events in the short term.<br>The Charity has in place a treasury policy, which includes a liquidity policy that the Board monitors. The policy is approved annually and is prepared jointly with our treasury advisors. |

## Trustees' report (incorporating Strategic report) for year ended 31 March 2022 (continued)

West London YMCA

| Risk                           | Mitigation                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Safeguarding risk              | A safeguarding policy and procedure is in place along with a Board designated Safeguarding lead. Safeguarding training / workshops have been provided to the Board so that they can understand their obligations. Safeguarding leads exist across the Charity and posters are displayed which identify a chain of command. There is also a trustee safeguarding lead. |
| Rent Standard Compliance Risk  | There is a Rent setting policy setting out the principles and actions governing setting and charging rents and service charges. In addition to internal self-assessment of compliance, independent assurance is provided by internal audit review of compliance.                                                                                                      |
| Cost & shortage of labour risk | There is a People Strategy in place that has staff retention initiatives, including a focus on wellbeing and flexible working. A strategic review of recruitment is due to conclude in 2022.                                                                                                                                                                          |

During the year, the Charity has deployed a new Business Continuity Plan making provision for unforeseen incidents that could occur. This work has included some management role play exercises as well as media training for nominated trustee and executive spokespersons.

### Statement of Trustees' responsibilities

The Trustees confirm they are responsible for preparing the Annual Report, including the Strategic Report, and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company, Charity and Registered Provider law requires the preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable financial reporting standards (including the Statement of Recommended Practice: Accounting by Registered Housing Providers) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will be able to continue to meet its objectives.

Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable us to ensure that the financial statements comply with the Companies Act 2006, the Housing & Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

### Internal controls

The Board has overall responsibility for establishing and maintaining the Charity's system of internal control and for reviewing its effectiveness.

The Trustees recognise that no system of internal control can provide absolute assurance against financial misstatement or loss or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Charity's assets and interests.

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Charity. This approach has operated throughout the year under review up to and including the date of approval of the annual report and accounts.

Some of the key elements of the control framework that are established are:

- Significant risks, considered as part of the decision-making process.
- Regular reviews of key performance indicators.
- The operation of a comprehensive budgeting system and the regular review of financial performance.

**Internal controls (continued)**

Included within the Group internal control framework:

- The incorporation of key risks into a risk map.
- The review and approval of all corporate policies including the Governance Framework (which incorporates Terms of Reference), Financial Regulations, Whistleblowing, Anti-Bribery and Conflicts of Interest and documentation of policies and procedures for all key operational areas by the Charity and YMCA St. Paul's Group.
- The operation of an outsourced internal audit function, following a needs and risk-based plan. The implementation of recommendations is monitored by the Group Audit and Risk Committee.

The Charity applies the Group Anti-Fraud Policy which is aimed at tackling fraud, corruption, theft and breaches of regulations. There is a whistle blowing and disciplinary policy and procedure in place which links into the Group Anti-Fraud Policy. There is a Fraud Response Plan which is aimed at ensuring the Group responds promptly to fraud or fraud allegations and is able to recover its assets where necessary.

There is a Fraud Register which is reviewed at each Group Audit and Risk Committee meeting.

The Board confirms that there have been no regulatory concerns which have led the Regulator of Social Housing to intervene in the affairs of the Charity, neither are there significant problems in relation to failures of internal controls which require disclosure in the financial statements. The Board has reviewed the Charity's compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and are satisfied the Charity meets the requirements.

The Charity has adopted the NHF Code of Governance (2020 version) and NHF Code of Conduct 2012. The Board confirms the Charity is compliant with both the Code of Governance and Code of Conduct.

**Auditors**

At the date of this report each Board member confirms the following:

- so far as each Board member is aware, there is no relevant information needed by the Charity's auditors in connection with preparing their report of which the Charity's auditors are unaware; and
- each Board member has taken all of the steps that they ought to have taken as a Board member in order to make themselves aware of any information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information.

By order of the Board



Andy Palmer  
Trustee and Chairman  
22 September 2022

# **Independent auditor's report to Members of West London YMCA**

## **Opinion on the financial statements**

We have audited the financial statements of West London YMCA ("the Charity") for the year ended 31 March 2022 which comprise the statement of comprehensive income, the statement of changes in reserves, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of the Charity's 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 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 2019.

We have audited the financial statements of West London YMCA ("the Charity") for the year ended 31 March 2022 which comprise the Charity statement of comprehensive income, the Charity statement of financial position, 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).

## **Basis for opinion**

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

## **Independence**

We remain independent of the Charity 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.

## **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Other information**

The board 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 we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information including the Trustees' Report (incorporating the Strategic Report) 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.

## **Independent auditor's report to Members of West London YMCA (continued)**

### **Other Companies Act 2006 reporting**

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

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

In the light of the knowledge and understanding of the Charity 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 Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- certain disclosures of board member and or directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the board**

As explained more fully in the Trustees' report set out on page 8, the board is 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 board members 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 board are responsible for assessing the Group and the Charity'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 board either intend to liquidate the Charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws, regulations, and fraud;
- reviewing minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the Regulator to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- reviewing items included in the fraud register as well as the results of internal audit's investigation into these matters;
- challenging assumptions made by management in their significant accounting estimates in particular in relation to the recoverable amount of assets and the appropriate allocation of costs; and
- in addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition.

## Independent auditor's report to Members of West London YMCA (continued)

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

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

### Use of our report

This report is made solely to the members of the Charity, as a body, in accordance with the Housing and Regeneration Act 2008 and Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Philip Cliftlands*

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Philip Cliftlands (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Baker Street, London  
Date: 28 September 2022

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

# Statement of Comprehensive Income for the year ended 31 March 2022

West London YMCA

|                                                        | Notes | 2021/22<br>£       | 2020/21<br>£   |
|--------------------------------------------------------|-------|--------------------|----------------|
| Turnover                                               | 6     | <b>7,843,582</b>   | 7,930,985      |
| Operating cost                                         | 6     | <b>(7,479,753)</b> | (7,315,833)    |
| Operating cost -triennial defined benefit pension cost | 11    | -                  | (89,870)       |
| Loss on disposal of fixed assets                       |       | <b>(1,060)</b>     | -              |
| <b>Operating surplus</b>                               | 8     | <b>362,769</b>     | 525,282        |
| Interest receivable                                    |       | <b>183</b>         | 206            |
| Interest and financing costs                           | 13    | <b>(185,752)</b>   | (200,503)      |
| <b>Surplus before taxation</b>                         |       | <b>177,200</b>     | 324,985        |
| Taxation                                               | 9     | -                  | -              |
| <b>Surplus for the year</b>                            |       | <b>177,200</b>     | <b>324,985</b> |

The results relate wholly to continuing activities.

The company has no recognised gains or losses other than the results for the year as set out above.

The financial statements were approved by the Board on 22 September 2022 and signed on their behalf by:



**Andy Palmer**  
**Trustee & Chairman**



**David Martin**  
**Company Secretary**

The accompanying notes form part of these financial statements.

**Statement of Changes in Reserves  
for the year ended 31 March 2022**

**West London YMCA**

|                                     | <b>Designated<br/>funds</b> | <b>Restricted<br/>funds</b> | <b>Revenue<br/>reserve</b> | <b>Total</b>     |
|-------------------------------------|-----------------------------|-----------------------------|----------------------------|------------------|
|                                     | <b>£</b>                    | <b>£</b>                    | <b>£</b>                   | <b>£</b>         |
| <b>Balance as at 1 April 2020</b>   | 22,384                      | 59,127                      | 8,100,419                  | 8,181,930        |
| Surplus for the year                | -                           | -                           | 324,985                    | 324,985          |
| Transfer (from)/to designated funds | -                           | -                           | -                          | -                |
| Transfer (from)/to restricted funds | -                           | (113)                       | 113                        | -                |
| <b>Balance as at 31 March 2021</b>  | <b>22,384</b>               | <b>59,014</b>               | <b>8,425,517</b>           | <b>8,506,915</b> |
| Surplus for the year                | -                           | -                           | 177,200                    | 177,200          |
| Transfer (from)/to designated funds | -                           | -                           | -                          | -                |
| Transfer to/(from) restricted funds | -                           | 8,550                       | (8,550)                    | -                |
| <b>Balance as at 31 March 2022</b>  | <b>22,384</b>               | <b>67,564</b>               | <b>8,594,167</b>           | <b>8,684,115</b> |

# Statement of Financial Position as at 31 March 2022

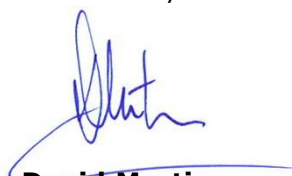
West London YMCA

|                                                         | Note | 2022<br>£           | 2021<br>£    |
|---------------------------------------------------------|------|---------------------|--------------|
| <b>Fixed assets</b>                                     |      |                     |              |
| Intangible assets                                       | 14   | -                   | -            |
| Housing properties at cost                              | 15   | <b>25,965,804</b>   | 25,973,529   |
| Other property                                          | 15   | <b>824,776</b>      | 828,003      |
| Other tangible assets                                   | 16   | <b>358,085</b>      | 399,194      |
|                                                         |      | <b>27,148,665</b>   | 27,200,726   |
| <b>Current assets</b>                                   |      |                     |              |
| Stocks                                                  | 17   | <b>10,186</b>       | 9,059        |
| Debtors                                                 | 18   | <b>437,857</b>      | 391,716      |
| Cash at bank and on deposit                             |      | <b>480,660</b>      | 637,499      |
|                                                         |      | <b>928,703</b>      | 1,038,274    |
| Creditors: amounts falling due within one year          | 19   | <b>(2,359,302)</b>  | (2,044,397)  |
| <b>Net current liabilities</b>                          |      | <b>(1,430,599)</b>  | (1,006,123)  |
| <b>Total assets less current liabilities</b>            |      | <b>25,718,066</b>   | 26,194,603   |
| Creditors: amounts falling due after more than one year | 20   | <b>(17,033,951)</b> | (17,687,688) |
| <b>Total net assets</b>                                 |      | <b>8,684,115</b>    | 8,506,915    |
| <b>Capital and reserves</b>                             |      |                     |              |
| Designated funds                                        | 22   | <b>22,384</b>       | 22,384       |
| Restricted funds                                        | 23   | <b>67,564</b>       | 59,014       |
| Revenue reserve                                         |      | <b>8,594,167</b>    | 8,425,517    |
| <b>Total Capital and reserves</b>                       |      | <b>8,684,115</b>    | 8,506,915    |

Approved by the Trustees on 22 September 2022 and signed on their behalf by:



**Andy Palmer**  
Trustee & Chairman  
Company Number: 03244611



**David Martin**  
Company Secretary

The accompanying notes form part of these financial statements.

# Cashflow Statement for the year ended 31 March 2022

West London YMCA

|                                                     | Notes | 2022<br>£        | 2021<br>£ |
|-----------------------------------------------------|-------|------------------|-----------|
| <b>Net cash generated from operating activities</b> | 29    | <b>570,285</b>   | 61,483    |
| <b>Cash flow from investing activities</b>          |       |                  |           |
| Acquisition and construction of properties          | 15    | (208,664)        | (54,008)  |
| Acquisition of other tangible assets                | 16    | (48,657)         | (1,923)   |
| Disposal of properties                              | 15    | -                | -         |
| Disposal of other tangible assets                   | 6     | 1,060            | -         |
| Disposal of Investment                              |       | -                | 3         |
| Interest received                                   |       | 183              | 206       |
| <b>Net cash from investing activities</b>           |       | <b>(256,078)</b> | (55,722)  |
| <b>Cash flows from financing activities</b>         |       |                  |           |
| Repayment of bank loans                             |       | (285,294)        | (333,229) |
| Interest paid                                       | 13    | (185,752)        | (200,503) |
| <b>Net cash used in financing activities</b>        |       | <b>(471,046)</b> | (533,732) |
| <b>Net change in cash and cash equivalents</b>      |       | <b>(156,839)</b> | (527,971) |
| Opening cash and cash equivalents                   |       | 637,499          | 1,165,470 |
| <b>Closing cash and cash equivalents</b>            |       | <b>480,660</b>   | 637,499   |

## **1. Legal Status**

The company is registered under the Companies Act 2006 and is a registered housing provider.

## **2. Accounting policies**

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for YMCA St. Paul's Group includes FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland", the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, "Accounting by registered social housing providers" 2018, the Accounting Direction for Private Registered Providers of Social Housing from April 2019 and the Companies Act 2006.

The financial statements are prepared in accordance with the historical cost convention as modified by the revaluation of current asset investments.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates.

It also requires Group management to exercise judgement in applying the Group's accounting policies.

The financial statements are presented in Sterling (£).

### **Subsidiary/ Parent disclosure exemptions**

In preparing the consolidated financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no disclosure has been given for the aggregate remuneration of the key management personnel of the company as their remuneration is included in the totals for the Group as a whole; and
- the company had a dormant immaterial subsidiary which was dissolved on 20th October 2020 and therefore group financial statements have not been prepared. Accordingly, these financial statements present information about the company as a single undertaking.

### **Public Benefit Entity**

West London YMCA is a Public Benefit Entity, as defined within FRS 102 as "an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members."

### **Going concern**

The organisation's business activities, its current financial position and factors likely to affect its future development are set out within the Strategic Review. The organisation also has a long-term business plan which projects that the organisation's finances will be robust going forward.

The company continues to consider in its business plan and forecasts the potential impact of legislation changes and impact of the prolonged Covid-19 effects. The Board expect there to be limited impact on the housing operations which have continued to perform well throughout the pandemic. Other key service areas in Health and Wellbeing and Children's Services have been more significantly impacted but based upon current forecasting expectation the Board consider them to be viable services, and that the impact of Covid-19 will be short to medium term, rather than long term, on the performance and viability of those services. The Board consider that the charity has sufficient reserves to weather any short-term impact on the income of the charity as a result of Covid-19.

As a result of the Covid-19 pandemic and the Government's decision to impose lockdown restrictions during the last week of the financial year, the Board has considered the potential impacts from numerous multi-variant adverse scenarios, which include failure to control costs, increase in rental arrears and increase in voids, among other factors. This has been done as part of a group-wide exercise.

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 2. Accounting policies (continued) Going concern (continued)

Options for mitigation to ensure the business can continue in the short and longer term have also been reviewed. Mitigations exist for all scenarios as a precaution, to ensure compliance with all covenant and regulatory requirements.

Periodic updates to the financial business plan, management accounts forecasts and key performance indicator reporting enables continuous monitoring of the business. West London YMCA's liquidity is managed at group level and the Group maintains significantly higher liquidity levels than the funding requirement identified in its updated business plan; the Board considers this to be prudent in the current uncertain economic environment.

After making enquiries, the Board has a reasonable expectation that overall the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and financial statements are signed.

For this reason, it continues to adopt the going concern basis in the financial statements. No material uncertainties exist.

## Turnover

Income is measured at the fair value of the consideration received or receivable. The Group generates the following material income streams:

- **Rent:** rental income receivable including care services, (after deducting lost rent from void properties available for letting) is recognised from the point when properties under development reach practical completion and are formally let;
- **Grant Income:** all grants subject to restriction are recognised in the year of receipt, whilst unrestricted grants (including Supporting People) are recognised as they fall due under the contractual arrangements with Administering Authorities.
- **Donations:** are accounted for when received; and
- **Other income:** other income is recognised as receivable on the delivery of services provided.

## Pension

West London YMCA participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. Due to insufficient information, the plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to West London YMCA for the purposes of FRS 102 disclosure. The employer contributions in relation to the YMCA pension plan are determined by the Directors based on advice from a qualified actuary and charged to income and expenditure as made.

As described in the pensions note, West London YMCA has a contractual obligation to make pension deficit contribution payments over the period to April 2029, accordingly this is shown as a liability in these accounts. During the year ended 31 March 2022 pension deficit contributions payments totalling £50,220 were made to the plan (2021: £48,758). In accordance with the actuarial valuation the pension deficit contribution payments increase by 2.99% each year. The present value of these payments is shown as a statement of financial position liability in the pension's deficit liability note to these accounts.

In addition, West London YMCA is required to contribute to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made. During the year ended 31 March 2022 operating expenses of £11,885 (2021: £10,642) were charged to the Statement of Comprehensive Income as made. These operating expenses are also subject to an annual 2.99% increase.

Contributions payable from West London YMCA to the plan under the terms of its funding agreement for past deficits are recognised as a creditor in West London YMCA's financial statements. The liability is calculated based on the discounted value of expected future payments.

## Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the date of the statement of financial position and is carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement and accrued at the date of the statement of financial position.

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 2. Accounting policies (continued)

### Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment.

### Value Added Tax

The company charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The Statement of Comprehensive Income includes VAT to the extent that it is suffered by the company and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

### Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### Housing Properties

Housing properties constructed or acquired (including land) on the open market are stated at cost less depreciation and impairment (where applicable).

The cost of housing land and property includes the cost of acquiring land and buildings, development costs, interest capitalised during the development period, directly attributable administration costs and expenditure incurred in respect of improvements and replacements of major components of existing properties.

Where housing properties are in the course of construction, finance costs are only capitalised where construction is on-going and has not been interrupted or terminated. Where a development project is deemed to be relatively inactive, capitalisation of interest is ceased until the development becomes active again.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised.

Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Social Housing Grant used to finance buildings is repayable under certain circumstances, primarily following the sale of such property. The amount, which would be repayable is the amount by which any sale proceeds exceed all other liabilities arising from the release of any loan charges on the property.

Housing properties in the course of construction, are included in Property, Plant, and Equipment (PPE) and held at cost less any impairment and are transferred to completed properties when ready for letting.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Social Housing Grant used to finance buildings is repayable under certain circumstances, primarily following the sale of such property. The amount which would be repayable is the amount by which any sale proceeds exceed all other liabilities arising from the release of any loan charges on the property.

### Depreciation of housing property

Social housing assets, whether freehold or long leasehold, are split, for the purposes of depreciation between land, structure and other major components that are expected to require replacement over time with substantially different economic lives.

Land is not depreciated on account of its indefinite useful economic life.

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 2. Accounting policies (continued)

### Depreciation of housing property (continued)

With exception of land, these are depreciated on a straight-line basis, following the year of acquisition, according to their useful economic life or the life of the lease in the case of long leasehold assets, if this is shorter.

The major components and useful economic lives range as follows:

| Depreciation         | Economic useful life |
|----------------------|----------------------|
| Structure            | 100 years            |
| Modular structure    | 50 years             |
| Roofs                | 60 years             |
| Bathrooms            | 30 years             |
| Kitchens             | 20 years             |
| Lifts                | 30 years             |
| Windows & doors      | 30 years             |
| Heating system       | 30 years             |
| Electrics            | 25 years             |
| Energy improvements  | 20 years             |
| Boilers              | 15 years             |
| Short – term housing | 10 years             |

Leasehold Properties shorter of life of the lease or estimated useful economic life

### Other tangible fixed assets

Other tangible fixed assets are measured at historical cost less accumulated depreciation and any accumulated impairment losses.

Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company capitalise costs incurred as a result of staff spending time on capital projects, provided that time can be linked to bringing a specific, separately identifiable asset into working condition, or substantially enhancing the working life of an existing asset.

### Intangible Fixed Assets – Computer Software

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

### Depreciation of other than social housing fixed assets

Other than social housing assets, depreciation on other assets is charged so as to allocate the cost, less estimated residual value of each asset over its anticipated useful life using the straight-line method, as follows:

| Depreciation                              | Economic useful life |
|-------------------------------------------|----------------------|
| Intangible assets: IT software            | 4 years              |
| Other property: short leasehold buildings | Life of the lease    |
| Other Furniture and equipment             | 5 years              |
| Office fittings and equipment             | 7 years              |
| Motor vehicles                            | 5 years              |
| Computer equipment                        | 4 years              |
| Other Fixtures & Fittings                 | 10-20 years          |

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 2. Accounting policies (continued)

### Investments

The Charities SORP provides that investments should be shown as fixed assets at their market value. YMCA St. Paul's Group has always regarded its investments as a source of working capital, interchangeable with cash as required, and treated as a current asset. As such they would, under normal accounting treatment, be stated at the lower of cost or net realisable value. In light of the Charities SORP and the use to which the investments are put, the Board consider that their inclusion as current assets at market value gives a true and fair view of the financial position of the Group. Any gain or loss is charged or credited to the Statement of Comprehensive Income.

### Housing Capital Grants

Grants received are accounted for using the accrual model. Grants are carried as deferred income in the statement of financial position and released to the income and expenditure account on a systematic basis over the useful economic lives of the asset for which it was received. Where grants are restricted to a specified future expiry date the grant is amortised in equal instalments, so it is fully amortised by the expiry date. Grants for mixed asset types are amortised using the weighted average depreciation rate of 3.33%. This is based on the rates used in component accounting.

### Stocks

Stocks are stated at the lower of cost and net realisable value.

### Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded initially at transaction price less attributable transaction costs. Any losses arising from impairment are recognised in the income statement in other operating expenses.

### Recoverable amount of rental and other trade receivables

The Group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts.

### Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

### Financial instruments

All the financial instruments held by the Charity during the year meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 and are accounted for under an amortised cost model.

### Cash and cash equivalents

Cash and cash equivalents in the Group's Consolidated Statement of Financial Position consists of cash at bank, in hand, deposits, bank overdrafts and short-term investments with an original maturity of three months or less

### Leased assets: Lessee

For the leases treated as operating leases their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

### Provision for liabilities

The company would recognise provisions for liabilities of any uncertain timing or amounts. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the date of the statement of financial position. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at the present value using a discount rate. The unwinding of the discount is recognised as a finance cost in income and expenditure in the period it arises.

## **2. Accounting policies (continued)**

### **Reserves**

Income received, and expenditure incurred, for restricted purposes is separately accounted for within restricted funds.

The company establishes designated reserves where reserves are earmarked by the directors for a particular purpose.

## **3. Judgements in applying accounting policies**

In preparing these financial statements, the key judgements have been made in respect of the following:

Whether there are indicators of impairment of the company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The Board have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on existing use value for social housing or depreciated replacement cost. The Board have also considered impairment based on their assumptions to define cash or asset generating units. Distinguishing the point at which a project is more likely than not to continue, allowing capitalisation of associated development costs requires judgement.

Whether leases entered into by the company either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation such as standard rates of inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.

Management judgement is applied in determining the extent to which the risks and benefits are transferred to the Charity when considering the income to be recognised.

## **4. Key Sources of estimation uncertainty in preparing these financial statements**

The key sources of estimation uncertainty are:

### **Tangible fixed assets**

Tangible fixed assets, other than investment properties, are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as the condition of the asset and its future income generating potential are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset, technological advances and projected disposal values.

The residual values, useful lives and depreciation methods for assets are adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

### **Rental and other trade receivables (debtors)**

The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed based on age and where practical, on an individual debtor basis to consider whether each debt is recoverable (see note 18).

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## Defined benefit and multi-employer pension schemes

Estimations in relation to financial and actuarial assumptions are based upon best estimates derived from the Group's policies and practices and confirmed with actuaries where these are beyond management expertise. Variation in these assumptions may significantly impact the defined benefit obligation amount and the annual defined benefit expenses.

## 4. Key Sources of estimation uncertainty in preparing these financial statements (continued)

### Other areas of estimation uncertainty include:

Project or scheme costs which are capitalised on the basis that the scheme will be completed and the costs for each unit upon completion is apportioned on square footage or area of each unit. Should a project or scheme become non-feasible the costs will be written off to the Statement of Comprehensive Income as abortive costs.

Revenue recognition around particular contracts: income is generated from a range of sources, in particular, from rent and service charges to local authorities under a wide variety of contract types, durations and service specifications. Judgement is applied as to income recognition and recoverability on a source-by-source and/or contract by contract basis.

## 5. Housing units under management

The number of units of housing accommodation being managed by the Charity is as follows:

|                   | 2022<br>No. | 2021<br>No. |
|-------------------|-------------|-------------|
| Supported housing | 409         | 405         |
|                   | <b>409</b>  | <b>405</b>  |

## 6. Particulars of Turnover, Operating costs and Operating surplus

Other non-social housing activities income includes Covid-19 related Furlough grant income of £1,670 (2021: £93,196) and other grant income of £57,000 (2021: £95,728).

|                                  | 2022<br>Turnover<br>£ | 2022<br>Operating costs<br>£ | 2022<br>Operating surplus<br>£ | 2021<br>Operating surplus<br>£ |
|----------------------------------|-----------------------|------------------------------|--------------------------------|--------------------------------|
| Social housing lettings (note 7) | 5,556,072             | 4,810,368                    | 745,704                        | 658,417                        |
| Other social housing activities: |                       |                              |                                |                                |
| Supporting people                | 1,500,367             | 1,500,367                    | -                              | 258,263                        |
| Non-social housing activities:   |                       |                              |                                |                                |
| Other                            | 787,143               | 1,169,018                    | (381,875)                      | (391,398)                      |
|                                  | 7,843,582             | 7,479,753                    | 363,829                        | 525,282                        |
| Loss on disposal of fixed assets | -                     | 1,060                        | (1,060)                        | -                              |
|                                  | <b>7,843,582</b>      | <b>7,480,813</b>             | <b>362,769</b>                 | <b>525,282</b>                 |

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 7. Particulars of income and expenditure from social housing lettings

| Supported housing                                                 | 2022             | 2021             |
|-------------------------------------------------------------------|------------------|------------------|
|                                                                   | £                | £                |
| Rent receivable net of identifiable service charges               | 2,305,415        | 2,373,743        |
| Service charge income                                             | 2,944,557        | 2,843,369        |
| Deferred Capital Grant release to income and other revenue grants | 306,100          | 306,100          |
| <b>Turnover from social housing lettings</b>                      | <b>5,556,072</b> | <b>5,523,212</b> |
| Management                                                        | 3,084,617        | 3,136,701        |
| Service charge costs                                              | 752,637          | 720,918          |
| Routine and planned maintenance                                   | 573,936          | 498,920          |
| Bad debts                                                         | 111,869          | 105,849          |
| Depreciation of housing properties                                | 287,309          | 402,407          |
| <b>Operating costs on social housing lettings</b>                 | <b>4,810,368</b> | <b>4,864,795</b> |
| <b>Operating surplus on social housing lettings</b>               | <b>745,704</b>   | <b>658,417</b>   |
| Void losses                                                       | 305,656          | 193,261          |

## 8. Operating surplus

|                                                             | 2022    | 2021    |
|-------------------------------------------------------------|---------|---------|
|                                                             | £       | £       |
| This is stated after charging:                              |         |         |
| Operating leases                                            | 14,622  | 6,667   |
| Auditor's remuneration -excl. VAT - for audit services      | 20,700  | 19,700  |
| Auditor's remuneration - excl. VAT - for non-audit services | 2,825   | -       |
| Depreciation                                                | 308,322 | 440,356 |

## 9. Taxation

The Charity is exempt from corporation tax on its charitable activities.

## 10. Board members and executive directors

The non-executive directors of the charitable company are its trustees for the purpose of charity law and are collectively referred to as the Trustee Board ('the Board'). None of the Board (for company law purposes) received any remuneration in the year (2021: £0). There were no expenses reimbursed to the Board members (2021: £0).

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 11. Employee costs

|                       | 2022<br>£        | 2021<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 2,659,234        | 2,829,151        |
| Social security costs | 171,174          | 178,174          |
| Other pension costs   | 94,582           | 185,208          |
|                       | <u>2,924,990</u> | <u>3,192,533</u> |

Other pension costs includes no defined benefit pension contributions deficit costs (2021: £89,870) arising from a triennial pension revaluation increase in liability (see notes 12 and 20).

|                                                  | 2022<br>No. | 2021<br>No. |
|--------------------------------------------------|-------------|-------------|
| <b>Average full time employees</b>               |             |             |
| Managers                                         | 23          | 17          |
| Service Delivery                                 | 57          | 64          |
| Average number of full-time equivalent employees | <u>80</u>   | <u>81</u>   |

## Key management personnel

The emoluments of the key management personnel are shown in the group accounts.

## 12. Pensions

The Group operates a number of pension schemes:

### Defined benefit pension scheme

West London YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of West London YMCA and at the year end these were invested in the Mercer Dynamic De-risking Solution, 63% matching portfolio and 37% in the growth portfolio and Schroder (property units only).

The most recent completed three year valuation was as at 1 May 2020. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 2.59% and 1.09% respectively, the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m, which represented 79% of the benefits that had accrued to members.

The Pension Plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits all employed deferred members became deferred members as from 1 May 2011.

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £36 million. West London YMCA has been advised that it will need to make monthly contributions of £4,649 from 1 May 2022 (2021: £4,185). This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. Agreed future deficit contributions have been discounted using a rate of 3% (2021: 3%). The current recovery period is 7 years commencing 1st May 2022.

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 12. Pensions (continued) Defined benefit pension scheme (continued)

In addition, West London YMCA may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that West London YMCA may be called upon to pay in the future.

## Defined Contribution Schemes

West London YMCA also operates a defined contribution pension scheme for the majority of its employees. The assets of this scheme are also held separately from those of the company and contributions are charged to the income and expenditure as they fall due (see note 20).

## 13. Interest payable and similar charges

|                           | 2022<br>£      | 2021<br>£      |
|---------------------------|----------------|----------------|
| Loans and bank overdrafts | 185,752        | 200,503        |
|                           | <u>185,752</u> | <u>200,503</u> |

## 14. Intangible assets

|                       | 2022<br>Computer<br>Software<br>£ | 2021<br>Computer<br>Software<br>£ |
|-----------------------|-----------------------------------|-----------------------------------|
| <b>Cost</b>           |                                   |                                   |
| At 1 April            | 169,347                           | 169,347                           |
| Additions             | -                                 | -                                 |
| (Disposals)           | (169,347)                         | -                                 |
| At 31 March           | <u>-</u>                          | <u>169,347</u>                    |
| <b>Depreciation</b>   |                                   |                                   |
| At 1 April            | 169,347                           | 169,347                           |
| Charge for year       | -                                 | -                                 |
| (Disposals)           | (169,347)                         | -                                 |
| At 31 March           | <u>-</u>                          | <u>169,347</u>                    |
| <b>Net book value</b> |                                   |                                   |
| At 1 April            | <u>-</u>                          | <u>-</u>                          |
| At 31 March           | <u>-</u>                          | <u>-</u>                          |

**Notes to the Financial Statements  
for the year ended 31 March 2022 (Continued)**

**West London YMCA**

**15. Tangible fixed assets – Properties**

|                       | Housing property  |                  |                        | Other Property |                        |
|-----------------------|-------------------|------------------|------------------------|----------------|------------------------|
|                       | Total Leasehold   | Freehold         | Total Housing Property | Freehold       | Total Other Properties |
|                       | £                 | £                | £                      | £              | £                      |
| <b>Cost</b>           |                   |                  |                        |                |                        |
| At 1 April 2021       | 19,600,432        | 9,288,419        | 28,888,851             | 876,351        | 29,765,202             |
| Reclassifications     | (3,000)           | 3,000            | -                      | -              | -                      |
| Additions             | 125,727           | 82,937           | 208,664                | -              | 208,664                |
| Disposals             | (232,293)         | (5,081)          | (237,374)              | -              | (237,374)              |
| At 31 March 2022      | <b>19,490,866</b> | <b>9,369,275</b> | <b>28,860,141</b>      | <b>876,351</b> | <b>29,736,492</b>      |
| <b>Depreciation</b>   |                   |                  |                        |                |                        |
| At 1 April 2021       | 2,239,808         | 675,514          | 2,915,322              | 48,348         | 2,963,670              |
| Reclassifications     | -                 | -                | -                      | -              | -                      |
| Charge for the year   | 162,471           | 53,918           | 216,389                | 3,227          | 219,616                |
| Release               | (232,293)         | (5,081)          | (237,374)              | -              | (237,374)              |
| At 31 March 2022      | <b>2,169,986</b>  | <b>724,351</b>   | <b>2,894,337</b>       | <b>51,575</b>  | <b>2,945,912</b>       |
| <b>Net book value</b> |                   |                  |                        |                |                        |
| At 31 March 2022      | <b>17,320,880</b> | <b>8,644,924</b> | <b>25,965,804</b>      | <b>824,776</b> | <b>26,790,580</b>      |
| At 1 April 2021       | 17,360,624        | 8,612,905        | 25,973,529             | 828,003        | 26,801,531             |

Works to the housing properties have been treated as follows:

|                      | <b>2022</b>    | 2021    |
|----------------------|----------------|---------|
|                      | £              | £       |
| Capitalised          | <b>208,664</b> | 54,008  |
| Income & expenditure | <b>573,936</b> | 498,920 |
|                      | <b>782,600</b> | 552,928 |

**Notes to the Financial Statements  
for the year ended 31 March 2022 (Continued)**

**West London YMCA**

**16. Other fixed assets**

|                       | <b>Furniture and<br/>equipment</b> | <b>Motor vehicles</b> | <b>Total</b>   |
|-----------------------|------------------------------------|-----------------------|----------------|
|                       | <b>£</b>                           | <b>£</b>              | <b>£</b>       |
| <b>Cost</b>           |                                    |                       |                |
| At 1 April 2021       | 2,294,484                          | 27,248                | 2,321,732      |
| Reclassifications     | -                                  | -                     | -              |
| Additions             | 48,657                             | -                     | 48,657         |
| Disposals             | (1,443,088)                        | (27,248)              | (1,470,336)    |
| At 31 March 2022      | <b>900,053</b>                     | -                     | <b>900,053</b> |
| <b>Depreciation</b>   |                                    |                       |                |
| At 1 April 2021       | 1,895,290                          | 27,248                | 1,922,538      |
| Reclassifications     | -                                  | -                     | -              |
| Disposals             | (1,442,028)                        | (27,248)              | (1,469,276)    |
| Charge for year       | 88,706                             | -                     | 88,706         |
| At 31 March 2022      | <b>541,968</b>                     | -                     | <b>541,968</b> |
| <b>Net book value</b> |                                    |                       |                |
| At 31 March 2022      | <b>358,085</b>                     | -                     | <b>358,085</b> |
| At 1 April 2021       | <b>399,194</b>                     | -                     | <b>399,194</b> |

**17. Stocks**

|                  | <b>2022</b>   | <b>2021</b> |
|------------------|---------------|-------------|
|                  | <b>£</b>      | <b>£</b>    |
| Consumable items | <b>10,186</b> | 9,059       |
|                  | <b>10,186</b> | 9,059       |

**18. Debtors**

|                                  | <b>2022</b>      | <b>2021</b> |
|----------------------------------|------------------|-------------|
|                                  | <b>£</b>         | <b>£</b>    |
| Rent and service charges arrears | <b>625,892</b>   | 522,355     |
| Provision for bad debts          | <b>(296,781)</b> | (287,076)   |
|                                  | <b>329,111</b>   | 235,279     |
| Other debtors                    | <b>53,278</b>    | 61,615      |
| Prepayments & Accrued Income     | <b>55,468</b>    | 94,822      |
|                                  | <b>437,857</b>   | 391,716     |

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 19. Creditors: amounts falling due within one year

|                                                 | 2022                    | 2021                    |
|-------------------------------------------------|-------------------------|-------------------------|
|                                                 | £                       | £                       |
| Bank loans and overdrafts (secured see note 20) | <b>302,603</b>          | 285,295                 |
| Trade creditors                                 | <b>19,975</b>           | 85,189                  |
| Deferred income                                 | <b>623,388</b>          | 627,696                 |
| Social Housing Grants deferred (see note 26)    | <b>295,688</b>          | 295,688                 |
| Other housing grants deferred (see note 26)     | <b>10,412</b>           | 10,412                  |
| Other creditors                                 | <b>6,900</b>            | 15,796                  |
| Accruals                                        | <b>653,257</b>          | 181,349                 |
| Pension deficit liability (see note 21)         | <b>45,036</b>           | 45,055                  |
| Taxation and social security                    | <b>53,859</b>           | 47,088                  |
| Amounts owed to parent                          | <b>348,184</b>          | 450,829                 |
|                                                 | <b><u>2,359,302</u></b> | <b><u>2,044,397</u></b> |

Rental receipts in advance of £ 484,224 are included within deferred Income (2021: £545,704 included within deferred income).

## 20. Creditors: amounts falling due after more than one year

|                                              | 2022                     | 2021                     |
|----------------------------------------------|--------------------------|--------------------------|
|                                              | £                        | £                        |
| Loans (secured see below)                    | <b>3,409,014</b>         | 3,708,602                |
| Housing property finance (secured see below) | <b>295,007</b>           | 298,021                  |
| Social Housing Grants deferred (see note 26) | <b>12,212,095</b>        | 12,518,195               |
| Other housing grants deferred (see note 26)  | <b>844,305</b>           | 844,305                  |
| Pension deficit liability (see note 21)      | <b>273,530</b>           | 318,565                  |
|                                              | <b><u>17,033,951</u></b> | <b><u>17,687,688</u></b> |

The loan is secured by fixed charges on 323 units of leasehold and freehold housing properties. The capital element is repayable in instalments over 20 years starting on 28 September 2011. Interest is charged at various rates with a weighted average of 3.89% (2021: 3.91%) at the year-end and £2,214,487 (2021: £2,427,121) is due after more than five years.

The housing property finance is secured by a first charge on certain freehold housing properties. It is repayable in instalments with 25 years to run. It bears interest at 10.875% (2021: 10.875%) and £279,184 (2021: £283,788) is due after more than five years.

|                                            | 2022                    | 2021                    |
|--------------------------------------------|-------------------------|-------------------------|
|                                            | £                       | £                       |
| Due within one year or on demand           | <b>302,603</b>          | 285,295                 |
| One year or more but less than two years   | <b>320,974</b>          | 302,601                 |
| Two years or more but less than five years | <b>889,375</b>          | 993,112                 |
| Five years or more                         | <b>2,493,672</b>        | 2,710,910               |
|                                            | <b><u>4,006,624</u></b> | <b><u>4,291,918</u></b> |

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 21. Pension deficit liability

|                                 | 2022     | 2021     |
|---------------------------------|----------|----------|
|                                 | £        | £        |
| At 1 April                      | 363,620  | 318,823  |
| Unwinding of discount provision | 5,044    | 3,566    |
| Triennial Revaluation increase  | -        | 89,870   |
| Reversals during the year       | (50,098) | (48,639) |
| At 31 March                     | 318,566  | 363,620  |

The Pension Deficit Liability represents the amounts set aside to meet payments to the YMCA Pension and Assurance Plan towards its deficit and is included under creditors within the Statement of Financial Position.

The contractual obligation to make pension deficit contribution payments, as calculated based on the discounted value of expected future payments, is split as follows:

In addition, West London YMCA may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that West London YMCA may be called upon to pay in the future.

|                                            | 2022    | 2021    |
|--------------------------------------------|---------|---------|
|                                            | £       | £       |
| Due within one year                        | 45,036  | 45,055  |
| One year or more but less than two years   | 45,018  | 45,036  |
| Two years or more but less than five years | 89,982  | 135,000 |
| Five years or more                         | 138,530 | 138,529 |
|                                            | 318,566 | 363,620 |

## 22. Designated funds

|                     | 2022       |                        |             | 2021       |                        |             |
|---------------------|------------|------------------------|-------------|------------|------------------------|-------------|
|                     | At 1 April | Designated in the year | At 31 March | At 1 April | Designated in the year | At 31 March |
|                     | £          | £                      | £           | £          | £                      | £           |
| Youth Board reserve | 15,257     | -                      | 15,257      | 15,257     | -                      | 15,257      |
| Progression fund    | 7,127      | -                      | 7,127       | 7,127      | -                      | 7,127       |
|                     | 22,384     | -                      | 22,384      | 22,384     | -                      | 22,384      |

The Youth Board Reserve represents amounts set aside to be spent on projects, activities or equipment determined by young people.

The Progression Fund was created to hold funds from corporate fundraising events to purchase specific items that will contribute to our mission of "developing opportunities that transform young lives".

**Notes to the Financial Statements  
for the year ended 31 March 2022 (Continued)**

**West London YMCA**

**23. Restricted funds**

|                                  | <b>2022</b>           |                               |                             |                        | <b>2021</b>           |                               |                             |                        |
|----------------------------------|-----------------------|-------------------------------|-----------------------------|------------------------|-----------------------|-------------------------------|-----------------------------|------------------------|
|                                  | <b>At 1<br/>April</b> | <b>Incoming<br/>resources</b> | <b>Resource<br/>expend.</b> | <b>At 31<br/>March</b> | <b>At 1<br/>April</b> | <b>Incoming<br/>resources</b> | <b>Resource<br/>expend.</b> | <b>At 31<br/>March</b> |
|                                  | <b>£</b>              | <b>£</b>                      | <b>£</b>                    | <b>£</b>               | <b>£</b>              | <b>£</b>                      | <b>£</b>                    | <b>£</b>               |
| Jack Petchey fund                | <b>10,685</b>         | <b>8,550</b>                  | -                           | <b>19,235</b>          | 10,798                | -                             | (113)                       | 10,685                 |
| Pregnancy and<br>Parenthood fund | <b>275</b>            | -                             | -                           | <b>275</b>             | 275                   | -                             | -                           | 275                    |
| Foyer Health fund                | <b>46,422</b>         | -                             | -                           | <b>46,422</b>          | 46,422                | -                             | -                           | 46,422                 |
| Profile of<br>Achievement        | <b>1,632</b>          | -                             | -                           | <b>1,632</b>           | 1,632                 | -                             | -                           | 1,632                  |
|                                  | <b>59,014</b>         | <b>8,550</b>                  | -                           | <b>67,564</b>          | 59,127                | -                             | (113)                       | 59,014                 |

The Jack Petchey Fund underwrites Achievement Awards for young people.

The Pregnancy and Parenthood Fund supports ICT training for young parents and mothers-to-be.

The Foyer Health Fund sponsors activities to enable young people to develop in body, mind and spirit through programmes which cover healthy eating, lifestyles and emotional health.

The Profile of Achievement Fund sponsors life skills programmes for young people.

**24. Capital commitments**

At the year end the Directors had approved plans for the following aggregated amounts of capital expenditure contracted but not provided for of £3,081 (2021: £28,391) to be funded by Internal cash reserves.

**25. Operating lease commitments**

The future minimum lease payments are set out below. The leases relate to the laundry equipment.

|                                     | <b>2022</b>      | <b>2021</b> |
|-------------------------------------|------------------|-------------|
|                                     | <b>£</b>         | <b>£</b>    |
| Due within one year                 | <b>6,490</b>     | 6,667       |
| Between one and five years          | <b>11,204</b>    | 3,889       |
| Five years or more                  | <b>2,170,452</b> | -           |
|                                     | <b>2,188,146</b> | 10,556      |
| Lease payments expensed in the year | <b>14,622</b>    | 6,667       |

# Notes to the Financial Statements for the year ended 31 March 2022 (Continued)

West London YMCA

## 26. Social housing grant and other capital grants deferred

The Social Housing Grants are repayable under certain circumstances (for example the sale of the properties). The total accumulated amount of Social Housing Grant and other capital grants received and released to income is as follows:

|                       | 2022              | 2021              |
|-----------------------|-------------------|-------------------|
|                       | £                 | £                 |
| Social Housing Grants | 12,813,883        | 13,109,571        |
| Other capital grants  | 854,717           | 865,129           |
| Released to income    | (306,100)         | (306,100)         |
|                       | <u>13,362,500</u> | <u>13,668,600</u> |

## 27. Share capital

The company is limited by guarantee and therefore has no share capital. Each member (see numbers below) agrees to contribute £1 in the event of the company winding up.

|                        | 2022     | 2021     |
|------------------------|----------|----------|
|                        | £        | £        |
| At 1 April             | 1        | 1        |
| Joined during the year | -        | -        |
| Left during the year   | -        | -        |
| At 31 March            | <u>1</u> | <u>1</u> |

## 28. Related parties

Intra-group management fees are receivable by the parent from the company to cover the running costs the parent incurs on behalf of managing the company.

The company recovered any cost incurred whilst providing services to the parent.

The following transactions took place between the parent and the company during the year:

|                                | 2022             | Restated<br>2021 |
|--------------------------------|------------------|------------------|
|                                | £                | £                |
| <b>Charges from the parent</b> |                  |                  |
| Overheads charges              | 2,024,114        | 2,066,940        |
| Catering charges               | 23,636           | -                |
|                                | <u>2,047,750</u> | <u>2,066,940</u> |
| <b>Charges to the parent</b>   |                  |                  |
| Counselling for residents      | (44,333)         | -                |
|                                | <u>(44,333)</u>  | <u>-</u>         |

**Notes to the Financial Statements  
for the year ended 31 March 2022 (Continued)**

**West London YMCA**

**29. Reconciliation of operating surplus to net cash inflow from operating activities**

|                                                 |       | <b>2022</b>      | 2021      |
|-------------------------------------------------|-------|------------------|-----------|
|                                                 | Note  | <b>£</b>         | £         |
| Surplus on operating activities before interest |       | <b>362,769</b>   | 525,282   |
| Depreciation charges                            | 15,16 | <b>308,322</b>   | 440,356   |
| SHG grant release to income                     | 26    | <b>(306,100)</b> | (306,100) |
| (Increase) in stocks                            | 17    | <b>(1,127)</b>   | (4,629)   |
| (Increase) in debtors                           | 18    | <b>(46,141)</b>  | (190,209) |
| Increase/ (decrease) in creditors               | 19,20 | <b>252,562</b>   | (403,217) |
|                                                 |       | <b>570,285</b>   | 61,483    |

**30. Ultimate parent undertaking**

YMCA St Paul's Group is sole corporate member of West London YMCA and ultimate controlling entity. YMCA St Paul's Group is the only entity in the Group that produces Consolidated Financial Statements. YMCA St Paul's Group is a company limited by guarantee (company number 02971930), a registered charity (number 1041923) and is registered with the Regulator of Social Housing as a social housing provider (number LH4078). Consolidated financial statements of YMCA St Paul's Group can be obtained from the Company Secretary at 49 Victoria Road, Surbiton, Surrey KT6 4NG.

**WEST LONDON YMCA**

England & Wales - Charity number 1058593

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# Accounts

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**WEST LONDON YMCA**  
**(Limited by guarantee)**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Registered company: 03244611**  
**Registered charity: 1058593**  
**Registered housing provider: H4128**

**WEST LONDON YMCA**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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# **WEST LONDON YMCA**

## **CORPORATE INFORMATION**

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### **PRESIDENT**

Rt Revd Pete Broadbent, Bishop of Willesden

### **TRUSTEES AND DIRECTORS**

|                  |                               |
|------------------|-------------------------------|
| Andy Palmer      | Chair                         |
| Gerald Chifamba  |                               |
| Louise Hedges    |                               |
| Helen Posner     |                               |
| Edward Weiss     |                               |
| Kenneth Youngman |                               |
| Roni Savage      |                               |
| Duncan Ingram    |                               |
| Chris Stern      | (Appointed 19 September 2020) |

### **COMPANY SECRETARY**

David Martin (Appointed 1 April 2020)

### **EXECUTIVE TEAM**

|                |                                                              |
|----------------|--------------------------------------------------------------|
| Richard James  | Chief Executive Officer                                      |
| Fred Angole    | Group Finance Director                                       |
| Marjorie James | Group Director of People                                     |
| Mark Agnew     | Group Director of Property and Places (Resigned 6 June 2021) |
| Jessica Laryea | Group Director of Operations                                 |
| David Boden    | Group Director of Property & Places (Appointed 14 June 2021) |

### **CORPORATE INFORMATION**

|                                     |                                            |
|-------------------------------------|--------------------------------------------|
| Registered Office:                  | 49 Victoria Road, Surbiton, Surrey KT6 4NG |
| Company:                            | 03244611                                   |
| Charity:                            | 1058593                                    |
| Registered Social Housing Provider: | H4128                                      |

### **AUDITORS, PRINCIPAL BANKERS AND PRINCIPAL SOLICITORS**

|                             |                                                                                                                 |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------|
| <b>Auditor (External)</b>   | BDO LLP, 55 Baker Street, London W1U 7EU                                                                        |
| <b>Auditor (Internal)</b>   | Mazars LLP, Tower Bridge House, St Katharine's Way, London E1W 1DD                                              |
| <b>Principal solicitors</b> | Devonshires LLP, 30 Finsbury Circus, London EC2M 7DT<br>Bates Wells LLP, 10 Queen Street Place, London EC4R 1BE |
| <b>Principal bankers</b>    | Barclays Bank Plc, Fleet Street Business Centre, 99 Hatton Garden, London, EC1N 8DN                             |

## WEST LONDON YMCA

### TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR ENDED 31 MARCH 2021

#### Introduction

West London YMCA ("Charity") is an inclusive organisation, which respects and honours its Christian foundations. It is a subsidiary of YMCA St Paul's Group ("Group"). The Group is the sole corporate member of the Charity.

As part of the YMCA global movement, the Charity's **Vision** is of "places where young people thrive and communities flourish" and the **Mission** is to be "an inclusive Christian Charity transforming communities so that all young people can belong, contribute and thrive".

The Charity's **Values** are to be "inclusive, aspirational, honest and excellent".

#### Charitable Objectives

Our charitable objectives are for the public benefit. They are:

- (i) to advance the Christian faith, including by:
  - a. promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
  - b. enabling people of all ages and, in particular, young people, to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ;
- (ii) to provide or assist in the provision of social welfare facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
- (iii) to provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities;
- (iv) to relieve or assist in the relief of people of all ages and, in particular, young people, who are in conditions of need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances; and
- (v) to provide residential accommodation, including Social Housing, for people of all ages and in particular young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.

#### Governance framework

The Charity is governed by its Articles of Association which provides the constitutional framework. These are available for inspection on the Companies House website or from the Company Secretary.

As part of the Group, the Charity is committed to sound corporate governance and has adopted the National Housing Federation's Code of Governance (2015) and Trustee Code of Conduct (2012). The Group's Trustees review its compliance with these Codes annually and they confirm that both the Group and the Charity is compliant with them.

#### Principal Activities

In delivery of the vision and mission, and as part of the Group, the principal activities of the Charity are to:

- provide over 380 bed spaces every night because the Charity believes every person should have a safe place to stay;
- deliver Health and Wellbeing services because the Charity believes everyone should enjoy the benefits of good health and wellbeing;
- support young people and families through children, youth and family services because the Charity believes every young person and family should have the support they need to develop and lead more fulfilling lives; and
- provide extensive chaplaincy work because the Charity believes every person should have someone they can trust.

## **WEST LONDON YMCA**

### **TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR ENDED 31 MARCH 2021 (continued)**

#### **Governance review**

During the year, the Company determined that it no longer needed to retain its dormant trading subsidiary, West London YMCA Trading Ltd. Accordingly, the subsidiary was dissolved on 20 October 2020.

#### **STRATEGIC REPORT**

##### **ACHIEVEMENTS AND PERFORMANCE**

Throughout 2020/21, West London YMCA housed 1103 people with support needs. The Charity provided this support across its 8 housing projects, enabling some residents to 'Moved-On' into new accommodation from the local authority or different supported housing, becoming an owner occupier themselves. Some moved to live with family or friends and some moved out to go to university accommodation. Crucially, throughout 2020 and 2021, there was a focus to keep young people we support safe and healthy during a global pandemic.

Throughout the year we had to quickly adapt to the changing world of the pandemic and respond quickly and effectively to, at times, unclear and contradictory government guidance, to keep our staff and the people we support safe.

To overcome the challenges brought by locking down, managing risk and implementing new ways of working, Teams were switched onto hot and cold rotas and for much of the year, and the communal areas in the Charity's buildings needed to be closed.

The external pressures had a significant effect on residents with a significant increase in anxiety, mental health and stress. This sometime manifested itself in increases in anti-social behaviour or substance misuse, however, sadly it also resulted in some serious incidents including an attempted suicide and a death following an altercation between two residents.

Despite the pressures the teams worked hard to find new ways to allow residents to flourish, creativity packs were handed out and a new residents' wellbeing portal was launched.

Many of the services provided by the Children, Youth and Families (CYF) teams were closed due to the Covid restrictions, the team quickly adapted their approach to deliver their services online or by phone.

The Charity made every effort to keep services running. For example, in the children's work department, the Jumpers nursery in South Ealing remained open throughout the year providing early years care for key workers and SEND children during the first lockdown in line with covid regulations.

We are immensely proud of our amazing, committed and caring colleagues, especially our front-line support staff, children and youth workers and managers who have worked tirelessly during COVID to keep people we support and the spaces and accommodation in which our services are based, safe.

#### **Financial review**

The Charity's financial results for the year ended 31 March 2021 are for the third year following amalgamation with YMCA SPG.

The Charity has achieved a surplus of £325.0k (2020: £241.9k). Turnover increased by £229.6k. However, operating cost increased by £153.9k mainly due to an increase in service charge and routine maintenance costs.

## WEST LONDON YMCA

### TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR ENDED 31 MARCH 2021 (continued)

Turnover from our social and other activities for the years ended 31 March is shown below:

|                                 | 2021           | 2020           |
|---------------------------------|----------------|----------------|
|                                 | £000           | £000           |
| Social housing lettings         | 5,523.2        | 5,483.9        |
| Other social housing activities | 1,709.1        | 1,513.9        |
| Other activities                | 698.7          | 703.6          |
| Total                           | <u>7,931.0</u> | <u>7,701.4</u> |

#### Summary Statement of Comprehensive Income

|                                                          | 2021         | 2020         |
|----------------------------------------------------------|--------------|--------------|
|                                                          | £000         | £000         |
| Turnover                                                 | 7,931.0      | 7,701.4      |
| Operating cost                                           | (7,315.8)    | (7,251.8)    |
| Operating cost-triennial defined benefit pension deficit | (89.9)       | -            |
| Operating surplus                                        | <u>525.3</u> | <u>449.6</u> |
| Interest receivable                                      | 0.2          | 11.6         |
| Net interest payable                                     | (200.5)      | (219.3)      |
| Surplus for the year                                     | <u>325.0</u> | <u>241.9</u> |

The Charity's principal sources of income arise from its charitable activities of providing Accommodation, Health and Wellbeing services and Family, Youth and Children's Work.

#### Summary Statement of Financial Position

|                                       | 2021            | 2020            |
|---------------------------------------|-----------------|-----------------|
|                                       | £000            | £000            |
| Intangible & Tangible fixed assets    | 27,200.7        | 27,585.2        |
| Net current liabilities               | (1,006.1)       | (1,168.9)       |
| Total assets less current liabilities | <u>26,194.6</u> | <u>26,416.3</u> |
| Long-term liabilities                 | (17,687.7)      | (18,234.3)      |
| Net assets/reserves                   | <u>8,506.9</u>  | <u>8,182.0</u>  |

The cost of housing properties held as tangible fixed assets (after allowing for additions, disposals and annual depreciation charges), was £26.0m as at 31 March 2021 (2020: £26.7m).

#### Value for Money

The Value for Money strategy is completed at Group level and takes account of the Regulator of Social Housing's Value for Money Standard. Please refer to the Group's Financial Statements for its approach to the annual Value for Money statement.

#### Employees

The Charity recognises the strength of its employees who are committed to the objectives and the best interests of its residents and service users. The Charity shares information on its objectives, progress and activities through regular management and staff departmental meetings. In addition, staff conferences and team days are used to celebrate success, generate ideas and positively engage with staff.

## **WEST LONDON YMCA**

### **TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR ENDED 31 MARCH 2021 (continued)**

#### **Health & safety**

The Trustees are aware of their responsibilities on all matters relating to health and safety. The Charity has prepared detailed health and safety policies and provides staff training and education on health and safety matters.

#### **Information security**

The Charity is committed to information security and continues to promote good and appropriate collection and use of data and information.

#### **Compliance with taxation**

The Charity is committed to conducting its business with integrity, transparency and fairness, and in compliance with all relevant rules, regulations and legislation. It values its reputation for ethical behaviour, financial probity and, as a Charity, it disapproves of tax evasion in any form. The Charity will not knowingly engage with any individual or business that does not share its commitment to the prevention of tax evasion. The Charity requires all trustees and staff to demonstrate the highest standards of honesty at all times.

#### **Indemnity insurance**

The Group's insurance policies indemnify the Trustees and Officers against liability when acting for the Charity providing their actions are not reckless or fraudulent.

#### **Public Benefit**

The Trustees held service users at the heart of its approach to formulating the strategic objectives and associated strategies. In doing so, the Trustees confirm that they have complied with Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity. Through the work that the Charity undertakes in its service areas, it delivers public benefit and serves a wide range of people, many of whom are vulnerable.

#### **Going concern**

The financial statements are prepared on the basis that West London YMCA will continue for the forthcoming 12 months from the date of signing of these financial statements. The annual budget for 2021/22 and the business plans have also been approved by the Board. The Budget and the business plan were re-done under the Covid-19 conditions and subjected to various adverse scenarios. This work, along with the consideration of the mitigation plans and good level of liquidity, provides evidence in support of the going concern. For this reason West London YMCA continues to adopt the going concern basis in preparation of the financial statements.

West London YMCA recognises possible concern relating to its participation in a defined benefit pension scheme. Appropriate action has been taken: The scheme was closed to new members in 2007, and the link to final salary broken in 2011 with additional contributions continuing to be made to reduce the deficit. As part of the YMCA federation, the multi-employer pension scheme is run by an independent Trustee board with employer representation through the Principal Employer, National Council of YMCAs. The pension scheme Trustee obtains an actuarial valuation every three years and we have considered the implications to the Charity's finances from the latest available actuarial valuation. We have reviewed the Charity's ability to continue to deliver its charitable objectives by ensuring budgets, forecasts and plans are available and include the impact of deficit repayments. The pension scheme Trustee included the impact of pension scheme deficit repayments in considering going concern status, reserves, and the risks and uncertainties that the Charity face noted elsewhere in this Report.

## WEST LONDON YMCA

### TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR ENDED 31 MARCH 2021 (continued)

West London YMCA benefits from the pension scheme Trustee and the Principal Employer seeking suitable specialist profession advice both to manage the scheme and in the continuing effort to explore ways of reducing the overall pension deficit. The notes to the Accounts include an accounting policy and further details in notes 9 and 19.

#### Risk management

The Group risk management strategy embraces the Charity's requirements. The Group regularly considers risk and has developed a detailed risk strategy that takes into account strategic, operational and project risks.

Within the Group, all Board reports include a consideration of risk and any new project or major development has its own risk register and is presented as part of the governance process.

#### Key Risks

| Risk                        | Mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Health & Safety             | Key aspects of our health and safety are audited by internal auditors, as part of a quarterly compliance check. Fire and gas safety, water hygiene and asbestos are also subject to in-depth audits on a three year rolling programme. Expert advisors are engaged in all these areas to ensure that the assessments and processes are thorough and remain in step with best practice. The Charity has invested in its Property & Places department in order to ensure that it has the in-house expertise to deal with some complex major works projects related to safety.                                                                                                           |
| IT and information security | An IT Strategy has been approved by the Board that involves significant investment in IT security. The Charity has also updated privacy notices and trained all staff on the data protection and information security. In terms of system security, there is a well thought out security architecture, well developed framework of management controls and independent penetration testing.                                                                                                                                                                                                                                                                                           |
| Financial viability risk    | <p>The Board has approved a fully funded long-term financial plan. Our financial performance and position is closely monitored by the Executive Team and is reported to the Board regularly. Whilst the external factors that could lead to financial shock cannot be controlled or prevented by the Charity, the Business/financial Plan is subjected to multivariate stress testing and we ensure that there is adequate headroom to withstand such events in the short term.</p> <p>The Charity has in place a treasury policy, which includes a liquidity policy that the Board monitors. The policy is approved annually and is prepared jointly with our treasury advisors.</p> |
| Safeguarding risk           | <p>A safeguarding policy and procedure is in place along with a Board designated Safeguarding lead. Safeguarding training / workshop was provided to the Board in May 2018 and again in March 2021 so that they can understand their obligations.</p> <p>Safeguarding leads exist across the Charity and posters are displayed which identify a chain of command. There is also a trustee safeguarding lead.</p>                                                                                                                                                                                                                                                                      |

## **WEST LONDON YMCA**

### **TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR ENDED 31 MARCH 2021 (continued)**

#### **Statement of Trustees' responsibilities**

The Trustees confirm they are responsible for preparing the Annual Report, including the Strategic Report, and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company, Charity and Registered Provider law requires the preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable financial reporting standards (including the Statement of Recommended Practice: Accounting by Registered Housing Providers) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will be able to continue to meet its objectives.

Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable us to ensure that the financial statements comply with the Companies Act 2006, the Housing & Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

#### **Internal controls**

The Board has overall responsibility for establishing and maintaining the Charity's system of internal control and for reviewing its effectiveness.

The Trustees recognise that no system of internal control can provide absolute assurance against financial misstatement or loss or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Charity's assets and interests.

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Charity. This approach has operated throughout the year under review up to and including the date of approval of the annual report and accounts.

Some of the key elements of the control framework that are established are:

- Significant risks, considered as part of the decision-making process.
- Regular reviews of key performance indicators.
- The operation of a comprehensive budgeting system and the regular review of financial performance.

Included within the Group internal control framework:

- The incorporation of key risks into a risk map.
- The review and approval of all corporate policies including the Governance Framework (which incorporates Terms of Reference), Financial Regulations, Whistleblowing, Anti-Bribery and Conflicts of Interest and documentation of policies and procedures for all key operational areas by the Charity and YMCA St. Paul's Group.

## WEST LONDON YMCA

### TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR ENDED 31 MARCH 2021 (continued)

#### Statement of Trustees' responsibilities (continued)

- The operation of an outsourced internal audit function, following a needs and risk-based plan. The implementation of recommendations is monitored by the Group Audit and Risk Committee.

The Charity applies the Group Anti-Fraud Policy which is aimed at tackling fraud, corruption, theft and breaches of regulations. The Charity also has an Anti-Money Laundering Policy in place. There is a whistle blowing and disciplinary policy and procedure in place which links into the Group Anti-Fraud Policy. There is a Fraud Response Plan which is aimed at ensuring the Group responds promptly to fraud or fraud allegations and is able to recover its assets where necessary.

There is a Fraud Register which is reviewed at each Group Audit and Risk Committee meeting.

The Board confirms that there have been no regulatory concerns which have led the Regulator of Social Housing to intervene in the affairs of the Charity, neither are there significant problems in relation to failures of internal controls which require disclosure in the financial statements. The Board has reviewed the Charity's compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and are satisfied the Charity meets the requirements.

The Charity has adopted the NHF Code of Governance (2015 version) and NHF Code of Conduct 2012. The Board confirms the Charity is compliant with both the Code of Governance and Code of Conduct.

#### Auditors

At the date of this report each Board member confirms the following:

- so far as each Board member is aware, there is no relevant information needed by the Charity's auditors in connection with preparing their report of which the Charity's auditors are unaware; and
- each Board member has taken all of the steps that they ought to have taken as a Board member in order to make themselves aware of any information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information.

By order of the Board



Andy Palmer  
Trustee and Chairman  
16 September 2021

# **WEST LONDON YMCA**

## **INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF WEST LONDON YMCA**

### **Opinion**

#### **Opinion on the financial statements**

We have audited the financial statements of West London YMCA ("the Charity") for the year ended 31 March 2021 which comprise the statement of comprehensive income, the statement of changes in reserves, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of the Charity's 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 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 2019.

#### **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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

The board 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 we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information including the Trustees' Report (incorporating the Strategic Report), 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

## **WEST LONDON YMCA**

### **INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF WEST LONDON YMCA (continued)**

#### **Other information (continued)**

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.

#### **Other Companies Act 2006 reporting**

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

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

In the light of the knowledge and understanding of the Charity 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 Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board 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 the board**

As explained more fully in the board members responsibilities statement set out on page 8, the board is 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 board members 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 board are responsible for assessing the Charity'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 board either intend to liquidate the Group or the Charity 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.

### INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF WEST LONDON YMCA (continued)

#### Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

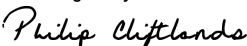
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and the Regulator to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- Reviewing items included in the fraud register as well as the results of internal audit's investigation into these matters;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to the recoverable amount of assets and the appropriate allocation of costs;
- In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition.

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

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

#### Use of our report

This report is made solely to the members of the Charity, as a body, in accordance with the Housing and Regeneration Act 2008 and Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
D1FB52C82A114D7...

Philip Cliftlands (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Baker Street, London

Date: 21 September 2021

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

## WEST LONDON YMCA

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

|                                                                               | <b>Note</b> | <b>2021<br/>£</b>  | <b>2020<br/>£</b> |
|-------------------------------------------------------------------------------|-------------|--------------------|-------------------|
| Turnover                                                                      | 3           | <b>7,930,985</b>   | 7,701,429         |
| Operating cost                                                                | 3           | <b>(7,315,833)</b> | (7,251,897)       |
| Operating cost - triennial defined benefit pension deficit                    | 8           | <b>(89,870)</b>    | -                 |
| <b>Operating surplus</b>                                                      | 5           | <b>525,282</b>     | 449,532           |
| Interest receivable                                                           |             | <b>206</b>         | 11,623            |
| Interest and financing costs                                                  | 10          | <b>(200,503)</b>   | (219,283)         |
| <b>Surplus on ordinary activities before valuation movements and taxation</b> |             | <b>324,985</b>     | 241,872           |
| Tax on surplus on ordinary activities                                         | 6           | -                  | -                 |
| <b>Surplus for the year</b>                                                   |             | <b>324,985</b>     | 241,872           |

The results relate wholly to continuing activities.

The company has no recognised gains or losses other than the results for the year as set out above.

The financial statements were approved by the Board on 16 September 2021 and signed on their behalf by:



**Andy Palmer**  
Trustee & Chairman



**David Martin**  
Company Secretary

The notes on pages 17 to 31 form part of the financial statements.

## WEST LONDON YMCA

### STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2021

|                                          | Designated<br>funds<br>£ | Restricted<br>funds<br>£ | Revenue<br>reserve<br>£ | Total<br>£       |
|------------------------------------------|--------------------------|--------------------------|-------------------------|------------------|
| Balance as at 1 April 2019               | 22,499                   | 62,010                   | 7,855,549               | 7,940,058        |
| Surplus for the year                     | -                        | -                        | 241,872                 | 241,872          |
| Transfer (from)/to designated funds      | (115)                    | -                        | 115                     | -                |
| Transfer (from)/to from restricted funds | -                        | (2,883)                  | 2,883                   | -                |
| Balance as at 31 March 2020              | 22,384                   | 59,127                   | 8,100,419               | 8,181,930        |
| Surplus for the year                     | -                        | -                        | 324,985                 | <b>324,985</b>   |
| (Net spend)/receipt for restricted funds | -                        | (113)                    | 113                     | -                |
| <b>Balance as at 31 March 2021</b>       | <b>22,384</b>            | <b>59,014</b>            | <b>8,425,517</b>        | <b>8,506,915</b> |

The notes on pages 17 to 31 form part of the financial statements.

# WEST LONDON YMCA

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

|                                                                | Note | 2021<br>£        | 2021<br>£          | 2020<br>£        | 2020<br>£          |
|----------------------------------------------------------------|------|------------------|--------------------|------------------|--------------------|
| <b>Fixed assets</b>                                            |      |                  |                    |                  |                    |
| Intangible assets                                              | 11   |                  | 0                  |                  | 0                  |
| Housing properties at cost                                     | 12   |                  | 25,973,529         |                  | 26,652,531         |
| Other property                                                 | 12   |                  | 828,003            |                  | 832,932            |
| Other tangible assets                                          | 13   |                  | 399,194            |                  | 99,688             |
|                                                                |      |                  | <u>27,200,726</u>  |                  | <u>27,585,151</u>  |
| Total tangible fixed assets                                    |      |                  |                    |                  |                    |
| Investments                                                    | 14   |                  | 0                  |                  | 3                  |
|                                                                |      |                  | <u>27,200.726</u>  |                  | <u>27,585,154</u>  |
| <b>Current assets</b>                                          |      |                  |                    |                  |                    |
| Stocks                                                         | 15   | 9,059            |                    | 4,430            |                    |
| Debtors                                                        | 16   | 391,716          |                    | 201,506          |                    |
| Cash at bank and on deposit                                    |      | 637,499          |                    | 1,165,470        |                    |
|                                                                |      | <u>1,038,274</u> |                    | <u>1,371,406</u> |                    |
| <b>Creditors:</b> amounts falling due within one year          | 17   | (2,044,397)      |                    | (2,540,363)      |                    |
|                                                                |      |                  | <u>(1,006,123)</u> |                  | <u>(1,168,957)</u> |
| <b>Net current liabilities</b>                                 |      |                  |                    |                  |                    |
|                                                                |      |                  |                    |                  |                    |
| <b>Total assets less current liabilities</b>                   |      |                  | 26,194,603         |                  | 26,416,197         |
| <b>Creditors:</b> amounts falling due after more than one year | 18   |                  | (17,687,688)       |                  | (18,234,267)       |
|                                                                |      |                  | <u>8,506,915</u>   |                  | <u>8,181,930</u>   |
| <b>Total net assets</b>                                        |      |                  |                    |                  |                    |
| <b>Capital and reserves</b>                                    |      |                  |                    |                  |                    |
| Designated funds                                               | 20   | 22,384           |                    | 22,384           |                    |
| Restricted funds                                               | 21   | 59,014           |                    | 59,127           |                    |
| Revenue reserve                                                |      | 8,425,517        |                    | 8,100,419        |                    |
|                                                                |      | <u>8,506,915</u> |                    | <u>8,181,930</u> |                    |

Approved by the Trustees on 16 September 2021 and signed on their behalf by:



**Andy Palmer**  
Trustee & Chairman  
Company Number: 03244611



**David Martin**  
Company Secretary

The notes on pages 17 to 31 form part of the financial statements.

## WEST LONDON YMCA

### CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

|                                                     |      | 2021<br>£        | 2021<br>£        | 2020<br>£ | 2020<br>£ |
|-----------------------------------------------------|------|------------------|------------------|-----------|-----------|
|                                                     | Note |                  |                  |           |           |
| <b>Net cash generated from operating activities</b> | 27   |                  | <b>61,483</b>    |           | 111,838   |
| <b>Cash flows from investing activities</b>         |      |                  |                  |           |           |
| Acquisition and construction of properties          | 12   | <b>(54,008)</b>  |                  | (231,956) |           |
| Acquisition of other tangible assets                | 13   | <b>(1,923)</b>   |                  | (74,911)  |           |
| Disposal of Investment                              | 14   | <b>3</b>         |                  | 0         |           |
| Interest received                                   |      | <b>206</b>       |                  | 11,623    |           |
| <b>Net cash used in investing activities</b>        |      |                  | <b>(55,722)</b>  |           | (295,244) |
| <b>Cash flows from financing activities</b>         |      |                  |                  |           |           |
| Repayment of bank loans                             |      | <b>(333,229)</b> |                  | (190,397) |           |
| Interest paid                                       | 10   | <b>(200,503)</b> |                  | (219,283) |           |
| <b>Net cash used in financing activities</b>        |      |                  | <b>(533,732)</b> |           | (409,680) |
| <b>Net change in cash and cash equivalents</b>      |      |                  | <b>(527,971)</b> |           | (593,086) |
| <b>Opening cash and cash equivalents</b>            |      |                  | <b>1,165,470</b> |           | 1,758,556 |
| <b>Closing cash and cash equivalents</b>            |      |                  | <b>637,499</b>   |           | 1,165,470 |

The notes on pages 17 to 31 form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

**1 ACCOUNTING POLICIES**

**Legal status**

The company is registered under the Companies Act 2006 and is a registered housing provider.

**Basis of accounting**

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015.

The financial statements are presented in Sterling (£).

*Subsidiary company disclosure exemptions*

In preparing the consolidated financial statements of the subsidiary company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No disclosure has been given for the aggregate remuneration of the key management personnel of the company as their remuneration is included in the totals for the group as a whole.

**Public Benefit Entity**

West London YMCA is a Public Benefit Entity, as defined within FRS 102 as "an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members."

**Going concern**

The organisation's business activities, its current financial position and factors likely to affect its future development are set out within the Strategic Review. The organisation also has a long-term business plan which projects that the organisation's finances will be robust going forward.

As a result of the Covid-19 pandemic and the Government's decision to impose lockdown restrictions during the last week of the financial year, the Board has considered the potential impacts from numerous multi-variant adverse scenarios, which include failure to control costs, increase in rental arrears and increase in voids, among other factors. This has been done as part of a group-wide exercise.

Options for mitigation to ensure the business can continue in the short and longer term have also been reviewed. Mitigations exist for all scenarios as a precaution, to ensure compliance with all covenant and regulatory requirements.

Periodic updates to the financial business plan, management accounts forecasts and key performance indicator reporting enables continuous monitoring of the business. West London YMCA's liquidity is managed at group level and the Group maintains significantly higher liquidity levels than the funding requirement identified in its updated business plan; the Board considers this to be prudent in the current uncertain economic environment.

After making enquiries, the Board has a reasonable expectation that overall the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

**ACCOUNTING POLICIES (continued)**

**Going concern (continued)**

months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements. No material uncertainties exist.

**Significant judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Capitalisation of property development costs

Distinguishing the point at which a project is more likely than not to continue, allowing capitalisation of associated development costs requires judgement. After capitalisation management monitors the assets conditions whether changes indicate that impairment is required.

Supporting people

Management judgement is applied in determining the extent to which the risks and benefits are transferred to the Charity when considering the income to be recognised. £1,709,102 of supporting people income was recognised in the year (2020: £1,513,887).

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful life of depreciated assets

Management reviews its estimates of useful lives of depreciable assets at each reporting date, based on the expected utility of assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components.

**Exemption from preparing group accounts**

The company had a dormant immaterial subsidiary which was dissolved on 20<sup>th</sup> October 2020 and therefore group financial statements have not been prepared. Accordingly, these financial statements present information about the company as a single undertaking.

**Turnover and revenue recognition**

Rental and ancillary income: this is recognised net of VAT on the basis of when the service was provided to the resident.

Grants and donations: all grants subject to restriction are recognised in the year of receipt, whilst unrestricted grants (including Supporting People) are recognised as they fall due under the contractual arrangements with Administering Authorities. Donations are recognised when received.

**Tangible fixed assets – Properties**

Under FRS 102 Housing property is stated at cost. The cost of housing property includes the cost of acquiring property, improvements, replacements and major repairs.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)****ACCOUNTING POLICIES (continued)**

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Social Housing Grant used to finance buildings is repayable under certain circumstances, primarily following the sale of such property. The amount which would be repayable is the amount by which any sale proceeds exceed all other liabilities arising from the release of any loan charges on the property.

**Other tangible fixed assets**

Other tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

**Intangible Fixed Assets – Computer Software**

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

**Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life. The following rates are used on a straight line basis:

**Intangible Assets:**

|             |         |
|-------------|---------|
| IT software | 4 years |
|-------------|---------|

**Property assets:**

|                      |                                                                |
|----------------------|----------------------------------------------------------------|
| Freehold Land        | Nil                                                            |
| Building's structure | 100 years                                                      |
| Roofs                | 60 years                                                       |
| Bathrooms            | 30 years                                                       |
| Lift                 | 30 years                                                       |
| Windows & doors      | 30 years                                                       |
| Heating system       | 30 years                                                       |
| Electrics            | 25 years                                                       |
| Kitchens             | 20 years                                                       |
| Energy Improvements  | 20 years                                                       |
| Boilers              | 15 years                                                       |
| Leasehold Properties | shorter of life of the lease or estimated useful economic life |

**Other fixed assets:**

|                         |             |
|-------------------------|-------------|
| Fixtures and Fittings   | 10-20 years |
| Furniture and equipment | 5-7 years   |
| Motor vehicles          | 5 years     |
| IT equipment            | 4 years     |

**ACCOUNTING POLICIES (continued)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

**Interest payable**

Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development if it represents either:

a) interest on borrowings specifically financing the development programme after deduction of Social Housing Grant (SHG) received in advance; or

b) a fair amount of interest on borrowings of the Charity as a whole after deduction of SHG received in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to the income and expenditure account in the year.

**Financial instruments**

All the financial instruments held by the Charity during the year meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 and are accounted for under an amortised cost model.

**Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Where deferral of payment terms have been agreed at below market rate, and where material, the balance is shown at the present value, discounted at market rate.

**Creditors**

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank, local authority and other loans, are measured initially at fair value, net of transaction cost, and are measured subsequently at amortised cost using the effective interest method.

**Pension**

West London YMCA participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. Due to insufficient information, the plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to West London YMCA for the purposes of FRS 102 disclosure. The employer contributions in relation to the YMCA pension plan are determined by the Directors based on advice from a qualified actuary and charged to income and expenditure as made.

As described in note 9, West London YMCA has a contractual obligation to make pension deficit contribution payments over the period to April 2029, accordingly this is shown as a liability in these accounts. During the year ended 31 March 2021 pension deficit contributions payments totalling £48,758 were made to the plan (2020: £47,985). In accordance with the actuarial valuation the pension deficit contribution payments increase by 2.99% each year. The present value of these payments is shown as a balance sheet liability in note 19 to these accounts.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

#### **ACCOUNTING POLICIES (continued)**

In addition, West London YMCA is required to contribute to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made. During the year ended 31 March 2021 operating expenses of £10,642 (2020: £8,087) were charged to the Statement of Comprehensive Income as made. These operating expenses are also subject to an annual 2.99% increase.

Contributions payable from West London YMCA to the plan under the terms of its funding agreement for past deficits are recognised as a creditor in West London YMCA's financial statements. The liability is calculated based on the discounted value of expected future payments.

#### **Operating lease rentals**

Rents payable under operating leases are charged to the income and expenditure account on a straight-line basis over the lease term.

#### **Value Added Tax**

The company charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The Statement of Comprehensive Income includes VAT to the extent that it is suffered by the company and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

#### **Reserves**

The company establishes *restricted reserves* for specific purposes where their use is subject to external restrictions and *designated reserves* where reserves are earmarked by the directors for a particular purpose.

#### **Stock**

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

#### **Social Housing Grant**

Where property developments, have been financed wholly or partly by Social Housing Grant, the cost of those developments is no longer reduced by the amount of grant received. Under FRS 102 requirements the grant is treated as a long term liability to be released into income over the average expected life span of the development to which it relates, as calculated under component accounting.

#### **Other grants**

Other grants are receivable from local authorities and other organisations. A grant which does not impose specific future performance conditions is recognised in revenue when the grant proceeds are received or receivable. A grant that imposes specific future performance – related conditions on the Charity is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

**2 HOUSING UNITS UNDER MANAGEMENT**

The number of units of housing accommodation being managed by the Charity is as follows:

|                   | <b>2021<br/>No</b> | 2020<br>No |
|-------------------|--------------------|------------|
| Supported housing | <b>405</b>         | 388        |

**3. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS**

|                                         | <b>2021</b>      | <b>2021</b>            | <b>2021</b>                         | 2020                         |
|-----------------------------------------|------------------|------------------------|-------------------------------------|------------------------------|
|                                         | <b>Turnover</b>  | <b>Operating costs</b> | <b>Operating surplus/ (deficit)</b> | Operating surplus/ (deficit) |
|                                         | <b>£</b>         | <b>£</b>               | <b>£</b>                            | <b>£</b>                     |
| <b>Social housing lettings</b> (note 4) | 5,523,212        | 4,864,795              | <b>658,417</b>                      | 1,003,804                    |
| <b>Other social housing activities:</b> |                  |                        |                                     |                              |
| Supporting people                       | 1,709,102        | 1,450,839              | <b>258,263</b>                      | (359,788)                    |
| <b>Non-social housing activities:</b>   |                  |                        |                                     |                              |
| Other                                   | 698,671          | 1,090,069              | <b>(391,398)</b>                    | (194,484)                    |
|                                         | <b>7,930,985</b> | <b>7,405,703</b>       | <b>525,282</b>                      | 449,532                      |

Other non-social housing activities income includes Covid-19 related Furlough grant income of £93,196 (2020: £0) and other grant income of £95,728 (2020: £0).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

**4. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS**

| <b>Supported housing</b>                                              | <b>Total<br/>2021<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------|
| Rent receivable net of identifiable service charges                   | <b>2,373,743</b>            | 2,655,113                   |
| Service charge income                                                 | <b>2,843,369</b>            | 2,522,642                   |
| Deferred Capital Grant released to income<br>and other revenue grants | <b>306,100</b>              | 306,100                     |
| <b>Turnover from social housing lettings</b>                          | <b>5,523,212</b>            | 5,483,855                   |
| Management                                                            | <b>3,136,701</b>            | 3,251,474                   |
| Service charge costs                                                  | <b>720,918</b>              | 341,518                     |
| Routine maintenance                                                   | <b>498,920</b>              | 390,485                     |
| Bad debts                                                             | <b>105,849</b>              | 111,199                     |
| Depreciation of housing properties                                    | <b>402,407</b>              | 385,375                     |
| <b>Operating costs on social housing lettings</b>                     | <b>4,864,795</b>            | 4,480,051                   |
| <b>Operating surplus on social housing lettings</b>                   | <b>658,417</b>              | 1,003,804                   |
| Void losses                                                           | <b>193,261</b>              | 136,238                     |

**5. OPERATING SURPLUS**

|                                                             | <b>2021<br/>£</b> | <b>2020<br/>£</b> |
|-------------------------------------------------------------|-------------------|-------------------|
| This is stated after charging:                              |                   |                   |
| Operating leases                                            | <b>6,667</b>      | 25,145            |
| Auditor's remuneration (excluding VAT) – for audit services | <b>19,700</b>     | 19,130            |
| Depreciation                                                | <b>440,356</b>    | 412,393           |

**6. TAXATION**

The Charity is exempt from corporation tax on its charitable activities.

**7. BOARD MEMBERS AND EXECUTIVE DIRECTORS**

The non-executive directors of the charitable company are its trustees for the purpose of charity law and are collectively referred to as the Trustee Board ('the Board'). None of the Board (for company law purposes) received any remuneration in the year (2020: £0). There were no expenses reimbursed to the Board members (2020: £0).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

**8. EMPLOYEE COSTS**

|                       | <b>2021</b>      | 2020      |
|-----------------------|------------------|-----------|
|                       | <b>£</b>         | £         |
| Wages and salaries    | <b>2,829,151</b> | 2,592,071 |
| Social security costs | <b>178,174</b>   | 181,994   |
| Other pension costs   | <b>185,208</b>   | 102,753   |
|                       | <b>3,192,533</b> | 2,876,818 |

Other pension costs includes a £89,870 defined benefit pension contributions deficit (2020: £0) arising from a triennial pension revaluation increase in liability (see notes 9 & 19).

|                                                  | <b>2021</b>   | 2020   |
|--------------------------------------------------|---------------|--------|
|                                                  | <b>£</b>      | £      |
|                                                  | <b>Number</b> | Number |
| <b>Average number of employees</b>               |               |        |
| Managers                                         | <b>17</b>     | 24     |
| Service Delivery                                 | <b>64</b>     | 71     |
| Average number of full-time equivalent employees | <b>81</b>     | 95     |

**Key management personnel**

The emoluments of the key management personnel are shown in the group accounts.

**9. PENSIONS**

The Group operates a number of pension schemes:

**Defined benefit pension scheme**

West London YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of West London YMCA and at the year end these were invested in the Mercer Dynamic De-risking Solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

The most recently completed three year valuation was as at 1 May 2020. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 2.59% and 1.09% respectively, the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m, which represented 79% of the benefits that had accrued to members.

The Pension Plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits all employed deferred members became deferred members as from 1 May 2011.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

**9. PENSIONS (continued) & Defined benefit pension scheme (continued)**

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £36 million. West London YMCA has been advised that it will need to make monthly contributions of £4,185 from 1 May 2021 (2020: £4,063). This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 8 years commencing 1st May 2021.

In addition, West London YMCA may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that West London YMCA may be called upon to pay in the future.

**Defined Contribution Schemes**

West London YMCA also operates a defined contribution pension scheme for the majority of its employees. The assets of this scheme are also held separately from those of the company and contributions are charged to the income and expenditure as they fall due. The combined pension charge of both schemes is shown in note 8.

**10. INTEREST PAYABLE AND SIMILAR CHARGES**

|                           | <b>2021</b><br><b>£</b> | 2020<br><b>£</b> |
|---------------------------|-------------------------|------------------|
| Loans and bank overdrafts | <b>200,503</b>          | 219,283          |

**11. INTANGIBLE ASSETS**

|                       | <b>2021</b>     | 2020     |
|-----------------------|-----------------|----------|
|                       | <b>Computer</b> | Computer |
|                       | <b>Software</b> | Software |
|                       | <b>£</b>        | <b>£</b> |
| <b>Cost</b>           |                 |          |
| 1 April               | <b>169,347</b>  | 169,347  |
| Balance at 31 March   | <b>169,347</b>  | 169,347  |
| <b>Depreciation</b>   |                 |          |
| 1 April               | <b>169,347</b>  | 169,347  |
| Charge for the year   | -               | -        |
| Balance at 31 March   | <b>169,347</b>  | 169,347  |
| <b>Net Book Value</b> |                 |          |
| At 31 March           | -               | -        |
| At 31 March           | -               | -        |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

**12. TANGIBLE FIXED ASSETS – Properties**

|                       | <b>Housing property</b> |                  |                                   | <b>Other property</b> |                         |
|-----------------------|-------------------------|------------------|-----------------------------------|-----------------------|-------------------------|
|                       | <b>Long Leasehold</b>   | <b>Freehold</b>  | <b>Total for housing property</b> | <b>Freehold</b>       | <b>Total Properties</b> |
|                       | <b>£</b>                | <b>£</b>         | <b>£</b>                          | <b>£</b>              | <b>£</b>                |
| <b>Cost</b>           |                         |                  |                                   |                       |                         |
| At 1 April 2020       | 16,932,268              | 13,203,834       | 30,136,102                        | 879,741               | 31,015,843              |
| Reclassifications     | 2,665,090               | (3,966,349)      | (1,301,259)                       | (3,390)               | (1,304,649)             |
| Additions             | 3,074                   | 50,934           | 54,008                            | -                     | 54,008                  |
| At 31 March 2021      | <b>19,600,432</b>       | <b>9,288,419</b> | <b>28,888,851</b>                 | <b>876,351</b>        | <b>29,765,202</b>       |
| <b>Depreciation</b>   |                         |                  |                                   |                       |                         |
| At 1 April 2020       | 2,525,697               | 957,874          | 3,483,571                         | 46,809                | 3,530,380               |
| Reclassifications     | (449,538)               | (335,727)        | (785,265)                         | (1,695)               | (786,960)               |
| Charge for the year   | 163,649                 | 53,367           | 217,016                           | 3,234                 | 220,250                 |
| At 31 March 2021      | <b>2,239,808</b>        | <b>675,514</b>   | <b>2,915,322</b>                  | <b>48,348</b>         | <b>2,963,670</b>        |
| <b>Net book value</b> |                         |                  |                                   |                       |                         |
| At 31 March 2021      | <b>17,360,624</b>       | <b>8,612,905</b> | <b>25,973,529</b>                 | <b>828,003</b>        | <b>26,801,532</b>       |
| At 31 March 2020      | 14,406,571              | 12,245,960       | 26,652,531                        | 832,932               | 27,485,463              |

During the year to 31<sup>st</sup> March 2021, assets acquired under a previous group merger were reclassified, so that similar items fall within the same asset type category.

|                                                               |                |          |
|---------------------------------------------------------------|----------------|----------|
| Works to the housing properties have been treated as follows: | <b>2021</b>    | 2020     |
|                                                               | <b>£</b>       | <b>£</b> |
| Capitalised                                                   | <b>54,008</b>  | 231,956  |
| Income and expenditure                                        | <b>498,920</b> | 390,485  |
|                                                               | <b>552,928</b> | 622,441  |

## WEST LONDON YMCA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

#### 13. TANGIBLE FIXED ASSETS – Other fixed assets

|                       | <b>Furniture and<br/>equipment</b> | <b>Motor<br/>vehicles</b> | <b>Total<br/>non-<br/>properties</b> |
|-----------------------|------------------------------------|---------------------------|--------------------------------------|
|                       | <b>£</b>                           | <b>£</b>                  | <b>£</b>                             |
| <b>Cost</b>           |                                    |                           |                                      |
| At 1 April 2020       | 987,912                            | 27,248                    | 1,015,160                            |
| Reclassifications     | 1,304,649                          | -                         | 1,304,649                            |
| Additions             | 1,923                              | -                         | 1,923                                |
| At 31 March 2021      | <b>2,294,484</b>                   | <b>27,248</b>             | <b>2,321,732</b>                     |
| <b>Depreciation</b>   |                                    |                           |                                      |
| At 1 April 2020       | 888,224                            | 27,248                    | 915,472                              |
| Reclassifications     | 786,960                            | -                         | 786,960                              |
| Charge for the year   | 220,106                            | -                         | 220,106                              |
| At 31 March 2021      | <b>1,895,290</b>                   | <b>27,248</b>             | <b>1,922,538</b>                     |
| <b>Net book value</b> |                                    |                           |                                      |
| At 31 March 2021      | <b>399,194</b>                     | <b>-</b>                  | <b>399,194</b>                       |
| At 31 March 2020      | 99,688                             | -                         | 99,688                               |

#### 14. FIXED ASSET INVESTMENTS

|                         | <b>2021</b> | 2020 |
|-------------------------|-------------|------|
|                         | <b>£</b>    | £    |
| Wholly-owned subsidiary | <b>0</b>    | 3    |

The Charity had a wholly-owned dormant subsidiary, West London YMCA Trading Ltd., incorporated in England and Wales. The company had nil net assets at 31 March 2020. This company was dissolved on 20 October 2020.

#### 15. STOCKS

|                  | <b>2021</b>  | 2020  |
|------------------|--------------|-------|
|                  | <b>£</b>     | £     |
| Consumable items | <b>9,059</b> | 4,430 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

**16. DEBTORS**

|                                 | <b>2021</b>      | 2020      |
|---------------------------------|------------------|-----------|
|                                 | <b>£</b>         | £         |
| Rent and service charge arrears | <b>522,355</b>   | 515,563   |
| Provision for bad debts         | <b>(287,076)</b> | (396,786) |
|                                 | <b>235,279</b>   | 118,777   |
| Other debtors                   | <b>61,615</b>    | 74,657    |
| Prepayments                     | <b>94,822</b>    | 8,072     |
|                                 | <b>391,716</b>   | 201,506   |

**17. CREDITORS: Amounts falling due within one year**

|                                                 | <b>2021</b>      | 2020      |
|-------------------------------------------------|------------------|-----------|
|                                                 | <b>£</b>         | £         |
| Bank loans and overdrafts (secured see note 18) | <b>285,295</b>   | 333,229   |
| Trade creditors                                 | <b>85,189</b>    | 67,825    |
| Deferred income                                 | <b>627,696</b>   | 684       |
| Social Housing Grants deferred (see note 24)    | <b>295,688</b>   | 295,688   |
| Other housing grants deferred (see note 24)     | <b>10,412</b>    | 10,412    |
| Other creditors                                 | <b>15,796</b>    | 683,717   |
| Amounts owed to parent                          | <b>450,829</b>   | 850,267   |
| Accruals                                        | <b>181,349</b>   | 226,524   |
| Pension deficit liability (see note 19)         | <b>45,055</b>    | 45,073    |
| Taxation and social security                    | <b>47,088</b>    | 26,944    |
|                                                 | <b>2,044,397</b> | 2,540,363 |

Rental receipts in advance of £ 545,704 are included within deferred Income (2020: £583,982 included within other creditors).

**18. CREDITORS: Amounts falling due after more than one year**

|                                              | <b>2021</b>       | 2020       |
|----------------------------------------------|-------------------|------------|
|                                              | <b>£</b>          | £          |
| Loans (secured see below)                    | <b>3,708,602</b>  | 3,991,185  |
| Housing property finance (secured see below) | <b>298,021</b>    | 300,733    |
| Social Housing Grants deferred (see note 24) | <b>12,518,195</b> | 12,813,883 |
| Other housing grants deferred (see note 24)  | <b>844,305</b>    | 854,716    |
| Pension deficit liability (see note 19)      | <b>318,565</b>    | 273,750    |
|                                              | <b>17,687,688</b> | 18,234,267 |

The loan is secured by a fixed charge on the leasehold housing property, a fixed charge on the rental income arising thereon, and a floating charge over all of the Charity's assets and undertakings, except the non-housing freehold property. The capital element is repayable in instalments over 20 years starting on 28 September 2011. Interest is charged at various rates with a weighted average of 3.91% (2020: 3.74%) at the year-end and £2,427,121 (2020: £2,754,639) is due after more than five years.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

**18. CREDITORS: Amounts falling due after more than one year (continued)**

The housing property finance is secured by a first charge on certain freehold housing properties. It is repayable in instalments with 25 years to run. It bears interest at 10.875% (2020: 10.875%) and £283,788 (2020: £291,655) is due after more than five years.

|                                            | <b>2021</b>             | 2020             |
|--------------------------------------------|-------------------------|------------------|
|                                            | <b>£</b>                | £                |
| <b>Debt analysis</b>                       |                         |                  |
| Within one year or on demand               | <b>285,295</b>          | 333,229          |
| One year or more but less than two years   | <b>302,601</b>          | 285,295          |
| Two years or more but less than five years | <b>993,112</b>          | 960,329          |
| Five years or more                         | <b>2,710,910</b>        | 3,046,294        |
|                                            | <b><u>4,291,918</u></b> | <u>4,625,147</u> |

**19. PENSION DEFICIT LIABILITY**

|                                 | <b>£</b>              | <b>£</b>       |
|---------------------------------|-----------------------|----------------|
| At 1 April                      | <b>318,823</b>        | 362,436        |
| Unwinding of discount provision | <b>3,566</b>          |                |
| Triennial revaluation increase  | <b>89,870</b>         |                |
| Reversals during the year       | <b>(48,639)</b>       | (43,613)       |
| At 31 March                     | <b><u>363,620</u></b> | <u>318,823</u> |

The Pension Deficit Liability represents the amounts set aside to meet payments to the YMCA Pension & Assurance Plan towards its deficit (note 9) and is included under creditors within the Statement of Financial Position.

The contractual obligation to make pension deficit contribution payments, as calculated based on the discounted value of expected future payments, is split as follows:

|                  | Within<br>one year<br>£ | Repayable                |                           |                          | After<br>more than<br>one year<br>£ | <b>TOTAL<br/>2021<br/>£</b> | <b>TOTAL<br/>2020<br/>£</b> |
|------------------|-------------------------|--------------------------|---------------------------|--------------------------|-------------------------------------|-----------------------------|-----------------------------|
|                  |                         | One to<br>two years<br>£ | Two to<br>five years<br>£ | After five<br>years<br>£ |                                     |                             |                             |
| At 31 March 2021 | <b>45,055</b>           | <b>45,036</b>            | <b>135,000</b>            | <b>138,529</b>           | <b>318,565</b>                      | <b>363,620</b>              |                             |
| At 31 March 2020 | 45,073                  | 45,055                   | 135,055                   | 93,640                   | 273,750                             |                             | <u>318,823</u>              |

In addition, West London YMCA may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that West London YMCA may be called upon to pay in the future.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

**20. DESIGNATED FUNDS**

|                     | At 1 April<br>2019 | Designated<br>in the year | At 31<br>March 2020 | Designated<br>in the year | At 31<br>March<br>2021 |
|---------------------|--------------------|---------------------------|---------------------|---------------------------|------------------------|
|                     | £                  | £                         | £                   | £                         | £                      |
| Youth Board Reserve | 15,257             | -                         | 15,257              | -                         | <b>15,257</b>          |
| Progression Fund    | 7,242              | (115)                     | 7,127               | -                         | <b>7,127</b>           |
|                     | <b>22,499</b>      | <b>(115)</b>              | <b>22,384</b>       | <b>-</b>                  | <b>22,384</b>          |

The Youth Board Reserve represents amounts set aside to be spent on projects, activities or equipment determined by young people.

The Progression Fund was created to hold funds from corporate fundraising events to purchase specific items that will contribute to our mission of "developing opportunities that transform young lives".

**21. RESTRICTED FUNDS**

|                                  | At 1<br>April<br>2019 | Incoming<br>resources | Resource<br>expend. | At 31<br>March<br>2020 | Incoming<br>resources | Resource<br>expend. | At 31<br>March<br>2021 |
|----------------------------------|-----------------------|-----------------------|---------------------|------------------------|-----------------------|---------------------|------------------------|
|                                  | £                     | £                     | £                   | £                      | £                     | £                   | £                      |
| Jack Petchey Fund                | 13,681                | 3,250                 | (6,133)             | 10,798                 | -                     | (113)               | <b>10,685</b>          |
| Pregnancy and<br>Parenthood Fund | 275                   | -                     | -                   | 275                    | -                     | -                   | <b>275</b>             |
| Foyer Health Fund                | 46,422                | -                     | -                   | 46,422                 | -                     | -                   | <b>46,422</b>          |
| Profile of Achievement           | 1,632                 | -                     | -                   | 1,632                  | -                     | -                   | <b>1,632</b>           |
|                                  | <b>62,010</b>         | <b>3,250</b>          | <b>(6,133)</b>      | <b>59,127</b>          | <b>-</b>              | <b>(113)</b>        | <b>59,014</b>          |

The Jack Petchey Fund underwrites Achievement Awards for young people.

The Pregnancy and Parenthood Fund supports ICT training for young parents and mothers-to-be.

The Foyer Health Fund sponsors activities to enable young people to develop in body, mind and spirit through programmes which cover healthy eating, lifestyles and emotional health.

The Profile of Achievement Fund sponsors life skills programmes for young people.

**22. CAPITAL COMMITMENTS**

At the year end the Directors had approved plans for the following aggregated amounts of capital expenditure contracted but not provided for of £28,391 (2020: £4,150) to be funded by Internal cash reserves.

**23. OPERATING LEASE COMMITMENTS**

The future minimum lease payments are set out below. The leases relate to the office photocopier and laundry equipment.

|                                           | 2021<br>£     | 2020<br>£ |
|-------------------------------------------|---------------|-----------|
| Within one year                           | <b>6,667</b>  | 9,013     |
| One year or more but less than five years | <b>3,889</b>  | 16,132    |
| Total                                     | <b>10,556</b> | 25,145    |

## WEST LONDON YMCA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (Continued)

#### 24. SOCIAL HOUSING GRANT AND OTHER CAPITAL GRANTS DEFERRED

The Social Housing Grants are repayable under certain circumstances (for example the sale of the properties). The total accumulated amount of Social Housing Grant and other capital grants received and released to income is as follows:

|                       | 2021<br>£         | 2020<br>£         |
|-----------------------|-------------------|-------------------|
| Social Housing Grants | 13,109,571        | 13,405,258        |
| Other Capital Grants  | 865,129           | 875,541           |
| Released to income    | (306,100)         | (306,100)         |
|                       | <b>13,668,600</b> | <b>13,974,699</b> |

#### 25. SHARE CAPITAL

The company is limited by guarantee and therefore has no share capital. Each member (see numbers below) agrees to contribute £1 in the event of the company winding up.

|                          | 2021<br>No. | 2020<br>No. |
|--------------------------|-------------|-------------|
| At 1 April               | 1           | 1           |
| Movement during the year | -           | -           |
| At 31 March              | <b>1</b>    | <b>1</b>    |

#### 26. RELATED PARTIES

There have been no related party transactions in the year.

#### 27. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

|                                                  | Note  | 2021<br>£     | 2020<br>£      |
|--------------------------------------------------|-------|---------------|----------------|
| Surplus on operating activities before interest  |       | 525,282       | 449,532        |
| Depreciation charges                             | 12/13 | 440,356       | 412,393        |
| SHG grant released to income                     | 24    | (306,100)     | (306,100)      |
| (Increase)/Decrease in stocks                    | 15    | (4,629)       | 5,431          |
| (Increase)/Decrease in debtors                   | 16    | (190,209)     | 239,258        |
| (Decrease) in creditors                          | 17/18 | (403,217)     | (688,676)      |
| <b>Net cash inflow from operating activities</b> |       | <b>61,483</b> | <b>111,838</b> |

#### 28. ULTIMATE PARENT UNDERTAKING

YMCA St Paul's Group is sole corporate member of West London YMCA and ultimate controlling entity. YMCA St Paul's Group is the only entity in the Group that produces Consolidated Financial Statements. YMCA St Paul's Group is a company limited by guarantee (company number 02971930), a registered charity (number 1041923) and is registered with the Regulator of Social Housing as a social housing provider (number LH4078). Consolidated financial statements of YMCA St Paul's Group can be obtained from the Company Secretary at 49 Victoria Road, Surbiton, Surrey KT6 4NG.