



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**

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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 31st 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 £	2021 £
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
Total Turnover	7,843.6	7,931.0

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 £	2021 £
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)	-
Operating surplus	362.7	525.3
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 £	2021 £
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.

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

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

	Designated funds	Restricted funds	Revenue reserve	Total
	£	£	£	£
Balance as at 1 April 2020	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	-
Balance as at 31 March 2021	22,384	59,014	8,425,517	8,506,915
Surplus for the year	-	-	177,200	177,200
Transfer (from)/to designated funds	-	-	-	-
Transfer to/(from) restricted funds	-	8,550	(8,550)	-
Balance as at 31 March 2022	22,384	67,564	8,594,167	8,684,115

Statement of Financial Position as at 31 March 2022

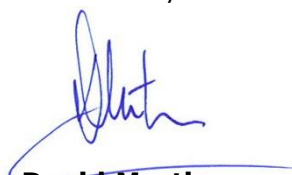
West London YMCA

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	14	-	-
Housing properties at cost	15	25,965,804	25,973,529
Other property	15	824,776	828,003
Other tangible assets	16	358,085	399,194
		27,148,665	27,200,726
Current assets			
Stocks	17	10,186	9,059
Debtors	18	437,857	391,716
Cash at bank and on deposit		480,660	637,499
		928,703	1,038,274
Creditors: amounts falling due within one year	19	(2,359,302)	(2,044,397)
Net current liabilities		(1,430,599)	(1,006,123)
Total assets less current liabilities		25,718,066	26,194,603
Creditors: amounts falling due after more than one year	20	(17,033,951)	(17,687,688)
Total net assets		8,684,115	8,506,915
Capital and reserves			
Designated funds	22	22,384	22,384
Restricted funds	23	67,564	59,014
Revenue reserve		8,594,167	8,425,517
Total Capital and reserves		8,684,115	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 £	2021 £
Net cash generated from operating activities	29	570,285	61,483
Cash flow from investing activities			
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
Net cash from investing activities		(256,078)	(55,722)
Cash flows from financing activities			
Repayment of bank loans		(285,294)	(333,229)
Interest paid	13	(185,752)	(200,503)
Net cash used in financing activities		(471,046)	(533,732)
Net change in cash and cash equivalents		(156,839)	(527,971)
Opening cash and cash equivalents		637,499	1,165,470
Closing cash and cash equivalents		480,660	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	2021
	No.	No.
Supported housing	409	405
	409	405

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	2022	2022	2021
	Turnover	Operating costs	Operating surplus	Operating surplus
	£	£	£	£
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)	-
	7,843,582	7,480,813	362,769	525,282

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
Turnover from social housing lettings	5,556,072	5,523,212
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
Operating costs on social housing lettings	4,810,368	4,864,795
Operating surplus on social housing lettings	745,704	658,417
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 £	2021 £
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 No.	2021 No.
Average full time employees		
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 £	2021 £
Loans and bank overdrafts	185,752	200,503
	<u>185,752</u>	<u>200,503</u>

14. Intangible assets

	2022 Computer Software £	2021 Computer Software £
Cost		
At 1 April	169,347	169,347
Additions	-	-
(Disposals)	(169,347)	-
At 31 March	<u>-</u>	<u>169,347</u>
Depreciation		
At 1 April	169,347	169,347
Charge for year	-	-
(Disposals)	(169,347)	-
At 31 March	<u>-</u>	<u>169,347</u>
Net book value		
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
	£	£	£	£	£
Cost					
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	19,490,866	9,369,275	28,860,141	876,351	29,736,492
Depreciation					
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	2,169,986	724,351	2,894,337	51,575	2,945,912
Net book value					
At 31 March 2022	17,320,880	8,644,924	25,965,804	824,776	26,790,580
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:

	2022	2021
	£	£
Capitalised	208,664	54,008
Income & expenditure	573,936	498,920
	782,600	552,928

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

West London YMCA

16. Other fixed assets

	Furniture and equipment	Motor vehicles	Total
	£	£	£
Cost			
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	900,053	-	900,053
Depreciation			
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	541,968	-	541,968
Net book value			
At 31 March 2022	358,085	-	358,085
At 1 April 2021	399,194	-	399,194

17. Stocks

	2022	2021
	£	£
Consumable items	10,186	9,059
	10,186	9,059

18. Debtors

	2022	2021
	£	£
Rent and service charges arrears	625,892	522,355
Provision for bad debts	(296,781)	(287,076)
	329,111	235,279
Other debtors	53,278	61,615
Prepayments & Accrued Income	55,468	94,822
	437,857	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)	302,603	285,295
Trade creditors	19,975	85,189
Deferred income	623,388	627,696
Social Housing Grants deferred (see note 26)	295,688	295,688
Other housing grants deferred (see note 26)	10,412	10,412
Other creditors	6,900	15,796
Accruals	653,257	181,349
Pension deficit liability (see note 21)	45,036	45,055
Taxation and social security	53,859	47,088
Amounts owed to parent	348,184	450,829
	<u>2,359,302</u>	<u>2,044,397</u>

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

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	302,603	285,295
One year or more but less than two years	320,974	302,601
Two years or more but less than five years	889,375	993,112
Five years or more	2,493,672	2,710,910
	<u>4,006,624</u>	<u>4,291,918</u>

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

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

	2022	2021
	£	£
Due within one year	6,490	6,667
Between one and five years	11,204	3,889
Five years or more	2,170,452	-
	2,188,146	10,556
Lease payments expensed in the year	14,622	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 2021
	£	£
Charges from the parent		
Overheads charges	2,024,114	2,066,940
Catering charges	23,636	-
	<u>2,047,750</u>	<u>2,066,940</u>
Charges to the parent		
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

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