

**Action West London
(Limited by Guarantee)**

**Report of the Trustees
and Financial Statements
for the year ended 31st March 2022**

Charity Registration Number 1101111

**Company Registration No.
3647635 (England & Wales)**

Action West London

Contents

	Page
Legal and Administrative Information	1
Report of the Trustees	2 - 9
Statement of Responsibilities	10
Auditors' Report	11 - 13
Summary of Income and Expenditure Account	14
Statement of Financial Activities	15- 16
Statement of Cash Flows	17
Balance Sheet	18
Notes to the Financial Statements	19-25

Action West London

Legal and Administrative Information

Trustees	D. Anderson J. Bryan A.G. Coyne E. Harris T. Mobee A. Skinner-Jozefson M.R. Snowden
Chief Executive	J. Blackmore
Company Number	3647635 (England & Wales)
Charity Registration Number	1101111
Registered Office	10 Warple Mews Warple Way London W3 0RF
Auditors	Clarke & Co. Acorn House 33 Churchfield Road Acton London W3 6AY
Bankers	National Westminster Bank plc 1 The Mall Ealing London W5 2PL
Principal Solicitor	Russell-Cooke Solicitors 2 Putney Hill Putney London SW15 6AB

Action West London

Report of the Trustees for the year ended 31st March 2022

The Trustees are pleased to present their report and the financial statements for the year ended 31st March 2022, which they confirm comply in all material matters with current statutory requirements, the Companies Act 2006, the requirements of the Charity's governing document (its Memorandum and Articles of Association) and the requirements of the SORP 2005 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Trustees' Responsibilities

The Directors of the charitable company ('the Charity') are its Trustees for the purpose of charity Law and of the Companies Act 2006, and throughout are collectively referred to as the Trustees. Trustees are drawn from Business, Education, Voluntary, Housing, Training, Employment and Community sectors.

Company law requires the Trustees to prepare accounts 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 for that year. In preparing the company's accounts, the Trustees confirm they have:

- a) selected suitable accounting policies and applied them consistently;
- b) made judgements and estimates that are reasonable and prudent;
- c) followed applicable accounting standards; and
- d) prepared the accounts on a going concern basis.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006 as applicable to smaller companies and the Statement of Recommended Practice for Charities under the Charities Act 2011. They are responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legal and Administrative Information

The Trust was incorporated on 6th October 1998 as a company limited by guarantee and adopted the status of a registered charity on 9th December 2003. It also operated under the name "Action Acton" and following a change of name on 2nd June 2015 now operates as "Action West London". The company is governed by its Memorandum and Articles of Association.

Other detailed information as required by SORP is shown on page 1 of the financial statements.

Trustees

The Board consists of not fewer than 3 and no more than 12 Trustees. The Board may appoint Trustees at any time at a meeting or in writing. No person under the age of 18 may be appointed as a Trustee.

Retirement of members of the Board

At the third Appointment Board Meeting after his/her last appointment a Trustee shall retire. He/she shall be eligible for re-appointment by the Board. For the purposes of this (Article 24) a "year" shall mean a complete period of service between two Appointment Board Meetings.

The following were Trustees during the whole financial year, unless otherwise stated:

D. Anderson
V.E. Anderson (deceased 23.9.2022)
J. Bryan
A.G. Coyne
E. Harris

T. Mobee
A. Skinner-Jozefson
M R Snowden
H.A.G. Spottiswoode (resigned 5.6.2021)

Action West London

Report of the Trustees for the year ended 31st March 2022

Trustees' Induction and Training

New Trustees are appointed to the Board who have the necessary skills and knowledge to enable them to benefit the Charity as a whole. They are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charity. They are encouraged to meet key employees and attend appropriate external training events where these will facilitate the undertaking of their role. Action West London makes good use of Trustee training opportunities provided by the Foundation for Social Improvement (FSI), National Council for Voluntary Organisations (NCVO), Association of Chairs and other training bodies.

Mission Statement

Action West London's MISSION is:

'Changing lives through Employment, Education and Enterprise'

Action West London works in partnership with statutory, voluntary, community and private sector agencies to promote community and economic regeneration in West London and provide Employment, Education and Enterprise opportunities for disadvantaged people to improve their lives.

Action West London's VALUES are:

Professionalism, Respect, Integrity, Diversity, Empowerment, (PRIDE)

Objects of the Charity

1. The objects of the Charity (the "Objects") are for the public benefit:
 - 1.1 the relief of unemployment;
 - 1.2 the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience and employment;
 - 1.3 the relief and prevention of poverty;
 - 1.4 to develop the capacity and skills of socially and economically disadvantaged members of the public in such a way that they are better able to identify and help meet their needs and participate more fully in society;
 - 1.5 the promotion of urban regeneration in areas of social and economic deprivation by all or any of the following means:
 - (a) the provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help (i) in setting up their own business or social enterprise (ii) to existing businesses or social enterprises;
 - (b) the provision of facilities for the public at large or those who by reason of their youth age infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
 - (c) the provision of public health facilities and childcare;
 - (d) promotion of public safety and prevention of crime, including by rehabilitation of young and adult offenders; and
 - (e) the creation of training and employment opportunities, including by the provision of workspace, building and/or for use on favourable terms;
 - 1.6 to further such other exclusively charitable purposes according to the law of England and Wales as the Trustees in their absolute discretion from time to time determine.
2. The principal activities of the Charity are focused in the 6 West London Boroughs of Ealing, Hounslow, Hammersmith and Fulham, Brent, Hillingdon and Harrow. The activities concentrate on promoting community and economic regeneration through assisting unemployed residents into Employment, improving functional skills, supporting disadvantaged individuals and communities including young people not in education, training or employment (NEETS), young offenders, care leavers, lone parents, black and ethnic minority individuals, refugees, ex-offenders, older people, lone parents and individuals with mental health issues.

Action West London

Report of the Trustees for the year ended 31st March 2022

The Charity aims to achieve this by developing the following key themes of work:

THEME 1: Helping residents, particularly those who are disadvantaged, into Employment

THEME 2: Helping residents, particularly those who are disadvantaged, improve Education and Training and gain Qualifications

THEME 3: Helping individuals set up in Self-Employment and Enterprise, including start-up Businesses and Social Enterprises

THEME 4 Contributing to a wide range of social, community and economic regeneration initiatives both on a borough wide and West London sub regional basis

THEME 5: Making Action West London a financially sustainable charity and social enterprise so that it can continue its charitable objectives and deliver badly need services to disadvantaged individuals

3. **A Board of Trustees** of up to 12 members, who meet quarterly, administer the Charity. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity.

There are no related parties within the definition in GL50 of SORP 2005, but the company works closely with all the representative bodies referred to in the Memorandum and Articles of Association to achieve the company's objects.

4. **Core objectives of the Charity:**

Despite the severe financial challenges during 2021/22 the Charity was successful in supporting some of the most disadvantaged individuals in Ealing, Brent, Hammersmith and Fulham, Hillingdon and Hounslow - helping them to get Jobs, Education, Training and Qualifications, as well as self-employment and business opportunities. This included assisting long term unemployed people, economically inactive individuals, NEET young people, young offenders and care leavers, adult offenders, refugees, people from black and ethnic minority communities, older people, lone parents, individuals with mental health difficulties, people with disabilities, and people with health problems. Over 75% of the young people and adults Action West London helps are from BAME communities.

Action West London is a key charity, voluntary sector agency and social enterprise in West London addressing unemployment, and economic inactivity.

Review of Activities and Future Developments

The results of the year are set out on pages 14 to 25.

In the 12 months under review Action West London continued to make good progress in achieving its charitable objectives under 3 of its key themes, namely:

1. Assisting unemployed and economically inactive individuals, particularly those who are disadvantaged, and the majority from BAME communities to secure Employment.
2. Assisting individuals, particularly those who are disadvantaged, to gain Education, Training and Qualifications.
3. Helping promote Enterprise including running a social enterprise and helping individuals into self-employment.

This financial year Action West London, like many other charities and voluntary sector organisations faced the most severe challenge in its history.

The financial impact of the Covid-19 pandemic on Action West London was severe. In particular it resulted in the loss of £114,000 rental income from our Doughnut Factory premises due to the business travel company ending their lease and no other organisation renting the premises since October 2020.

Despite achieving a financial surplus at year end for the past 5 years, in this financial year 2021/22, the Charity experienced a significant deficit. The continuing economic recession, increased competition for fewer funds, major cuts in public funding and reduced income from 'payment by results' contracts continued overall to create a crisis in funding income. Whilst Action West London responded to this by continuing to monitor income and expenditure efficiently, reducing expenditure where possible and seeking to diversify our income base, the significant loss of £114,000 rental income and the reduced income from payment by results contracts due to changes in contract conditions resulted in the Charity incurring a significant financial deficit.

Action West London
Report of the Trustees
for the year ended 31st March 2022

Financial Results

Next financial year will continue to be exceptionally challenging due to the continued impact of the Covid-19 pandemic, the continued loss of rental income from the Doughnut Factory should the premises remain unlet, the challenges of securing sufficient income from payment by results contracts, increased competition for grant and other funding, and the tapering off of ESF funding. AWL will need to review all current provision and actual and projected income streams and may need to 'scale down' activities and services due to lack of funding. Many charities are facing these severe financial challenges.

Action West London's 'Mixed' funding strategy

Action West London's income generation strategy is to adopt a mixed funding approach. This means that income is generated from a number of different sources so that the Charity is not reliant on one source along with the accompanying risks that that entails. Funding is generated from the following sources:

- a) grants from Trusts and Foundations
- b) income from payment by results employment and training contracts
- c) income through our own social enterprise business-Acton Market
- d) rental income from our Doughnut Factory property
- e) sponsorship and funding from companies
- f) donations from the public

The continued loss of invaluable unrestricted income from not being able to rent our Doughnut Factory premises for the past 12 months contributed to the major financial deficit of the Charity this financial year and represents an ongoing significant challenge for 2022/23.

Developments, funding and projects in 2021/22

Despite the financial challenges Action West London still developed some exciting initiatives in 2021/22 which enabled successful delivery of the Charity's core objectives and provided significant benefits to disadvantaged individuals.

The Trustees would especially like to thank all those public bodies and Trusts who have supported Action West London's activities during 2021/22. These included the following:

- 1.1 **Trust for London and City Bridge Trust** for continuing to fund 'Moving on Up' (MOU) an innovative employment project for unemployed black young men aged 16-24 years. This programme addresses Trust for London/BTEG research findings that black young men at all educational levels - from school leavers to graduates - have twice the unemployment rates of young men of any other ethnic background.
- 1.2 **Brent Council** for contributing funding for the MOU project and delivery consortium in Brent AWL is a part of.
- 1.3 **DWP/ESF** for continuing to fund a payment by results subcontract with Prime contractor G4S to deliver the Family Works programme for unemployed adults.
- 1.4 **GLA/ESF** for the ABLE 2 payment by results project for NEET young people with physical or long term health issues (Prime contractor Barnet College).
- 1.5 **National Lottery Community Fund/ESF** for continuing to fund the Building Better Opportunities (BBO) 'Working West London' Refugees project (Lead Partner ELATT).
- 1.6 **National Lottery Community Fund/ESF** for the SWEET project.
- 1.7 **BBC Children in Need** fund for continuing to support a project for children and young people at risk.
- 1.8 **Hillingdon Community Trust** for continuing to fund the ESOL project for Hillingdon residents.
- 1.9 **National Lottery Community Fund/ESF** for funding the EQUIP project.
- 1.10 **National Lottery Community Fund/Power to Change** for the Acton Street Market project.
- 1.11 **Mayor of London** for continuing to fund the Young Londoners 'Realising Youth Potential' Project for young people at risk.

Action West London

Report of the Trustees for the year ended 31st March 2022

- 1.12 **GLA/ESF** for funding the payment by results **Positive Turnaround** project for unemployed ex-offenders aged 18+ years (Prime contractor London Training and Enterprise Network).
- 1.13 **GLA/ESF** for funding the payment by results **YES NEET** project for unemployed young people with emotional issues (Prime contractor Reed in Partnership).
- 1.14 **Donors from the community** for their contributions towards AWL's work.

Highlights of the 2021/22 year included:

2.1 Disadvantaged young people and adults helped

In 2021/22, 465 new individuals received Employment support, 197 were supported into Employment and over 50 into formal Training.

In addition, we continued to offer ongoing support to hundreds more young people and adults who had registered for our services in the previous year (2020/21).

Also, many hundreds of local residents benefitted from the low costs goods and other positive social benefits (community cohesion, tackling loneliness, reducing anti-social behaviour, creating local employment opportunities) of our **Acton Street Market** which ran 4 days a week throughout the year.

We also supported young people and adults with a **variety of formal and informal training and learning activities**.

As well as **Employability training this also included English classes** for individuals with ESOL needs and basic **IT/digital skills training** for individuals experiencing digital exclusion.

2.2 Social Impact of Acton Market

In addition to the disadvantaged young people and adults who benefitted from our employment, education and training support we also provided up to 30 self-employment opportunities a day, 4 days a week, for 46 weeks. Not only does this social enterprise provide badly needed self-employment opportunities for local residents but it also provides a major social benefit for shoppers, many of whom are on very low incomes. Acton Market brings together traders and shoppers from all of Acton's diverse communities who meet in a positive and friendly environment thereby significantly contributing to integration and community cohesion.

Acton Market is now a key feature of Acton High Street and Acton Town Centre and is contributing to efforts to 'revive the High Streets' by offering more than just a basic shopping experience. Action West London also runs community events at the Market, provides free stalls from time to time for local charities, organisations and public health providers.

All these activities bring life and community energy into the High Street as well as providing a focus for 'recycling' money from shoppers and traders into the local economy.

We very much appreciate our partnership with Ealing Council who support our community market model.

2.3 Shortlisted for West London Business - Community Investment Business of the Year Award 2021

Action West London won this award in 2019 and were delighted to be shortlisted again for the Award in 2021.

This recognition demonstrates the impact that our Charity and social enterprise consistently delivers for disadvantaged West London young people and adults.

2.4 Winning prestigious LOCALITY national 'Bringing Communities Together' Award for the community benefits of Acton Market, Tony Armstrong, Chief Executive of Locality said:

"At Locality, we passionately believe in the power of community to create a fairer, more equitable, more sustainable world. Local community organisations like Action West London are the embodiment of our vision. I am bowled over every day by their creativity, their energy, and by the incredible impact they make in the lives of the people and communities they serve".

2.5 Submitting an entry on behalf of the 'Moving on Up' partnership which won the Employment Related Services (ERSA) national Award for 'Partnership of the Year' (Video link: <https://youtube/801UV2fzKOg>)

Action West London

Report of the Trustees for the year ended 31st March 2022

2.6 Quality standards

Action West London continues to hold **Matrix Quality Mark** accreditation.

AWL is also an approved examining body for **Pearson/EDXCEL** and **City and Guilds** qualifications.

2.7 Developing social impact measurement

Action West London continues to develop processes to help us monitor and evaluate the social impact of our work. We have purchased Aptem licences to assist with this and aim to provide comprehensive social impact recording as this work develops.

2.8 Strengthening our IT infrastructure and digital transformation

Action West London has invested significantly in IT security and has achieved Cyber Security certification. Encrypted laptops are purchased for all staff which ensures data protection. In 2021/22 we developed a range of online and remote support for young people and adults.

2.9 Profile of Action West London

The Charity continues to develop a very positive profile and is widely known and respected locally, across London and nationally. The Charity has many success stories which demonstrate the innovative work and the value for money the organisation delivers.

- 2.10 Action West London also has an excellent 'grassroots' presence in the community where the practical results of helping individuals into employment, education, training and business are clear, as well as being an organisation that contributes actively to strategic and policy developments.

Risks to the organisation

- 3.1 **Covid-19 - The usual risks to the organisation highlighted in previous and last year's Trustees' reports continue to remain a major challenge. Covid-19 impact has increased the 'normal' risks that charities regularly face.** The risks will continue into 2022/23. The charitable and voluntary sector is being changed dramatically.

Covid restrictions will pose the biggest challenge to the services provided by Action West London to the disadvantaged young people and adults we support. It will also have a major impact on the Charity's finances.

- 3.2 **Income volatility and Loss of EU Funding.** EU co-funding will be withdrawn and end in 2023. This will cause major difficulties to AWL's work supporting disadvantaged individuals as the majority of income from our contracts is co-funded by ESF. There is no clear detail as yet as to how EU co-funds will be replaced by the Government. Also there is the usual difficulty of uncertainty about available grant funding opportunities next year and whether or not grant applications will be successful. This also means that budgets cannot be easily predicted from year to year as time limited projects of 1, 2 or 3 years run out at different times

Risk mitigation: Action West London will increase the number of Grant applications to Trusts and Foundations; and will continue to expand its 'mixed funding strategy' to generate more income from sources such as corporate funding and public donations.

- 3.3 **'Payment by results' model carries inherent risks to an organisation.** Increasingly Action West London has to act as a subcontractor which means that we 'lose' around 15%-20% of the contract value to the Prime contractor. This 15%-20% was previously our margin to cover core costs of the organisation. Now we have to operate on very tight margins which makes PBR contracts inherently risky.

Risk mitigation: We will need to continue to monitor the financial results from PBR contracts carefully next year.

- 3.4 **Loss of experienced staff.** The short-term nature of contracts and the often lengthy 'gaps' between funders issuing new programmes and tenders means that we regularly face the dilemma of losing valuable, experienced staff when a contract ends and there is no new contract which could enable continued employment. Recruiting and maintaining quality staff is a major risk to the Charity.

- 3.5 **'Risk management' controls in place.** Action West London Trustees and staff are aware of the challenges the Charity faces, and we have Governance arrangements in place. The Board aims to ensure that the Charity responds effectively to the difficult circumstances it faces. Action West London's reserves are vital to cover 'cash flow', other financial risks and potential annual deficits.

Action West London

Report of the Trustees for the year ended 31st March 2022

- 3.6 Although on paper the Charity's reserves appear substantial £1,744,050 of the reserves comprise the estimated capital value of our Doughnut Factory property and are therefore not easily realisable in cash. The cash reserves we do have will be badly needed to cope with significant losses in our income due to the impact of Covid.

Thank You!

Action West London would once again like to thank all its funders for the resources and support they have provided which has enabled the organisation to deliver badly needed services to disadvantaged individuals in West London.

Action West London would like also to thank the agencies it has partnered with over the 12 months of 2021/22.

Action West London's staff team, volunteers and Trustees once again deserve credit for their efforts and commitment to the objectives of the Charity and for the success in securing significant contract and other funding and for the high standard of delivery of support to unemployed and disadvantaged young people and adults.

Current Policies of the Trustees

General Policies

The policies of the Trustees are to ensure that the Charity operates in accordance with the rules set out in its Memorandum and Articles of Association and to ensure that it becomes a financially sustainable organisation.

Reserves Policy

Most of the Charity's income is for restricted purposes, being for the various specific projects undertaken. However, the grants received do not include funding for company core and administration costs, which therefore have to be met from unrestricted income and general reserves.

The Trustees aim to maintain general reserves at a level required to cover management and administration costs for at least 6 months, unless alternative funding can be arranged.

Investment Policy

The Charity received a specific grant in March 2004 to enable it to purchase an investment property which is to be used to generate income for the company's general charitable purposes.

Major Risks

The Trustees have identified and actively reviewed the major risks to which the Charity is exposed. Details of risks facing the Charity are given above in this Trustees' Report.

The major risk facing the Charity is the continued impact of Covid-19 and uncertainty around securing sustainable funding.

There is a risk that our Doughnut Factory premises will remain unlet in 2022/23.

There is a risk that future grant applications for projects may not be successful with increasing competition for funds. There is risk that 'payment by results' contracts may not fully cover contract and organisational costs.

There is a major risk from the end of EU co-funding for projects.

Steps have been taken to mitigate these risks where possible.

Action West London
Report of the Trustees
for the year ended 31st March 2022

Auditor

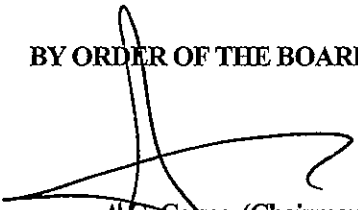
In accordance with the company's articles, a resolution proposing that Clarke & Co be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Date: *3rd October 2022*

BY ORDER OF THE BOARD


A.G. Coyne (Chairman)

Action West London

Statement of Trustees' Responsibilities for the year ended 31st March 2022

The Trustees, who are also the Directors of Action West London for the purpose of company law, are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP.
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Action West London

Independent Auditors' Report to the Trustees of Action West London for the year ended 31st March 2022

Opinion

We have audited the financial statements of Action West London (the 'Charity') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, Statement of Cash Flow, Balance Sheet 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 Action West London's affairs as at 31st March 2022 and of its Statement of Financial Activities for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Action West London

Independent Auditors' Report to the Trustees of Action West London for the year ended 31st March 2022

Matters on which we are required to report by exception

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.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 10, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trustees either intend to liquidate the Charity or to cease its 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:

We gained an understanding of the legal and regulatory framework applicable to the trust and the charitable sector in which it operates, and considered the risk of acts by the trust that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2016 and UK Charity legislation. Our tests included agreeing the financial statements disclosures to underlying supporting documentation, enquiries with management and enquiries of legal professionals. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Action West London

Independent Auditors' Report to the Trustees of Action West London for the year ended 31st March 2022

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

Use of our report

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

Date: 3rd October 2022

Matthew Stower BA FCA
Senior Statutory Auditor

Acorn House
33 Churchfield Road
Acton, London W3 6AY

Clarke & Co
Chartered Accountants
Statutory Auditors

Action West London

**Summary of Income and Expenditure Account
for the year ended 31st March 2022**

	2022	2021
	£	£
Gross income	875,582	992,692
Fair value gains/(losses) on revaluation of investment property	-	-
Total income in the reporting period	<u>875,582</u>	<u>992,692</u>
Total expenditure from income funds	<u>(1,052,733)</u>	<u>(975,624)</u>
Net Income/(Deficit) for the Year	<u><u>£(177,151)</u></u>	<u><u>£ 17,068</u></u>

Action West London

Statement of Financial Activities for the year ended 31st March 2022

	Notes	Restricted £	Unrestricted £	Total Funds	
				2022 £	2021 £
Incoming Resources					
Donations and legacies		-	1,830	1,830	1,800
Charitable activities					
a. Grant income		401,615	2,510	404,125	621,329
b. Payment by results contracts		-	356,552	356,552	293,951
Investments					
a. Income generated and rent from social enterprise		-	75,378	75,378	51,761
b. Bank interest receivable		-	1,482	1,482	2,112
Other Income		-	36,215	36,215	21,739
Total incoming resources		<u>£401,615</u>	<u>£473,967</u>	<u>£875,582</u>	<u>£992,692</u>
Expenditure on:					
Raising funds					
a. Cost of generating funds for social enterprise		-	71,864	71,864	57,787
Charitable activities					
a. Direct project expenses and support costs		444,616	419,153	863,769	779,501
b. Management and development of the Charity		-	87,642	87,642	109,795
c. Governance		-	7,080	7,080	7,080
Other					
a. Depreciation on fixed assets		-	22,378	22,378	21,461
b. Loss/(profit) on disposal of tangibles		-	-	-	-
Total outgoing resources	2(a)	<u>£444,616</u>	<u>£608,117</u>	<u>£1,052,733</u>	<u>£975,624</u>
Net surplus/(deficit) before revaluation of investment property		(43,001)	(134,150)	(177,151)	17,068
Net gains/(losses) on investments					
Unrestricted gains/(losses) on revaluation of investment property	4(b)	-	-	-	-
		<u>£(43,001)</u>	<u>£(134,150)</u>	<u>£(177,151)</u>	<u>£17,068</u>

Action West London

Statement of Financial Activities for the year ended 31st March 2022

	Notes	Restricted £	Unrestricted £	Total Funds	
				2022 £	2021 £
Net income/(expenditure)		(43,001)	(134,150)	(177,151)	17,068
Transfers between funds		(25,211)	25,211	-	-
Other recognised gains/(losses)					
a. Gains/(losses) on revaluation of fixed assets		-	-	-	-
b. Other gains/(losses)		-	-	-	-
Net movement in funds		(68,212)	(108,939)	(177,151)	17,068
Reconciliation of funds					
Total funds brought forward		303,692	2,051,047	2,354,739	2,337,671
Total funds carried forward		<u>£235,480</u>	<u>£1,942,108</u>	<u>£2,177,588</u>	<u>£2,354,739</u>

The notes on pages 19 to 25 form part of these accounts.

There are no recognised gains or losses other than those passing through the Statement of Financial Activities.

The Charity has neither discontinued any of its operations nor acquired new ones since 1st April 2021.

The above figures constitute a summary income and expenditure account as required by the Companies Act and the net incoming/(outgoing) resources for the year are equivalent to net income/(expenditure) for the year.

Action West London

Statement of Cash Flows for the year ended 31st March 2022

	Notes	2022 £	2021 £
Cash flow from operating activities:			
Net cash provided by (used in) operating activities	13	<u>£(370,026)</u>	<u>£60,470</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		76,860	53,873
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		<u>(2,752)</u>	<u>(2,057)</u>
Net cash provided by /(used in) investing activities		<u>£74,108</u>	<u>£51,816</u>
Cash flows from financing activities		<u>£ -</u>	<u>£ -</u>
Change in cash and cash equivalents in the reporting period		(295,918)	112,286
Cash and cash equivalents at the beginning of the reporting period		<u>587,721</u>	<u>475,435</u>
Change in cash and cash equivalents at the end of reporting period		<u>£291,803</u>	<u>£587,721</u>

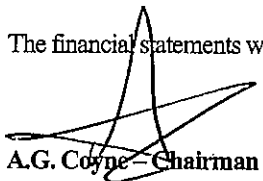
Action West London

Balance Sheet as at 31st March 2022

	Notes	£	2022	£	£	2021	£
Fixed Assets							
Tangible assets	4a			14,112			33,738
Investment property	4b			-			875,000
Freehold property				1,750,000			875,000
				<u>1,764,112</u>			<u>1,783,738</u>
Current Assets							
Debtors	5		156,640		68,717		
Cash at bank and in hand			291,803		587,721		
			<u>£448,443</u>		<u>£656,438</u>		
Creditors: amounts falling due within one year	6		<u>£(34,967)</u>		<u>£(85,437)</u>		
Net Current Assets				413,476			571,001
Total Assets Less Current Liabilities				<u>£2,177,588</u>			<u>£2,354,739</u>
Total Funds of the Charity							
Restricted income funds	7a			109,628			177,840
Unrealised restricted revaluation reserve of freehold property	8			125,852			125,852
Total Restricted Funds				235,480			303,692
Unrestricted income funds	7b						
- General			223,910		332,849		
- Designated			100,000		100,000		
			<u>323,910</u>		<u>432,849</u>		
Unrealised revaluation reserve							
Freehold property	8		1,618,198		1,618,198		
Total Unrestricted Funds				1,942,108			2,051,047
Total Charity Funds	9			<u>£2,177,588</u>			<u>£2,354,739</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board on


A.G. Coyne - Chairman


D. Anderson - Trustee

The attached notes form an integral part of these accounts.

Action West London

Notes to the Financial Statements for the year ended 31st March 2022

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties and include the results of the company's operations as indicated in the Report of the Trustees, all of which are continuing. They comply in all material matters with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The trust constitutes a public benefit entity as defined by FRS 102.

1.2 Company status

The company is limited by Guarantee and hence has no share capital.

1.3 Incoming resources

All income is accounted for on a receivable basis, except donations which are accounted for on a receipts basis. Restricted grant income which has not been fully utilised during the year has been deferred to the subsequent accounting period.

1.4 Resources expended

- a) All expenditure is accounted for on the accrual basis.
- b) Grants are accounted for when paid.
- c) Costs of activities in furtherance of the Charity's objects are direct project costs. Staff administrative and premises costs are apportioned between direct project costs, support costs and management and development on a time and usage basis.

1.5 Depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Furniture, fittings and equipment	- Written off over 5 years on a straight line basis
Property improvements	- Written off on a straight line basis
IT equipment	- Written off over 3 years on a straight line basis

1.6 Investment property

The investment property is included in the balance sheet at market value. No depreciation is provided on it. Movement in the valuation of the property is dealt with in the revaluation reserve.

1.7 Fund structure policy

Restricted funds constitute grants received for specific projects less related expenditure. All other funds are unrestricted.

1.8 Pension costs

The pension costs charged in the financial statements represent employer's contributions paid by the company to employees' personal pension policies during the year.

1.9 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Action West London

Notes to the Financial Statements for the year ended 31st March 2022

2.	Resources Expended	Staff Costs £	Other Costs £	2022 £	Total 2021 £
a)	Total Resources Expended				
	Costs of generating funds for social enterprise	£35,847	£36,017	£71,864	£57,787
	Charitable expenditure				
	Project direct costs	624,344	12,600	636,944	523,339
	Project support costs	113,774	113,051	226,825	256,162
	Management and development of the Charity	94,615	(6,973)	87,642	109,795
		<u>£832,733</u>	<u>£118,678</u>	<u>£951,411</u>	<u>£889,296</u>
	Governance and other expenditure				
	Governance costs	-	7,080	7,080	7,080
	Depreciation on fixed assets	-	22,378	22,378	21,461
	Loss /(profit) on disposal of tangibles	-	-	-	-
		<u>£ -</u>	<u>£29,458</u>	<u>£29,458</u>	<u>£28,541</u>
		<u>£868,580</u>	<u>£184,153</u>	<u>£1,052,733</u>	<u>£975,624</u>

b)	Employment Costs	2022 £	2021 £
	Wages and salaries	769,574	692,042
	Social security costs	68,758	62,816
	Other pension costs	30,248	21,318
		<u>£868,580</u>	<u>£776,176</u>

The key management personnel of the Charity comprise the Chief Executive, the Finance & Facilities Manager and the Operations & Business Development Manager. The total remuneration and employee benefits of the key management personnel of the Charity are £186,008 (2021 - £180,879).

Number of employees	2022	2021
Project related	24	21
General	3	3

Employees remunerated in the following bands	Number	Number
£60,000 to £70,000	1	1

c)	Trustees' Emoluments	2022 £	2021 £
	Remuneration/benefits	-	-
	Reimbursed expenses and other 'related party' transactions	-	-

Action West London

Notes to the Financial Statements for the year ended 31st March 2022

d) Other Costs	Costs of Generating Funds £	Direct Charitable Expenditure £	Management & Development of the Charity £	Total Costs 2022 £	2021 £
Direct costs					
Costs related to projects	19,985	12,600	-	32,585	66,992
	<u>£19,985</u>	<u>£12,600</u>	<u>£ -</u>	<u>£32,585</u>	<u>£66,992</u>
Governance costs					
Audit fees	-	-	7,080	7,080	7,080
Accountancy fees	-	-	-	-	-
Depreciation on tangible assets	-	-	22,378	22,378	21,461
	<u>£ -</u>	<u>£ -</u>	<u>£29,458</u>	<u>£29,458</u>	<u>£28,541</u>
Project support and other costs					
Rent and utilities	-	610	(1,975)	(1,365)	6,916
Recruitment and training	-	-	413	413	528
Temporary staff and consultants' costs	-	-	-	-	20
Insurance	-	-	6,108	6,108	667
Legal and professional fees	4,396	32,375	10,229	47,000	122,420
Telephone and postage	310	1,729	4,789	6,828	4,410
Printing and stationery	-	1,796	3,086	4,882	3,456
Publicity	944	256	1,408	2,608	10,735
Repairs and maintenance	9,053	25,435	16,127	50,615	44,370
Cleaning	-	-	2,145	2,145	570
General overheads	1,329	50,850	(49,303)	2,876	1,323
Loss/(profit) on disposal of tangibles	-	-	-	-	-
	<u>£16,032</u>	<u>£113,051</u>	<u>£(6,973)</u>	<u>£122,110</u>	<u>£195,415</u>
Total Other Costs	<u>£36,017</u>	<u>£125,651</u>	<u>£22,485</u>	<u>£184,153</u>	<u>£290,948</u>

3. Taxation

The company is a registered charity and as such no charge to corporation tax arises (2021 - Nil).

Action West London

Notes to the Financial Statements for the year ended 31st March 2022

4a. Tangible Assets

	Land & Buildings £	Premises Improvements £	Fixtures, Fittings & Equipment £	Total
Cost or Valuation				
As at 1st April 2021	875,000	47,351	215,910	1,138,261
Additions	-	-	2,752	2,752
Disposals	-	-	-	-
Transfer from investment property	875,000	-	-	875,000
As at 31st March 2022	<u>£1,750,000</u>	<u>£47,351</u>	<u>£218,662</u>	<u>£2,016,013</u>
Depreciation				
As at 1st April 2021	-	45,179	184,344	229,523
Charge for the year	-	724	21,654	22,378
Disposals	-	-	-	-
As at 31st March 2022	<u>£ -</u>	<u>£45,903</u>	<u>£205,998</u>	<u>£251,901</u>
Net Book Value				
As at 31st March 2022	<u>£1,750,000</u>	<u>£1,448</u>	<u>£12,664</u>	<u>£1,764,112</u>
As at 31st March 2021	<u>£875,000</u>	<u>£2,172</u>	<u>£31,566</u>	<u>£908,738</u>

4b. Investment Property

	£
Original net cost	5,950
Revaluation	
- March 2004	429,050
- March 2007	35,000
- March 2012	(20,000)
- March 2018	525,000
- March 2022	775,000
	<u>1,750,000</u>
Transfer to tangible assets at 31st March 2021	(875,000)
Transfer to tangible assets at 31st March 2022	(875,000)
At 31st March 2022	<u>£ -</u>

At the beginning of this year the Charity occupied the former investment property for the day-to-day running of its charitable activities. Accordingly the remaining half of the investment property has been transferred to tangible assets.

Action West London

Notes to the Financial Statements for the year ended 31st March 2022

5. Debtors	2022	2021
	£	£
Other debtors	154,184	65,469
Prepayments	2,456	3,248
	<u>£156,640</u>	<u>£68,717</u>
6. Creditors: amounts falling due within one year	2022	2021
	£	£
Trade and other creditors	24,872	41,694
Deferred income	-	15,000
Accruals	10,095	28,743
	<u>£34,967</u>	<u>£85,437</u>
7. Income Funds	2022	2021
	£	£
a) Restricted funds		
Balance as at 1st April 2021	177,840	110,234
Incoming resources	401,615	712,829
Resources expended	(444,616)	(622,542)
Inter-fund transfers	(25,211)	(22,681)
Balance at 31st March 2022	<u>£109,628</u>	<u>£177,840</u>
b) Unrestricted funds		
Balance as at 1st April 2021	432,849	483,387
Incoming resources	473,967	371,363
Resources expended	(608,117)	(444,582)
Inter-fund transfers	25,211	22,681
Balance as at 31st March 2022	<u>£323,910</u>	<u>£432,849</u>
Unrestricted reserves split as to:		
- General	223,910	332,849
- Designated	100,000	100,000
	<u>£323,910</u>	<u>£432,849</u>

The Trustees have designated reserves of £100,000 to meet anticipated expenditure and other associated costs, to reflect the best estimate of potential relocation costs and redundancies.

Action West London

Notes to the Financial Statements for the year ended 31st March 2022

8. Revaluation Reserve	2022 £	2021 £
Balance as at 1st April 2021	1,744,050	1,744,050
Revaluation during the year	-	-
Balance as at 31st March 2022	<u>£1,744,050</u>	<u>£1,744,050</u>
Revaluation reserves split as to:		
- Restricted revaluation reserve	125,852	125,852
- Unrestricted revaluation reserve	<u>1,618,198</u>	<u>1,618,198</u>
	<u>£1,744,050</u>	<u>£1,744,050</u>

9. Reconciliation of Movements in Charity's Funds	2022 £	2021 £
Surplus/(deficit) for the financial year	(177,151)	17,068
Other recognised gains and losses	-	-
Opening Charity's funds	<u>(177,151)</u>	<u>17,068</u>
	<u>2,354,739</u>	<u>2,337,671</u>
Closing Charity's funds	<u>£2,177,588</u>	<u>£2,354,739</u>

Closing Charity's funds of £2,170,588 incorporate a sum of £1,750,000 representing fixed asset buildings and investment property at valuation (notes 4a and 4b).

10. Pension Costs	2022 £	2021 £
Defined contribution		
Employer's contributions paid by the company to employees' personal pension policies during the year	<u>£30,248</u>	<u>£21,318</u>

11. Financial Commitments

At March 2022 the company had annual commitments under non-cancellable operating leases as follows:

	Land & Buildings	
	2022 £	2021 £
Expiry date:		
Between two and five years	<u>£ -</u>	<u>£ -</u>

Action West London

Notes to the Financial Statements for the year ended 31st March 2022

12. Grant and Financial Assistance

Grant funding and financial assistance was received in 2021/22 from the following grant funders: -

	2022 £	2021 £
Winston Churchill Memorial Trust	-	10,000
John Lewis Partnership	-	-
National Lottery Community Fund / European Social Fund - Building Better Opportunities (BBO) 'Working West London' Refugees Project (lead partner ELATT)	129,599	144,486
BBC Children in Need	9,990	9,960
National Lottery Community Fund - Power to Change	5,000	20,000
Hillingdon Trust ESOL Project	65,568	35,892
London Community Fund SEGRO	-	39,750
National Lottery Community Fund / European Social Fund - Building Better Opportunities (BBO) Supporting Women in Employment, Enterprise & Training (SWEET) Project (lead partner Paddington Development Trust)	24,976	59,547
Education Skills Funding Agency & European Social Fund - EQUIP Project	15,000	25,000
GLA Mayor of London Young Londoners Fund	47,393	47,393
Julia and Hans Rausing Trust	-	121,000
National Lottery Community Fund - Social Enterprise Support Fund	-	48,300
Trust for London and City Bridge Trust - Moving on Up Project (including partners' payments)	122,850	116,500
Brent Council - Moving on Up Project (including partners' payments)	50,000	50,000
	<u> </u>	<u> </u>

13. Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per statement of financial activities)	(177,151)	17,068
Adjustments for:		
Depreciation charges	22,378	21,461
Loss/(profit) on sale of tangibles	-	-
Fair value (gains)/losses on investment property	-	-
Dividends, interest and rents from investments	(76,860)	(53,873)
(Increase)/decrease in debtors	(87,923)	40,370
Increase/(decrease) in creditors	(50,470)	35,444
	<u> </u>	<u> </u>
Net cash provided by (used in) operating activities	<u>£(370,026)</u>	<u>£60,470</u>

Action West London

Detailed Income and Expenditure Account for the year ended 31st March 2022

	£	2022	£	£	2021	£
Income						
Donations			1,830			1,800
Grant income			404,125			621,329
Payment by results contract			356,552			293,951
Rent receivable			75,378			51,761
Bank interest			1,482			2,112
Sundry income			36,215			21,739
Total Income			<u>875,582</u>			<u>992,692</u>
Expenditure						
Direct project costs	32,585			66,992		
Wages and salaries	769,574			692,042		
Employer's NI contributions	68,758			62,816		
Staff pension costs	30,248			21,318		
Staff training	413			288		
Rent	(16,390)			18,817		
Rates	11,661			(15,209)		
Insurance	6,108			667		
Light and heat	3,364			3,308		
Repairs, maintenance, cleaning and computer costs	52,760			45,097		
Printing and stationery	4,889			3,873		
Advertising and publicity	2,609			10,734		
Telephone and postage	6,820			3,992		
Travelling expenses	876			418		
Recruitment costs	-			240		
Legal and professional fees	47,000			30,764		
Audit fees	7,080			7,080		
Bank charges	509			225		
Sundry expenses	103			27		
Temporary staff	-			20		
Depreciation on fixed assets	22,378			21,461		
Subscriptions	1,388			654		
			<u>1,052,733</u>			<u>975,624</u>
Net gains/(losses) on investments			(177,151)			17,068
Fair value gains/(losses) on investment property			-			-
Surplus/(Deficit) for the Year			<u>£(177,151)</u>			<u>£ 17,068</u>