



Annual Report and Accounts
2022/2023



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Reference and administrative details of the charity, its trustees and advisers

Trustees

Sir Harvey McGrath, Chair
Stefan Bollinger
Radhika Dubé (resigned 12 July 2023)
Felicity Gillespie
Julie Howarth
Lady Juliet Hughes-Hallett
Elizabeth Humphreys
Carlos Husbands
Jocelyn James, Treasurer
Andrew Levitt
Vasco Litchfield
Farial Missi
John Storey
Sir David Verey CBE (resigned 2 November 2022)
Chris Wright

Company registered number

08991196

Charity registered number

1160947

Registered Office

140-144 Freston Road
London, W10 6TR

Company Secretary and Chief Executive Officer

Louisa Mitchell

Independent auditors

Goodman Jones LLP
Chartered Accountants
29/30 Fitzroy Square
London, W1T 6LQ

Bankers

Lloyds Bank
167-169 Edgware Road
London, W2 2HE

LETTER FROM OUR CHAIR OF TRUSTEES AND CHIEF EXECUTIVE

Children and young people today are growing up in what feels like one of the most challenging social and economic contexts of our time. In our communities in west London, inequality has never been more stark, with growing numbers of families hit by the rising cost of living, compounding the impact of lockdown during the COVID-19 pandemic.

Consequently, there is a growing requirement to help families most in need to access support and opportunities for their children to thrive. The data we collect to form a 'whole child' picture so as to identify those at a tipping point of need who are not being adequately supported, tells us that the average number of social, emotional and/or academic risks in a child has steadily increased from four when we started in 2016, to six in 2023.

And at the same time, the environment has become more difficult for the voluntary and education sectors. The public and private funding environment is increasingly challenging, causing a growing number of charities to close or downsize. The social sector has experienced some of the highest employee turnover of any sector, and the recruitment challenges in the education sector have been widely reported.

Nonetheless, in the year September 2022 to August 2023, we delivered substantial growth in size and impact in our core programme in west London, developed a version of the WLZ model outside of London and refreshed our vision and mission for the fast-changing environment of today.

As you will see from this report, we would not have been able to achieve this reach and impact, nor plan ahead, without the collaboration and support of all of our partners – families, communities, schools, delivery charities, funders, councils, businesses, advisors. Thank you to everyone who has worked with us this year.

We grew our core programme by 29% in terms of numbers of children, working fully face-to-face again with 1,675 children and young people in 55 school settings in the four councils of Hammersmith and Fulham, Kensington and Chelsea, Westminster and Brent, while taking advantage of the digital advancements made during the pandemic to run our business more efficiently. We delivered over 44,000 hours of support in total and mobilised approximately 5,000 new relationships between adults and children.

We met all our targets for quality and intensity of support, and the children and young people worked hard to achieve the Social Emotional and Academic ('SEA') change we are all aiming for in our communities. In a very difficult context, their outcomes were broadly consistent with previous years, although social and emotional outcomes among secondary school children were less positive than previously. While we did our best to support them, the mental health crisis among teenagers today is very real and very severe.

Alongside our core programme, we continued to undertake various evaluation and refinement activities to improve our impact. We also further developed our West London Zone alumni network, opening up opportunities for work experience days and leadership development with some of our corporate supporters. In addition, we held a number of community fun days, volunteering opportunities, and social action activities in our communities.

We continued to meet our revenue generation targets by performing well on our outcomes contracts with our councils and the government's Life Chances Fund, and through our fundraising activity with trusts and foundations, businesses, corporates and individuals in our communities. We are grateful to all of those who help us to raise funds locally as part of our vision to mobilise all the assets of our communities for all of the children in our communities, as well as nationally. We secured a net surplus of £92k to end the year with 4.5 months of reserves.

In recognition of the changing landscape and our ambition to work outside of London, we worked up a new strategy for 2024-2027. Our core mission and activity remain focused on enabling a Social Emotional and Academic change among children and young people, and we articulate for the first time our ambition at place and national levels.

For place, we will build the evidence that demonstrates how we are aligning with the systems of support for children and the impact our work is having on those systems; and we will support families to lead their own social action to secure the changes they want to see in our communities.

At national level we explored working outside of London in another place for the first time. We entered a process of listening, understanding and building collective will with several places, which we narrowed down over the course of the year. We are now in the process of doing the asset build and establishing the collaboration that will deliver a version of the West London Zone model for the first time in the north west of England (along with a new brand). This newly co-designed, collaborative model is exciting and its principles closely align with the policy changes being initiated in children's social care and Family Help.

We continue to move forward with ambition but prudence as we navigate the challenging environment. We highly value the partnerships and relationships we have in all our communities, and our thanks go to the many people and organisations that enable us to support the children and young people with the right support in the right way at the right time.

Many thanks as well go to the WLZ team, the board of trustees and many advisors who generously give their time. In particular, we thank Radhika Dubé and Sir David Verey, who retired from the board, for their support and contributions.

Sir Harvey McGrath
Chair of Trustees

Louisa Mitchell
Chief Executive

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their Annual Report together with the financial statements of West London Zone ("WLZ", "the charity"), for the year ended 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document, and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as a small company under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Our Vision

A West London community working together so that every child can thrive.

Our Mission

We help children and young people at the tipping point of need build the relationships and skills they need to get on track socially, emotionally and academically to thrive in adulthood.

We do this by building trusted relationships, providing specialist support and joining up each child's support system, including families, schools and local organisations, to deliver a personalised two-year support plan for each child.

Why We Exist

We currently work in West London, spanning the boroughs of Hammersmith and Fulham, Kensington and Chelsea, Brent and Westminster. This is an area of deep inequality, where our research shows us that 1 in 5 children and young people aren't getting the support they need to thrive.

In our community, the existing support systems are not able to easily flex to the different needs of individual children. Organisations often work in isolation and are not always able to work with those who could benefit from their help the most.

Our Zone has grown to cover communities across the whole of our four boroughs. Our research shows that there are 19,000 children and young people currently living in our communities who need additional support. Without it, they are more likely to face challenges in later life, including unemployment, social isolation, and poor mental and emotional health.

We help children and young people build the relationships and skills they need to get on track **Socially, Emotionally and Academically**. We call this creating a **SEA change**.

We believe that by targeting these key areas of development we can empower children to fulfil their potential.

We aim to work with children who would benefit from our support in multiple, inter-related areas.

We've seen risk levels for children/young people at identified for the programme increase cohort-to-cohort. Based on the risks we collect at Baseline, including SDQ scales, confidence, wellbeing and social risks (listed below), levels have steadily increased, from an average of 4 risks for children who were supported as part of Cohort 1 (2015 starts) increasing to 6 at Cohort 7 (2022 starts).

Areas we support	Identification Measurements
Social	Parental Engagement* Peer Relationships
Emotional	Emotional Problems Confidence*
Academic	School Attendance Reading/Writing Maths School Engagement* Suspensions from school*
Other identification measures	Pupil premium eligibility†

* Secondary only

† a measure of student disadvantage

Creating a SEA change

We have a three-stage approach to creating a SEA change in children in our Zone.



Collective Impact

We harness the collective power of the West London community – government, councils, charities, schools, families and funders – working together to support the right children at the right time.

Through our collective funding model, some of which is paid on milestones, we ensure local public and private money, as well as resources, are aligned and working towards a common end goal: a SEA change for each child.

- In the academic year 2022-2023, we worked with **1,675** children and young people, with more than **267** finishing the programme in summer 2023.
- We were based in **55** school settings.
- We directly commissioned **51** partner local charities.



Personalised Support

Each child is linked with a trusted adult - their Link Worker - who is responsible for designing and facilitating a personalised two-year programme, tailored to the needs, strengths, and aspirations of each child.

Our Link Workers are based in the school and are there to guide and champion each child throughout the programme, working alongside teachers, families, and our delivery partners - local organisations that provide specialist support ranging from art therapy to maths tutoring to circus skills.

- 97% of children and young people trust their Link Worker
- 94% of children and young people felt their Link Worker was helping them to achieve their goals
- 94% of parents/carers felt involved in the support provided by the programme
- 97% of parents/carers felt their child's Link Worker has benefitted their child's progress and development
- 98% of parents/carers would recommend the programme to others

"The activities made both my kids more confident and I have noticed a huge difference in their progress. I am so grateful for the team, for their patience and perseverance with our kids. It is so nice to have an organisation that helps vulnerable children giving them equal opportunity."

Parent of young person on the programme

"I am so happy that I joined West London Zone. They made me feel brave and always know how to make us happy. I have the best West London Zone teacher ever."

Young person on the programme



Data and Evidence Led

We use school insight and data to identify the right children for our programme. The Link Worker then adds their knowledge and understanding over the two years, ensuring it is a dynamic plan that can flex to the needs of each child.

As part of our data collection, we use a Strengths and Difficulties Questionnaire - a wellbeing measurement tool which helps to identify children struggling with their social and emotional wellbeing. This ensures we can ascertain where they are socially, emotionally and academically in relation to validated measures.

By tracking each child's progress and constantly adapting their plan, we ensure there is the maximum SEA change in each child on our programme.

Our Values

In everything we do, we aim to be **CLEAR: Collaborative, Local, Evidence-led, Accountable and Relational**.

Our team has continued to grow over the last year, and we have worked hard to keep our values front and centre. We aim to consistently build an inclusive and diverse culture that will enable us to do our best work for children, young people and families in our community.

We are committed to being accountable for our actions, not just our words. To achieve this, we developed a comprehensive Equity, Diversity, and Inclusion (EDI) strategy and action plan with the aim to promote EDI in every aspect of West London Zone's activities.

It also aims to create a diverse, inclusive, and supportive community for all. We strive to attract, retain, and develop individuals of different backgrounds and abilities so that everyone can thrive and excel. We believe in celebrating unique ways of learning and working, and we are committed to ensuring excellence through inclusion. We know having happy and productive employees is key to supporting children and families and driving change in our community.

Our People and Culture department brings together various work strands such as HR, EDI, learning and development, and employee experience. The team continuously develops and delivers EDI learning and practice programmes that provide employees with diverse learning opportunities, such as EDI immersive experiences. The People and Culture team are also planning to filter all WLZ policies and practices through an Equality Impact Assessment to ensure all WLZ processes promote inclusion and do not inadvertently exclude certain groups. Furthermore, the team continuously supports managers and senior leaders in establishing trusting relationships with internal and external partners.

In the past year, the Senior Leadership team underwent a series of Inclusive Leadership sessions; one of the results was the development of our WLZ EDI Statement, a document that shows our commitment to EDI across all our collaborators; our people, our partners, our funders and our community, which we share with internal and external partners.

We also introduced ways to promote and celebrate different cultures (such as Affinity Groups) and held relational meetings and social events to build strong relationships and deep understanding of each other across our team. We hope that the benefits of this are reflected in our work.

PUBLIC BENEFIT STATEMENT

As required by the Charities Act 2011, the Trustees confirm that they have taken into account the guidance contained in the Charity Commission's general guidance on public benefit, where applicable.

The Trustees believe there is clear public benefit derived from the activities of the charity and this is demonstrated by our achievements during 2022/23.

ACHIEVEMENTS AND PERFORMANCE

Delivery

In 2022/23, we worked with:

- 1675 children
- 55 school settings
- 4 local authorities
- 51 Delivery Partners who provide specialist support
- 230 other local organisations with whom we link children and families

Impact

We continuously analyse data to refine and improve our programme.

At the end of each two-year programme, we take our final measurement of the impact of our work using our SEA framework - Social (peer relationships), Emotional (wellbeing), Confidence and Academic (English and maths attainment).

We measure each child's improvement (meaning accelerated progress in academics), and whether they met the final outcome target (in academics this means making a rate of progress to be on track to achieve age related expectations by end of setting; in social/emotional measures, it means moving out of the risk threshold).

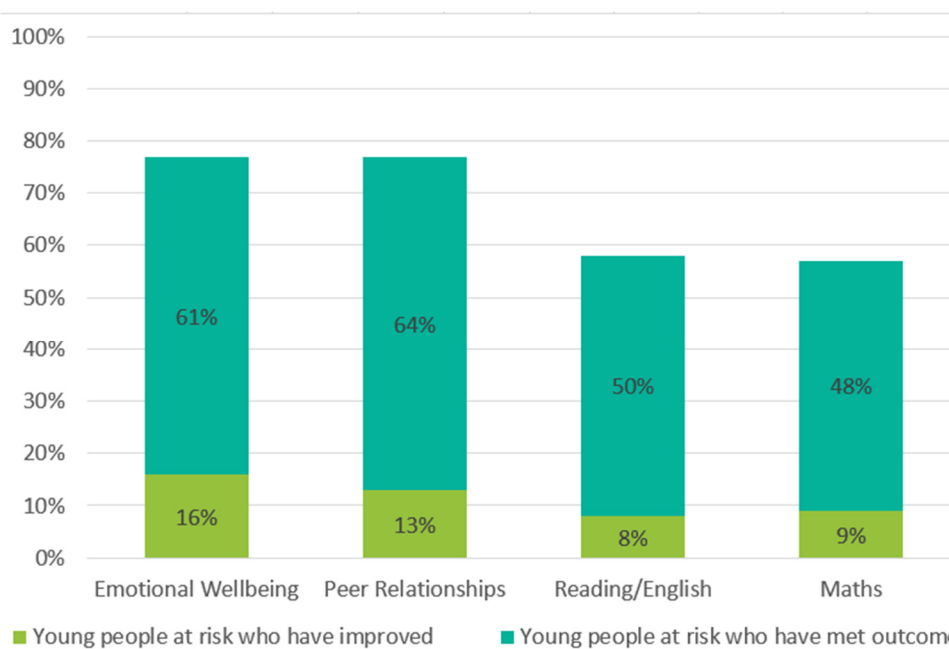
We are currently undertaking a range of additional evaluation activities to understand impact. These include qualitative activities (e.g. collection of testimonies, case studies etc.) and quantitative - for example, a longitudinal impact and process evaluation with University College London's Centre for Education Policy & Equalising Opportunities. This will run over four years, ending in 2024, which will assess four cohorts of children through our programme.

In addition, we have conducted a number of learning projects to drive impact and understand our programme delivery. Last year, this included understanding more about how we support young people who are 'at risk' of school exclusion, and piloting a new approach to targeting academic support, launching our Academic Support Model and focussing on the acceptability, feasibility, and suitability of this approach.

Our pre/post-programme outcomes have shown steady improvement over the past four years as a result of significant programme refinements. **6 out of 10 children improve their grades at school, 7 out of 10 move out of risk in social/emotional mental health**, and independent evaluation shows **economic benefits to the state of £44,000 per child** on average through outcomes achieved by our first three cohorts. This improvement has come in the face of significant challenges for young people during and post-Covid, which has also meant that the average level of 'risk' for a young person on the programme has increased over time (reflecting post pandemic landscape). As need continues to increase, we are now focusing programme refinement and improvement on emerging challenges including adolescent mental health and attendance across all age groups.

- 77% of young people at risk have improved their emotional wellbeing
- 77% of young people at risk have improved their peer relationships
- 58% of young people at risk have improved their English grades
- 57% of young people at risk have improved their maths grades

Young people finishing the WLZ programme in 2023



This includes Cohort 6 children who were initially selected and completed the two year programme in 2023

**Improvement in academics means making accelerated progress.*

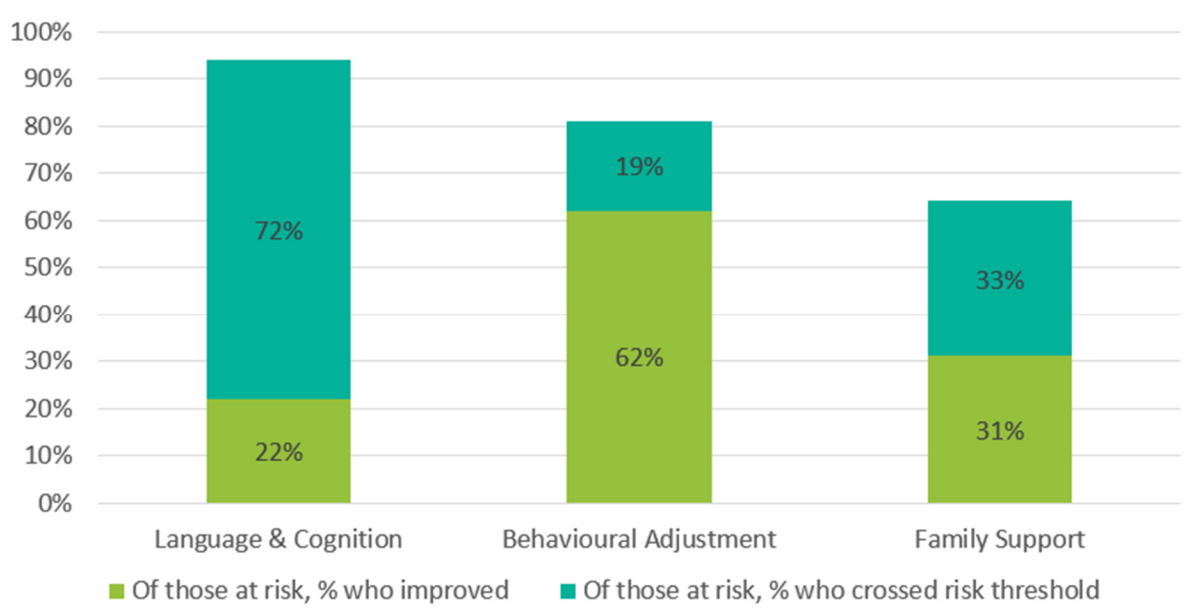
***'Met Outcome' for social/emotional measures means crossing the threshold out of risk in the validated measurement scale. 'Met Outcome' for academics means making accelerated progress to the extent that they are now on track to achieve age related expectations by end of school setting (e.g. Grade 4 at GCSE)*

**** all measurements are of those children who were 'at risk' in that area at start of programme*

Early Years

Of the 1675 children we worked with in 2022/23, 90 children were in Nursery, Reception or Year 1 year groups, and participated in our two-year early years programme. We also completed the first year of our external evaluation of early years provision with the Centre for Education and Youth. Over the last year, they conducted a range of evaluation activities including: surveys with Link Workers, families and school staff; interviews with two local service providers; and in-depth qualitative field work involving observations and participatory activities with children. We expect the final evaluation report in August 2024. Initial feedback on the programme is positive, particularly around the good practice observed in case study visits and the impact of our programme across a number of outcome areas and feedback from various stakeholders.

Our internal progress analysis of the BESSI (the survey we use to measure some of our Early Years outcomes) from our latest cohort of Early Years children who finished the programme in 2022-23, is outlined below.



This includes Cohort 6 children who completed the two year programme in 2023 (this is 55 children).

Our Early Years outcomes demonstrate positive results in Language & Cognition and Behaviour, with 94% and 81% of those at risk in each measure improving respectively. BESSI is the Brief Early Skills & Support Index, a validated measurement tool from University of Cambridge that assesses aspects of school readiness.

Funding

In the year ended 31 August 2023, WLZ has:

- Continued to successfully deliver and generate revenue according to our contracts with the Department for Digital, Culture, Media and Sport through the Life Chances Fund and administered by The National Lottery Community Fund, the four local councils of Hammersmith and Fulham, Kensington and Chelsea, Brent and Westminster, Bank of America and Avra Foundation (our private commissioners) and schools achieving just over £2.9m
- Raised £3.6m from philanthropic sources, with just over 15% of this from activities and introductions made by our local fundraising committees. In total we raised £1.72m from Major Donors, £1.35m from Trusts and Foundations, £530k from Corporates and other donations (and thanks to the pro bono services gifted – listed later in this report)
- Ensured reserves are adequate according to our policy

No external professional fundraisers were used in the financial period ended 31 August 2023 and WLZ has not received any complaints regarding our fundraising activities. All fundraising is carried out by the Chief Executive Officer, Business Development Team and the Local Fundraising Committees. West London Zone is registered with the Fundraising Regulator and has committed to following the Code of Fundraising Practice and the Fundraising Promise.

FINANCIAL REVIEW

The Statement of Financial Activities for the year ended 31 August 2023 shows a total income of £6,594,516 (2022: £5,807,349) and total expenditure of £6,502,501 (2022: £5,029,339) and a surplus for the year of £92,015 (2022: £778,010). As of 31 August 2023, the charity had funds of £3,076,290 (31 August 2022: £2,984,275).

WLZ has been successful in operating its outcomes contracts and income directly attributable to these is shown under charitable activities; associated philanthropic income is recorded in donations.

Income for the year was 13.6% higher than the previous period. Income from donations amounted to £3,642,600 (2022: £2,887,771) and income from charitable activities (including from outcomes contracts) amounted to £2,927,762 (2022: £2,919,282). Expenditure rose by 29.3%.

The net increase in the cash held by the charity was £113,298 (2022: £528,069). The cash balance of £3,465,745 includes the total loan from Bridges Fund Management of £1,100,000 to support the outcomes contracts.

Reserves Policy

As at 31 August 2023, the charity has total funds of £3,076,290 (2022: £2,984,275) of which £2,950,503 (2022: £2,796,631) is unrestricted and £125,787 (2022: £187,644) is restricted.

In the Trustees' view, the reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future. The Trustees propose to target the charity's reserves at a level between three to six months' operational expenditure and will do so having regard to its manner of operation and likely funding streams. The current unrestricted reserves are considered adequate for this purpose.

Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The visibility provided by the multi-year contracts from councils, schools and the Life Chances Fund, together with a number of multi-year grants from Trusts and Foundations and a diversified income profile and dedicated fundraising resource across each funding stream provides confidence for the Trustees regarding the ongoing viability of the organisation. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Members liability

The members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of a winding up.

Constitution

WLZ is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 10 April 2014 and amended 15 October 2015 and 14 May 2020.

The principal object of the charity is to promote the care and upbringing of every child and young person at risk of poor outcomes in later life, who lives in, or has a close connection to the West London Zone, by supporting positive family relationships, advancing education, promoting health and otherwise making the most of each such child and young person's potential.

There have been no changes in the objectives since the last Annual Report.

Method of appointment or election of Trustees

The management of the charity and the fulfilment of its charitable objectives is the responsibility of the Trustees who are elected and co-opted under the Articles of Association.

The charity's Trustees are also its members and appoint new members.

The recruitment of Trustees is carried out primarily through nominations from within the existing Trustee Board and wider recommendation from other stakeholders. We have created and used a new Nominations Committee to assess, shortlist and recommend candidates. Once appointed, each trustee undergoes an induction with the Chief Executive Officer and the Senior Management Team, and are immersed in delivery/activities in our communities in order to be fully conversant with WLZ's operating policies and procedures. Trustees attend relevant training provided to WLZ staff and are expected to share knowledge and best practice at Trustee meetings.

Organisational structure and decision making

The Trustees met as a Board four times during the financial year. During the year Sir David Verey CBE and Radhika Dube resigned (2 November 2022 and 12 July 2023, respectively).

Louisa Mitchell is the Chief Executive Officer and she leads the Senior Leadership Team. Following a SLT restructure in September 2023, this team comprises the Chief Development Officer (formerly Business Development Director), the Chief Strategy Officer (formerly Strategy and Impact Director), the People and Culture Partner – SLT (formerly People and Culture Director), and the Chief Delivery Officer, who joined WLZ in September 2023.

The Trustees have delegated the day-to-day management of WLZ to the Senior Leadership Team. The Chief Executive Officer and the Senior Leadership Team attend Board meetings.

We have established a Finance, Risk and Audit Committee (FRAC) which includes our Treasurer, Trustee, Executive and Co-opted members. Their first meeting was November 2022, reviewing the audit before the statutory accounts are presented to the board in February. They have reviewed proposals for future growth and financial risk prior to them coming to the board. This is an advisory committee with no delegated authority for decision making on financial risk. Our Treasurer will highlight key points at ensuing board meetings.

Membership of FRAC consists of four trustees and one co-opted member;

Jocelyn James (Treasurer) (Chair)

Andrew Levitt

Vasco Litchfield

Farial Missi

Prescott Price (co-opted)

All Trustees give of their time freely and no Trustee remuneration was paid during the year. Details of Trustees expenses and Related Party transactions are set out in notes 10 and 25 of the financial statements.

Pay policy for key management personnel

The Trustees review and determine the remuneration of the Chief Executive Officer and the Chief Executive Officer reviews and determines the remuneration of the Senior Leadership Team in accordance with WLZ's pay policy.

Risk Management

The Trustees regularly review a register of major strategic risks to which WLZ is exposed, in particular those related to the realisation of the WLZ's immediate and long-term business and impact plan. The Trustees are satisfied that systems and procedures are in place to mitigate WLZ's exposure to the major risks.

The major risks have been identified as follows:

- Turnover and vacancy rates increased in 2022/23
- Failure to secure future public and philanthropic funding;
- Retaining quality of delivery in growth, and in particular achieving robust academic outcomes;
- Safeguarding;
- Funding environment given general economic climate

FUTURE PLANS

A five year strategy was set in 2020 with the aim of working with 3,000 children by 2025/26. We met key milestones towards that, although in early 2023 we recognised that the environment had changed – both in terms of new opportunities for WLZ and the economic climate. Trustees decided that a new Strategy was needed therefore, and we conducted a strategy refresh project in Summer 2023 (whilst in the interim continuing with our focus on broadening our focus in the current Zone, and planning for the establishment of a new Zone outside of London).

This new FY25-27 Strategy was signed off by Trustees in Summer 2023.

Context




Historically, we have focused on improving and growing our core programme, as a way to effect real change whilst building experience, expertise and relationships in our local area. Over this time, we have supported over 3,500 children and young people and next year, we will sign up the largest cohort to date (1,020 new starters in September 2023).

With seven years of successful delivery behind us, we feel the time is right to launch our new strategy, which aims to build our evidence-base by continuing to deepen and develop our work with children and young people in West London, including broadening our work with families, communities, and local systems, whilst also expanding our scope and adapting and testing our model in new contexts outside London for the first time.

Our new vision signals this long-term ambition – both reconfirming our commitment to a SEA change for children and young people, but also formally articulating the importance of local ‘systems’ (and changes needed) for the long-term benefit of both people and places:

Children and young people at a tipping point of need, navigating social, emotional and academic challenges, are able to positively take on life. We will make this possible by better aligning public services and community activities so they can provide timely, joined up support.

What do we want to see?

Place	Child	National
An early action ecosystem of community activities with aligned public services that provides opportunities for children within a connected and supportive community. 	Positive social, emotional and academic outcomes for those children and young people at a tipping point of need. 	Adoption of our model in places of inequality across the UK, by multiple stakeholders, including local and central government. 

To achieve these goals, we have set the following focuses for the next three years:

Child

- Achieve growth and concentration in core programme
- Enhance impact
- Ensure sustainability

Place

- Evidence change in local systems
- Understand our role in strengthening communities
- Establish a theory of change for place

National

- Demonstrate model works outside of London
- Define approach for wider adoption of WLZ model

Our learnings from the development of our core programme, our systems integration work, and the establishment of new Zones will inform the future shape and vision for our long-term social impact strategy – e.g. franchising new Zones or policy/advocacy work.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also the directors of the Charity for the purposes 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 Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors have indicated their willingness to continue in office. The Trustees will propose a reassessment regarding reappointing the Auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Sir Harvey McGrath
Chair of Trustees

Date: 27-03-24

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST LONDON ZONE

Opinion

We have audited the financial statements of West London Zone (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' 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 charitable company'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 Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST LONDON ZONE (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST LONDON ZONE (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

Based on our understanding of the charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Charity Commission and sector regulations, and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

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

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. Also, 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.

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 Auditors' Report.

WEST LONDON ZONE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST LONDON ZONE (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Goodman Jones LLP

Goodman Jones LLP
Chartered Accountants
Statutory Auditors
29/30 Fitzroy Square
London, W1T 6LQ

Date: 02-04-24

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

WEST LONDON ZONE
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	2,478,883	1,163,717	3,642,600	2,887,711
Charitable activities	5	2,927,762	-	2,927,762	2,919,282
Investments	6	24,154	-	24,154	356
Total income		5,430,799	1,163,717	6,594,516	5,807,349
Expenditure on:					
Raising funds:					
Voluntary income		704,791	-	704,791	548,030
Charitable activities	8	4,572,136	1,225,574	5,797,710	4,481,309
Total expenditure		5,276,927	1,225,574	6,502,501	5,029,339
Net movement in funds		153,872	(61,857)	92,015	778,010
Reconciliation of funds:					
Restated Total funds brought forward		2,796,631	187,644	2,984,275	2,206,265
Total funds carried forward		2,950,503	125,787	3,076,290	2,984,275

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 46 form part of these financial statements.

WEST LONDON ZONE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08991196

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	16,450	49,040
Current assets			
Debtors	13	1,675,607	1,355,389
Cash at bank and in hand		3,465,745	3,352,447
		<u>5,141,352</u>	<u>4,707,836</u>
Creditors: amounts falling due within one year	14	(475,101)	(311,046)
Net current assets		<u>4,666,251</u>	<u>4,396,790</u>
Total assets less current liabilities		<u>4,682,701</u>	<u>4,445,830</u>
Creditors: amounts falling due after more than one year	15	(1,139,223)	(1,164,251)
Provisions for liabilities		(467,188)	(297,304)
Total net assets		<u><u>3,076,290</u></u>	<u><u>2,984,275</u></u>
Charity funds			
Restricted funds	18	125,787	187,644
Unrestricted funds	18	2,950,503	2,796,631
Total funds		<u><u>3,076,290</u></u>	<u><u>2,984,275</u></u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

WEST LONDON ZONE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08991196

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Sir Harvey McGrath
Chair

Date: 27-03-24

The notes on pages 28 to 46 form part of these financial statements.

WEST LONDON ZONE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	113,298	544,960
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(16,891)
	<hr/>	<hr/>
Net cash provided by/(used in) investing activities	-	(16,891)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	113,298	528,069
Cash and cash equivalents at the beginning of the year	3,352,447	2,824,378
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	3,465,745	3,352,447
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 28 to 46 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

West London Zone is a charitable company, limited by guarantee, registered in England and Wales, and whose registered office is 140-144 Freston Road, London, W10 6TR. The Charity's objectives are to provide long-term preventative support to children who are at risk of poor outcomes in their lives.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

West London Zone meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling, the functional currency of the Charity, and rounded to the nearest £.

2.2 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

After making appropriate enquiries, including considering the future plans of the Charity and expected future income, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The Trustees have not identified any material uncertainty in respect of going concern.

2.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis when the above criteria have been met, together with any performance conditions attached to the grants. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Grants received towards fixed assets are recognised in accordance with the above criteria and are treated as income. Where such grants relate to restricted funds, but the assets themselves are not subject to restrictions on use, a transfer is made between restricted and funds and unrestricted funds to account for the annual depreciation charge.

Donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity estimates it would pay in the open market to obtain services or facilities of equivalent economic benefit; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	Straight line to the end of the lease (2 years)
Fixtures and fittings	-	25% Straight line
Computer equipment	-	25% Straight line
Data system	-	20% Straight line

2.9 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as interest payable and similar charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.13 Financial instruments

Apart from as disclosed in note 3, the Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Trustees consider that there are no estimates and assumptions that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

As detailed in note 15, in 2021 the Charity took out a loan of £1,100,000. The terms of the loan include a performance-linked feature, which determines the level additional repayment to be paid to the lender, in addition the original loan of £1,100,000, at the loan repayment date (refer to note 15).

The performance-linked payment is linked to the total outcomes payments and other specified revenue received by the Charity over the period of the outcomes projects. In turn, these outcomes payments are dependent upon the Charity meeting various milestones (in relation to sign-ups, engagements, or improvements in school attendance, school engagement, wellbeing and attainment) for all activity provided from 1 September 2019 to the loan repayment date.

The Charity is required to make certain estimates when determining the expected repayment amount. As such, the Charity considers that measuring the loan at fair value is not practically possible. At each balance sheet date, the Charity makes certain estimates and judgements regarding the extent to which the various milestones are expected to be met (including both historical and anticipated future performance) and, therefore, the level of outcomes payments to be received. These judgements and estimates are then used to calculate the expected performance-linked payments due to the lender in relation to the loan. As such, the Charity considers it appropriate to account for the loan on an amortised cost basis and make a provision for expected future performance-linked payments.

WEST LONDON ZONE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations and grants	2,478,883	1,163,717	3,642,600	2,887,711
<i>Total 2022</i>	<i>2,102,328</i>	<i>785,383</i>	<i>2,887,711</i>	

Included within unrestricted income are donated services totalling £177,964 (2022: £102,914), relating to professional fees for project support services (2022: £75,000 related to professional fees in respect of a cost efficiency project and £27,914 related to professional fees in support for a scale up project).

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Outcomes payments	2,927,762	2,927,762	2,919,282
<i>Total 2022</i>	<i>2,919,282</i>	<i>2,919,282</i>	

Outcomes payments are received from schools, local authorities, our contracts with the Department for Digital, Culture, Media and Sport through the Life Chances Fund, and administered by The National Lottery Community Fund in respect of milestones achieved by children and young people.

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment income	24,154	24,154	356
<i>Total 2022</i>	<i>356</i>	<i>356</i>	

WEST LONDON ZONE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7. Expenditure on Raising Funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	509,003	509,003	468,697
Rent, Rates, and Utilities	18,426	18,426	11,587
Staff development and recruitment	70,396	70,396	10,835
Meetings	1,011	1,011	278
Advertising and subscriptions	46,370	46,370	2,407
Computers	19,054	19,054	19,238
Print, postage and stationary	2,841	2,841	1,978
General office	7,816	7,816	2,599
Professional fees	4,739	4,739	8,818
Marketing and events	12,724	12,724	14,233
Telephone and internet	2,270	2,270	513
Insurance	3,209	3,209	902
Equipment costs and rental	5,964	5,964	5,423
Repairs and maintenance	968	968	522
	704,791	704,791	548,030

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	<i>Total 2022 £</i>
Support to children and young people	4,572,136	1,225,574	5,797,710	4,481,309
<i>Total 2022</i>	2,327,481	2,153,828	4,481,309	

WEST LONDON ZONE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. Analysis of expenditure by activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Support to children and young people	4,085,703	1,712,007	5,797,710	4,481,309
<i>Total 2022</i>	<u>3,250,327</u>	<u>1,230,982</u>	<u>4,481,309</u>	

Analysis of direct costs

	Support to children 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	2,768,791	2,768,791	2,141,820
Training	4,617	4,617	23,762
Link worker supervision	45,719	45,719	32,920
Link worker resources	18,254	18,254	24,813
Linking expenses	1,262	1,262	19,678
Community Events	3,831	3,831	10,091
Delivery partner costs	1,243,229	1,243,229	997,243
	<u>4,085,703</u>	<u>4,085,703</u>	<u>3,250,327</u>
<i>Total 2022</i>	<u>3,250,327</u>	<u>3,250,327</u>	

WEST LONDON ZONE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Support to children 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	390,032	390,032	340,222
Depreciation	32,592	32,592	30,770
Rent, Rates and Utilities	120,298	120,298	114,114
Staff development and recruitment	154,932	154,932	94,040
Meetings	7,169	7,169	1,558
Advertising and subscriptions	14,987	14,987	3,094
Computers	116,994	116,994	89,066
Print, postage and stationery	3,454	3,454	1,677
General office	32,253	32,253	30,292
Bank charges	395	395	372
Professional fees	467,344	467,344	64,869
Loan interest	169,884	169,884	197,942
Marketing and events	2,000	2,000	-
Telephone and internet	22,574	22,574	10,264
Insurance	19,254	19,254	8,422
Professional fees relating to strategy review project (donated services)	-	-	102,914
Equipment costs and rental	36,167	36,167	50,617
Repairs and maintenance	19,634	19,634	4,874
Evaluation & assessment	14,662	14,662	7,006
National insurance	7,392	7,392	-
Entertainment	-	-	8,521
Delivery expenses	-	-	1,800
Governance costs	79,990	79,990	68,548
	<u>1,712,007</u>	<u>1,712,007</u>	<u>1,230,982</u>
<i>Total 2022</i>	<u>1,230,982</u>	<u>1,230,982</u>	

WEST LONDON ZONE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. **Analysis of expenditure by activities (continued)**

Analysis of support costs (continued)

Included within Governance costs in the table above are staff costs of £34,111 (2022: £51,118) and other governance costs of £45,880 (2022: £17,430).

Other governance costs include auditor remuneration in respect of the audit services of £12,000 (2022 - £10,800), and accounting and payroll services of £33,880 (2022 - £6,630).

10. **Trustees' remuneration and expenses**

During the year ended 31 August 2023, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

11. **Staff costs**

	2023 £	2022 £
Wages and salaries	3,275,040	2,630,426
Social security costs	335,521	279,014
Contribution to defined contribution pension schemes	91,377	80,433
	3,701,938	2,989,873

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Delivery	81	70
Finance & admin	5	6
Management & operations	2	2
Development	10	6
	98	84

WEST LONDON ZONE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	<i>2022 No.</i>
In the band £60,001 - £70,000	-	2
In the band £70,001 - £80,000	4	2
In the band £80,001 - £90,000	-	1

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. No expenses were reimbursed to any of the Trustees in the period under review.

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer, the Strategy and Impact Director, the Business Development Director, the Delivery Director, the Finance Director, and the People & Culture Director (new role in 2022). The total remuneration, including employer's national insurance and pension contributions, of the key management personnel for the period totalled £435,180 (2022 - £521,600). No other benefits were paid to them.

12. Tangible fixed assets

	Leasehold improvements £	Fixtures & fittings £	Computer equipment £	Data system £	Total £
Cost or valuation					
At 1 September 2022	25,663	11,113	1,028	86,700	124,504
At 31 August 2023	25,663	11,113	1,028	86,700	124,504
Depreciation					
At 1 September 2022	12,921	2,053	1,028	59,462	75,464
Charge for the year	12,742	2,508	-	17,340	32,590
At 31 August 2023	25,663	4,561	1,028	76,802	108,054
Net book value					
At 31 August 2023	-	6,552	-	9,898	16,450
At 31 August 2022	12,742	9,060	-	27,238	49,040

WEST LONDON ZONE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	638,380	1,186,021
Other debtors	4,533	13,508
Prepayments and accrued income	1,032,694	155,860
	<u>1,675,607</u>	<u>1,355,389</u>

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	190,565	103,507
Other creditors	20,608	20,107
Accruals and deferred income	238,900	162,404
Grants payable to institutions	25,028	25,028
	<u>475,101</u>	<u>311,046</u>

	2023 £	2022 £
Deferred income		
Deferred income at 1 September 2022	25,404	102,000
Amounts released from previous periods	(25,404)	(102,000)
Resources deferred during the year	103,000	25,404
Deferred income at 31 August 2023	<u>103,000</u>	<u>25,404</u>

Income has been deferred when the conditions regarding the receipt of the income have not been met by the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loan	1,100,000	1,100,000
Grants payable to institutions	39,223	64,251
	<u>1,139,223</u>	<u>1,164,251</u>

In 2021, a loan of £1.1m was taken out to support the Charity's Collective Impact Bond (CIB).

This loan has a performance linked feature related to the level of cumulative revenue achieved over the lifetime of certain outcomes contracts as measured at the loan repayment date, which may result in an additional payment to the lender in addition to the loan principal. See note 16 for the provision with regard to this performance linked payment.

The loan repayment date is the earlier of the date falling three months after:

a) 31 December 2024

b) the date on which the lender has confirmed that no further payments are required to be made under any of the outcomes contracts.

16. Provisions

	Performance linked payment £
At 1 September 2022	297,304
Additions	467,188
Amounts reversed	(297,304)
	<u>467,188</u>

Performance linked payment

The above provision represents the variable performance linked payments in relation to the loan (as described in note 15). The amount payable is dependent on performance and will be determined at the termination date set out in note 15.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through income and expenditure	3,465,745	3,352,447
Financial assets measured at amortised cost	1,630,548	1,189,221
	5,096,293	4,541,668
	2023 £	2022 £
Financial liabilities		
Financial liabilities measured at amortised cost	1,961,650	1,772,601

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise trade and other creditors and loans.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Unrestricted funds				
General Funds - all funds	2,796,631	5,430,799	(5,276,927)	2,950,503
Restricted funds				
Julia & Hans Rausing	-	40,000	(40,000)	-
Young Londoners Fund	10,149	-	(10,149)	-
Individual and other donors	-	116,312	(116,312)	-
Garfield Weston Foundation	-	250,000	(250,000)	-
John Lyon's Charity	4,814	40,000	(44,814)	-
Simon Morris	12,500	30,000	(30,000)	12,500
Reaching Communities, a funding programme of The National Lottery Community Fund	2	-	-	2
The Butt Family through The Calleva foundation	-	75,000	(75,000)	-
The Kensington & Chelsea Foundation	22,499	114,000	(114,000)	22,499
The Rayne Foundation	-	30,000	(30,000)	-
Anonymous Donors Fund 1: Contribution towards Link Worker salaries	-	164,405	(164,405)	-
Anonymous Donors Fund 2: Delivery in two primary schools	72,000	144,000	(180,000)	36,000
Anonymous Donors Fund 3: Other - Room Hire	140	-	(140)	-
Westminster Foundation	25,000	100,000	(100,000)	25,000
St James's Place Charitable Foundation	-	40,000	(33,333)	6,667
Paul Hamlyn Foundation	40,540	-	(17,421)	23,119
The Chandris Foundation	-	20,000	(20,000)	-
	187,644	1,163,717	(1,225,574)	125,787
Total funds	2,984,275	6,594,516	(6,502,501)	3,076,290

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds (continued)

Depreciation on our data system - supported by the **Paul Hamlyn Foundation**.

Supporting 60 children and young people in secondary schools - supported by the **Young Londoners Fund**.

Contributions towards the WLZ Communities Team - supported by the **John Lyon's Charity**.

Contribution towards a WLZ Link Worker in a North Kensington School - supported by **Simon Morris**.

Post-covid mental health provision - supported by **The Kensington & Chelsea Foundation**.

Supporting children and young people who are at risk in their academics in North Kensington - supported by **The Kensington & Chelsea Foundation**.

Supporting our expansion into three schools in South Kensington and Chelsea - supported by **The Kensington & Chelsea Foundation**.

Three WLZ Link Workers in Westminster - supported by **Westminster Foundation**.

Delivery in two primary schools - supported by **anonymous donors**.

Supporting delivery at Brentfield Primary School - supported by the **St James's Place Charitable Foundation**.

WLZ Link Worker salaries in three South Kensington and Chelsea schools - supported by **Julia and Hans Rausing**.

Academic catch up support in North Kensington - supported by **The Butt Family through The Calleva Foundation**.

Contributions towards new WLZ Link Workers, WLZ's Academic Support Manager and WLZ's Head of Public Affairs - supported by **Garfield Weston Foundation**.

Contribution towards Link Worker salaries - supported by **The Chandris Foundation**.

Contribution towards WLZ's Strategy and Impact Director - supported by **The Rayne Foundation**.

Contribution towards Link Worker salaries - **anonymous donors**.

Other contributions - Room Hire - **anonymous donor**.

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NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds				
General Funds - all funds	<u>1,980,876</u>	<u>3,691,266</u>	<u>(2,875,511)</u>	<u>2,796,631</u>
Restricted funds				
Blue Water	-	27,000	(27,000)	-
Centerbridge	4,125	-	(4,125)	-
Young Londoners Fund	13,646	46,428	(49,924)	10,150
Bank of America	-	110,761	(110,761)	-
Emma Turner	2,118	-	(2,118)	-
Lightbulb Trust	-	36,542	(36,542)	-
John Lyons Charity	1,504	40,000	(36,689)	4,815
Simon Morris	-	30,000	(17,500)	12,500
Reaching Communities, a funding programme of The National Lottery Community Fund	2	-	-	2
Calleva foundation	-	75,000	(75,000)	-
The Kensington & Chelsea Foundation	133,693	47,500	(158,693)	22,500
HPPEC	-	5,000	(5,000)	-
Charles Dunstone Charitable Trust	-	27,000	(26,860)	140
Be Shaping Future	-	129	(129)	-
Headley Trust	-	25,000	(25,000)	-
88 Foundation	-	144,000	(72,000)	72,000
Westminster Foundation	10,000	100,000	(85,000)	25,000
Young Westminster Foundation	-	14,357	14,357	28,714
Esmee Fairbairn Foundation	1,426	-	1,426	2,852
Tudor Trust	994	-	(994)	-
Department for Digital, Culture, Media, and Sport through the Life Chances Fund, administered by The National Lottery	-	1,330,700	1,330,700	-
Paul Hamlyn Foundation	57,881	-	(17,341)	40,540

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2022 £</i>
London Community Foundation	-	10,000	(10,000)	-
The Rayne Foundation	-	30,000	(30,000)	-
Centreview	-	16,666	(16,666)	-
Total Restricted funds	225,389	2,116,083	(2,153,828)	187,644
Total of funds	2,206,265	5,807,349	(5,029,339)	2,984,275

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	16,450	-	16,450
Current assets	4,917,565	223,787	5,141,352
Creditors due within one year	(377,101)	(98,000)	(475,101)
Creditors due in more than one year	(1,139,223)	-	(1,139,223)
Provisions for liabilities and charges	(467,188)	-	(467,188)
Total	2,950,503	125,787	3,076,290

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	49,040	-	49,040
Current assets	4,520,192	187,644	4,707,836
Creditors due within one year	(311,046)	-	(311,046)
Creditors due in more than one year	(1,164,251)	-	(1,164,251)
Provisions for liabilities and charges	(297,304)	-	(297,304)
Total	2,796,631	187,644	2,984,275

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	92,015	778,010
Adjustments for:		
Depreciation charges	32,591	30,770
Increase in debtors	(320,218)	(320,573)
Increase/(decrease) in creditors	139,026	(141,189)
(Decrease)/increase in provisions	169,884	197,942
Net cash provided by operating activities	113,298	544,960

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	3,465,745	3,352,447
Total cash and cash equivalents	3,465,745	3,352,447

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	3,352,447	113,298	3,465,745
Loan due after 1 year	(1,100,000)	-	(1,100,000)
	<u>2,252,447</u>	<u>113,298</u>	<u>2,365,745</u>

23. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £90,177 (2022 - £79,233). Contributions totalling £16,861 (2022 - £14,890) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 August 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	54,145	52,146
Later than 1 year and not later than 5 years	216,000	-
	<u>270,145</u>	<u>52,146</u>

25. Related party transactions

During the period, five Trustees (2022: two Trustees) made donations totalling £360,000 (2022: £51,934). Other than £25,000 (2022: £nil) of restricted donation income, these donations are included within unrestricted income (2022: unrestricted income). A loan of £1.1M due to Bridges Fund Management, of which one of the Trustees is a member, was outstanding at year end (2022: £1.1M).

Other than disclosed above and elsewhere in these financial statements, there were no other transactions with related parties during the current or prior periods.