

Financial Statements

For the year ended 31 August 2023

**West London Mission
Housing Association Limited**

West London Mission Housing Association Limited
Year ended 31 August 2023

Contents

	Page
Directors' report	1–4
Independent Auditor's report	5-8
Consolidated Statement of Comprehensive Income	9
Consolidated Statement of Financial Position	10
Association Statement of Financial Position	11
Consolidated Statement of Cash Flows	12
Notes to the financial statements	13-26

West London Mission Housing Association Limited
Year ended 31 August 2023

Company information

Directors

Rev P Cornick
Rev N Cowgill
Rev A J Dart
Mr J M Furniss
Rev P Hill
Rev A Lawrence
Mr J S Neilson
Mr M J Single
Ms ACJ Siow
Mr G T Slater

Secretary

Ms C Dance

Registered office

19 Thayer Street
London
W1U 2QJ

Registered company number

00495241

Registered charity number

281929

Regulator of Social Housing registration number

LH3373

Independent Auditors

Moore Kingston Smith LLP
9 Appold Street
London EC2A 2AP

West London Mission Housing Association Limited

Year ended 31 August 2023

Directors' report

The directors present their report and the consolidated financial statements for the year ended 31 August 2023.

Principal activities

The company is a charitable housing association limited by guarantee. Its principal activities are:

- Those of a housing association whose properties are used in connection with housing people who require assistance, and
- Those of trustee of the West London Mission Donald Soper Fund.

These financial statements incorporate the financial statements of the individual housing and community services located in the properties mentioned therein.

These financial statements also incorporate the incoming resources, resources expended, and the assets and liabilities of the West London Mission Donald Soper Fund. The object of the Fund is to support the charitable housing and community services of the West London Mission Circuit of the Methodist Church ("the Circuit"), commonly known as WLM Services.

The company is the registered owner of various properties in which the WLM Services are carried on. The staff of all these services are jointly employed by the company and the West London Mission Circuit.

The West London Mission Circuit manages the following properties owned by the company and the resulting surplus or deficit (except for amortisation and depreciation on housing properties, amounts set aside for dilapidations and surplus on disposal of properties) is passed to the West London Mission Circuit.

During the period under review the occupants of each property were as follows:-

WLM St Luke's Centre
25A Wincott Street
London SE11

This site has a community Hub hosting a mix of community support and outreach partnerships and events. The site also has a residential building with 26 bedrooms and a one bedroom flat which provides low cost accommodation for veterans (formerly accommodated at Burgess Park House) and keyworkers.

WLM Holly Park
280 Holly Park
London N4

Following the closure of the Haven care home in September 2021. WLMHA is working with DePaul UK, New Horizons and the GLA , and the building was leased to DePaul UK from November 2022 for three years to deliver the London Youth Hub for homeless young people aged 18 - 25.

WLM Burgess Park House
56 Camberwell Road
London SE5

Following the work required to deal with fire, health and safety risks identified in 2022, this site provides support and accommodation for LGBTQ young people aged 18+ who are survivors of domestic abuse, in collaboration with the STAR project and MOPAC.

West London Mission Housing Association Limited
Year ended 31 August 2023

Directors' report (continued)

WLM Cherry Tree House
343 Clapham Road
London SW9

This site provides accommodation for veterans needing floating support prior to their move to Veteran Nomination Scheme accommodation.

The company leased the following property to the Trustees for Methodist Church Purposes for a term of ten years from 1 April 2005, and subsequently the lease has been renewed to 2025, the West London Mission Circuit Meeting being the managing trustees for that term:

WLM Katherine Price Hughes House
28 Highbury Grove
London N5

It is an "approved premise" under the Criminal Justice and Courts Service Act 2000 and provides housing and support services for men released from custody on licence.

The directors are in discussions with the West London Mission Circuit which may lead to the company assuming full control of the services provided in its properties, under a new board of directors. At the time of issuing this report no agreement has been reached about the terms of any such transfer.

In January 2024 the WLM Services adopted a new identity under the name Strides

Directors

The members set out below have held office during the whole of the period from 1 September 2022 to the date of this report unless otherwise stated:

Rev P Cornick
Rev N Cowgill
Rev A J Dart
Mr J M Furniss
Mr J S Neilson
Mr R Ovenden (to 4 September 2023)
Mr M J Single
Ms A C J Siow
Mr G T Slater
Rev P Hill (appointed 20 November 2023)
Rev A Lawrence (appointed 20 November 2023)

The amount guaranteed by each director in the event of the winding-up of the company is £1.

Directors' responsibilities

Registered Providers' legislation requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the Association and the group as at the end of the financial period and of the income and expenditure of the group for the period ended on that date. In preparing those financial statements, suitable accounting policies have been used, framed, to the best of the directors' knowledge and belief, by reference to reasonable and prudent judgements and estimates and applied consistently. Applicable accounting standards have been followed. The directors are also required to indicate where the financial statements are prepared other than on the basis that the Association is a going concern.

Directors' report (continued)

The directors are responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Association's transactions and its assets and liabilities and for maintaining a satisfactory system of control over the Association's books of account and transactions. The directors are also responsible for ensuring that arrangements are made to safeguard the assets of the Association and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Value for Money statement

We are committed to providing excellent services that offer real value to our service users at a reasonable cost to funders. Our policy is to cover the full cost of services including proper provision for cyclical repairs. We benchmark our staff costs against comparable roles in the public and voluntary sector, and aim to develop the talents of all staff by a disciplined performance management process. We undertake competitive tendering for major works to properties. As far as feasible we focus on energy efficiency.

The directors have regard to the VFM Standard. The VFM metrics derived from these financial statements in accordance with the Technical Note are as follows:

Reinvestment: 5.6%
New supply: 0
Gearing: 43.9%
EBITDA MRI interest cover: 0
Headline social housing cost: £9,927 per unit
Operating margin (social housing lettings): 0
Operating margin (overall): 0
Return on capital employed: 0

However, these ratios may have limited value due to the financial support provided by the West London Mission Circuit.

Governance and Financial Viability

The directors have not yet adopted a formal code of governance under the Governance and Financial Viability Standard, as it has only recently been drawn to their attention, but they believe that their reliance upon the reporting arrangements and financial support under the management agreement with the West London Mission Circuit provides sufficient assurance in this regard.

Going Concern

The directors have assessed whether the use of the going concern basis is appropriate and considered possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. West London Mission Circuit continues to provide support to the Company and have confirmed that they will continue to support the Company whilst the existing management agreement is in force between West London Mission Circuit and the Company. The directors have, for some time, been in discussions with West London Mission Circuit with a view to the Company assuming full control of the of the services provided in its properties, under a new board of directors, which would lead to a termination of the current management agreement. At the time of this report no agreement has been reached on the terms of any such transfer of control including the financial arrangements. Whilst the directors consider that these conditions indicate that there is a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern, the directors believe that the current uncertainties will be resolved and therefore continue to adopt the going concern basis in preparing its financial statements.

Directors' report (continued)

Statement as to disclosure of information to auditors

We have taken all the necessary steps to make ourselves aware, as directors, of any relevant audit information and to establish that the auditors are aware of that information. As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

This report has been prepared in accordance with the special provisions of S414 (3) of the Companies Act 2006 relating to small companies.

Auditors

Moore Kingston Smith LLP have signified their willingness to continue in office and a resolution to re-appoint Moore Kingston Smith LLP as auditors to the company will be proposed at the Annual General Meeting.

Approved by the Board on ..22 March..... 2024 and signed on its behalf by



.....
Mr M Single

Director

West London Mission Housing Association Limited
Year ended 31 August 2023

Independent auditor's report to the members of West London Mission Housing Association Limited

Opinion

We have audited the financial statements of West London Mission Housing Association Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Association Statements of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent charitable company's affairs as at 31 August 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 the Financial Reporting Standard applicable to the UK and Republic of Ireland, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022; 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which indicates the current state of discussions between West London Mission Circuit and the Company that may result in the termination of the current management agreement and the transfer of full control of the services provided in the Company's properties with an, as yet unagreed, accompanying financial settlement. As stated in note 1 these conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

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 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

West London Mission Housing Association Limited

Year ended 31 August 2023

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 there is 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.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2-3, 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151¹ of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are

West London Mission Housing Association Limited
Year ended 31 August 2023

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and

West London Mission Housing Association Limited

Year ended 31 August 2023

detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.



Date 26 March 2024

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

West London Mission Housing Association Limited
Consolidated Statement of Comprehensive Income
For the year ended 31 August 2023

		2023	2022
	Notes	£	£
Turnover	3	575,616	498,930
Operating costs	3	(879,077)	(1,337,100)
Operating surplus/(deficit)	3	(303,461)	(838,170)
Other income		382,003	927,810
Interest payable and similar charges		(140,794)	(151,043)
Change in fair value of investments	9	(21,359)	(25,603)
Surplus/(deficit) on ordinary activities before taxatio	5	(83,611)	(87,006)
Tax on ordinary activities		-	-
Surplus/(deficit) for the year		(83,611)	(87,006)
Balance brought forward at 1 September		1,161,897	1,248,903
Balance carried forward at 31 August		<u>1,078,286</u>	<u>1,161,897</u>

The Association's results all relate to continuing activities. The Association has no recognised surpluses or deficits other than the deficit for the current or prior year.

West London Mission Housing Association Limited
Consolidated Statement of Financial Position
As at 31 August 2023

	Notes	2023 £	2022 £
Fixed assets			
Housing properties - at cost	8	7,544,958	7,558,605
Less: Depreciation	8	(2,498,187)	(2,636,826)
Total housing properties		<u>5,046,771</u>	<u>4,921,779</u>
Investments	9	263,639	284,998
Current assets			
Debtors	11	329,828	284,060
Cash at bank and in hand		<u>27,018</u>	<u>17,941</u>
		356,846	302,001
Creditors: Amounts falling due within one year	12	<u>(1,375,526)</u>	<u>(1,155,421)</u>
Net current liabilities		<u>(1,018,680)</u>	<u>(853,420)</u>
Total assets less current liabilities		4,291,730	4,353,357
Creditors: Amounts falling due after more than one year	13	(3,213,444)	(3,191,460)
Net assets		<u><u>1,078,286</u></u>	<u><u>1,161,897</u></u>
Reserves	14	<u><u>1,078,286</u></u>	<u><u>1,161,897</u></u>

These financial statements have been prepared in accordance with the special provisions of S.414 (3) of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Board on 22 March 2024
and signed on its behalf by



Mr G T Slater, Director



Mr M Single, Director

West London Mission Housing Association Limited
Association Statement of Financial Position
As at 31 August 2023

	Notes	2023 £	2022 £
Fixed assets			
Housing properties - at cost	8	7,544,958	7,558,605
Less: Depreciation	8	(2,498,187)	(2,636,826)
Total housing properties		<u>5,046,771</u>	<u>4,921,779</u>
Current assets			
Debtors	11	327,933	282,165
Cash at bank and in hand		7,596	7,907
		<u>335,529</u>	<u>290,072</u>
Creditors: Amounts falling due within one year	12	(1,375,526)	(1,155,421)
Net current liabilities		<u>(1,039,997)</u>	<u>(865,349)</u>
Total assets less current liabilities		4,006,774	4,056,430
Creditors: Amounts falling due after more than one year	13	(3,213,444)	(3,191,460)
Net assets		<u>793,330</u>	<u>864,970</u>
Reserves	14	<u>793,330</u>	<u>864,970</u>

These financial statements have been prepared in accordance with the special provisions of S.414 (3) of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Board on 22 March 2024
and signed on its behalf by



Mr G T Slater, Director



Mr M Single, Director

West London Mission Housing Association Limited
Consolidated Statement of Cash Flows
For the year ended 31 August 2023

	2023	2022
	£	£
Cash outflows from operating activities		
Deficit for the financial year	(83,611)	(87,006)
Interest paid, less received	131,356	143,634
Loss on investments	21,359	25,603
Depreciation charge	156,254	157,859
Amortisation credit	(84,615)	(109,051)
(Increase) / decrease in debtors	(45,768)	65,694
Increase in creditors	220,105	430,134
Net cash generated from operating activities	315,080	626,867
Cash flows from investing activities		
Interest received	9,438	7,409
Purchase of investments	-	(15,005)
Purchase of fixed assets	(281,246)	(497,663)
Net cash outflows from investing activities	(271,808)	(505,259)
Cash flows from financing activities		
Interest paid	(140,794)	(151,043)
Increase in long term borrowings	106,599	21,480
Net cash outflows from financing activities	(34,195)	(129,563)
Net increase / (decrease) in cash and cash equivalents	9,077	(7,956)
Cash and cash equivalents at beginning of year	17,941	25,897
Cash and cash equivalents at end of year	27,018	17,941
Cash and cash equivalents comprise:		
Cash at bank and in hand	27,018	17,941

Analysis of changes in net (debt)

	At 1 Sept	Cashflows	At 31 Aug
	2022		2023
	£	£	£
Cash at bank and in hand	17,941	9,077	27,018
Loans due within one year	(212,842)		(212,842)
Loans due after one year	(940,853)	(106,599)	(1,047,452)
Net debt	(1,135,754)	(97,522)	(1,233,276)

West London Mission Housing Association Limited
Year ended 31 August 2023

Notes to the financial statements

1. Status of the company

The company is incorporated under the Companies Act 2006 and is a company limited by guarantee, without a share capital. It is also a registered charity, registration number 281929, and as such is exempt from corporation tax.

It is also registered with the Regulator of Social Housing, registration number LH3373, in accordance with section 5 of the Housing Association Act 1996, as it is engaged in housing activities as defined in that Act.

The directors have assessed whether the use of the going concern basis is appropriate and considered possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. West London Mission Circuit continues to provide support to the Company and have confirmed that they will continue to support the Company whilst the existing management agreement is in force between West London Mission Circuit and the Company. The directors have, for some time, been in discussions with West London Mission Circuit with a view to the Company assuming full control of the of the services provided in its properties, under a new board of directors, which would lead to a termination of the current management agreement. At the time of this report no agreement has been reached on the terms of any such transfer of control including the financial arrangements. Whilst the directors consider that these conditions indicate that there is a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern, the directors believe that the current uncertainties will be resolved and therefore continue to adopt the going concern basis in preparing its financial statements.

2a. Accounting policies

a) General information and basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, the Housing SORP 2018 or where silent, the Charities SORP 2019, and comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

In accordance with the small companies regime, the company has taken advantage of the exemption available, by virtue of its size, from the requirement to prepare a Strategic Report.

These financial statements incorporate the financial statements of the individual housing and community services located in the properties mentioned therein.

The Association is the sole Trustee of The Donald Soper Fund and so as required by the Charities SORP, these financial statements incorporate the income, expenditure, assets and liabilities of the West London Mission Donald Soper Fund, on a line by line basis.

The West London Mission Circuit manages the properties owned by the company and the resulting surplus or deficit (except for amortisation and depreciation on housing properties, amounts set aside for dilapidations and surplus on property disposals) is passed to or financed by the West London Mission Circuit.

b) Property, plant and equipment - housing properties

Housing properties are shown at cost, including associated legal fees and charges and other

West London Mission Housing Association Limited
Year ended 31 August 2023

Notes to the financial statements (continued)

expenses of a capital nature. Component accounting has been adopted as recommended by the Statement of Recommended Practice (SORP) relating to housing properties and properties have been split into land, structure, roof, electrics, central heating and kitchen.

The components of the properties are shown at cost. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred on improvements, which comprise the modernisation and extension of existing properties. Interest on mortgage loans financing development is capitalised up to the date of practical completion of each scheme.

Each identified component is depreciated over its useful economic life as follows:

Land	Not depreciated
Structure	50 Years
Roof	30 Years
Electrics	25 Years
Central heating	15 Years
Kitchens	10 Years

Any permanent diminution in the value of such properties is charged to the Statement of Comprehensive Income as appropriate.

c) Social Housing Grant and other government grants

Where grants are received from government agencies such as the Homes and Communities Agency, local authorities, devolved government agencies, health authorities and the European Commission which meet the definition of government grants they are recognised when there is reasonable assurance that the conditions attached to them will be complied with and that the grant will be received.

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the housing property structure. Where a grant is received specifically for components of a housing property, the grant is recognised in income over the expected useful life of the component.

Government grants are recognised as revenue when the grant proceeds are received or receivable. Where a grant imposes specified future performance-related conditions it is recognised as revenue when the performance-related conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability. Where government grant is provided for the construction of housing properties within a specific scheme, then the performance related condition is met when the construction of the housing properties is complete.

West London Mission Housing Association Limited
Year ended 31 August 2023

Notes to the financial statements (continued)

d) Recycling of grants

Where there is a requirement to either repay or recycle a grant received for an asset that has been disposed of, a provision is included in the Statement of Financial Position to recognise this obligation as a liability. When approval is received from the funding body to use the grant for a specific development, the amount previously recognised as a provision for the recycling of the grant is reclassified as a creditor in the Statement of Financial Position.

On disposal of an asset for which government grant was received, if there is no obligation to repay the grant, any unamortised grant remaining within liabilities in the Statement of Financial Position related to this asset is derecognised as a liability and recognised as revenue in surplus or deficit in the Statement of Comprehensive Income.

e) Furnishing, fittings and equipment

All small additions and replacements for all projects are written off in the period of purchase, with the exception of major items which are written off over 3 to 5 years.

f) Reserves

The property equity reserve is to record realised gains on the disposal of properties and absorbs the depreciation charge.

The cyclical maintenance reserve is based on the association's obligation to provide on a continuing basis for the repairs and maintenance of its properties, based on a planned programme of works.

g) Taxation

The company has been granted charitable status and is not liable to corporation tax on its activities for the year.

h) Turnover

Turnover represents room fees and service charges receivable net of voids, revenue grants and other income. The other income relates primarily to other grants. Service charge income is recognised when expenditure is incurred as this is considered to be the point at which the service has been performed and the revenue recognition criteria met. Turnover arises solely within the United Kingdom.

i) Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

West London Mission Housing Association Limited
Year ended 31 August 2023

Notes to the financial statements (continued)

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and interest bearing loans and borrowings.

Non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income.

Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Financing transactions – rent arrears

For rent arrears where the arrangement constitutes, in effect, a financing transaction because of extended credit arrangements the arrears are derecognised as a financial asset and a new financial asset measured at the present value of the future payments discounted at an appropriate market rate of interest. The present value adjustment is recognised in surplus or deficit in the Statement of Comprehensive Income.

A review has been undertaken on all residents who currently have a payment plan in place for rent arrears. Following assessment, it has been confirmed that the payment plan totals are not material, and therefore no adjustment has been necessary in the financial statements.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits.

j) Investments

Investments are included in the balance sheet at market value.

All movements in value arising from investment changes or revaluation are shown in the Statement of Comprehensive Income.

Realised gains or losses on investments are calculated as the difference between the disposal proceeds and market value at the beginning of the year. Unrealised gains or losses are derived from the movement in market values during the year.

2b. Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and

West London Mission Housing Association Limited
Year ended 31 August 2023

Notes to the financial statements (continued)

liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant management judgements

The following are management judgements in applying the accounting policies of the Association that have the most significant effect on the amounts recognised in the financial statements.

Estimation uncertainty

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates 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 addressed below.

Fair value measurement

Management uses valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management base the assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual process that would be achievable in an arm's length transaction at the reporting date.

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

3 Turnover, operating costs and operating surplus/(deficit)

	Total 2023			Total 2022		
	Turnover	Operating costs	Operating surplus / (deficit)	Turnover	Operating costs	Operating surplus / (deficit)
	£	£	£	£	£	£
Income and expenditure from lettings						
Housing accommodation	491,819	704,809	(212,990)	366,620	1,001,255	(634,635)
Other income and expenditure						
Other	83,797	174,268	(90,471)	132,310	335,845	(203,535)
	<u>575,616</u>	<u>879,077</u>	<u>(303,461)</u>	<u>498,930</u>	<u>1,337,100</u>	<u>(838,170)</u>

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

4 Income and expenditure from lettings

	Total 2023 Supported housing £	Total 2022 Supported housing £
Income		
Rent and service charges receivable	674,157	282,457
Voids	(235,870)	(78,821)
Net rental income	<u>438,287</u>	<u>203,636</u>
 Government grants taken to income	 53,532	 162,984
Turnover from lettings	<u>491,819</u>	<u>366,620</u>
 Operating costs		
Services	310,459	526,538
Management	244,588	382,345
Routine maintenance	149,762	92,372
Operating costs on lettings	<u>704,809</u>	<u>1,001,255</u>
 Operating surplus/(deficit) on lettings	<u><u>(212,990)</u></u>	<u><u>(634,635)</u></u>

5 Surplus/(deficit) on ordinary activities

Surplus/(deficit) on ordinary activities for the year is stated after charging:

	2023 £	2022 £
Depreciation on tangible fixed assets	156,255	157,859
Amortisation of social housing grant	(84,615)	(109,051)
Auditors' remuneration - in their capacity as external auditors		
Current year	23,400	10,000
Prior year	16,622	

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

6 Staff costs

	Total 2023	Total 2022
	£	£
Wages and salaries	200,017	288,093
Social security costs	20,714	30,371
Other pension costs	19,831	16,698
	<u>240,562</u>	<u>335,162</u>

The above includes termination and redundancy payments of £0 (2022: £14,385).

Average number of full time equivalent persons employed during the year:

	Number 2023	Number 2022
Management	-	1
Services	7	13
	<u>7</u>	<u>14</u>

Average number of staff employed during the year:

	Number 2023	Number 2022
Management	-	1
Services	8	16
	<u>8</u>	<u>17</u>

No member of staff received any emoluments in excess of £60,000 in the year (2022: none).

The Association makes payments to a group personal pension scheme for staff. The assets are held in an independently administered fund.

7 Directors' emoluments

None of the directors received any emoluments or were reimbursed for any expenses during the year (2022: none).

Salaries of the senior management team and key management personnel are charged in the financial statements of West London Mission Circuit.

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

8 Tangible fixed assets - Group and Association

	Housing properties held for letting		
	Freehold	Leasehold	Total
	£	£	£
Cost			
At 1 September 2022	4,112,828	3,445,777	7,558,605
Additions	169,067	112,179	281,246
Disposals and fully depreciated	(168,750)	(126,143)	(294,893)
At 31 August 2023	4,113,145	3,431,813	7,544,958
Accumulated depreciation			
At 1 September 2022	922,676	1,714,150	2,636,826
Charge for the year	66,978	89,276	156,254
Released on disposal and fully depreciated	(168,750)	(126,143)	(294,893)
At 31 August 2023	820,904	1,677,283	2,498,187
Net book values			
At 31 August 2023	3,292,241	1,754,530	5,046,771
At 31 August 2022	3,190,152	1,731,627	4,921,779

The leasehold interest in the St Luke's Centre, 25A Wincott Street, London, SE11 passed to the Association on 1 September 1995. The lease is for a term of 99 years commencing on 27 January 1989. The leasehold interest in Burgess Park House, 56 Camberwell Road, London, SE5 is also for the term of 99 years and commenced on 28 September 2001.

9 Investments - Group

	Total 2023	Total 2022
	£	£
At 1 September	284,998	295,596
Additions	-	15,005
Disposals	-	-
Movement in market values	(21,359)	(25,603)
At 31 August	263,639	284,998
The above total comprises:		
CFB UK Equity Fund units	119,133	119,976
CFB Corporate Bond Fund units	90,506	95,582
CFB Property Investment Fund units	54,000	69,440
	263,639	284,998
Cost at 31 August	245,112	245,112

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

10 Subsidiary Undertakings

The results and financial position of the West London Mission Donald Soper Fund are as follows:

Statement of financial activities	2023	2022
	£	£
Income from		
Donations and legacies	-	-
Investments	10,281	8,306
	<u>10,281</u>	<u>8,306</u>
Expenditure on		
Raising funds	(893)	(897)
Charitable activities	-	-
	<u>(893)</u>	<u>(897)</u>
Realised and unrealised gain/(loss) on investments	(21,359)	(25,603)
Net income/(expenditure)	<u>(11,971)</u>	<u>(18,194)</u>
Balance sheet	2023	2022
	£	£
Fixed assets		
Investments	<u>263,639</u>	<u>284,998</u>
Current assets		
Debtors	1,895	1,895
Cash at bank and in hand	19,422	10,034
	<u>21,317</u>	<u>11,929</u>
Net assets	<u>284,956</u>	<u>296,927</u>
Funds	<u>284,956</u>	<u>296,927</u>

11 Debtors

	Group		Association	
	Total 2023	Total 2022	Total 2023	Total 2022
	£	£	£	£
Trade debtors	126,839	92,811	126,839	92,811
Prepayments	9,740	-	9,740	-
Accrued income	2,000	-	2,000	-
West London Mission Circuit Fund	191,249	191,249	189,355	189,356
	<u>329,828</u>	<u>284,060</u>	<u>327,934</u>	<u>282,166</u>

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

12 Creditors: Amounts falling due within one year

	Group		Association	
	Total 2023	Total 2022	Total 2023	Total 2022
	£	£	£	£
Trade creditors	84,991	167,610	84,991	167,610
Other creditors	19,806	-	19,806	-
Accruals	27,070	10,000	27,070	10,000
Deferred income	50,888	-	50,888	-
Housing loans (see note 13)	212,842	212,842	212,842	212,842
West London Mission - WLM Services	839,313	680,916	839,313	680,916
Hinde Street Methodist Church	13	13	13	13
West London Mission - Circuit Fund	140,603	84,040	140,603	84,040
	<u>1,375,526</u>	<u>1,155,421</u>	<u>1,375,526</u>	<u>1,155,421</u>

13 Creditors: Amounts falling due after more than one year

	Group		Association	
	Total 2023	Total 2022	Total 2023	Total 2022
Housing loans	1,047,452	940,853	1,047,452	940,853
Government grants	2,165,992	2,250,607	2,165,992	2,250,607
	<u>3,213,444</u>	<u>3,191,460</u>	<u>3,213,444</u>	<u>3,191,460</u>

In respect of the housing loans £1,027,452 (2022: £920,853) represents the balance outstanding under a loan from the West London Mission Circuit in 2001 for the purchase of The Haven. The loan is secured by a charge over the property and is repayable in instalments commencing at £20,000 per annum, both principal and repayments being index linked. Interest is payable at 4.5%. None (2022: £nil) of this liability is included in creditors falling due within one year.

The remaining £20,000 (2022: £20,000) consists of an interest-free loan or repayable grant from the Home Office on the erection of Katherine Price Hughes House in 1974. It is not repayable while the building continues to be used as an approved premises.

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

Government grants

	Total 2023	Total 2022
	£	£
At 1 September	2,250,607	2,359,658
Amortisation to Statement of Comprehensive Income	(84,615)	(109,051)
At 31 August	<u>2,165,992</u>	<u>2,250,607</u>

Government grants may become payable, if a Registered Provider sells an asset, to which a grant was attached, and then fails to recycle it with alternative social housing properties within three years.

The total accumulated amount of capital grant received or receivable at the Statement of Financial Position date is £3,921,446 (2022: £3,921,446).

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

14 Reserves

	Restricted		Designated		Income &	Total
	Donald	WLM	Property	Cyclical	expenditure	
	Soper Fund	Services	equity	maintenance		
	£	£	reserve	reserve	£	£
At 1 September 2022	296,927	-	675,617	189,353	-	1,161,897
Surplus/(deficit) for the year	(11,971)	25,150	-	-	(96,790)	(83,611)
Transfers between reserves:						-
Depreciation / amortisation	-	-	(71,640)	-	71,640	-
Addition to maintenance reserve	-	-	(2)	2	-	-
Charged to maintenance reserve	-	-	-	-	-	-
At 31 August 2023	284,956	25,150	603,975	189,355	(25,150)	1,078,286

15 Analysis of Net Assets

	Restricted	Designated	Unrestricted	Total
	Funds	Funds	Funds	
	£	£	£	£
Fixed assets	-	5,046,771	-	5,046,771
Investments	263,639	-	-	263,639
Current assets	46,467	310,379	-	356,846
Creditors due within one year	-	(1,350,376)	(25,150)	(1,375,526)
Creditors due after more than one year	-	(3,213,444)	-	(3,213,444)
	310,106	793,330	(25,150)	1,078,286

West London Mission Housing Association Limited
Notes to the financial statements (continued)
For the year ended 31 August 2023

16 Units in management

	Number 2023	Number 2022
Under management at the end of the year:		
Housing accommodation - bed spaces	71	71

17 Related party transactions

The West London Mission Circuit (including housing and community services controlled by the Circuit) has trustees in common with the Association and is therefore considered to be a related party. The Circuit is not considered to be under common control with the Association as a minority of the Association's board members are trustees of the Circuit.

During the year, the Association undertook the following transactions with related parties:

	Value of transactions during the year		Amount owed to/(by) WLM Housing Association	
	2023	2022	2023	2022
	£	£	£	£
West London Mission Circuit				
Housing loans	(106,599)	(20,416)	(1,240,294)	(1,133,695)
Indexation on housing loans	88,798	110,578	-	-
Interest on housing loans	51,996	40,466	-	-
Settlement account	(56,563)	-	(140,603)	(84,040)
Debtor (dilapidations balances)	2	-	189,355	189,353
WLM Services				
Project deficit grant	149,685	548,373	-	-
Administration charges	86,207	71,951	-	-
Rental income received from KPH House	131,040	131,040	-	-
Settlement account	(158,397)	(546,067)	(839,313)	(680,916)