

Charity Registration No. 0296372

Company Registration No. 02081759 (England and Wales)

**HOUNSLOW ACTION FOR YOUTH ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M E Longhurst C Martin Dr Amrit Sachar M Begley S Oumouassan	(Appointed 6 October 2020) (Appointed 11 November 2020)
Secretary	J L Smith	
Charity number	0296372	
Company number	02081759	
Registered office	Mount Manor House 16 The Mount Guildford Surrey United Kingdom GU2 4HN	
Auditor	Azets Audit Services 16 The Mount Guildford Surrey United Kingdom GU2 4HN	

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

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HOUNSLOW ACTION FOR YOUTH ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 1 January 2019)".

Objectives and activities

A summary of the objects of the charity as set out in its governing document

In the interests of social rehabilitation and in furtherance of public education to promote and develop in collaboration with other bodies and organisations within the London Borough of Hounslow (LBH), new initiatives for children and young people in trouble with particular, but not exclusive, reference to the provision of alternatives to residential care and custody.

The charity's aims including the changes or differences it seeks to make through its activities including public benefit provided by the charity

The vision of the charity is to promote and develop programmes to meet the social, cultural and educational needs to children and young people within LBH, particularly those at risk of social exclusion, and show them possibilities that they might not have imagined. Within the safe environment of Belvedere House, situated in one of the UK's poorest urban areas, and in collaboration with other bodies, Hounslow Action for Youth (HAY) offers vulnerable young people opportunities to learn skills, develop confidences and make new friends.

An explanation of the charity's main objectives for the year

Having relocated from the Hanworth Centre, the Charity's home for twenty years, to three strategically placed operating sites across the borough, we are delighted that the Hanworth Centre continues to be used by community organisations for youth sports. This is our legacy to the community.

The move to three sites is part of our long-term strategy to provide a more agile, flexible, and far-reaching service in a cost-effective way. Drawing on our expertise in developing community assets, we are using our new service delivery model to work in partnership with business, statutory, and community organisations to work from under-used community assets to deliver our services and work with a broader range of community partners, tapping into additional capabilities and capacity.

This relocation to three sites put us in a very strong position to meet the challenges during this year's Coronavirus pandemic, when we experienced unprecedented demand for services across the borough.

Digital Services

With strong systems already in place, and with the help of our specialist Digital Architect volunteer, we were able to provide a rapid response conversion to secure and creative digital online platforms to deliver most of our programmes. Going forwards, digital services will continue to be part of our service delivery to ensure accessibility and dynamic landscapes of learning. We delivered 500 group and individual digital sessions to young people and families during lock-down.

Digital services also enabled us to provide high levels of training and supervision to our staff and volunteer team.

Telephone Support Services

We established a telephone support service, providing support for young people and parents from morning to early evenings during the pandemic, meeting the needs of parents with complex caring responsibilities. This service also enabled us to regularly consult with individual families to monitor and respond to changing patterns of need during the pandemic. Telephone services allowed us to sustain a high level of emotional and practical support to families with multiple and complex needs. We were also able to signpost families to food banks and on-line services and learning resources for children.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Postal Support Services

We packaged family learning packs and delivered these to families during lockdown. These were invaluable to families who did not have access to Wi-fi, computers, or other devices to access our digital programmes. We also delivered seedlings and plants to help families who did not have access to outdoor spaces to bring plants inside their homes.

Eco-Therapy

As part of Youth Bonds Project, young people and our business partners developed a garden within the grounds of Belvedere House and planted it with a wide range of flowers and some vegetables. Socially excluded and marginalised young people have benefited from developing a valuable community resource whilst developing themselves and participating with their community. This garden and our allotment have provided valuable eco-therapy activities during the pandemic, at times when meetings outside were permitted.

We were able to develop these additional means of support in response to the physical and mental health needs of children and families during the pandemic.

As part of our commitment to co-developing services with young people and families and other stakeholders, we monitor and review HAY's services regularly to ensure they are effective and cost-efficient, meeting the needs of the most vulnerable young people and families in our community. Evaluating our services and responding to the needs of the young people and families continues to be a priority for HAY and we have a dedicated team of social research volunteers and research consultants, as well as membership with NCVO, Ealing & Hounslow CVS and other monitoring and evaluation training and resource bodies.

We continue to maintain good relations with those grant-giving foundations that support our work, whilst cultivating relationships with prospective donors in order that we can continue to diversify our income streams. During the pandemic, HAY was able to secure Covid-19 emergency funding from several funders which included The Youth Endowment Fund (YEF), the London Community Response Fund, CAF Coronavirus Emergency Fund, National Lottery Awards for All, and BBC Booster Grant. All of which have contributed to HAY developing and transitioning to a more digital approach. We continue to seek funding for core costs as well as project funding and have been able to secure grants from the Garfield Weston Foundation and also two large grants from the Emmanuel Kaye Foundation and the National Lottery Reaching Communities Fund. Staff and young people also continue to raise funds for projects and activities.

We continue to develop good working relationships with corporate partners, which include Apple, who have supported the development of our 20:20 Youth Vision Project through both funding and their technical expertise.

Charity Commission guidance on Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

HAY's Programmes

Youth Bonds Project – This project has been delivered digitally via Zoom online sessions throughout most of the year. The pandemic caused a significant decline in the mental health of the children, young people and families we work with. Not only were they worried about their physical health but many of them were confined for months in cramped and poor housing conditions with no outdoor space.

Customised emotional wellbeing packs were sent out to families according to their individual needs. 100% of parents reported that these improved family relationships and the behaviour of children who were struggling to cope during the isolating experience of lockdown.

Weekly digital group workshops and one to one support were provided for young people in place of their daily group support services. Zoom Education was used. These services supported young people struggling with confinement, lack of routine, difficulties managing emotions and behaviour.

The young people took part in many workshops including cooking, arts, art/eco therapy and games sessions. 100% of parents reported that their children were meaningfully engaged and were able to sustain their learning and found the sessions stimulating and enjoyable. Parents also reported that it was good for their own mental health to receive support and to benefit from the respite that workshops provided as they too felt isolated, alone, and concerned about the future.

Our online sessions allowed families to connect with each other and provided structure to their day. We were able to send them the materials and equipment needed for the digital sessions so they could engage with our interactive sessions. This had a direct impact on the wellbeing and mental health of children, young people and their families as it provided daily structure and enabled them to connect with staff and other young people in the absence of physical contact with family and friends.

Young Women's Project – Our Agents for Change Young Women's Writing Project enabled vulnerable young women to develop core skills and to use their writing to amplify issues affecting other young women, becoming agents for change. They were able to write about their lives and issues particularly in relation to Covid -19, National Lockdowns and the Black Lives Matter movement.

Their work has inspired our 4th Young Women's Writing Anthology, Monuments, which is in progress and will be ready by mid summer.

The digital sessions enabled young women to develop and sustain vital social networks and also write about the current challenges of coronavirus, engage in group work and creativity and engage in normalising and learning activities whilst schools and colleges were closed.

As a result of the pandemic, we were able to develop robust digital/virtual platforms which supported the change in emphasis from a face-to-face model to a digital model. We were able to apply for and were successful in receiving Covid-19 grants which helped us to respond and develop a fast-response services to vulnerable families with little or no home resources.

Volunteer Training – Our Volunteer Manager has developed our volunteer training and supervision programmes and systems. Our programme of support now includes digital individual supervision as well as monthly group training and supervision from a range of specialist consultants. We are committed to providing high levels of training and support for our dedicated and highly trained pool of 300 volunteers and will sustain our collaboration with our local Volunteer Centre, NCVO, London Youth, Partnership for Young London and other volunteer training bodies to ensure our volunteers have access to high quality training.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

The charity continues to review its programmes and the funding available to them.

Through our partnership work with businesses, community groups, and education sectors, we continue to increase in-kind support from local businesses, education, and arts partners, for the benefit of young people and their families.

HAY staff have been trained as Mental Health First Aiders and also in Digital Youth Work; are better able to identify and refer young people with mental health difficulties; and also provide emotional health support, particularly difficulties arising from the pandemic.

We are committed to continue building local relationships, working with youth agencies, business partners in our local community to help us achieve our goals. This support continues with our development of our pool of dedicated and highly trained volunteers.

We supported 800 young people and parents this year. Our end of year consultations with young people found:

- 85% are less lonely through sustaining engagement throughout Covid-19 restrictions.
- 90% have improved emotional wellbeing by regularly seeing their youth workers and peers throughout Covid-19 restrictions.
- 85% of parents have seen a positive impact on their child's mental health.
- 89% children improved behaviour with parents reporting improved family relationships and well-being.
- 94% of parents reported that the telephone support they received improved their emotional health, particularly during the lockdowns.
- 80% were referred to essential services.
- 80% of young people have improved learning and personal development through our online activities.

Young people who struggled with daily routine and managing difficult feelings and emotions have learnt mechanisms for coping with uncertainty and managing behaviour, particularly relating to anxiety around Covid-19.

Capabilities

We increased the scale of our remote assistance to the most vulnerable families. Our newly developed digital and telephone support systems, knowledge and skills will enable us to sustain remote assistance during any further lockdowns/restrictions. All our youth workers are digital youth-work trained, which has enabled us to improve the quality of our digitised support services.

Financial review

Review of financial position

The charity received income for the year of £374,354, had programme expenditure of £323,324 and a net gain on its investment of £25,065. The overall surplus of £51,626 was added to brought forward funds leaving unused funds of £278,129.

Reserves policy

The approved policy for Designated Reserves is at an amount equal to four months expenditure for programmes not covered dedicated funding and the charity's own costs. For the current period this has been calculated at £35,000 (2020 - £65,000).

As unrestricted reserves, including the Designated Reserve, exceeded £95,000, and subsequent to the year end a further £35,000 of core cost funding was received, the Trustees were satisfied that the Charity remained a going concern.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Principal sources of income and how expenditure in the year under review has supported the key objectives of the charity

Funding for our activities during the year came from grant giving foundations (68.2%), individual donation (1.0%), government and local authority (29.6%) and investment income (1.2%).

Operating expenditure has been incurred in staff and programme costs paid from restricted funds raised for the purpose (78.9%), activities (6.4%), Premises costs (3.1%) and charity expenditure from unrestricted reserves (11.6%). Balances remaining on restricted funds at the year-end are ring-fenced for use in future financial years.

Investment policy

Surplus funds are invested in the CCLA Charities Investment Fund which is an easily accessible diversified fund designed for charities. The Trustees review the investment at each board meeting.

The major risks to which the charity is exposed and reviews and systems in place to mitigate those risks

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The charity maintains a risk register based on a table of potential risks, ranked via a traffic light system, according to the aggregate of likelihood and severity of impact. This is kept under regular review and is formally updated once a year. It was updated in in light of the COVID-19 health crisis, in June 2020. This exercise led to an 'upgrading' of the risk of the loss of Trustees, however, trustees concluded that the existing mitigations remained appropriate. The principal risks facing the Charity are:

- Overspend on existing programmes, resulting in unsustainable financial run rate and reserves position. This is mitigated by quarterly review of revenue, costs and reserves by programme by the Trustees and regular monitoring of forecast spend by both staff and Trustees.
- Inability to raise new money, resulting in inability to continue as a going concern. This is mitigated by using an employed fundraiser, with clear goals and regular progress reports to the Board and by appointing a Trustee with fundraising experience to guide strategy.
- Failure to ensure the ongoing commitment and performance of Trustees, leading to poor governance and a lack of strategic direction / planning. This is mitigated by maintaining an appropriate balance of skills, evidenced by skills audit, by a proactive Trustee recruitment campaign and an annual review of Trustee attendance and contribution by the Chair.

Factors affecting the financial position in future periods

The charity plans to maintain all of its existing programmes within any potential funding constraints but bearing in mind its level of reserves. The charity will continue to review its programmes in the light of restrictions and reductions placed upon its budgets, as well as looking into developing further the range of where funding is available.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The charity is a company limited by guarantee and does not have share capital. It is incorporated under the Companies Act 2006, the governing instrument being the Memorandum and Articles of Association dated 3 September 1986 (updated 25 July 2016).

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J L Smith	(Resigned 13 October 2020)
I Bryant	(Resigned 12 July 2021)
A Finlay	(Resigned 25 January 2021)
M E Longhurst	
C Martin	
Dr Amrit Sachar	
M Begley	(Appointed 6 October 2020)
S Oumouassan	(Appointed 11 November 2020)

The methods adopted for the recruitment and appointment of new trustees

New trustees are typically recommended to the charity through personal introductions. However, this year we have continued to put adverts out locally and on social media to increase the reach. Potential trustees are considered by the Nominations Committee for their relevant experience which will widen or support the balance of skills of the existing trustees.

The policies and procedures adopted for the induction and training of trustees

New trustees are inducted through meetings with the Chairman, trustees, and Transition Director, plus a visit to a Youth Programme and meetings with senior managers.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The organisation structure of the charity and how decisions are made

The Board meets at least six times per annum and these meetings are attended by the Transition Director. It delegates to, and receives reports from, the two sub-committees - Finance and Employment and Nominations. The Transition Director is accountable to the trustees and reports to the Chairman and Deputy Chairman.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Statement of trustees' responsibilities

The trustees, who are also the directors of Hounslow Action For Youth Association for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

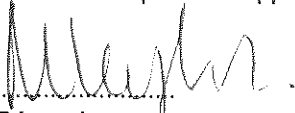
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 auditor

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

The trustees' report was approved by the Board of Trustees.


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M E Longhurst
Trustee
Dated: 21/9/2021

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HOUNSLOW ACTION FOR YOUTH ASSOCIATION

Opinion

We have audited the financial statements of Hounslow Action For Youth Association (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOUNSLOW ACTION FOR YOUTH ASSOCIATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOUNSLOW ACTION FOR YOUTH ASSOCIATION

Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Robert Southey (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

29 September 2021
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Mount Manor House
16 The Mount
Guildford
Surrey
United Kingdom
GU2 4HN

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Donations and legacies	3	107,052	262,990	370,042	311,467
Charitable activities		-	-	-	96
Investments	4	4,312	-	4,312	4,425
Total income		<u>111,364</u>	<u>262,990</u>	<u>374,354</u>	<u>315,988</u>
<u>Expenditure on:</u>					
Raising funds	5	9,897	-	9,897	15,806
Charitable activities	6	33,727	279,700	313,427	305,080
Total resources expended		<u>43,624</u>	<u>279,700</u>	<u>323,324</u>	<u>320,886</u>
Net gains/(losses) on investments	11	25,065	-	25,065	(3,939)
Net incoming/(outgoing) resources before transfers		<u>92,805</u>	<u>(16,710)</u>	<u>76,095</u>	<u>(8,837)</u>
Gross transfers between funds		(36,124)	36,124	-	-
Net movement in funds		<u>56,681</u>	<u>19,414</u>	<u>76,095</u>	<u>(8,837)</u>
Fund balances at 1 April 2020		38,581	163,453	202,034	210,872
Fund balances at 31 March 2021		<u>95,262</u>	<u>182,867</u>	<u>278,129</u>	<u>202,035</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	8,151	303,316	311,467
Charitable activities		96	-	96
Investments	4	4,425	-	4,425
Total income		<u>12,672</u>	<u>303,316</u>	<u>315,988</u>
<u>Expenditure on:</u>				
Raising funds	5	<u>15,455</u>	<u>351</u>	<u>15,806</u>
Charitable activities	6	<u>20,387</u>	<u>284,693</u>	<u>305,080</u>
Total resources expended		<u>35,842</u>	<u>285,044</u>	<u>320,886</u>
Net gains/(losses) on investments	11	<u>(3,939)</u>	<u>-</u>	<u>(3,939)</u>
Net incoming/(outgoing) resources before transfers		<u>(27,109)</u>	<u>18,272</u>	<u>(8,837)</u>
Gross transfers between funds		<u>(11,290)</u>	<u>11,290</u>	<u>-</u>
Net movement in funds		<u>(38,399)</u>	<u>29,562</u>	<u>(8,837)</u>
Fund balances at 1 April 2019		<u>76,981</u>	<u>133,891</u>	<u>210,872</u>
Fund balances at 31 March 2020		<u><u>38,582</u></u>	<u><u>163,453</u></u>	<u><u>202,035</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	12		146,145		121,080
Current assets					
Debtors	14	29,619		19,634	
Cash at bank and in hand		126,091		91,225	
		155,710		110,859	
Creditors: amounts falling due within one year	15	(23,726)		(29,904)	
Net current assets			131,984		80,955
Total assets less current liabilities			278,129		202,035
Income funds					
Restricted funds	17		182,867		163,453
<u>Unrestricted funds - general</u>					
Designated funds	18	35,000		35,000	
General unrestricted funds		60,262		3,582	
			95,262		38,582
			278,129		202,035

The financial statements were approved by the Trustees on 20/9/2021

M E Longhurst
Trustee

Company Registration No. 02081759

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

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

1 Accounting policies

Charity information

Hounslow Action For Youth Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Mount Manor House, 16 The Mount, Guildford, Surrey, GU2 4HN, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

As a result of Covid-19 the charity has been able to access several grants to provide an online service during lockdown. Existing programmes have also been able to continue online due to the additional support of two existing funders. Therefore at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the use by the charity of the item is probable and that the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102), the general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity receives government grants in respect of projects aimed at vulnerable young people. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

In addition, the charity received Coronavirus Job Retention Scheme (CJRS) funding during the year which is recognised in the Statement of Financial Activities on an accruals basis.

Investment income includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

1.5 Expenditure

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the charity's headquarters.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

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

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

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

3 Donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	1,474	2,198	3,672	6,151	214	6,365
Grants	105,578	260,792	366,370	2,000	303,102	305,102
	<u>107,052</u>	<u>262,990</u>	<u>370,042</u>	<u>8,151</u>	<u>303,316</u>	<u>311,467</u>

4 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Investment income	4,277	4,193
Interest receivable	35	232
	<u>4,312</u>	<u>4,425</u>

5 Raising funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Fundraising and publicity</u>				
Other fundraising costs	9,897	15,455	351	15,806
	<u>9,897</u>	<u>15,455</u>	<u>351</u>	<u>15,806</u>

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

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

6 Charitable activities

	Youth work 2021 £	Youth work 2020 £
Staff costs	176,735	182,719
Activities Expenditure	8,811	10,277
Minibus Hire	47	8,177
Equipment for Activities	7,288	124
Groceries	125	2,468
Equipment	1,617	767
Volunteer meals and travel	-	290
Trips	-	2,593
Programme workshop and mentoring	75,026	46,180
	<u>269,649</u>	<u>253,595</u>
Share of support costs (see note 7)	28,124	43,775
Share of governance costs (see note 7)	15,654	7,710
	<u>313,427</u>	<u>305,080</u>
Analysis by fund		
Unrestricted funds - general	33,727	20,387
Restricted funds	279,700	284,693
	<u>313,427</u>	<u>305,080</u>

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Other staff costs	5,874	-	5,874	5,008	-	5,008
Premises costs	9,860	-	9,860	27,079	-	27,079
Telecommunications and computer costs	6,158	-	6,158	5,182	-	5,182
Administrative costs	3,282	-	3,282	4,071	-	4,071
Insurance	1,875	-	1,875	2,435	-	2,435
PPE and clothing	962	-	962	-	-	-
Sundry expenses	113	-	113	-	-	-
Legal and professional	-	12,784	12,784	-	3,510	3,510
Consultancy costs	-	2,870	2,870	-	4,200	4,200
	<u>28,124</u>	<u>15,654</u>	<u>43,778</u>	<u>43,775</u>	<u>7,710</u>	<u>51,485</u>
Analysed between Charitable activities	<u>28,124</u>	<u>15,654</u>	<u>43,778</u>	<u>43,775</u>	<u>7,710</u>	<u>51,485</u>

8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021	2020
	£	£
Audit of the charity's annual accounts	3,540	3,300
Total audit fees	<u>3,540</u>	<u>3,300</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

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

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	12	15

Employment costs

	2021 £	2020 £
Wages and salaries	159,178	166,069
Social security costs	11,250	11,023
Other pension costs	6,307	5,627
	176,735	182,719

There were no employees whose annual remuneration was £60,000 or more.

11 Net gains/(losses) on investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Revaluation of investments	25,065	(3,939)

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2020	121,080
Valuation changes	25,065
At 31 March 2021	146,145
Carrying amount	
At 31 March 2021	146,145
At 31 March 2020	121,080

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

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

12 Fixed asset investments (Continued)

Fixed asset investments revalued

The historical cost of the listed investments is £100,000 (2020 - £100,000).

13 Financial instruments

	2021 £	2020 £
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Carrying amount of financial assets

Instruments measured at fair value through profit or loss	146,145	121,080
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14 Debtors

	2021 £	2020 £
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Amounts falling due within one year:

Other debtors	-	661
Prepayments and accrued income	29,619	18,973

	29,619	19,634
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15 Creditors: amounts falling due within one year

	2021 £	2020 £
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Trade creditors	4,442	5,545
Accruals and deferred income	19,284	24,359

	23,726	29,904
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16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to the SOFA in respect of defined contribution schemes was £6,307 (2020 - £5,627).

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019 £	Movement in funds			Transfers £	Balance at 1 April 2020 £	Movement in funds			Transfers £	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £				Incoming resources £	Resources expended £			
Youth Bonds	62,672	167,803	(164,905)		-	65,570	125,079	(151,520)		36,124	75,253
Young Women's Project	3,766	-	(3,060)	(706)		-	-	-		-	-
Transition Director	47,513	-	(31,383)	-		16,130	-	(16,130)		-	-
Holiday & Universal	5,069	10,686	(6,927)	-		8,828	-	(3,675)		-	5,153
YWP Agents for Change	14,871	48,327	(56,907)	-		6,291	90,411	(64,558)		-	32,144
Weekend Club	-	-	(11,996)	11,996		-	-	-		-	-
Volunteer Co-ordinator	-	16,500	(1,040)	-		15,460	6,500	(6,403)		-	15,557
YWP Assessment Project	-	60,000	(8,826)	-		51,174	-	(29,196)		-	21,978
Youth Vision 20:20	-	-	-	-		-	41,000	(8,218)		-	32,782
	133,891	303,316	(285,044)	11,290		163,453	262,990	(279,700)		36,124	182,867

Restricted funds have been provided to the charity for particular purposes and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

Most unrestricted funds are received to fund staff and overhead costs rather than specific projects.

The transfer of £36,124 from unrestricted funds to restricted funds represents the CJRS income being reallocated to offset the staff costs to which it related.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

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

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019 £	Transfers £	Balance at 1 April 2020 £	Movement in funds Incoming resources £	Balance at 31 March 2021 £
Designated funds	65,000	(30,000)	35,000	-	35,000
	<u>65,000</u>	<u>(30,000)</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>

Designated funds are an amount equal to four months expenditure for programmes not covered by funding and the charity's own costs.

19 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Investments	35,000	111,145	146,145	35,000	86,080	121,080
Current assets/ (liabilities)	60,262	71,722	131,984	3,582	77,373	80,955
	<u>95,262</u>	<u>182,867</u>	<u>278,129</u>	<u>38,582</u>	<u>163,453</u>	<u>202,035</u>

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>45,857</u>	<u>45,880</u>

The charity considers its key management personnel to be the trustees and the Transition Director.

HOUNSLOW ACTION FOR YOUTH ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Related party transactions

(Continued)

On 1 August 2020 Kaye Enterprises Ltd closed its offices and was unable to continue providing bookkeeping services free of charge. From this time Jane Smith, then a Trustee and Director, became the Charity's accountant. She was paid £2,917 for the period 1 August 2020 to 13 October 2020 after which she resigned as Trustee and Director.