

WEST LONDON COMMUNITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

WEST LONDON COMMUNITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sara Sinker Ray Elliott Vicky Read Simon Richardson
Charity number	1074971
Independent examiner	Summers Morgan First Floor, Sheraton House Lower Road Chorleywood Hertfordshire WD3 5LH
Bankers	Lloyds TSB Bank plc 45 The Broadway Ealing London W5 5JU
Solicitors	EDC Lord & Co Link House 1200 Uxbridge Road Hayes Middlesex UB4 8JD

WEST LONDON COMMUNITY TRUST

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WEST LONDON COMMUNITY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report and financial statements for the year ended 31 December 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's declaration of trust, the Charities Act 2011 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 2015)"

Objectives and activities

The policies adopted in furtherance of these objects have been the purchase of housing for and the employment of Christian children and youth workers, support for the New Wine Discipleship Year Hub for West London and support for Discipleship Year Students based at St Paul's Church, Ealing.

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

Achievements and performance

The trust's activities during the year have continued to be the support of Christian youth and children's pastors and also support, host and manage the West London New Wine Discipleship Year training hub. The trust supports the Wormwood Scrubbs Community Chaplaincy through the employment of a support worker to co ordinate the voluntary mentors in their role of assisting suitable prisoners both while in prison and on release.

The trust acts as the host for Ealing Besom, which receives donations of good quality second-hand furniture and equipment and matches this with those in need in the local community. Referrals are received from the community, via Ealing Foodbank, Social Services and other community groups.

The trust expects to continue to work across these areas with no significant change in activities in the coming year.

Financial review

The financial transactions during the year and financial position at the end of the year are summarised in the attached accounts. Most of the trust's income for the year came from St Pauls Church Ealing and its members. The trustees consider that the financial position at the end of the year was satisfactory.

The Charity held total funds at 31st December 2018 of £721,036 (2017: £760,946) of which £152,968 were unrestricted (2017: £182,717) and £568,067 (2017: £578,229) restricted. Of the unrestricted funds £152,968 (2017: £172,383) can only be realised by disposing of the freehold property; this figure is calculated using the book value less the mortgages charged over the building. The Charity has free reserves of £NIL (unrestricted reserves less the realisable value of fixed assets as defined above) at the 31st December 2018 (2017: £10,334). It is the policy of the Trust that reserves be maintained at a level to maintain three to four months' average expenditure. During the year the Charity reserves position decreased to a level that does not fully satisfy the reserves policy and the Trustees, in conjunction with the PCC, have taken steps to rectify this during 2019 with a £6,000 unrestricted donation from the PCC to the Trust. The Trustees set a budget annually and monitor cash flow to ensure their liabilities can be met. Consideration has been given to ways in which additional funds may be raised.

The trustees aim to hold reserves equivalent to three to four months' average expenditure in order to allow for fluctuations in the timing of receipt of income and to ensure that the trust can meet all of its expenditure requirements.

In addition to this, the reserves at the end of the year include money held to cover costs incurred for the New Wine Discipleship Year as this runs on an academic year rather than a calendar year.

The trustees have reviewed the major risks facing the trust and are satisfied that all reasonable measures are in place to mitigate their effect. They intend to keep these matters under regular review.

WEST LONDON COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Structure, governance and management

The trust was established by a charitable trust deed on 26 June 1998. The trust objects are to promote the advancement and awareness of Christianity throughout West London and the London Boroughs of Ealing and Hounslow, in particular by providing assistance and support to young people, the elderly, ex offenders or others in conditions of hardship or distress as a result of social circumstances or disadvantage.

The trustees who served during the year were:

Sara Sinker

Ray Elliott

Vicky Read

Simon Richardson

The trustees receive no remuneration for their role and all are actively involved in the day to day management of the trust. The appointment of trustees is carried out in consultation with the PCC of St Paul's Church Ealing.

The trust's affairs are conducted by the trustees in conjunction with other staff and members of St Pauls Church Ealing.

Restricted Funds

Freehold Property Nightingale Road fund was used for the purchase and maintenance of 2 Nightingale Road to provide housing for workers of the trust, other local Christian workers, volunteers and young people.

Freehold Property 16 Studley Grange Road fund was used for the purchase and maintenance of 16 Studley Grange Road to provide housing for workers of the trust, other local Christian workers, volunteers and young people.

Freehold Property 114 Studley Grange Road fund was used for the purchase and maintenance of 114 Studley Grange Road to provide housing for workers of the trust, other local Christian workers, volunteers and young people.

Prison Ministry fund is used for the work of the trust within Wormwood Scrubs prison.

Freehold Property 7 Rosedale Close fund was used for the purchase and maintenance of 7 Rosedale Close to provide housing for workers of the trust, other local Christian workers, volunteers and young people.

The Besom was used for the Besom Ealing Hub which receives donations of good quality second hand furniture and equipment and redistributes this to those in need, who have been referred by the community services such as Foodbank

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

Vicky Read

Trustee

Dated: 28 October 2019

WEST LONDON COMMUNITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF WEST LONDON COMMUNITY TRUST

I report to the trustees on my examination of the financial statements of West London Community Trust (the trust) for the year ended 31 December 2018.

Responsibilities and basis of report

As the trustees of the trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Nicholas Cordan ACA (Senior Statutory Auditor)
Summers Morgan

First Floor, Sheraton House
Lower Road
Chorleywood
Hertfordshire
WD3 5LH

Dated: 29 October 2019

WEST LONDON COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

		Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Unrestricted funds 2017 £	Restricted funds 2017 £	Total 2017 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	2	2,303	82,065	84,368	79,204	6,275	85,479
Charitable activities	3	15,850	-	15,850	35,445	-	35,445
Other income	4	14,459	-	14,459	10,200	-	10,200
Total income		32,612	82,065	114,677	124,849	6,275	131,124
<u>Expenditure on:</u>							
Charitable activities	5	88,299	66,289	154,588	112,590	27,410	140,000
Net (outgoing)/ incoming resources before transfers		(55,687)	15,776	(39,911)	12,259	(21,135)	(8,876)
Gross transfers between funds		25,938	(25,938)	-	-	-	-
Net expenditure for the year/ Net movement in funds		(29,749)	(10,162)	(39,911)	12,259	(21,135)	(8,876)
Fund balances at 1 January 2018		182,717	578,229	760,946	170,458	599,364	769,822
Fund balances at 31 December 2018		152,968	568,067	721,035	182,717	578,229	760,946

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

All income and expenditure derive from continuing activities.

WEST LONDON COMMUNITY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	10		1,290,018		1,314,305
Current assets					
Debtors	11	1,349		2,262	
Cash at bank and in hand		13,587		26,510	
		<u>14,936</u>		<u>28,772</u>	
Creditors: amounts falling due within one year	13	<u>(34,913)</u>		<u>(36,838)</u>	
Net current liabilities			(19,977)		(8,066)
Total assets less current liabilities			1,270,041		1,306,239
Creditors: amounts falling due after more than one year	14		(549,006)		(545,293)
Net assets			<u>721,035</u>		<u>760,946</u>
Income funds					
Restricted funds	15		568,067		578,229
Unrestricted funds			152,968		182,717
			<u>721,035</u>		<u>760,946</u>

The financial statements were approved by the Trustees on 28 October 2019

Vicky Read
Trustee

WEST LONDON COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's declaration of trust, the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The trust 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 have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust 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 unless the funds have been designated for other purposes.

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 Incoming resources

Donations are credited in the accounts when they are received. Income tax recoverable on Gift Aid donations is credited at the same time as the related donation.

1.5 Resources expended

Expenditure is recognised in the accounts at the time when a liability to make payment is incurred.

1.6 Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% per annum on cost
Plant and machinery	25% per annum on net value

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.

WEST LONDON COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.8 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2018 £	2018 £	2018 £	2017 £	2017 £	2017 £
Donations and gifts	2,303	82,065	84,368	79,204	6,275	85,479
	<u>2,303</u>	<u>82,065</u>	<u>84,368</u>	<u>79,204</u>	<u>6,275</u>	<u>85,479</u>

3 Charitable activities

	Unrestricted funds	Unrestricted funds
	2018 £	2017 £
Discipleship year income	15,850	35,445
	<u>15,850</u>	<u>35,445</u>

4 Other income

	Unrestricted funds	Unrestricted funds
	2018 £	2017 £
Rental income	14,459	10,200
	<u>14,459</u>	<u>10,200</u>

WEST LONDON COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Charitable activities

	Discipleship Year 2018 £	Prison Ministry 2018 £	The Besom 2018 £	St Pauls Ealing 2018 £	Total 2018 £	Total 2017 £
Staff costs	10,516	8,263	-	-	18,779	-
Depreciation and impairment	-	-	-	30,250	30,250	-
Direct costs	15,448	240	1,523	-	17,211	33,924
	<u>25,964</u>	<u>8,503</u>	<u>1,523</u>	<u>30,250</u>	<u>66,240</u>	<u>33,924</u>
Grant funding of activities (see note 6)	-	-	-	43,387	43,387	-
Share of support costs (see note 7)	5,868	3,866	981	31,746	42,461	104,876
Share of governance costs (see note 7)	345	228	58	1,869	2,500	1,200
	<u>32,177</u>	<u>12,597</u>	<u>2,562</u>	<u>107,252</u>	<u>154,588</u>	<u>140,000</u>
Analysis by fund						
Unrestricted funds	27,053	719	182	60,345	88,299	112,590
Restricted funds	5,124	11,878	2,380	46,907	66,289	27,410
	<u>32,177</u>	<u>12,597</u>	<u>2,562</u>	<u>107,252</u>	<u>154,588</u>	<u>140,000</u>

WEST LONDON COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

6 Grants payable

	Total 2018 £	Total 2017 £
Grants to institutions:		
St Pauls Ealing Church	43,387	-
	<u>43,387</u>	<u>-</u>

7 Support costs

	Support costs £	Governance costs £	2018 £	Support costs £	Governance costs £	2017 £
Depreciation	-	-	-	30,139	-	30,139
Premises expenses	17,618	-	17,618	53,381	-	53,381
Administrative expenses	24,843	-	24,843	21,356	-	21,356
Independent examination fees	-	2,500	2,500	-	1,200	1,200
	<u>42,461</u>	<u>2,500</u>	<u>44,961</u>	<u>104,876</u>	<u>1,200</u>	<u>106,076</u>

Support and governance costs are allocated to the charitable activities on the basis of income allocation within the accounting period as identified. This is currently 14% to Discipleship Year, 9% to Prison Ministry, 2% to The Besom and 75% to St Pauls Ealing. The exception to this is support costs wholly incurred in respect of a charitable activity, where the full cost is allocated to the relevant activity.

Governance costs includes payments to the Independent examiner of £1,200 (2017- £200) for Independent Examination and accountancy fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the year.

WEST LONDON COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
DY students and Pastoral support	2	5

Employment costs

	2018 £	2017 £
Wages and salaries	18,779	25,902
Social security costs	-	358

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

10 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 January 2018	1,505,355	1,269	1,506,624
Additions	5,963	-	5,963
At 31 December 2018	1,511,318	1,269	1,512,587
Depreciation and impairment			
At 1 January 2018	191,145	1,174	192,319
Depreciation charged in the year	30,226	24	30,250
At 31 December 2018	221,371	1,198	222,569
Carrying amount			
At 31 December 2018	1,289,947	71	1,290,018
At 31 December 2017	1,314,210	95	1,314,305

11 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Other debtors	569	-
Prepayments and accrued income	780	2,262
	1,349	2,262

WEST LONDON COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

12 Loans and overdrafts

	2018 £	2017 £
Bank loans	567,756	563,694
Payable within one year	18,750	18,401
Payable after one year	549,006	545,293

A Mortgage was obtained in October 2008 from Kingdom Bank Limited to assist in the purchase of 16 Studley Grange Road, London which cost £319,000 freehold. This is a capital repayment loan, repayable over 20 years at a rate of 2.5% over the Kingdom Bank Limited base rate. The amount outstanding at 31st December 2018 was £40,683.85.

A Mortgage was obtained in May 2013 from Kingdom Bank Limited to assist in the purchase of 114 Studley Grange Road, London which cost £386,000 freehold. This is a capital repayment loan, repayable over 29 years and 5 months at a rate of 5% over the Kingdom Bank Limited base rate. The amount outstanding at 31st December 2018 was £38,292.34.

A Mortgage was obtained in November 2015 from Kingdom Bank Limited to assist in the purchase of 7 Rosedale Close, London which cost £515,000 freehold. This is a capital repayment loan, repayable over 30 years at a rate of 3.5% over the Kingdom Bank Limited base rate. The amount outstanding at 31st December 2018 was £488,779.75.

13 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans	12	18,750	18,401
Other creditors		2,988	4,112
Accruals and deferred income		13,175	14,325
		34,913	36,838

14 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Bank loans	12	549,006	545,293

WEST LONDON COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

15 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:

	Movement in funds				Movement in funds			
	Balance at 1 January 2017	Incoming resources	Resources expended	Balance at 1 January 2018	Incoming resources	Resources expended	Transfers	Balance at 31 December 2018
	£	£	£	£	£	£	£	£
For Freehold Property Nightingale Road	177,538	-	(4,809)	172,729	3,169	(7,977)	-	167,921
For Freehold Property 16 Studley Grange Road	192,682	-	(6,446)	186,236	9,157	(10,283)	(1,278)	183,832
For Prison Ministry	17,530	152	(8,334)	9,348	10,440	(8,503)	-	11,285
For Freehold Property 114 Studley Grange Road	208,528	-	(7,821)	200,707	13,398	(14,017)	(5,394)	194,694
For Freehold Property 7 Rosedale Close	3,086	300	-	3,386	43,251	(23,986)	(19,266)	3,385
For Besom	-	5,823	-	5,823	2,650	(1,523)	-	6,950
	<u>599,364</u>	<u>6,275</u>	<u>(27,410)</u>	<u>578,229</u>	<u>82,065</u>	<u>(66,289)</u>	<u>(25,938)</u>	<u>568,067</u>

WEST LONDON COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

16 Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Unrestricted funds 2017 £	Restricted funds 2017 £	Total 2017 £
Fund balances at 31 December 2018 are represented by:						
Tangible assets	721,951	568,067	1,290,018	736,076	578,229	1,314,305
Current assets/ (liabilities)	(19,977)	-	(19,977)	(8,066)	-	(8,066)
Long term liabilities	(549,006)	-	(549,006)	(545,293)	-	(545,293)
	<u>152,968</u>	<u>568,067</u>	<u>721,035</u>	<u>182,717</u>	<u>578,229</u>	<u>760,946</u>

17 Related party transactions

The Charity is dependent upon the PCC of St Pauls Ealing for the majority of its funding. The Charity received donations of £70,335 in the year from St Pauls (2017 - £79,175). There were no balances outstanding between the charities at the year-end (2017 - £NIL). St Pauls also acts as a guarantor for the mortgage held over 16 Studley Grange Road, 114 Studley Grange Road and 7 Rosedale Close.