



**WEST LONDON YMCA  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 MARCH 2019**

**Company Number: 03244611  
Charity Number: 1058593  
Housing Association Number: H4128**



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(A COMPANY LIMITED BY GUARANTEE)**

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## **WEST LONDON YMCA**

### **REDERENCE AND ADMINISTRATIVE DETAILS**

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#### **Reference and administrative details**

Charity name: West London YMCA  
Charity registration number: 1058593  
Company registration number: 3244611  
Regulator of Social Housing number: H4128  
Registered Office and principal address: St James House, 9-15 St James Road, Surbiton, KT6 4QH

President: Rt Revd Pete Broadbent, Bishop of Willesden

#### The Board

The Board of the West London YMCA (the charity) are its trustees for the purpose of charity law and are collectively referred to as the Board of Management (the Board). The members of the Board of Management during the year were as follows:

Andy Palmer (Chair)	Appointed 26 April 2018
Gerald Chifamba	Appointed 18 May 2018
Howard Dawson	Appointed 26 April 2018
Louise Hedges	Appointed 26 April 2018
Katherine Morrissey	Appointed 26 April 2018, Resigned 1 February 2019
David Morrow	Resigned 15 September 2018
Helen Posner (Vice Chair)	
Albie Stadtmiller	Resigned 17 July 2019
Edward Weiss (Vice Chair)	Appointed 26 April 2018
Kenneth Youngman	Appointed 26 April 2018
Roni Savage	Appointed 18 May 2019
Duncan Ingram (Vice Chair)	Appointed 16 April 2019

#### **COMPANY SECRETARY**

Heather Renton (Appointed 5 March 2019)

#### Senior Management Team

P Leo	Interim Chief Executive Officer (resigned 3 April 2018)
Jacqueline Adusei	Designate Area Director – West London and Slough (appointed 1 April 2018 resigned 28 Feb 2019)
Kieran Connolly	Head of Finance, Audit and Procurement (resigned 10 December 2018)
Richard James	Chief Executive Officer (appointed 1 April 2018)
Fred Angole	Group Finance Director and Deputy CEO (appointed 1 April 2018)
Lee Buss	Group Director of Business and Performance (appointed 11 June 2018, resigned 4 January 2019)
Marjorie James	Director of People and Services (appointed 1 April 2018)
Mark Agnew	Director of Property and Places (appointed 1 April 2018)
Gwynne Jarvis	Company Secretary and Legal Services Manager (appointed 1 April 2018, resigned 5 March 2019)

## **WEST LONDON YMCA**

### **REFERENCE AND ADMINISTRATIVE DETAILS**

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#### Advisors

Bankers	Barclays Bank plc	Fleet Street Business Centre, 99 Hatton Garden, London, EC1N 8DN
Auditors	BDO LLP	55 Baker Street, London, W1U 7EU
Solicitors	Bates Wells LLP	10 Queen Street Place, London EC4R 1BE

#### Introduction

West London YMCA ("WL YMCA") is an inclusive organisation, which respects and honours its Christian foundations. It is a subsidiary of YMCA St Paul's Group ("YMCA SPG"). YMCA SPG is the sole corporate member of WL YMCA.

As part of the YMCA global movement, our **Vision** is of "places where young people thrive and communities flourish" and our **Mission** is to be "an inclusive Christian Association transforming communities so that all young people can belong, contribute and thrive".

Our **Values** are to be "inclusive, aspirational, honest and excellent".

#### Our Charitable Objectives

Our charitable objectives are for the public benefit:

- (i) to advance the Christian faith, including by:
  - a. promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
  - b. enabling people of all ages and in particular young people, to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ;
- (ii) to provide or assist in the provision of social welfare facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
- (iii) to provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities;
- (iv) to relieve or assist in the relief of people of all ages and in particular young people, who are in conditions of need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances; and
- (v) to provide residential accommodation, including Social Housing, for people of all ages and in particular young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.

#### Principal Activities

In delivery of our vision and mission, (and as part of the YMCA SPG) the principal activities of the Association are, to jointly with YMCA SPG:

- Provide over 1,100 bed spaces every night because we believe every person should have a safe place to stay
- Deliver Health and Wellbeing services to over 20,000 people each week because we believe everyone should enjoy the benefits of good health and wellbeing
- Support over 1,000 families per week through our children and family services and over 1,200 young people through our youth services because we believe every family should have the support they need to develop and lead more fulfilling lives.
- Provide over 200 hours of chaplaincy work every week because we believe every person should have someone they can trust.

#### STRATEGIC REPORT

#### ACHIEVEMENTS AND PERFORMANCE

YMCA West London sole corporate member is YMCA SPG.

Over the last 12 months, activities have focused on working with YMCA SPG in developing a common strategy and control framework whilst delivering the merger efficiency savings necessary to build more financial resilience. Therefore, since April 2018, the focus has been on taking the best from both organisations and developing a new 'YMCA SPG' way of working, including developing new policies, procedures and systems. At the same time there is a plan that spreads across several years to integrate software systems, deliver greater efficiencies and put in place a new YMCA SPG culture, driven by a new vision, mission and values.

On occasions this has led to some inefficiencies and stresses on staff as we have had to parallel run new systems whilst maintaining the old. We have also had to take more time to understand what people are really doing rather than what is understood to be happening.

At the same time much of our focus has gone on ensuring we can demonstrate regulatory compliance across the group.

In the first year, post-merger/amalgamation, much work had to go on behind the scenes to get the basic building blocks right, whereas the next period requires more focus on increasing the communication to staff, residents and service users and ensuring that we manage the demands on operational staff whilst also boosting their wellbeing.

The strategic plan, agreed in May 2018, was a "plan to have plans" as there was much work to do to align services. The strategic plan required the new Executive Team to review and put in place a range of strategies that aligned services, policies and operating models under the strategic aims of:

<u>Quality &amp; Impact</u>	<u>Sustainability</u>	<u>Growing &amp; Developing</u>	<u>Bring Greater Influence</u>
...developing high quality services is the best way to maximise our impact so that young people thrive and communities flourish	...having a sustainable business means we are resilient and can focus on our vision of places where young people thrive and communities flourish	...developing the right physical assets and appropriate services allows us to grow our reach so more young people can thrive and communities flourish	...using our expertise we can help influence local, regional and national policy that akes it easier for young people to thrive and communities flourish

### TRUSTEES REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR NEDED 31 MARCH 2019

To achieve these aims, the following strategies were agreed:

<u>Quality &amp; Impact</u>	<u>Sustainability</u>	<u>Growing &amp; Developing</u>	<u>Bring Greater Influence</u>
<ul style="list-style-type: none"><li>• Digital Strategy</li><li>• Governance Strategy</li><li>• Theory of Change &amp; Service reviews</li></ul>	<ul style="list-style-type: none"><li>• People Strategy</li><li>• Fundraising Strategy</li><li>• Disposal Strategy</li><li>• Risk Strategy</li><li>• Value for Money Strategy</li></ul>	<ul style="list-style-type: none"><li>• Asset Management Strategy</li><li>• Area Strategies</li><li>• Development Strategy</li><li>• Collaboration and Acquisition Strategy</li></ul>	<ul style="list-style-type: none"><li>• Communications Strategy</li></ul>

By the end of 2018, all but the fundraising and digital strategy had been put in place.

Alongside this, a new performance framework was agreed that demonstrated progress against the key strategic aims. The table below was presented to the Board in July 2019 that outlined some of the softer outcomes since April 2018.

Following the line up with YMCA SPG and the sharing of knowledge, resources and policies, West London YMCA has progressed significantly during the year. This includes:

- We have turned the business from a deficit making activity (2017-18) to a surplus making one in 2018-19.
- We have reduced voids from over 6% to under 5%
- We have reduced arrears from an average of 14% to under 10%
- We have undertaken Health and Safety Compliance and risk reviews on all our properties and have identified over 700 actions which, since April 2018, has been reduced to just 40
- We have renegotiated our Supporting People contracts, reducing costs and providing a Value for Money service in the West London Boroughs we serve
- We have reviewed all our service charge costs and ensured that all costs are being properly charged for through both ineligible and eligible charges

#### Other achievements

##### Housing:

- Jack Petchey funding received for over 10 years to run activities with residents
- Hanwell received substantial funding from the Co-Op and the Hobbayne Charity which the project used to create a mother & baby play area

##### Youth Work:

- Secured funding to run the 10th Get on Track programme (youth programmes)
- Won bid from Safer Neighbourhood for Hillingdon to fund 12 to 16-year old's youth club
- Won in February 2019 a bid for £96,000 from John Lyons to carry out a responsive and targeted youth work in partnership with the Youth Offending Team in Ealing for 3 years. The work with Ealing Youth Justice started in July 2019 with 22 young people aged 13 to 19.
- Successful in 2 new funding bids with London Sport and Sport England with over £13,000 to run projects in Northolt.
- Stockley Park funding won for £5,000 to carry out football sessions and organise tournaments for young people aged 5 to 16

**TRUSTEES REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR NEEDED 31 MARCH 2019**

- Ealing football residents' team is the most successful team winning 5 consecutive league titles in Ealing as well the Hayes Town Cup.
- Alan Maphosa, Youth Worker, was shortlisted for Young Worker of the Year (Youth Matters Awards).
- George Bergin, Youth Programmes and Volunteering Officer, attended the World Alliance Conference in Thailand.
- Corporate Volunteer day at AECOM – 2 residents were offered employment

**Nursery:**

- Appointed a former Get on Track young person to an apprentice role
- Introduced Spanish in pre-school

**Y Active:**

- Appointed of a new coach trained at the Royal Academy who specialises in ballet

**Customer Satisfaction**

Overall satisfaction rates following the survey in November 2018 were very good:

Housing:	90%
Nursery:	100%
Y Active:	95%
Youth Programmes:	100%

**Financial review**

Our financial results for the year ended 31 March 2019 are for the first year following the amalgamation with YMCA SPG.

We have achieved a surplus of £760.6k (2018: £174.8k deficit). Turnover for the year was £895.7k higher than the previous financial year (2018: £406.7k decrease). This variance was predominantly due to increased housing income. Operating costs remained roughly the same as the previous year. The Association's cash and cash equivalents increased by £1,591k during the year (2018: £67.3k increase), primarily, due to the intercompany balance owed to the parent company

**Turnover from our social and other activities for the years ended 31 March is shown below:**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Social housing lettings	<b>5,073.3</b>	4,201.6
Other social housing activities	<b>1,626.1</b>	1,401.8
Other activities	<b>666.5</b>	866.6
<b>Total</b>	<b>7,365.9</b>	6,470.1

**Summary Statement of Comprehensive Income**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Turnover	<b>7,365.9</b>	6,470.1
Operating cost	<b>(6,381.8)</b>	(6,411.2)
Operating surplus	<b>984.1</b>	59.0
Interest receivable	<b>4.0</b>	0.3
Net interest payable	<b>(227.5)</b>	(234.0)
<b>Surplus/(deficit) for the year</b>	<b>760.6</b>	(174.8)



## WEST LONDON YMCA

### TRUSTEES REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR NEDED 31 MARCH 2019

The Association's principal sources of income arise from its charitable activities of providing Accommodation, Health and Wellbeing services and Family, Youth and Children's Work.

#### Summary Statement of Financial Position

	2019 £000	2018 £000
Tangible fixed assets	27,690.6	28,046.2
Net current liabilities	(897.6)	(1,393.0)
Total assets less current liabilities	26,793.0	26,653.3
Long-term liabilities	(18,852.9)	(19,473.9)
Net assets/reserves	7,940.1	7,179.4

The cost of housing properties we hold, as tangible fixed assets (after allowing for additions, disposals and annual depreciation charges), was £26.8m as at 31 March 2019 (2018: £27.1m).

#### Value for Money

The Value for Money (VfM) strategy is completed at Group level and takes account of the Regulator of Social Housing's Value for Money Standard for 2018. Please refer to YMCA SPG's Financial Statements for its approach to the annual Value for Money statement.

There were no new supplies during the financial year (2018: nil). The Association does not currently have a development programme but has developed an asset management and development strategy that entails significant re-investment in existing stock and investment in new supply.

#### Risk management

YMCA SPG risk management strategy includes WL YMCA. The Group regularly considers risk and has developed a detailed risk strategy that takes in to account strategic, operational and project risks.

The Group uses a dynamic, cloud-based, risk management system that allows the monitoring of strategic risks as well as subsequent controls and actions. The Risk Management Strategy was updated in July 2019. The Board also regularly considers its key risks as well as any changes to the WL YMCA's risk profile. The Audit & Risk Committee (ARC) is tasked with reviewing the assurances that demonstrate risks are being managed. This is supported by independent internal auditors who report directly to the ARC.

In relation to Health and Safety and Fire Risk, the Group employs an external auditor who undertakes an independent inspection of all the WL YMCA's property assets. This audit includes a review of all hazards as well as checking that all property related legal compliances have been adhered to and evidenced. The report from this external auditor is reported to the BDA. The Group employs a full-time Head of Health & Safety to oversee compliance and manage associated risks.

Operational risk assessments are developed by the departmental staff and managed by operational managers. Assurance is provided by both internal audit and performance and quality officers. Incidents, accidents and complaints are regularly reviewed with lessons learnt used to inform future risk assessments and policy and procedure development.

All Board reports include a consideration of risk and any new project or major development has its own risk register and is presented as part of the governance process.

**Key Risks**

<b>Risk</b>	<b>Mitigation</b>
Cash flow risk	<p>The Board has approved an intra-group loan agreement that would enable YMCA SPG to on-lend to WL YMCA to meet short-term funding requirements, if needed.</p> <p>WL YMCA's financial performance has significantly improved over the last year and the Association is generating surpluses.</p>
Breach of Health & Safety standards	<p>YMCA St Pauls Group have appointed a Head of Health &amp; Safety to ensure that our assessments and processes are thorough and remain in step with best practice and have updated our Health and Safety policy accordingly.</p> <p>Key aspects of landlord health and safety are audited by internal auditors as part of compliance checks. Fire safety, gas safety, water hygiene and asbestos are subject to in-depth audits. We report compliance performance to the board and the Development and Asset Management Committee quarterly and Executive Team and service managers receive a weekly update report.</p> <p>Operational risk assessments have been carried out for key areas of risk within the association.</p>
Loss of Supporting People Income	<p>Management maintains close relations with local authorities to ensure early warning of any changes to contracts.</p> <p>YMCA SPG has experience of losing contracts at short notice and successfully implementing mitigations to minimise adverse consequences.</p>
IT Systems/Security failure	<p>An IT Strategy has been approved by the Board that involves significant investment in IT security. We have also updated privacy notices and trained all staff on the new General Data Protection Regulations. In terms of system security, there is a well thought out security architecture, well developed framework of management controls and independent penetration testing. The Board receives regular reports on IT security.</p>

**TRUSTEES REPORT (INCORPORATING STRATEGIC REPORT) FOR YEAR NEDED 31 MARCH 2019**

**Statement of Trustees' responsibilities**

As Trustees, we are responsible for preparing the Annual Report, including the Strategic Report, and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company, Charity and Registered Provider law requires us to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these statements we are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates which are reasonable and prudent
- state whether applicable financial reporting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will be able to continue to meet its objectives

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable us to ensure that the financial statements comply with the Companies Act 2006, the Housing & Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2015. We are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

The Association has in place an Anti-Fraud Policy which is aimed at tackling fraud, corruption, theft and breaches of regulations.

There are whistle blowing and disciplinary policies and procedures in place for all Group entities which link in to the Group Anti-Fraud Policy. There is a Fraud Response Plan which is aimed at ensuring the Group responds promptly to fraud or fraud allegations and is able to recover its assets where necessary.

There is a Fraud Register which is reviewed at each Group Audit and Risk Committee meeting.

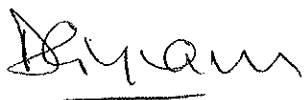
**AUDITORS AND AGM**

At the date of this report each Board member confirms the following:

- so far as each Board member is aware, there is no relevant information needed by the Association's auditors in connection with preparing their report of which the Association's auditors are unaware;
- each Board member has taken all of the steps that they ought to have taken as a Board member in order to make themselves aware of any information needed by the Association's auditors in connection with preparing their report and to establish that the Association's auditors are aware of that information.

BDO LLP has indicated its willingness to continue in office. A resolution to re-appoint BDO LLP, as external auditors of the Association will be proposed at the forthcoming Annual General Meeting.

The Trustees' Report, including the Strategic Report, was approved by the Board on 19 September 2019.



By order of the Board

Duncan Ingram

**Vice Chair**

Date: 19 September 2019

### STATEMENT OF THE RESPONSIBILITIES OF THE BOARD FOR THE REPORT AND FINANCIAL STATEMENTS

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The Board is responsible for preparing the Report of the Board of Management and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) Accounting by Registered Housing Providers Update 2014 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board confirm that:

- so far as each Board member is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The Board members have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Board are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **STATEMENT OF INTERNAL CONTROL**

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The Board has overall responsibility for establishing and maintaining the Association's system of internal control and for reviewing its effectiveness. The Board recognises that no system of internal control can provide absolute assurance against financial misstatement or loss or eliminate all risk. The system of internal controls is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Association's assets and interests.

The Board confirms that there is an on-going process for identifying, evaluating and managing the significant risks faced by the Association. This approach has operated throughout the year under review up to and including the date of approval of the annual report and accounts.

The process adopted by the Board to review the effectiveness of the system of internal control, together with some of the key elements of the control framework that the Board has established includes:

- Identification and evaluation of key risks: key risks are included in all departmental reports to the Board. The Board regularly considers a summary update of the key risks;
- the adoption of a Strategic Plan and Annual Plan setting out strategic and operational objectives;
- the operation of a comprehensive budgeting system and the regular review of financial performance by management and by the full Board;
- the regular review of key performance indicators by management and the full Board; this includes a regular review of the Fraud Register.
- The formal appraisal by the Board of the business case for new opportunities.
- A framework of policies and procedures with which employees must comply. The Board has adopted, amongst others, policies covering financial and accounting procedures, authorisation of transactions, health and safety, protection of children and vulnerable adults, asset management, equality and diversity, employment and training. Additionally, there is a current strategy and an up-to-date policy on fraud covering prevention, detection and reporting of fraud, whistleblowing, and the recovery of assets.

#### **Included within the YMCA SPG internal control framework:**

- The incorporation of key risks into a risk map.
- The review and approval of detailed Standing Orders and Financial regulations and documentation of policies and procedures for all key operational areas by YMCA SPG.
- The operation of an outsourced internal audit function, following a needs and risk-based plan. The implementation of recommendations is monitored by the Group Audit and Risk Committee.

The Board confirms that there have been no regulatory concerns which have led the Regulator of Social Housing to intervene in the affairs of the Association, neither are there significant problems in relation to failures of internal controls which require disclosure in the financial statements. The Board has reviewed the Association's compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and are satisfied the Association meets the requirements.

WL YMCA has adopted the NHF Code of Governance (2015 version) and NHF Code of Conduct 2012. The Board confirms the Association is compliant with both the Code of Governance and Code of Conduct.

### AUDITORS REPORT TO THE MEMBERS OF WEST LONDON YMCA

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We have audited the financial statements of West London YMCA ("the Association") for the year ended 31 March 2019 which comprise the Association's statement of comprehensive income, the Association's statement of financial position, the Association's statement of changes in reserves, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2019 and of the Association'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; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

#### **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 Association 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**

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

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

#### **Other information**

The board are responsible for the other information. Other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic report and the Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and

**AUDITORS REPORT TO THE MEMBERS OF WEST LONDON YMCA**

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- the Strategic report and Report of the Board 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 Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Report of the Board of Management.

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 by the association, or returns adequate for our audit have not been received from branches not visited by us; or
- the association financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of the board**

As explained more fully in the board members responsibilities statement set out on page 11, the board is 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 board members 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 [board] are responsible for assessing the Association'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 board either intend to liquidate the Association 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.

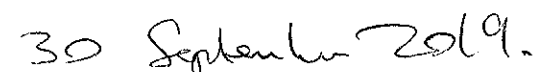
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the members of the Association, as a body, in accordance with in accordance with the Housing and Regeneration Act 2008 and Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the members as a body, for our audit work, for this report, or for the opinions we have formed.



Philip Cliftlands (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick, West Sussex

Date 

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## WEST LONDON YMCA

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	<i>Note</i>	<b>2019 £</b>	<b>2018 £</b>
Turnover	3	<b>7,365,857</b>	6,470,115
Operating expenditure	3	<b>(6,381,751)</b>	(6,411,158)
<b>Operating surplus</b>	5	<b>984,106</b>	58,957
Interest receivable		<b>4,016</b>	289
Interest and financing costs	10	<b>(227,478)</b>	(234,020)
<b>Surplus/(deficit) on ordinary activities before valuation movements and taxation</b>		<b>760,644</b>	(174,774)
Tax on surplus on ordinary activities	6	—	—
<b>Surplus/(deficit) for the year</b>		<b>760,644</b>	(174,774)

The results relate wholly to continuing activities.

The company has no recognised gains or losses other than the results for the year as set out above.

The financial statements were approved by the Board on 19 September 2019 and signed on their behalf by:



**Duncan Ingram**  
Vice Chair



**Heather Renton**  
Company Secretary

The notes on pages 18 to 31 form part of the financial statements.



## WEST LONDON YMCA

### STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2019

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	Designated funds £	Restricted funds £	Revenue reserve £	Total £
Balance as at 1 April 2017	24,441	55,272	7,274,475	7,354,188
Deficit for the year	-	-	(174,774)	(174,774)
Transfer to designated funds	872	-	(872)	-
Transfer from restricted funds	-	1,901	(1,901)	-
Balance as at 31 March 2018	25,313	57,173	7,096,928	7,179,414
Surplus for the year	(2,814)	4,837	758,621	760,644
<b>Balance as at 31 March 2019</b>	<b>22,499</b>	<b>62,010</b>	<b>7,855,549</b>	<b>7,940,058</b>

The notes on pages 18 to 31 form part of the financial statements.

# WEST LONDON YMCA

## STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Housing properties at cost	12		<b>26,795,038</b>		27,119,748
Other property	12		<b>836,668</b>		840,404
Other tangible assets	13		<b>58,971</b>		86,097
			<hr/>		<hr/>
Total tangible fixed assets			<b>27,690,677</b>		28,046,249
Investments	14		<b>3</b>		3
			<hr/>		<hr/>
			<b>27,690,680</b>		28,046,252
<b>Current assets</b>					
Stocks	15	<b>9,862</b>		8,397	
Debtors	16	<b>442,802</b>		509,071	
Cash at bank and on deposit		<b>1,758,556</b>		167,582	
		<hr/>		<hr/>	
		<b>2,211,220</b>		685,050	
<b>Creditors:</b> amounts falling due within one year	17	<b>(3,108,909)</b>		(2,078,013)	
		<hr/>		<hr/>	
<b>Net current liabilities</b>			<b>(897,689)</b>		(1,392,963)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			<b>26,792,991)</b>		26,653,289
			<hr/>		<hr/>
<b>Creditors:</b> amounts falling due after more than one year	18		<b>(18,852,933)</b>		(19,473,875)
			<hr/>		<hr/>
<b>Total net assets</b>			<b>7,940,058</b>		7,179,414
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Designated funds	20	<b>22,499</b>		25,313	
Restricted funds	21	<b>62,010</b>		57,173	
Revenue reserve		<b>7,855,549</b>		7,096,928	
		<hr/>		<hr/>	
			<b>7,940,058</b>		7,179,414
			<hr/>		<hr/>

Approved by the Directors on 19 September 2019 and signed on their behalf by:



**Duncan Ingram**  
Vice Chair  
Company Number: 3244611



**Heather Renton**  
Company Secretary

The notes on pages 18 to 31 form part of the financial statements.

## WEST LONDON YMCA

### STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2019

		2019 £	2019 £	2018 £	2018 £
	Note				
<b>Net cash generated from operating activities</b>	27		<b>2,102,447</b>		648,444
<b>Cash flows from investing activities</b>					
Acquisition and construction of properties	12	<b>(38,466)</b>		(110,555)	
Acquisition of other tangible assets	13	<b>(10,498)</b>		(12,191)	
Interest received		<b>4,016</b>		289	
<b>Net cash from investing activities</b>			<b>(44,948)</b>		(122,457)
<b>Cash flows from financing activities</b>					
Repayment of bank loans		<b>(239,047)</b>		(224,596)	
Interest paid	10	<b>(227,478)</b>		(234,020)	
<b>Net cash used in financing activities</b>			<b>(466,525)</b>		(458,616)
<b>Net change in cash and cash equivalents</b>			<b><u>1,590,974</u></b>		<u>67,371</u>
<b>Opening cash and cash equivalents</b>			<b>167,582</b>		100,211
<b>Closing cash and cash equivalents</b>			<b><u>1,758,556</u></b>		<u>167,582</u>

The notes on pages 18 to 31 form part of the financial statements.

**1 ACCOUNTING POLICIES**

**Legal status**

The company is registered under the Companies Act 2006 and is a registered housing provider.

**Basis of accounting**

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015.

The financial statements are presented in Sterling (£).

*Subsidiary company disclosure exemptions*

In preparing the consolidated financial statements of the subsidiary company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

**Public Benefit Entity**

West London YMCA is a Public Benefit Entity, as defined within FRS 102 as "an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members."

**Going concern**

The organisation's business activities, its current financial position and factors likely to affect its future development are set out within the Strategic Review. The organisation also has a long-term business plan which projects that the organisation's finances will be robust going forward.

The board has a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

**Significant judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Capitalisation of property development costs

Distinguishing the point at which a project is more likely than not to continue, allowing capitalisation of associated development costs requires judgement. After capitalisation management monitors the assets conditions whether changes indicate that impairment is required.

Supporting people

Management judgement is applied in determining the extent to which the risks and benefits are transferred to the association when considering the income to be recognised. £1,626,111 of supporting people income was recognised in the year (2018: £1,401,836).

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful life of depreciated assets

Management reviews its estimates of useful lives of depreciable assets at each reporting date, based on the expected utility of assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components

**Exemption from preparing group accounts**

The company has a dormant immaterial subsidiary and therefore group financial statements have not been prepared. Accordingly, these financial statements present information about the company as a single undertaking.

**Turnover and revenue recognition**

Rental and ancillary income: this is recognised net of VAT on the basis of when the service was provided to the resident.

Grants and donations: all grants subject to restriction are recognised in the year of receipt, whilst unrestricted grants (including Supporting People) are recognised as they fall due under the contractual arrangements with Administering Authorities. Donations are recognised when received.

**Tangible fixed assets – Properties**

Under FRS 102 Housing property is stated at cost. The cost of housing property includes the cost of acquiring property, improvements, replacements and major repairs.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Social Housing Grant used to finance buildings is repayable under certain circumstances, primarily following the sale of such property. The amount which would be repayable is the amount by which any sale proceeds exceed all other liabilities arising from the release of any loan charges on the property.

**Other tangible fixed assets**

Other tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

**Intangible Fixed Assets – Computer Software**

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

**Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life. The following rates are used on a straight line basis:

Land	Nil
Buildings – superstructure	99 years
Multi- car park	50 years
Roof	50 years
Restaurant	50 years
Bathrooms	30 years
Lift	30 years
Windows	30 years
Heating system	30 years
Kitchens	20 years
Door entry system	20 years
Furniture and equipment	3-20 years
Motor vehicles	3 years

Properties held on leases are amortised over the life of the lease or their estimated useful economic lives in the business, if shorter.

**Interest payable**

Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development if it represents either:

- a) interest on borrowings specifically financing the development programme after deduction of social housing grant (SHG) received in advance; or
- b) a fair amount of interest on borrowings of the association as a whole after deduction of SHG received in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to the income and expenditure account in the year.

**Financial instruments**

All the financial instruments held by the association during the year meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 and are accounted for under an amortised cost model.

**Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Where deferral of payment terms have been agreed at below market rate, and where material, the balance is shown at the present value, discounted at market rate.

**Creditors**

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank, local authority and other loans, are measured initially at fair value, net of transaction cost, and are measured subsequently at amortised cost using the effective interest method.

**Pension**

West London YMCA participated in a multi-employer defined benefit pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to West London YMCA for the purposes of FRS 102 disclosure. The employer contributions in relation to the YMCA pension plan are determined by the Directors based on advice from a qualified actuary and charged to income and expenditure as made.

As described in note 9, West London YMCA has a contractual obligation to make pension deficit payments to the plan. During the year ended 31 March 2019 deficit contributions totalling £45,109 were made to the plan. In accordance with the actuarial valuation the deficit payments increase by 3% each year. The present value of these payments is shown as a balance sheet liability in note 19 to these accounts. In addition, West London YMCA is required to contribute to the operating expenses of the pension plan. As at 31 March 2019 these costs were £7,880 (2018: £7,651) annually and are charged to the Statement of Comprehensive Income as made. The operating expenses contribution is also subject to the annual 3% increase.

Contributions payable from West London YMCA to the plan under the terms of its funding agreement for past deficits are recognised as a creditor in West London YMCA's financial statements. The liability is calculated based on discounted expected future payments.

**Operating lease rentals**

Rentals under operating leases are charged to the income and expenditure account as incurred.

**Value Added Tax**

The company charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The Statement of Comprehensive Income includes VAT to the extent that it is suffered by the company and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

**Reserves**

The company establishes *restricted reserves* for specific purposes where their use is subject to external restrictions and *designated reserves* where reserves are earmarked by the directors for a particular purpose.

**Stock**

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

**Social Housing Grant**

Where property developments, have been financed wholly or partly by Social Housing Grant, the cost of those developments is no longer reduced by the amount of grant received. Under FRS 102 requirements the grant is treated as a long term liability to be released into income over the average expected life span of the development to which it relates, as calculated under component accounting.

**Other grants**

Other grants are receivable from local authorities and other organisations. A grant which does not impose specific future performance conditions is recognised in revenue when the grant proceeds are received or receivable. A grant that imposes specific future performance – related conditions on the association is

## WEST LONDON YMCA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

## 2 HOUSING UNITS UNDER MANAGEMENT

The number of units of housing accommodation being managed by the charity is as follows:

	2019 No	2018 No
Supported housing	388	387
Keyworker accommodation	-	1
	<b>388</b>	<b>388</b>

## 3 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2019	2019	2019	2018
	Turnover	Operating costs	Operating surplus/ (deficit)	Operating surplus/ (deficit)
	£	£	£	£
<b>Social housing lettings</b> (note 4)	<b>5,073,268</b>	<b>(3,525,846)</b>	<b>1,547,422</b>	663,979
<b>Other social housing activities:</b>				
Supporting people	1,626,111	(1,850,678)	(224,567)	(240,588)
<b>Non-social housing activities:</b>				
Other	666,478	(1,005,227)	(338,749)	(364,434)
	<b>7,365,857</b>	<b>(6,381,751)</b>	<b>984,106</b>	58,957

## 4 PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

Supported housing	Total 2019 £	Total 2018 £
Rent receivable net of identifiable service charges	2,555,290	2,506,806
Service charge income	2,211,878	1,290,933
Deferred Capital Grant released to income and other revenue grants	306,100	403,905
<b>Turnover from social housing lettings</b>	<b>5,073,268</b>	4,201,644
Management	2,253,555	1,656,713
Service charge costs	421,032	522,180
Routine maintenance	436,523	790,587
Bad debts	45,429	192,312
Depreciation of housing properties	369,307	375,873
<b>Operating costs on social housing lettings</b>	<b>3,525,846</b>	3,537,665
<b>Operating surplus on social housing lettings</b>	<b>1,547,422</b>	663,979
Void losses	144,594	187,469



## WEST LONDON YMCA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

#### 5 OPERATING SURPLUS

	2019 £	2018 £
This is stated after charging:		
Operating leases (note 23)	42,874	39,628
Auditor's remuneration (excluding VAT) – for audit services	17,850	17,850
Depreciation	404,537	405,459

#### 6 TAXATION

The charity is exempt from corporation tax on its charitable activities.

#### 7 BOARD MEMBERS AND EXECUTIVE DIRECTORS

The non-executive directors of the charitable company are its trustees for the purpose of charity law and are collectively referred to as the Board of Management ('the Board'). None of the Board (for company law purposes) received any remuneration in the year. There were no expenses reimbursed to the Board members (2018: £2,937).

#### 8 EMPLOYEE COSTS

	2019 £	2018 £
Wages and salaries	2,869,714	2,897,332
Social security costs	160,589	242,703
Other pension costs	67,180	60,666
	<u>3,097,483</u>	<u>3,200,701</u>

The average monthly number of persons employed during the year was 165 (2018: 144). The association's employees are members of the YMCA Pension plan. Further information is given in note 9.

The average monthly number of persons employed on a full-time equivalents basis during the year was 153 (2018: 130). This basis has been calculated using 35 hours per week as the full-time equivalent.

The emoluments of the highest paid employee during the year were £65,749 excluding pension contributions (2018: £71,050). Contributions made to the highest paid employee's pension were £4,544 (2018: £3,552). No other employee received emoluments exceeding £60,000 (2018: no other employees). Further details of pension arrangements are given in note 9.

#### Key management personnel

The emoluments of the key management personnel are shown in the group accounts.

Prior to forming the group, the aggregate remuneration for key management personnel were:

	2018 £
Basic salary	129,041
Benefits in kind	114
Pension contributions	5,889
Employers NIC	15,493
	<u>150,537</u>

**9 PENSIONS**

The Group operates a number of pension schemes

**Defined benefit pension scheme**

West London YMCA participated in a contributory pension plan providing defined benefits based on final pensionable pay for employees of YMCAs in England, Scotland and Wales. The assets of the YMCA Pension Plan are held separately from those of West London YMCA and at year end these were invested in the Mercer Dynamic De-risking solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

The most recent completed three-year valuation was as at 1 May 2017. The assumptions used which have the most significant effect on the results of the valuation are those relating to the assumed rates of return on assets held before and after retirement of 3.75% and 2.25% respectively, the increase in pensions in payment of 3.35%, and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.2 years, female 24.1 years, and 24.0 years for a male pensioner, female 26.0 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £141.2m. This represented 81% of the benefits that had accrued to members.

The Pension Plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits all employed deferred members became deferred members as from 1 May 2011.

The valuation prepared as at 1 May 2017 showed that the YMCA Pension Plan had a deficit of £33.6 million. West London YMCA has been advised that it will need to make monthly contributions of £3,945 from 1 May 2019. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 8 years commencing 1 May 2019. The amount paid during the current year was £46,588 (2018: £44,620).

In addition, West London YMCA may have over time liabilities in the event of the non-payment by other participating YMCAs of their share of the YMCA Pension Plan's deficit. It is not possible currently to quantify the potential amount that West London YMCA may be called upon to pay in the future.

**Defined Contribution Schemes**

West London YMCA also operates a defined contribution pension scheme for the majority of its employees. The assets of this scheme are also held separately from those of the company and contributions are charged to the income and expenditure as they fall due. The combined pension charge of both schemes is shown in note 8.

**10 INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2019</b>	2018
	<b>£</b>	£
Loans and bank overdrafts	<b>227,478</b>	234,020

# WEST LONDON YMCA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

### 11 INTANGIBLE ASSETS

	2019 Computer Software £	2018 Computer Software £
<b>Cost</b>		
1 April 2018	169,347	169,347
Balance at 31 March 2019	169,347	169,347
<b>Depreciation</b>		
1 April 2018	169,347	169,347
Charge for the year	-	-
Balance at 31 March 2019	169,347	169,347
<b>Net Book Value</b>		
At 31 March 2019	-	-
At 31 March 2018	-	-

### 12 TANGIBLE FIXED ASSETS – Properties

	Housing property			Other property	
	Long Leasehold	Freehold	Total for housing property	Freehold	Total Properties
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2018	16,728,370	13,137,310	29,865,680	879,741	30,745,421
Additions	6,980	31,486	38,466		38,466
Disposal	-	-	-		-
At 31 March 2019	16,735,350	13,168,796	29,904,146	879,741	30,783,887
<b>Depreciation</b>					
At 1 April 2018	1,952,130	793,801	2,745,931	39,337	2,785,268
Charge for the year	281,720	81,457	363,177	3,736	366,913
Release on disposal	-	-	-		-
At 31 March 2019	2,233,850	875,258	3,109,108	43,073	3,152,181
<b>Net book value</b>					
At 31 March 2019	14,501,500	12,293,538	26,795,038	836,668	27,631,706
At 31 March 2018	14,776,240	12,343,508	27,119,748	840,404	27,960,152

## WEST LONDON YMCA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

#### 12 TANGIBLE FIXED ASSETS – Properties (continued)

Works to the housing properties have been treated as follows:	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Capitalised	<b>38,466</b>	110,555
Income and expenditure	<b>436,523</b>	758,167
	<b>474,989</b>	868,722

#### 13 TANGIBLE FIXED ASSETS – Other fixed assets

	<b>Furniture and equipment</b>	<b>Motor vehicles</b>	<b>Total non- properties</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2018	902,503	27,248	929,751
Additions	10,498	-	10,498
At 31 March 2019	<b>913,001</b>	<b>27,248</b>	<b>940,249</b>
<b>Depreciation</b>			
At 1 April 2018	816,406	27,248	843,654
Charge for the year	37,624	-	37,624
At 31 March 2019	<b>854,030</b>	<b>27,248</b>	<b>881,278</b>
<b>Net book value</b>			
At 31 March 2019	<b>58,971</b>	<b>-</b>	<b>58,971</b>
At 31 March 2018	86,097	-	86,097

#### 14 FIXED ASSET INVESTMENTS

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Wholly-owned subsidiary	<b>3</b>	3

The Association has a wholly-owned subsidiary, West London YMCA Trading Ltd., incorporated in England and Wales. During the year this company was dormant. The company had net assets at the year-end of £nil, (2018:£nil).

#### 15 STOCKS

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Consumable items	<b>9,862</b>	8,397

## WEST LONDON YMCA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

#### 16 DEBTORS

	2019 £	2018 £
Rent and service charge arrears	720,527	847,773
Provision for bad debts	(412,136)	(436,117)
	<b>308,391</b>	411,656
Other debtors	111,799	32,541
Prepayments	22,612	64,874
	<b>442,802</b>	509,071

#### 17 CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts (secured see note 18)	254,638	240,060
Trade creditors	32,054	200,224
Deferred income	43,959	60,991
Social Housing Grants deferred (see note 24)	295,688	295,688
Other housing grants deferred (see note 24)	10,412	10,412
Other creditors	641,659	611,385
Amounts owed to parent	1,436,943	
Accruals	268,557	472,342
Finance leases	14,629	58,520
Pension deficit liability (see note 19)	45,109	45,109
Taxation and social security	65,261	83,282
	<b>3,108,909</b>	2,078,013

#### 18 CREDITORS: Amounts falling due after more than one year

	2019 £	2018 £
Loans (secured see below)	4,257,735	4,509,166
Housing property finance	303,172	305,366
Social Housing Grants deferred (see note 24)	13,974,699	13,405,259
Other housing grants deferred (see note 24)	-	875,540
Pension deficit liability (see note 19)	317,327	363,915
Finance leases	-	14,629
	<b>18,852,933</b>	19,473,875

The loan is secured by a fixed charge on the leasehold housing property, a fixed charge on the rental income arising thereon, and a floating charge over all of the charity's assets and undertakings, except the non-housing freehold property. The capital element is repayable in instalments over 20 years starting on 28 September 2011. Interest is charged at various rates with a weighted average of 4.19% (2018: 4.19%) at the year-end and £3,091,391 (2018: £3,409,014) is due after more than five years.

The housing property finance is secured by a first charge on certain freehold housing properties. It is repayable in instalments with 31 years to run. It bears interest at 10.875% (2018: 10.875%) and £293,375 (2018: £295,007) is due after more than five years.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
<b>Debt analysis</b>		
Within one year or on demand	<b>254,638</b>	240,060
One year or more but less than two years	<b>268,988</b>	253,625
Two years or more but less than five years	<b>907,152</b>	856,886
Five years or more	<b>3,384,766</b>	3,704,021
	<u>—</u>	<u>—</u>
	<b>4,815,544</b>	5,054,592

**19 PENSION DEFICIT LIABILITY**

	<b>£</b>	<b>£</b>
At 1 April 2018	<b>409,024</b>	<b>440,745</b>
Reversals during the year	<b>(46,588)</b>	<b>(31,721)</b>
	<u>—</u>	<u>—</u>
At 31 March 2019	<b>362,436</b>	<b>409,024</b>

The Pension Deficit Liability represents the amounts set aside to meet payments to the YMCA Pension & Assurance Plan towards its deficit (note 9) and is included under creditors within the Statement of Financial Position.

**20 DESIGNATED FUNDS**

	At 1 April 2017	Designated in the year	At 31 March 2018	Designated in the year	<b>At 31 March 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Youth Board Reserve	15,257	-	15,257	-	<b>15,257</b>
Progression Fund	9,184	872	10,056	(2,814)	<b>7,242</b>
	<u>24,441</u>	<u>872</u>	<u>25,313</u>	<u>(2,814)</u>	<b>22,499</b>

The Youth Board Reserve represents amounts set aside to be spent on projects, activities or equipment determined by young people.

The Progression Fund was created to hold funds from corporate fundraising events to purchase specific items that will contribute to our mission of “developing opportunities that transform young lives”.

## WEST LONDON YMCA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

#### 21 RESTRICTED FUNDS

	At 1 April 2017	Incoming resources	Resource expend.	At 31 March 2018	Incoming resources	Resource expend.	At 31 March 2019
	£	£	£	£	£	£	£
Jack Petchey Fund	6,829	11,109	(9,094)	8,844	14,303	(9,466)	<b>13,681</b>
Parenthood Fund	295	-	(20)	275	-	-	<b>275</b>
Youth Opp. Fund	-	-	-	-	-	-	-
Foyer Health Fund	46,516	-	(94)	46,422	-	-	<b>46,422</b>
Profile of Achievement	1,632	-	-	1,632	-	-	<b>1,632</b>
	<b>55,272</b>	<b>11,109</b>	<b>(9,208)</b>	<b>57,173</b>	<b>14,303</b>	<b>(9,466)</b>	<b>62,010</b>

The Jack Petchey Fund underwrites Achievement Awards for young people.

The Pregnancy and Parenthood Fund supports ICT training for young parents and mothers-to-be.

The Foyer Health Fund sponsors activities to enable young people develop in body, mind and spirit through programmes which cover healthy eating, lifestyles and emotional health.

The Profile of Achievement Fund and Youth Opportunities Fund both fund life skills programmes for young people.

#### 22 CAPITAL COMMITMENTS

At the year end the Directors had approved plans for the following aggregated amounts of capital expenditure not yet contracted for £nil (2018: nil)

#### 23 OPERATING LEASE COMMITMENTS

The future minimum lease payments are set out below. The leases relate to the office photocopier, laundry equipment and vending machines.

	2019 £	2018 £
Within one year	<b>14,679</b>	13,589
One year or more but less than five years	<b>28,196</b>	26,039
Total	<b>42,875</b>	39,628

#### 24 SOCIAL HOUSING GRANT AND OTHER CAPITAL GRANTS DEFERRED

The Social Housing Grants are repayable under certain circumstances (for example the sale of the properties). The total accumulated amount of Social Housing Grant and other capital grants received and released to income is as follows:

	2019 £	2018 £
Social Housing Grants	<b>13,700,947</b>	13,996,636
Other Capital Grants	<b>885,952</b>	896,363
Released to income	<b>(306,100)</b>	(306,100)
	<b>14,280,799</b>	14,586,899

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

**25 SHARE CAPITAL**

The company is limited by guarantee and therefore has no share capital. Each member (see numbers below) agrees to contribute £1 in the event of the company winding up.

	<b>2019</b>	2018
	<b>No</b>	No
At 1 April	<b>33</b>	33
Movement during the year	-	-
At 31 March	<b>33</b>	33

**26 RELATED PARTIES**

There have been no related party transactions in the year.

**27 RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW  
FROM OPERATING ACTIVITIES**

	Note	<b>2019</b>	2018
		<b>£</b>	£
Surplus on operating activities before interest		<b>984,106</b>	58,957
Depreciation charges	12/13	<b>404,537</b>	405,459
SHG grant released to income	24	<b>(306,100)</b>	(306,100)
(Increase) in stocks	15	<b>(1,465)</b>	(1,254)
Decrease in debtors	16	<b>66,269</b>	166,167
Increase in creditors	17/18	<b>955,100</b>	325,215
<b>Net cash inflow from operating activities</b>		<b>2,102,447</b>	648,444

**28 FINANCIAL ASSETS AND LIABILITIES**

The board policy on financial instruments is explained in the Board Report as are references to financial risks.

**Financial assets**

The only financial assets at the year-end were short-term debtors and cash at bank which are measured at amortised cost. As follows:

	<b>2019</b>	2018
	<b>£</b>	£
Trade debtors	<b>720,527</b>	847,773
Other debtors	<b>111,799</b>	32,541
Cash at bank and on deposit	<b>1,758,556</b>	167,582



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

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**Financial liabilities**

Financial liabilities are measured at amortised cost and comprise of principal and interest due on bank loans, trade and other creditors:

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Trade creditors	<b>32,054</b>	200,224
Pension deficit liability	<b>362,436</b>	409,024
Other creditors	<b>641,661</b>	611,385
Bank loans measured at amortised cost	<b>4,815,544</b>	5,053,681
Finance leases	<b>14,629</b>	73,150

**29 ULTIMATE PARENT UNDERTAKING**

YMCA St Pauls Group, is sole corporate member of WL YMCA and ultimate controlling entity. YMCA St Pauls Group is the only entity in the Group that produces Consolidated Financial Statements. YMCA St. Pauls Group is a company limited by guarantee (company number 2971930), a registered charity (number 1041923) and is registered with the Regulator of Social Housing as a social housing provider (number LH4078). Consolidated financial statements of YMCA St Pauls Group can be obtained from the Company secretary at St James House, 9-15 St James Road, Surbiton KT6 4QH.

