

495241

Financial Statements

For the year ended 31 March 2008

**West London Mission
Housing Association Limited**



West London Mission Housing Association Limited

Company information

Directors

Rev. J B Chambers
Rev. G R Cornell
Rev. M Faulkner
Mr J M Furniss
Mr J C Hicks
Rev. S Jordan
Mr C R N Martyn
Mrs H R Martyn
Mr J S Neilson
Mr M J Single
Ms A C J Siow
Mr G Slater

Secretary

Mr S Cooper

Registered office

19 Thayer Street
London
W1U 2QJ

Registered company number

495241

Registered charity number

281929

Housing Corporation registration number

LH3373

Auditors

Mazars LLP
Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

West London Mission Housing Association Limited

Contents

	Page
Directors' report	1–2
Independent Auditor's report	3
Income and expenditure account	4
Balance sheet	5
Notes to the financial statements	6-13

West London Mission Housing Association Limited

Directors' report For the year ended 31 March 2008

The directors present their report and the financial statements for the year ended 31 March 2008.

Principal activities

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

- Those of a housing association whose properties are used in connection with housing people with special needs, and
- Those of trustees of the West London Mission Donald Soper Fund.

These financial statements incorporate the financial statements of the individual social work projects located in the properties mentioned therein.

These financial statements do not incorporate the incoming resources, resources expended, or the assets and liabilities of the West London Mission Donald Soper Fund, despite these being under the Association's control, as the directors of the Association believe that this would not assist in these financial statements providing a true and fair view of the activities of the Association.

The company is the registered owner of various properties in which the special needs residential social work projects of the West London Mission are carried on. The staff of all these projects are jointly employed by the company and the West London Mission.

The West London Mission manages the following properties owned by the company and the resulting surplus or deficit (except for amortisation and depreciation on housing properties) is passed to the West London Mission.

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

St Luke's Centre 25A Wincott Street London SE11	People with substance misuse problems, in particular alcoholism. This service closed with effect from November 2006 and the future use of this property is under consideration.
Stirling Court 343 Clapham Road London SW9	People leaving other Mission services in the hope of being able to sustain independent life after a period in need of support. This service closed with effect from 31 March 2006 and the directors are considering a potential sale of this property if suitable planning conditions can be agreed.
The Haven 1 Holly Park London N4	Heavy drinkers. The service will be relocated to the Wincott Street premises in October 2008, and the directors are discussing a possible redevelopment of the Holly Park site with another registered social landlord.
Big House 56 Camberwell Road London SE5	Former rough sleepers.

The company leased the following property to the Trustees for Methodist Church Purposes for a term of ten years from 1 April 2005, the West London Mission being the managing trustees for that term:

Katherine Price Hughes House 28 Highbury Grove London N5	Persons on probation or bail or serving community sentences with a condition of residence, and licensees released from custody.
--	---

West London Mission Housing Association Limited

Directors' report (continued) For the year ended 31 March 2008

Directors

The members set out below have held office during the whole of the period from 1 April 2007 to the date of this report unless otherwise stated:

Rev. J B Chambers
Rev. G R Cornell
Mr D R Edney (resigned 16 June 2008)
Rev. M Faulkner
Mr J Furniss (appointed 21 February 2008)
Mr J C Hicks
Rev. S Jordan
Mr C R N Martyn
Mrs H R Martyn
Mr J S Neilson
Mr M J Single
Ms A C J Siow
Mr G Slater (appointed 17 September 2007)

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

Directors' responsibilities

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

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

Statement as to disclosure of information to auditors


We have taken all the necessary steps to make ourselves aware, as directors, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

Auditors

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

Approved by the Board on 15.10.08
and signed on its behalf by


Mr G Slater
Director

West London Mission Housing Association Limited

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

We have audited the financial statements of the West London Mission Housing Association Limited for the year ended 31st March 2008 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Association's members, as a body, in accordance with Section 9 of the Friendly & Industrial & Provident Societies Act 1968. 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 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 Association and the Association's members as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of the Board and auditors

As described in the Statement of Directors' Responsibilities the Association's Board is responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether the financial statements are properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006. We also report to you if, in our opinion, the Association has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding Board members' transactions with the Association is not disclosed.

We read the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Association's affairs as at 31 March 2008 and of its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006; and
- the information given in the Directors' Report is consistent with the financial statements.

MAZARS LLP

MAZARS LLP
CHARTERED ACCOUNTANTS
and Registered Auditors
Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Date.....12/9/08.....

West London Mission Housing Association Limited

Income and expenditure account For the year ended 31 March 2008

		2008 £	2007 £
	Notes		
Turnover	3	860,595	1,241,714
Operating costs	3	(891,933)	(1,288,438)
Operating (deficit)	3	(31,338)	(46,724)
Surplus on sale of property		-	1,112,454
Interest receivable and similar income		38,188	61,172
Interest payable and similar charges		(85,820)	(102,893)
(Deficit)/Surplus on ordinary activities before taxation	5	(78,970)	1,024,009
Tax on ordinary activities		-	-
(Deficit)/Surplus for the year		(78,970)	1,024,009
Transfer from/(to) designated reserves		78,970	(1,024,009)
Surplus for the year carried forward		-	-
Balance brought forward		-	-
Balance carried forward		-	-

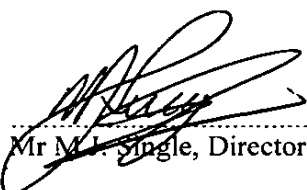
The Association's results all relate to continuing activities. The Association has no recognised surpluses or deficits other than the surplus for the year. The deficit for the year has been calculated on the historical cost basis.

West London Mission Housing Association Limited

Balance sheet as at 31 March 2008

	Notes	2008 £	2007 £
Fixed assets			
Goodwill	8	301,950	338,550
Housing properties – at cost	9	2,555,803	2,616,673
		<u>2,857,753</u>	<u>2,955,223</u>
Current assets			
Debtors	10	240,414	275,725
Cash at bank and in hand		3,739	3,840
		<u>244,153</u>	<u>279,565</u>
Creditors: Amounts falling due within one year	11	(22,674)	(88,368)
		<u>221,479</u>	<u>191,197</u>
Net current assets			
		<u>3,079,232</u>	<u>3,146,420</u>
Total assets less current liabilities			
		<u>3,079,232</u>	<u>3,146,420</u>
Creditors – amounts falling due after more than one year	12	(1,105,207)	(1,093,425)
		<u>1,974,025</u>	<u>2,052,995</u>
Net assets			
		<u>1,974,025</u>	<u>2,052,995</u>
Reserves			
Designated reserves	13	1,974,025	2,052,995

These financial statements on pages 4 to 13 were approved by the directors on ...15.10.08..... and signed on its behalf by


Mr M. J. Single, Director


Mr G. Slater, Director

West London Mission Housing Association Limited

Notes to the financial statements For the year ended 31 March 2008

1. Status of the company

The company is incorporated under the Companies Act 1985 and is a company limited by guarantee, without a share capital. It is also a registered charity, registration number 281929, and as such is exempt from corporation tax.

It is also registered with the Housing Corporation, registration number LH3373, in accordance with section 5 of the Housing Association Act 1985, as it is engaged in housing activities as defined in that Act.

2. Accounting policies

- a) The financial statements, which are prepared under the historical cost convention, comply with Schedule 1 to the Housing Act 1996, the Accounting Requirements for Registered Social Landlords General Determination 2006 and the Statement of Recommended Practice issued by the National Housing Federation.

These financial statements incorporate the financial statements of the individual social work projects located in the properties mentioned therein.

These financial statements do not incorporate the incoming resources, resources expended, or the assets and liabilities of the West London Mission Donald Soper Fund, despite these being under the Association's control, as the directors of the Association believe that this would not assist in these financial statements providing a true and fair view of the activities of the Association.

The West London Mission manages the properties owned by the company and the resulting surplus or deficit (except for amortisation and depreciation on housing properties) is passed to the West London Mission.

- b) **Tangible fixed assets – housing land and buildings**

Housing properties are shown at cost, including associated legal fees and charges and other expenses of a capital nature, less the amount financed by Social Housing and other capital grants.

Housing properties are depreciated on a straight-line basis over 50 years as required by Financial Reporting Standard 15. This depreciation is not recharged to individual projects.

Any permanent diminution in the value of such properties is charged to the income and expenditure account as appropriate.

- c) **Furnishing, fittings and equipment**

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

- d) **Reserves**

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

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

- e) **Goodwill and Goodwill reserve**

Goodwill represents the excess of cost of acquisition over the fair value of the separable net assets acquired. Goodwill is amortised through the income and expenditure account in equal instalment over its estimated useful life.

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2008

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

	Turnover	2008 Operating Costs	Operating (deficit)/ surplus	Turnover	2007 Operating costs	Operating (deficit)/ surplus
Income and expenditure from lettings						
Housing accommodation	812,451	(882,563)	(70,112)	973,765	(1,280,067)	(306,302)
Other income and expenditure						
Other	48,144	(9,370)	38,774	267,949	(8,371)	259,578
	<u>860,595</u>	<u>(891,933)</u>	<u>(31,338)</u>	<u>1,241,714</u>	<u>(1,288,438)</u>	<u>(46,724)</u>

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2008

4. Income and expenditure from lettings

	2008 Housing accommodation £	2007 Housing accommodation £
Income from lettings		
Rent and service charges receivable	697,040	933,515
Voids	(9,369)	(82,243)
Bad debts	(6,854)	(6,101)
Net rental income	680,817	845,171
Housing Corporation revenue grants	87,652	85,514
Other revenue grants	43,982	43,080
Turnover from lettings	812,451	973,765
Expenditure on letting activities		
Services	523,397	883,923
Management	317,376	336,930
Routine maintenance	41,790	59,214
Operating costs on lettings	882,563	1,280,067
Operating (deficit) on lettings	(70,112)	(306,302)

5. (Deficit) on ordinary activities

	2008 £	2007 £
(Deficit) on ordinary activities for the year is stated after charging:		
Amortisation on intangible fixed assets	36,600	36,600
Depreciation on tangible fixed assets	60,870	60,870
Auditors' remuneration:-		
In their capacity as external auditors	8,658	8,078

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2008

6. Staff costs

	2008 £	2007 £
Wages and salaries	459,447	733,143
Social security costs	48,036	73,728
Other pension costs	7,551	10,370
	<u>515,034</u>	<u>817,241</u>

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

	Number	Number
Management	3	5
Services	13	29
	<u>—</u>	<u>—</u>
Total employees	<u>16</u>	<u>34</u>

7. Directors' emoluments

None of the directors received any emoluments during the year.

None of the salaries of the senior management team are charged in these financial statements.

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2008

8. Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2007 and 31 March 2008	549,000
Amortisation	
At 1 April 2007	210,450
Charge for the year	36,600
At 31 March 2008	247,050
Net book value at 31 March 2008	301,950
Net book value at 31 March 2007	338,550

Goodwill relates to the purchase of The Haven in July 2001. Of the purchase price of £1,260,000 the directors deemed that £549,000 related to goodwill. This amount is being amortised over a period of 15 years.

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2008

9. Tangible fixed assets

	Housing properties held for letting £
Cost	
At 1 April 2007 and 31 March 2008	<u>4,869,638</u>
Social housing and other grants	
At 1 April 2007 and 31 March 2008	<u>1,851,559</u>
Accumulated depreciation	
At 1 April 2007	401,406
Charge for the year	60,870
At 31 March 2008	<u>462,276</u>
Net book value	
At 31 March 2008	<u>2,555,803</u>
At 31 March 2007	<u>2,616,673</u>

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2008

9. Tangible fixed assets (continued)

	2008 £	2007 £
Housing properties comprise		
Freeholds	967,909	991,268
Leaseholds	1,587,894	1,625,405
	<u>2,555,803</u>	<u>2,616,673</u>

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

10. Debtors

	2008 £	2007 £
Social Work Ministry	17,764	71,575
Other debtors	222,650	204,150
	<u>240,414</u>	<u>275,725</u>

11. Creditors: Amounts falling due within one year

	2008 £	2007 £
West London Mission	<u>22,674</u>	<u>88,368</u>

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2008

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

	2008 £	2007 £
Housing loans	<u>1,105,207</u>	<u>1,093,425</u>

In respect of the housing loans £872,365 (2007: £860,583) represents the balance outstanding under a loan from the West London Mission in 2001 for the purchase of The Haven. The loan is repayable in instalments commencing at £20,000 per annum both principal and repayments being index linked. Interest is payable at 4.5%.

£212,842 (2007: £212,842) represents an advance from the West London Mission for the shortfall in funding of Big House in 2004. The loan is repayable on demand. Interest is payable at the prevailing HSBC Bank rate.

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

13. Reserves

	Goodwill reserve £	Designated reserves Property equity reserve £	Cyclical maintenance reserve £	Income & expenditure £	Total £
At 1 April 2007	338,550	1,550,295	164,150	-	2,052,995
Deficit for the year	-	-	-	(78,970)	(78,970)
Transfers between reserves	(36,600)	(60,870)	18,500	78,970	-
At 31 March 2008	<u>301,950</u>	<u>1,489,425</u>	<u>182,650</u>	<u>-</u>	<u>1,974,025</u>

14. Units in management

	2008 Number	2007 Number
Under management at end of year:		
Housing accommodation – bed spaces	<u>30</u>	<u>30</u>