

0495241

Financial Statements

For the year ended 31 March 2011

**West London Mission
Housing Association Limited**



West London Mission Housing Association Limited

Contents

	Page
Directors' report	1–2
Independent Auditors' report	3
Income and expenditure account	4
Balance sheet	5
Notes to the financial statements	6-15

West London Mission Housing Association Limited

Company information

Directors

Rev G Cornell
Rev A J Dart
Rev R J Fletcher
Mr J M Furniss
Mr J C Hicks
Rev S Jordan
Rev S Keegan von Allmen
Mr J S Neilson
Mr M J Single
Ms A C J Slow
Mr G Slater

Secretary

Mr C Armstrong-Stacey

Registered office

19 Thayer Street
London
W1U 2QJ

Registered company number

495241

Registered charity number

281929

Tenant Services Authority registration number

LH3373

Auditors

Mazars LLP
Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

West London Mission Housing Association Limited

Directors' report For the year ended 31 March 2011

The directors present their report and the financial statements for the year ended 31 March 2011

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, amounts set aside for dilapidations and surplus on disposal of 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	The property was used during the year to provide a temporary base for the Haven service, which was relocated there in October 2008
Stirling Court 343 Clapham Road London SW9	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	People with chronic alcohol dependency and related conditions. The service was located to the Wincott Street premises in October 2008. The redevelopment of the Holly Park site with another registered provider is in progress
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 Circuit being the managing trustees for that term

Katherine Price Hughes House 28 Highbury Grove London N5	Licensees released from custody and persons on bail or serving community sentences. Part of the ground floor is the base for the Highbury Counselling Centre, which reopened in April 2009 and provides counselling facilities and training for counsellors
--	---

West London Mission Housing Association Limited

Directors' report (continued) For the year ended 31 March 2011

Directors

The members set out below have held office during the whole of the period from 1 April 2010 to the date of this report unless otherwise stated

Rev G Cornell
Rev A J Dart (appointed November 2010)
Rev M Faulkner (resigned August 2010)
Rev R J Fletcher (appointed November 2010)
Mr J M Furniss
Mr J C Hicks
Rev S Jordan
Rev S Keegan von Allmen
Mr J S Neilson
Mr M J Single
Ms A C J Siow
Mr G Slater

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

Directors' responsibilities

Registered Providers' legislation requires the directors to prepare financial statements for each financial 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.

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

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 12 September 2011 and signed on its behalf by



Rev S Keegan von Allmen

Director

West London Mission Housing Association Limited

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

We have audited the financial statements of West London Mission Housing Association Limited for the year ended 31 March 2011 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of The Board and auditors

As explained more fully in the Statement of the Directors' Responsibilities set out on page 2, the Board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report, is made solely to the Association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 Association's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Association's affairs as at 31 March 2011 and of the Association's result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Mazars LLP

Mazars LLP, Chartered Accountants (Statutory auditors)

Nicola Wakefield (Senior statutory auditor)

Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date 29 September 2011

West London Mission Housing Association Limited

Income and expenditure account For the year ended 31 March 2011

		2011 £	2010 £
	Notes		
Turnover	3	933,370	942,121
Operating costs	3	(1,066,582)	(1,026,774)
Operating (deficit)	3	(133,212)	(84,653)
Interest receivable and similar income		75,373	36,160
Interest payable and similar charges		(70,275)	(41,101)
(Deficit) on ordinary activities before taxation	5	(128,114)	(89,594)
Tax on ordinary activities		-	-
(Deficit) for the year		(128,114)	(89,594)
Transfer from designated reserves		128,114	89,594
(Deficit) 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 deficit for the current or prior years. 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 2011

	Notes	2011 £	2010 £
Fixed assets			
Goodwill	8	192,150	228,750
Housing properties – at cost	9	1,376,330	2,591,232
		<u>1,568,480</u>	<u>2,819,982</u>
Current assets			
Debtors	10	232,026	209,026
Cash at bank and in hand		1,181,890	2,828
		<u>1,413,916</u>	<u>211,854</u>
Creditors: Amounts falling due within one year	11	<u>(178,167)</u>	<u>(128,556)</u>
Net current assets		<u>1,235,749</u>	<u>83,298</u>
Total assets less current liabilities		<u>2,804,229</u>	<u>2,903,280</u>
Creditors – amounts falling due after more than one year	12	<u>(1,126,882)</u>	<u>(1,097,819)</u>
Net assets		<u>1,677,347</u>	<u>1,805,461</u>
Reserves			
Designated reserves	13	<u>1,677,347</u>	<u>1,805,461</u>

These financial statements have been prepared in accordance with the special provisions of S414 (3) of the Companies Act 2006 relating to small companies

These financial statements were approved by the directors on 12 September 2011 and signed on its behalf by


Mr J C Hicks, Director


Rev S Keegan von Allmen, Director

West London Mission Housing Association Limited

Notes to the financial statements For the year ended 31 March 2011

1. Status of the company

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

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

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, amounts set aside for dilapidations and surplus on property disposals) 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.

West London Mission Housing Association Limited

Notes to the financial statements For the year ended 31 March 2011 (continued)

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 2011

3. Turnover, operating costs and operating (deficit)

	2011		2010	
	Turnover	Operating costs	Turnover	Operating costs
	£	£	£	£
Income and expenditure from lettings				
Housing accommodation	912,209	(967,524)	932,642	(1,016,932)
				(84,290)
Other income and expenditure				
Other	21,161	(99,058)	9,479	(9,842)
				(363)
	<u>933,370</u>	<u>(1,066,582)</u>	<u>942,121</u>	<u>(1,026,774)</u>
				<u>(84,653)</u>

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2011

4. Income and expenditure from lettings

	2011 Housing accommodation £	2010 Housing accommodation £
Income from lettings		
Rent and service charges receivable	737,756	768,490
Voids	(2,913)	(3,789)
Net rental income	734,843	764,701
Supporting People grants	70,852	87,652
Other revenue grants	106,514	80,289
Turnover from lettings	912,209	932,642
Expenditure on letting activities		
Services	611,426	608,365
Management	288,383	309,921
Routine maintenance	67,715	98,646
Operating costs on lettings	967,524	1,016,932
Operating (deficit) on lettings	(55,315)	(84,290)

5. (Deficit) on ordinary activities

	2011 £	2010 £
(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	114,514	60,870
Auditors' remuneration - In their capacity as external auditors	7,600	7,600

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2011

6. Staff costs

	2011 £	2010 £
Wages and salaries	536,325	534,262
Social security costs	53,067	53,180
Other pension costs	12,158	10,136
	<u>601,550</u>	<u>597,578</u>

Average number of full time equivalent persons employed during the year

	Number	Number
Management	3	3
Services	16	16
	<u>—</u>	<u>—</u>
Total employees	19	19
	<u>—</u>	<u>—</u>

7. Directors' emoluments

None of the directors received any emoluments or were reimbursed for any expenses during the current or prior years

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 2011

8. Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2010 and 31 March 2011	549,000
	<hr/>
Amortisation	
At 1 April 2010	320,250
Charge for the year	36,600
	<hr/>
At 31 March 2011	356,850
	<hr/>
Net book value at 31 March 2011	192,150
	<hr/>
Net book value at 31 March 2010	228,750
	<hr/>

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 2011

9. Tangible fixed assets

	Housing properties held for letting £	Housing properties under development £	Total £
Cost			
At 1 April 2010	5,026,807	-	5,026,807
Additions	-	399,556	399,556
Disposals	(647,905)	-	(647,905)
At 31 March 2011	4,378,902	399,556	4,778,458
Social housing and other capital grants			
At 1 April 2010	1,851,559	-	1,851,559
Additions	-	1,049,944	1,049,944
At 31 March 2011	1,851,559	1,049,944	2,901,503
Accumulated depreciation			
At 1 April 2010	584,016	-	584,016
Charge for the year	60,870	-	60,870
Eliminated on disposal	(144,261)	-	(144,261)
At 31 March 2011	500,625	-	500,625
Net book value			
At 31 March 2011	2,026,718	(650,388)	1,376,330
At 31 March 2010	2,591,232	-	2,591,232

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2011

9. Tangible fixed assets (continued)

	2011 £	2010 £
Housing properties comprise		
Freeholds	(97,829)	1,079,162
Leaseholds	1,474,159	1,512,070
	<u>1,376,330</u>	<u>2,591,232</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

	2011 £	2010 £
West London Mission Circuit Fund	<u>232,026</u>	<u>209,026</u>

11. Creditors: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	78,262	-
Social Work Ministry	30,738	89,334
West London Mission Circuit Fund	69,167	39,222
	<u>178,167</u>	<u>128,556</u>

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2011

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

	2011 £	2010 £
Housing loans	<u>1,126,882</u>	<u>1,097,819</u>

In respect of the housing loans £894,040 (2010 £864,977) represents the balance outstanding under a loan from the West London Mission in 2001 for the purchase of The Haven. The loan is secured by a charge over the property and is repayable in instalments commencing at £20,000 per annum both principal and repayments being index linked. Interest is payable at 4.5%.

£212,842 (2010 £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	Property equity reserve	Designated reserves Cyclical maintenance reserve	Income & expenditure	Total
	£	£	£	£	£
At 1 April 2010	228,750	1,367,685	209,026	-	1,805,461
Deficit for the year	-	-	-	(128,114)	(128,114)
Transfers between reserves	(36,600)	(114,514)	23,000	128,114	-
At 31 March 2011	<u>192,150</u>	<u>1,253,171</u>	<u>232,026</u>	<u>-</u>	<u>1,677,347</u>

14. Units in management

	2011 Number	2010 Number
Under management at end of year:		
Housing accommodation – bed spaces	<u>36</u>	<u>36</u>

West London Mission Housing Association Limited

Notes to the financial statements (continued) For the year ended 31 March 2011

15. Capital commitments

As of 5 July 2010 a contract for £2,138,143 was awarded for the redevelopment of The Haven. Work was started during the year but approximately £1,890,000 of the contract remained to be completed at 31 March 2011

16. Related party transactions

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

Details	Value of transactions during year		Amount owed to/(by) WLM Housing Association at 31 March	
	2011 £	2010 £	2011 £	2010 £
WLM Circuit Fund				
Housing Loan	-	-	(1,126,882)	(1,097,819)
Interest on Housing Loan	(41,212)	(41,212)	-	-
Administration charges	(65,650)	(65,650)	-	-
Project deficit grant	21,161	9,838	-	-
Settlement account	-	-	(69,169)	(39,322)
Debtor (dilapidations balances)	-	-	232,026	209,026
WLM Social Work Mission				
Rental income received from KPH House	60,000	31,000	-	-
Settlement account	-	-	(30,738)	(89,334)