

Financial Statements

For the year ended 31 August 2018

**West London Mission
Housing Association Limited**

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West London Mission Housing Association Limited

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West London Mission Housing Association Limited

Company information

Directors

Rev P Cornick
Rev N Cowgill
Rev A J Dart
Mr J M Furniss
Mr J C Hicks
Mr J S Neilson
Mr R Ovenden
Mr M J Single
Ms ACJ Siow
Mr G T Slater
Rev P Weary

Secretary

Ms C Dance

Registered office

19 Thayer Street
London
W1U 2QJ

Registered company number

495241

Registered charity number

281929

Regulator of Social Housing 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 August 2018

The directors present their report and the financial statements for the year ended 31 August 2018.

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 trustee of the West London Mission Donald Soper Fund.

These financial statements incorporate the financial statements of the individual housing and community services 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 housing and community services of the West London Mission are carried on. The staff of all these services are jointly employed by the company and the West London Mission Circuit.

The West London Mission Circuit 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 Circuit.

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

WLM St Luke's Centre
25A Wincott Street
London SE11

This is a service focussing on digital and financial inclusion for residents in Kennington. Part of the property contains residential accommodation which is let as affordable single rooms with shared facilities; part of this accommodation is reserved for employees of Pret a Manger on their Rising stars programme, by arrangement with the Pret Foundation Trust.

Cherry Tree House
(formerly Big House Clapham)
343 Clapham Road
London SW9

This is situated at 343 Clapham Road, London SW9. It provides follow on accommodation for residents of Burgess Park House.

The Haven
280 Holly Park
London N4

This is located at 280 Holly Park, London N4. It provides specialist residential care for men with long term alcohol dependency

Burgess Park House
(formerly Big House)
56 Camberwell Road
London SE5

This is situated at 56 Camberwell Road, London SE5. It provides supported housing for formerly homeless people, specialising in ex-servicemen.

The company leased the following property to the Trustees for Methodist Church Purposes for a term of ten years from 1 April 2005, and a new lease is to be put in place with effect from 1 April 2015, the West London Mission Circuit Meeting being the managing trustees for that term:

West London Mission Housing Association Limited

Katherine Price Hughes House
28 Highbury Grove
London N5

This is situated at 28 Highbury Grove, London N5, in premises leased by the Circuit from WLMHA. It is an "approved premise" under the Criminal Justice and Courts Service Act 2000 and provides housing and support services for licensees released from custody.

West London Mission Housing Association Limited

Directors' report (continued) For the year ended 31 August 2018

Directors

The members set out below have held office during the whole of the period from 1 September 2017 to the date of this report unless otherwise stated:

Rev P Cornick (ex officio from 1 September 2018)
Rev N Cowgill
Rev A J Dart
Mr J M Furniss
Mr J C Hicks
Rev S Keegan von Allmen (resigned 31 August 2018)
Mr J S Neilson
Mr R Ovenden
Mr M J Single
Ms A C J Siow
Mr G T Slater
Rev P Weary

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 period which give a true and fair view of the state of the Association as at the end of the financial period and of the income and expenditure of the Association for the period 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.

Value for Money statement

We are committed to providing excellent services that offer real value to our service users at a reasonable cost to funders. Our policy is to cover the full cost of services including proper provision for cyclical repairs. We benchmark our staff costs against comparable roles in the public and voluntary sector, and aim to develop the talents of all staff by a disciplined performance management process. We employ a Head of Central Services to ensure value for money in contracting for purchases of goods and services, and undertake competitive tendering for major works to properties. As far as feasible we focus on energy efficiency, and in designing the new building for the Haven we installed solar photovoltaic panels which generate income from selling electricity to the grid.

West London Mission Housing Association Limited

Directors' report (continued)
For the year ended 31 August 2018

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 13/2/19 and signed on its behalf by

.....
Mr M Single

Director

West London Mission Housing Association Limited

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

Opinion

We have audited the financial statements of West London Mission Housing Association Limited (the 'association') for the year ended 31 August 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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 FRS 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 August 2018 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been 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's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board has 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 is responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

West London Mission Housing Association Limited

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

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specific 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 Statement of the Board's responsibilities set out on page 2, 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 determines 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 is 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 intends 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.

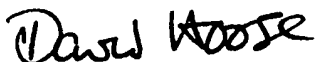
West London Mission Housing Association Limited

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

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. This description forms part of our auditor's report.

Use of the audit report

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 and Chapter 4 of Part 2 of the Housing and Regeneration Act 2008. 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.



David Hoose (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

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

Date: 13/2/19

West London Mission Housing Association Limited

Statement of Comprehensive Income
For the year ended 31 August 2018

		2018	2017
		£	£
	Notes		
Turnover	3	1,210,602	1,253,183
Operating costs	3	(1,323,787)	(1,265,776)
Operating (deficit)	3	(113,185)	(12,593)
Other income		164,376	54,748
Interest payable and similar charges		(71,412)	(74,900)
(Deficit) on ordinary activities before taxation	5	(20,221)	(32,745)
Tax on ordinary activities		-	-
(Deficit) for the year		(20,221)	(32,745)
Transfer from designated reserves		20,221	32,745
(Deficit) for the year carried forward		-	-
Balance brought forward at 1 September 2017		-	-
Balance carried forward at 31 August 2018		-	-

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 year. The deficit for the year has been calculated on the historical cost basis.

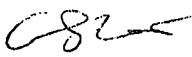
West London Mission Housing Association Limited

Statement of Financial Position as at 31 August 2018

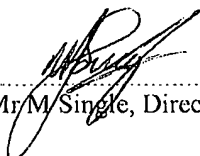
	Notes	2018 £	2017 £
Fixed assets			
Housing properties – at cost	8	6,998,526	6,998,526
Less: Depreciation	8	(2,100,533)	(1,955,577)
Total Housing properties		4,897,993	5,042,949
Current assets			
Debtors	9	314,624	267,074
Cash at bank and in hand		10,000	12,392
		324,624	279,466
Creditors: Amounts falling due within one year	10	(389,979)	(359,765)
Net current (liabilities)		(65,355)	(80,300)
Total assets less current liabilities		4,832,638	4,962,649
Creditors – amounts falling due after more than one year			
Loans and mortgages	11	(1,117,616)	(1,116,804)
Government grants		(2,686,807)	(2,797,410)
Net assets		1,028,215	1,048,435
Reserves	12	1,028,215	1,048,435

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 Board on 13/2/19 and signed on its behalf by



 Mr G T Slater, Director



 Mr M Single, Director

West London Mission Housing Association Limited

Statement of Cash Flows for the year ended 31 August 2018

	2018 £	2017 £
Cash outflows from operating activities		
Deficit for the financial year	(113,185)	(12,593)
	-	-
Depreciation charge	144,956	148,486
Amortisation credit	(110,601)	(113,974)
(Increase)/Decrease in debtors	(47,550)	(41,446)
Increase in creditors	31,024	43,911
	-	-
Net cash generated from operating activities	<u>(95,356)</u>	<u>24,384</u>
Cash flows from investing activities		
Interest and rent received	164,376	54,748
Net cash inflows from investing activities	<u>164,376</u>	<u>54,748</u>
Cash flows from financing activities		
Interest paid	(71,412)	(74,900)
	-	-
Net cash (outflows) from financing activities	<u>(71,412)</u>	<u>(74,900)</u>
Net increase/(decrease) in cash and cash equivalents	(2,392)	4,232
Cash and cash equivalents at beginning of year	12,392	8,160
Cash and cash equivalents at end of year	<u>10,000</u>	<u>12,392</u>
Cash and cash equivalents comprise:		
Cash at bank and in hand	<u>10,000</u>	<u>12,392</u>
Analysis of changes in net (debt)		
	At 1.09.17	Cashflows
	£	£
Cash at bank and in hand	12,392	(2,392)
Loans due within one year	-	-
Loans due after one year	<u>(1,116,804)</u>	<u>(812)</u>
Net debt	<u>(1,104,412)</u>	<u>(3,204)</u>
		At 31.08.18
		£
		10,000
		-
		<u>(1,117,616)</u>
		<u>(1,107,616)</u>

West London Mission Housing Association Limited

Notes to the financial statements For the year ended 31 August 2018

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 Regulator of Social Housing, 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.

The financial statements have been prepared on the going concern basis and this is considered to be appropriate given that the associated charity, West London Mission Circuit Fund continues to provide support to West London Mission Housing Association.

2. Accounting policies

a) General information and basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

In accordance with Financial Reporting Standard 102, the company has taken advantage of the exemption available, by virtue of its size, from the requirement to prepare a Strategic Report.

These financial statements incorporate the financial statements of the individual housing and community services located in the properties mentioned therein.

These financial statements do not incorporate the income, expenditure or the assets and liabilities of the West London Mission Donald Soper Fund, 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 Circuit 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 Circuit.

b) Property, plant and equipment - housing properties

Housing properties are shown at cost, including associated legal fees and charges and other expenses of a capital nature. Component Accounting has been adopted as recommended by the Statement of Recommended Practice (SORP) relating to housing properties and properties have been split into land, structure, roof, electrics, central heating and kitchen.

The components of the properties are shown at cost. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred on improvements, which comprise the modernisation and extension of existing properties. Interest on mortgage loans financing development is capitalised up to the date of practical completion of each scheme.

West London Mission Housing Association Limited

Notes to the financial statements For the year ended 31 August 2018

The useful economic lives for the identified components are as follows:

Land	Not depreciated
Structure	50 Years
Roof	30 Years
Electrics	25 Years
Central heating	15 Years
Kitchens	10 Years

Any permanent diminution in the value of such properties is charged to the Statement of Comprehensive Income as appropriate.

c) Social Housing Grant and other government grants

Where grants are received from government agencies such as the Homes and Communities Agency, local authorities, devolved government agencies, health authorities and the European Commission which meet the definition of government grants they are recognised when there is reasonable assurance that the conditions attached to them will be complied with and that the grant will be received.

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the housing property structure. Where a grant is received specifically for components of a housing property, the grant is recognised in income over the expected useful life of the component.

Government grants are recognised as revenue when the grant proceeds are received or receivable. Where a grant imposes specified future performance-related conditions it is recognised as revenue when the performance-related conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability. Where government grant is provided for the construction of housing properties within a specific scheme, then the performance related condition is met when the construction of the housing properties is complete.

Notes to the financial statements
For the year ended 31 August 2018

d) Recycling of grants

Where there is a requirement to either repay or recycle a grant received for an asset that has been disposed of, a provision is included in the Statement of Financial Position to recognise this obligation as a liability. When approval is received from the funding body to use the grant for a specific development, the amount previously recognised as a provision for the recycling of the grant is reclassified as a creditor in the Statement of Financial Position.

On disposal of an asset for which government grant was received, if there is no obligation to repay the grant, any unamortised grant remaining within liabilities in the Statement of Financial Position related to this asset is derecognised as a liability and recognised as revenue in surplus or deficit in the Statement of Comprehensive Income.

e) Furnishing, fittings and equipment

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

f) 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 association's obligation to provide on a continuing basis for the repairs and maintenance of its properties, based on a planned programme of works.

g) Taxation

The Association has been granted charitable status and is not liable to corporation tax on its activities for the year.

h) Turnover

Turnover represents room fees and service charges receivable net of voids, revenue grants and other income. The other income relates primarily to other grants. Service charge income is recognised when expenditure is incurred as this is considered to be the point at which the service has been performed and the revenue recognition criteria met. Turnover arises solely within the United Kingdom.

i) Financial instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of

West London Mission Housing Association Limited

Notes to the financial statements For the year ended 31 August 2018

estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and interest bearing loans and borrowings.

Non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Financing transactions – rent arrears

For rent arrears where the arrangement constitutes, in effect, a financing transaction because of extended credit arrangements the arrears are derecognised as a financial asset and a new financial asset measured at the present value of the future payments discounted at an appropriate market rate of interest. The present value adjustment is recognised in surplus or deficit in the Statement of Comprehensive Income.

A review has been undertaken on all residents who currently have a payment plan in place for rent arrears. Following assessment, it has been confirmed that the payment plan totals are not material, and therefore no adjustment has been necessary in the financial statements.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits.

2b. Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant management judgements

The following are management judgements in applying the accounting policies of the Association that have the most significant effect on the amounts recognised in the financial statements.

Estimation uncertainty

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Fair value measurement

Management uses valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management base the assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual process that would be achievable in an arm's length transaction at the reporting date.

Provisions

Provision is made for dilapidations. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

West London Mission Housing Association Limited

**Notes to the financial statements
For the year ended 31 August 2018**

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

	Turnover	2018 Operating costs	Operating surplus/ (deficit)	Turnover	2017 Operating costs	Operating surplus/ (deficit)
	£	£	£	£	£	£
Income and expenditure from lettings						
Housing accommodation	1,074,737	1,278,503	(203,766)	1,210,501	1,225,300	(14,799)
Other income and expenditure						
Other	135,865	45,284	90,581	42,682	40,476	2,206
	<u>1,210,602</u>	<u>1,323,787</u>	<u>(113,185)</u>	<u>1,253,183</u>	<u>1,265,776</u>	<u>(12,593)</u>

West London Mission Housing Association Limited

**Notes to the financial statements
For the year ended 31 August 2018**

4. Income and expenditure from lettings

	2018	2017
	Supported	Supported
	housing	housing
	£	£
Income		
Rent and service charges receivable	1,006,423	963,977
Voids	(194,914)	(46,340)
	<hr/>	<hr/>
Net rental income	811,509	917,637
	<hr/>	<hr/>
Government grants taken to income	263,228	292,864
	<hr/>	<hr/>
Turnover from lettings	1,074,737	1,210,501
	<hr/>	<hr/>
Operating expenditure		
Services	955,252	911,250
Management	244,857	222,702
Routine maintenance	78,394	91,348
	<hr/>	<hr/>
Operating costs on lettings	1,278,503	1,225,300
	<hr/>	<hr/>
Operating (deficit) on lettings	(203,766)	(14,799)
	<hr/> <hr/>	<hr/> <hr/>

5. (Deficit) on ordinary activities

	2018	2017
	£	£
(Deficit) on ordinary activities for the year is stated after charging:		
	<hr/>	<hr/>
Depreciation on tangible fixed assets	144,956	148,486
Amortisation of social housing grant	(110,601)	(113,974)
Auditors' remuneration:-		
In their capacity as external auditors	9,600	10,110
	<hr/>	<hr/>

West London Mission Housing Association Limited

**Notes to the financial statements
For the year ended 31 August 2018**

6. Staff costs

	2018	2017
	£	£
Wages and salaries	656,105	640,148
Social security costs	59,039	58,990
Other pension costs	60,359	63,638
	<u>775,503</u>	<u>762,776</u>

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

	Number	Number
Management	3	3
Services	19	20
	<u>—</u>	<u>—</u>
Total FTE employees	22	23
	<u>—</u>	<u>—</u>

Average number of staff employed during the year:

	Number	Number
Management	3	3
Services	23	25
	<u>—</u>	<u>—</u>
Total employees	26	28
	<u>—</u>	<u>—</u>

No member of staff received any emoluments in excess of £60,000 in the current or prior year.

The Association makes payments to a group personal pension scheme for staff. The assets are held in an independently administered fund.

7. Directors' emoluments

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

None of the salaries of the senior management team or key management personnel are charged in these financial statements as all key management personnel are employed by West London Mission Circuit Fund and their salaries are disclosed in that entity.

West London Mission Housing Association Limited

**Notes to the financial statements
For the year ended 31 August 2018**

8. Tangible fixed assets

	Housing properties held for letting		Total
	Freehold	Leasehold	
	£	£	£
Cost			
At 31 August 2017 and at August 2018	<u>3,718,829</u>	<u>3,279,697</u>	<u>6,998,526</u>
Accumulated depreciation			
At 31 August 2017	568,520	1,387,057	1,955,577
Charge for the year	74,420	70,536	144,956
At 31 August 2018	<u>642,940</u>	<u>1,457,593</u>	<u>2,100,533</u>
Net book value			
At 31 August 2018	<u>3,075,889</u>	<u>1,822,104</u>	<u>4,897,993</u>
At 31 August 2017	<u>3,150,309</u>	<u>1,892,640</u>	<u>5,042,949</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 Burgess Park House, 56 Camberwell Road, London SE5 is also for the term of 99 years and commenced on 28 September 2001.

West London Mission Housing Association Limited

**Notes to the financial statements
For the year ended 31 August 2018**

9. Debtors

	2018	2017
	£	£
Trade debtors	152,652	118,411
West London Mission Circuit Fund	161,972	147,838
Hinde Street Methodist Church	-	825
	<u>314,624</u>	<u>267,074</u>

10. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	41,939	65,042
Housing loans (see note 11)	-	-
West London Mission Social Work	86,356	99,686
Hinde Street Methodist Church	13	-
West London Mission Circuit Fund	261,671	195,037
	<u>389,979</u>	<u>359,765</u>

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

	2018	2017
	£	£
Housing loans	1,117,616	1,116,804
Government grants	2,686,807	2,797,410
	<u>3,804,423</u>	<u>3,944,214</u>

In respect of the housing loans £884,774 (2017: £883,962) represents the balance outstanding under a loan from the West London Mission Circuit 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%. None (2017: £nil) of this liability is included in creditors due within one year.

£212,842 (2017: £212,842) represents an advance from the West London Mission Circuit 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 premise.

West London Mission Housing Association Limited

**Notes to the financial statements
For the year ended 31 August 2018**

11. Creditors: Amounts falling due after more than one year (continued)

	2018 £'000	2017 £'000
Government grants		
At 1 September 2017	2,797,410	2,911,384
Amortisation to Statement of Comprehensive Income	(110,601)	(113,974)
	<u>2,686,809</u>	<u>2,797,410</u>
Due after more than one year	<u>2,686,809</u>	<u>2,797,410</u>

Government grants may become payable, if a Registered Provider sells an asset, to which a grant was attached, and then fails to recycle it with alternative social housing properties within three years.

The total accumulated amount of capital grant received or receivable at the Statement of Financial Position date is £3,921,446.

12. Reserves

	Goodwill reserve	Property equity reserve	Designated reserves Cyclical maintenance reserve	Income & expenditure	Total
	£	£	£	£	£
At 1 September 2017	-	900,598	147,838	-	1,048,436
(Deficit)	-	-	-	(20,221)	(20,221)
Transfers between reserves					
- Depreciation / amortisation	-	(34,355)		34,355	-
- Provision for maintenance	-	-	23,000	(23,000)	-
- Charged to maintenance reserve	-	-	(8,866)	8,866	-
	<u>-</u>	<u>-</u>	<u>(8,866)</u>	<u>8,866</u>	<u>-</u>
At 31 August 2018	<u>-</u>	<u>866,243</u>	<u>161,972</u>	<u>-</u>	<u>1,028,215</u>

13. Units in management

	2018 Number	2017 Number
Under management at end of year:		
Housing accommodation – bed spaces	<u>43</u>	<u>43</u>

West London Mission Housing Association Limited

Notes to the financial statements For the year ended 31 August 2018

14. Related party transactions

The West London Mission Circuit Fund (including housing and community services controlled by the Circuit) has trustees in common with the Association and is therefore considered to be a related party. The Circuit is not considered to be under common control with the Association as a minority of the Association's board members are trustees of the Circuit.

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	
	2018	2017	2018	2017
	£	£	£	£
WLM Circuit Fund				
Housing Loans	-	-	1,097,616	(1,096,804)
Indexation on Housing Loans	30,570	34,281	-	-
Interest on Housing Loans	40,842	40,619	-	-
Administration charges	5,689	10,075	-	-
Project deficit / (surplus) grant	71,204	4,205	-	-
Settlement account	-	-	261,671	195,037
Debtor (dilapidations balances)	14,134	1,768	161,972	147,838
WLM Social Work				
Rental income received from KPH House	103,600	80,000	-	-
Settlement account	-	-	(86,356)	(99,686)