

**Crewe YMCA Limited**

**Financial Statements  
For The Year Ended 31 March 2022**

**Regulator of Social Housing Registered No. H4058  
Registered Charity No. 1030782  
Registered Company No. 02875065**

# **Crewe YMCA Limited**

## **Financial Statements for the Year Ended 31 March 2022**

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**Regulator of Social Housing (RSH)**  
**Registered Charity Number**  
**Company Registration Number**

H4058  
1030782  
02875065

Ms J Turley (Chair)  
Mr P Pitcher  
Ms A Morgan  
Ms S Ward  
Ms R Adams  
Ms B Hurst  
Ms B Banks  
Ms S Tothill  
Mr A Veale  
Mr B Ellison (resigned 1/11/21)

**Mr M Hills**                      **Chief Executive Officer**

**Ms S Bishop (Head of Corporate and Community Services)**

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**The Board of Management presents its report and accounts for the Year Ended 31 March 2022.**

### **Our Aims and objectives**

YMCA Crewe is a Christian Charity that responds to local need by creatively investing in people's lives in particular young people, and the community through all our projects including Housing, Learning, Family Support, working with children and our social enterprises the GLO Café and Property Maintenance Service.

Inspired by our Christian faith and commitment, YMCA Crewe aims 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, because of their social, physical, emotional, spiritual, or economic circumstances.

### **Our Values**

- We believe that each person has unique potential and skills to be explored and delivered
- We believe that a 'can do' approach is critical for facilitating change in people's lives
- We believe in the Christian Basis and Mission of the YMCA

### **Our Vision**

We aim to provide better lives and better futures for people and communities by:

- Engaging and supporting children and families, staying connected in the places they live
- Working with the talents of people making transitions to independence
- Beginning the end of the homeless experience one person at a time

### **Our Mission**

YMCA Crewe is a Christian charity that responds to local need by creatively investing in people's lives and the community through all our projects, including housing, learning, family support and working with children.

### **Ensuring our work delivers our aims and objectives**

We review our aims, objectives, and activities annually to ensure all our work and activities, and the way they are conducted, are contributing to the achievement of our aims and objectives, i.e., they are serving the needs of people and people who are most vulnerable and at risk of exclusion from mainstream society.

This review looks at what we have undertaken in the previous 12 months and what these undertakings have brought to people. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit; specifically, how planned activities will contribute to the aims and objectives they have set.

### **The expansion of our work**

During the year, we have seen a broad and modest expansion of our activities across our service areas in the development of social enterprises and additional contracted work with young people aged 16-18 with our accommodation and support.

### **Housing**

This year we invested in building five additional units of self-contained accommodation at our Gresty Road site, these units were designed in consultation with service users and takes the total number of units at Gresty Road up to 67.

### **The GLO Café – a social enterprise**

The Glo Café has been developed to provide high impact training opportunities within a hospitality environment within the Café. GLO stands for growth, life, and opportunities. We have successfully worked with seven young people through the Government Initiative kickstart programme whereby unemployed people are provided with opportunity to kickstart employment, two have gained full time employment working in the hospitality sector, one entered Keele University to study Psychology, the other four are being supported with job search and interview skills. The café has become a "go-to" venue for the local community. It is a restaurant for lunch time for local businesses and through our outreach we are getting regular visitors of all ages enjoying the Café's refreshments.

**Property Maintenance Service (PMS) – a social enterprise**

This has been developed to respond to the needs during the pandemic where high-quality, cost-effective maintenance services with an awareness of the needs of vulnerable tenants could be catered for. The PMS has been able to respond to the gap in the market providing cost-effective, high-quality services to letting agents and private landlords and employment opportunity to local people. We are working with Cheshire East Council, supporting local people experiencing hoarding issues by providing house clearance services.

**Contracts**

YMCA has responded to the loss of a local authority revenue contract for people aged over 18 by adapting and enhancing its offer in a truly holistic way enabling people to receive an offer which is not just about accommodation, engagement and support but also about providing a level of certainty and stability the person can stay at YMCA Crewe as long as reasonably required to ensure they can belong, contribute and thrive once they take the next step into being part of the wider community. We have also been successful maintaining our revenue contract for work with people aged under 18. As part of the contract with Cheshire East, YMCA Crewe have committed financial resource to develop an additional 5 high quality apartments within the main building and the young people who will reside in the new apartments have been part of the consultation at all stages.

**Community Events and Fundraising**

Community Events were limited in the spring and summer of 2021 as Covid restrictions were eased. In September, three cyclists took part in the Cheshire Cat Sportive cycling event, followed by our second Sponsored Sleep Out held at Crewe Market Hall in October. Over Christmas we coordinated an individual giving campaign to raise money to purchase Welcome Packs for new residents. In March 2022, we hosted our first Fitfest event, a health and wellbeing based fundraiser, and a local secondary school ran their own Sponsored Sleep out in aid of YMCA Crewe.

We were selected for Tesco's 'Blue Token' Community Grants scheme in Jan-March 2022, and received the highest number of tokens which secured a grant to pay for the running costs of our Breakfast Club. We were also chosen as one of Co-ops Local Causes for October 2021-22, which will raise money to support residents taking part in gardening and allotment work.

We received a community grant from Anwyll Housing to purchase arts and crafts resources for one of our After School Clubs, and a similar grant through Action Funder for arts and crafts resources for YMCA Crewe residents.

Our Corporate Fundraising continued to grow in 2021-22, with a £5000 donation and additional staff fundraising from Bathgate Group, and Charity of the Year support from Enterprise. A number of local businesses also took part in Fundraising Events.

We also saw a number of individuals organising their own sponsored challenges, including a seven year old boy who climbed Snowdon, and an increase in the number of people donating Gifts in Kind, including a local six year old girl who collected donations to put together 50 Welcome Packs for new YMCA Crewe residents.

**Community Work**

In 2021-2022, the Communities Team supported 45 families through our regular activities. One of the main highlights of the year was the return of our after-school clubs, youth group, family drop-ins, and resident engagement sessions, all of which had to be stopped throughout the pandemic. In the first week of our activities reopening, 63 individuals attended. Most of our pre-pandemic volunteers and staff continued to work with us when our activities reopened, and we took on new volunteers throughout the year. In addition to our usual activities, we also hosted a Halloween Party, Christmas Party, Bingo Night, a bike repair shop, and a Slow Cooker Project. We also took a coachful of families to Llandudno for a day trip. Some of the highlights from our usual activities are:

- We ran 4 Holiday Villages in August 2021, which were attended by 600 people
- We delivered Easter Eggs and essential supplies to 18 Families for Easter
- We delivered toys and supplies to 101 children and 29 families at Christmas
- We took on 7 new volunteers, including some of the teenagers who attend the youth club on West Street

In 2022, we wrapped up our successful Telephone Befriending Service, which we ran throughout the pandemic and came to a natural end as service users no longer needed it. This service provided one-to-one support for socially isolated elderly individuals, as well as giving our 6 volunteers a different way of interacting with people throughout the lockdowns. Those who used the service reported back that it was a positive part of their life that made the lockdown periods easier to bear.

We took on the bungalow adjacent to the one we already rent on the Sherborne Estate, which has provided additional space for the police and Guinness to work with the community and strengthened our relationship with both.

We have heard many incredible success stories from individuals in our services throughout the year including a mum of 6 who is now aspiring to be a midwife, a teenager from the Sherborne club who gained employment in the Crewe Market Hall, and a refugee family who we supported to help their children access education.

### **Volunteers**

In May 2021, our Community and Volunteer Team Leader delivered a short presentation to key members of staff to explain how within her additional role she would be supporting and growing the voluntary sector. An ex-director of the Samaritans, supporting her in this role. We discussed recruitment, training, support, retainment and development. The aim was to get staff excited about growth in this area and to recognise how valuable a volunteer could be in their department.

In July, as Covid restrictions continued to be lifted we began interviewing potential volunteers. Staff produced mini volunteer job descriptions.

September onwards we began placing volunteers and had 17 adults and 4 young people. There were initial teething problems. As communication improved between volunteers, line managers and me things started to settle.

As the year progressed volunteers started to become an integral part of our delivery. We have had businesses offer us volunteer support. We have also piloted a volunteering buddying scheme whereby an ex-resident is buddied up with a volunteer, offering them emotional and practical support during the initial transition of living on their own.

In 2022 we continued to see growth and a volunteer was now placed in every after-school club within our local community. Volunteers were benefitting from training, experience on their CV, social interaction and gaining confidence in themselves and in their skills. We lost a volunteer due to gaining full time employment on the back of his experience with us and his much-improved self-belief.

We started to have a volunteer meeting every couple of months and were having regular individual reviews with the vols. We also changed the way we were recruiting to have three intakes a year (January, May and September).

### **YMCA Crewe Services - Accommodation and Housing Related Support**

Accommodation and Housing Related Support remain our core service. In 2021-2022 YMCA Crewe continued to provide Housing and Support to a range of people including people experiencing homelessness, care leavers, cared for children, unaccompanied asylum-seeking children, and refugees. In 2021-2022, we saw an increase in the number of refugees we housed they currently made up 16% over the overall client group.

This year we invested in building five additional units of self-contained accommodation at our Gresty Road site, these units were designed in consultation with service users and take the total number of units at Gresty Road up to 67. The Gresty Road site has been carefully designed and provides a critical contribution to ending or preventing homelessness. Each of the 67 rooms are furnished, 62 of the rooms have their own bathroom, 41 have shared kitchen facilities and 26 are fully self-contained.

In addition to the units at Gresty Road, we have continued to provide high quality accommodation and support in 13 flats (15 units) in the community. Demand has remained high throughout the year. Average occupancy was 94%.

We continued to provide a Housing Related Support Service (HRS 16+), commissioned by Cheshire East Council in 19 of our units. The service is for Young People aged 16+ who are care experienced and includes unaccompanied asylum-seeking children. Five of these units are at our Gresty Road site (two emergency beds and three semi-independent beds) and fourteen are in the disbursed 'Ignition' flats in the community. Ignition is an innovative partnership that supports young people leaving Care to have the best, most appropriate transition into independent living. The Panel is made up of representatives from Social Care, Housing Associations, and Private support providers, it has been held as a model of good practice, allowing young people to access the right housing option for them in a planned and early way.

YMCA Crewe continued to provide a wide range of additional facilities to our residents, including a café, allotment, and gym and ran a wide selection of informal learning and engagement activities that have been developed to help increase independent living, employability, life skills, and improve health and wellbeing. As COVID-19 restrictions eased, participation in these activities has increased throughout the year.

Each resident also has access to a dedicated Health and Wellbeing Coach and Employability Coach and has a Housing Coach who works with them on a 1-1 basis. We also hosted 5 student placements in our Accommodation Services, one psychology student and three social work students. This year the Housing and Support staff completed a three-day training course on Psychologically Informed Environments (PIE) and had 12 months of Reflective Practice facilitated by a clinical psychologist.

This year we conducted two resident surveys, and the most recent results are below:

- 100% said staff are interested in me and support and encourage me to achieve my goals
- 84% said I am encouraged to progress into education, training and employment that is appropriate for me
- 97% said they feel safe in their accommodation.
- 97% said they feel communal areas around the building are kept clean & maintained
- 94% said I am supported to develop my independent living skills.
- 97% said I am encouraged to use my voice to bring positive change to the service offered at the YMCA
- 92% said when I have a complaint, I know how to report it and get help
- 84% said their room is well maintained and any issues that have been reported are fixed quickly

### Public Benefit

Across all the services detailed above, the charitable activities undertaken by YMCA Crewe clearly advance our charitable purposes for the public benefit. They are demonstrably pursuant to Section 4 of the Charities Act 2006, and the public benefit is clearly evidenced by positive outcomes of the wide range of the Associations services.

Housing and Support Service	Number of Service Users that moved out in the last annum	Positive Outcomes
Gresty Road: Generic and Foyer Service	86	94% moved out in a positive and planned way. 36% moved into their own accommodation, either into private or social housing on a secure tenancy.  •19 residents started volunteering •22 residents went into employment •3 residents went into formal education
Housing Related Support Service (HRS 16+), commissioned by Cheshire East Council	32	100% moved out in a positive way

### Financial Review

As a Registered Social Landlord, YMCA Crewe accords with both the Accounting Direction for private registered providers of social housing issued by the Regulator of Social Housing and the National Housing Federation's Statement of Recommended Practice. Furthermore, YMCA Crewe is a registered limited company and therefore accounts in accordance with Companies Act 2006.

The Board of Trustees is satisfied that these accounts reflect the financial position of YMCA Crewe. The surplus for the year was £92,571 (2020-2021: £103,732), the surplus growth attributable to increase rental income and the addition of several new funding streams for our service provision. Thus, YMCA Crewe will continue to budget carefully and develop its activities within a framework of ensuring modest financial surplus year on year.

### Principal Funding Sources

Incoming resources generated during the year amounted to £1,885,398 (2020-2021: £1,623,872), an increase primarily associated with the new commissioned Housing Related Support and Accommodation for 16 and 17 year olds for care leavers and children leaving care and unaccompanied asylum seeking children. Rental income received in the form of Housing Benefit for provision of rooms for people experiencing homelessness continues to be our major source of income.

The principal contract funding source is the new commissioned Housing Related Support and Accommodation for 16 and 17 years olds for the Provision of Housing and support from Cheshire East Council. Moreover, Cheshire East provides an assortment of smaller grants that facilitates further support and engagement programmes and summer holiday projects for our children and family work.

Grants from charitable trust and private businesses amounts to £156,000 (2020-2021: £142,000). Children's Clubs and Parenting Groups are funded by combination of local businesses grants and donations and Children in Need grants. Children in Need funding also allowed us to creatively design positive engagement activities tailored to 16–18-year homeless young people. A grant from The Steve Morgan Foundation allowed us to continue to provide high quality employability skills for residents and local people.

We secured funding for a pilot project with the Foyer Federation and States of Mind that enabled young people to take control of their mental health. A grant from Bentley Motors, secured through the Cheshire Community Foundation, enabled us to start delivering Mental Health First Aid to our local community and service users, as well as train one member of staff as a Mental Health First Aid Instructor. We secured two grants through Active Cheshire, one of which enabled us to run weekly football sessions for asylum-seekers and unaccompanied asylum-seeking children, while the other contributed to the salary of our Health and Wellbeing Coach. Our Social enterprise scheme in the form of Conferencing Facilities, Glo Café and Property Maintenance services generated turnover of £54,890 (2020-2021: £18,494); expansion strategies of the businesses is being discussed which include working in partnership with Cheshire East Council delivering various maintenance services and the provision of work placements to students from SEN Schools in Crewe.

### **Principal Expenditure Sources**

Total expenditure was £1,792,827 (2020-2021 £1,520,140), increasing primarily due to an extensive refurbishment and replacements of assets and equipment programme. Housing and Accommodation costs still comprised the largest component of our expenditure amounting to £1,025,000 (2020-2021: £875,635). Housing Related Support for 16- and 17-year-olds, Children and Training and Engagement predominantly accounted for the remaining expenditure. YMCA Crewe continued to follow the recommendations of the Real Living Wage Foundation, provided 3% salary rise for all our employees.

### **Future Directions**

There is a need to develop sustainable training and engagement opportunities for young people excluded from mainstream learning and to achieve better transitions from supported housing to independent living for young people. Therefore, YMCA Crewe intends to continue to provide some services that are funded by Cheshire East Council yet simultaneously attract alternative funding streams for our services to develop a balanced financial portfolio. Example projects include new youth provision that focuses on improving aspirations for young people, and work that helps asylum-seekers and refugees to integrate with wider society more smoothly. Whilst our Accommodation Services will continue to be our core business both in terms of our turnover and outlay, the expansion of our social enterprise scheme, GLO, and our communities work illustrate the diversification of our income generation. Furthermore, we are beginning conversations that have the potential to expand our housing support offer into new areas in the county, which will open the door to further opportunities in places where we currently have no presence.

In addition to expanding our GLO programmes, we are beginning to deliver new areas of work. For example, we are running Mental Health First Aid sessions for the community, which we will look deliver in new areas. Alongside this, we are now able to deliver Mental Health First Aid training, which will generate additional income as organisations and individuals book places on our courses. There is an increasing need for accessible mental health provision for people of all ages, but particularly for young people, those who identify as male, the LGBTQI+ community, and young families. Many of our service users fall into one or more of these groups. It is therefore vital that we find a way to respond to this developing need, and providing quality training, and free-to-access services is an obvious way to achieve this. Additionally, funders are particularly interested in funding work that enables this kind of support, as the evidence for the positive impact it can have on communities is increasingly clear. We will seek further funding around improved mental health in the coming year.

### **Investment Policy**

At present the investment policy is to maximise short term, low risk investment opportunities. Against current bank interest levels, this objective has been very difficult to achieve, but the Board is satisfied with the outcome achieved. Having considered other options available, the Trustees consider it to be prudent due to the volatility of markets not to invest in stocks and shares.

The Board is determined to invest in further housing assets on a value for money and affordability basis and options are being considered.

### **Reserves Policy**

The Board have reviewed the Reserves Policy and have recognised the need to establish an appropriate level of working capital to sustain the future operations and obligations in the event of unforeseen reduction in its income streams.

The present funding climate is such that we aim to operate a policy of maintaining reserves at a level to cover three months of committed operational cost, to act as a contingency against a sudden withdrawal of a major contract due to public expenditure cuts etc, such as our Housing Related Support contract. This would enable us to fulfil our obligations to our clients and continue to operate until alternative revenue funds can be identified, or properly wind down the work.

The Board have also examined the charity's requirements for reserve in the light of the main risks to the organisation. They are committed to generating sufficient reserves to support current organisational obligations. The following factors were also considered in fixing the levels of reserves:

- The cost of completing any outstanding contracts
- Any Liabilities under Property or other leases, or extended credit agreements
- Providing a financial cushion against risk and future uncertainties
- Sufficient funds available for Trustees to be able to take advantage of changes or opportunities that may arise

Free Reserves are represented by unrestricted funds (including designated Funds). Bearing in mind the consideration given above, it has been resolved that there should be a target of unallocated Free Reserve in the range of £300,000 to £500,000. To this end, the Board of Trustees have established a Reserves Policy that is reviewed annually to ensure that the appropriate levels are maintained.

### Value for Money

YMCA Crewe has a responsibility to demonstrate that we are delivering good value for money to our residents and our stakeholders. We have developed a Value for Money policy which is compliant to HCA guidance. We aim at getting maximum benefit for the resources we have available and getting the balance right between cost and quality.

Our Value for Money policy is embedded in all areas of our operations/activities. This includes maximising income from all sources and the appropriate tendering of key contracts and giving back the savings achieved to our residents in the form of creative engagement programs.

### Key Strategic Objectives

A programme will be in place to monitor and review expenditure and enable scrutiny of initiatives and deliver a minimum of 5% savings each year. The objectives include:

- **Promotion** - embedding of Value for Money principles within the culture of the organisation.
- **People** – encouraging economic awareness amongst staff and Value for Money principles within all business operations.
- **Procurement** – creation, maintenance and promotion of economic, efficient, and effective purchasing principles and continuous review of contracts and services
- **Minimising waste** – from our business operations and review Value for Money in each department.
- **Partnerships** – communicate and encourage principles with all our partners
- **Improvements** – in the stock conditions through seeking improvement opportunities or investments.
- **Green** – provision of energy savings, water conservation and waste minimisation advice to our employees and customers.

### Value for Money Achievements in the past 12 months

Our Value for Money achievements is a mixture of cash savings and quality enhancements at nil additional cost. In total, they mark a significant progress in identifying opportunities for driving value and capturing the outcomes and benefits to prove their worth.

- The GLO Bank Scheme gives tenants the opportunity to apply for a personal investment in their own life goals.
- Residents have access to work placements and training in all social enterprise businesses
- All tenants who are successful in getting employment are supported with a bursary depending on earnings.
- Rent Payment incentive for residents workers
- Our Engagement offer is in addition to housing support to benefit our client without additional charges
- Free laundry facilities to all tenants
- Investment in 24 hours Wi-Fi in all bedrooms and Computers and laptops available to tenants
- Christmas and Easter gifts to every tenants
- Investment in snooker table and gaming facilities
- Start-up packs for new tenants including toiletries and cutlery
- Partner agencies deliver sessions that add value such as sexual health, substance misuse, job centre and community paramedics

- Free onsite Gym is open to all tenants
- Investments in apprenticeship scheme
- We offer residents 1-1 counselling sessions free of charge
- Tenants are encouraged to participate in local community events
- Savings in all areas of our operation through improved maintenance procurements
- Continued year on Year savings on utilities, insurance, and service contracts
- Investments in IT to improve staff effectiveness and flexible working from home
- Delivery of Tenancy Health Checks to proactively engage with tenants and identify property or personal issues at an early stage to sustain tenancy
- Incentives to tenants in the form of food parcels for prompt payment of rent has reduced the amount of debt significantly
- A robust maintenance system has significantly reduced the level of void
- Continued Year on Year investments in our properties and equipment

YMCA Crewe's continued deliverance of Value for Money is further detailed via seven standards recommended by the Regulator of Social Housing.

## Metric Summary

In addition to the current Value for Money metrics, the figures for both the preceding and succeeding financial years have been provided, alongside a breakdown of the 2021-2022 metrics. Moreover, to provide a comparison against a commensurate social housing provider, the 2021-2022 Value for Money metrics for YMCA St Helens, with their kind permission, have also been tabulated alongside.

	YMCA Crewe				YMCA St Helens
	2020-21 Actual	2021-2022		2022-23 Target	2021-2022
		Target	Actual		
Re-Investment	1.2%	3.83%	3.88%	5.41%	1.28%
New Supply delivered - social housing	0.0%	6.49%	6.49%	6.49%	0.0%
New Supply delivered - non-social housing	0.0%	0.0%	0.0%	0.0%	0.0%
Gearing	-16.8%	-8.28%	-8.33%	-2.43%	-5.6%
EBITDA-MRI Interest Cover	2,522.7%	1,023.8%	2,468.8%	1,627.25%	3,076.53%
Headline social housing cost per unit	£9,065	£12,314	£11,488	£15,882	£10,189
Operating margin (social housing units)	19.9%	15.27%	13.68%	9.07%	16.24%
Operating margin (overall)	10.2%	0.95%	5.4%	3.12%	15.63%
Return of capital employed (ROCE)	2.7%	0.0%	1.73%	1%	3.51%

## Metric 1: Reinvestment %

Designed to measure Cost Chain Efficiency, this metric compares the investment within existing and new properties as a percentage of the total property value.

+	Development of New Properties	£ -
+	Newly Built Properties Acquired	£ -
+	Works to Existing (Total Housing Properties)	£ 209,752
+	Capitalised Interest (Total Housing Properties)	£ -
+	Schemes Completed (Total Housing Properties)	£ -
<b>Divided by</b>		
	Tangible Fixed Assets: Housing Properties at Cost (Current)	£ 5,410,232
	Tangible Fixed Assets: Housing Properties at Valuation (Current)	
<b>Reinvestment %</b>		<b>3.88%</b>

**Metric 2: New Supply Delivered %**

This metric, which measures Cost Chain Effectiveness, records the number of new housing units acquired or developed within the prior twelve months as a percentage of the total number of housing units owned at year end. This metric is reported as two ratios, recording Social Housing Units and Non-Social Housing Units respectively.

A: Social Housing %	
Total No. Units Developed or Acquired in Year	5
Divided by	
+ 189 Gresty Road	67
+ 186 Holland Street	2
+ 102 Minshull New Road	2
+ 14 Broad Street	2
+ 20 Broad Street	2
+ 116 Lord Street	2
Total Units Owned at Period End	77
New Supply Delivered %	6.49%

B: Non-Social Housing %	
Total No. Units Developed or Acquired in Year	0
Total Units Owned at Period End	0
New Supply Delivered %	0%

**Metric 3: Gearing %**

Functioning as a measurement of Cost Chain Efficiency, this metric considers the proportion of adjusted assets comprising debt; thus, determining the degree of dependence on debt finance.

+	Short Term Loans	£	-
+	Long-Term Loans	£	66,890
-	Cash and Cash Equivalents	£	517,296
+	Amounts Owed to Group Undertakings	£	-
+	Finance Lease Obligations	£	17,604
<i>Divided by</i>			
Tangible Fixed Assets: Housing Properties at Cost (Current)		£	5,410,232
Tangible Fixed Assets: Housing Properties at Valuation (Current)			
Gearing %			-8.33%

**Metric 4: Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI) Interest Cover %**

An additional measurement of Cost Chain Efficiency, the EBITDA MRI is a key comparator of generated surplus against payable interest whilst avoiding any distortion resultant from depreciation charges.

+	Operating Surplus (Overall)	£ 101,725
-	Gain on Fixed Asset Disposal (Housing Properties)	£ -
-	Amortised Government Grant	£ 139,664
-	Government Grants Taken to Income	£ -
+	Interest Receivable	£ -
-	Capitalised Major Repairs Expenditure for Period	£ -
+	Total Depreciation Charge for Period	£ 225,995
<b>Divided by</b>		
	Interest Capitalised	£ -
+	Interest Payable and Financing Costs	£ 9,154
<b>EBITDA MRI Interest Cover %</b>		<b>2,468.81%</b>

**Metric 5: Headline Social Housing Cost Per Unit**

This metric measures Cost Chain Economy by assessing the cost of headline social housing per unit owned and/or managed by YMCA Crewe.

+	Operating Expenditure from Social Housing Lettings	£ 1,120,192
-	Depreciation Charge – Housing Properties	£ 164,774
-	Bad Debts	£ 13,425
<b>Divided by</b>		
+	189 Gresty Road	67
+	186 Holland Street	2
+	102 Minshull New Road	2
+	14 Broad Street	2
+	20 Broad Street	2
+	116 Lord Street	2
+	140 A Rolls Avenue	1
+	142 Rolls Avenue	2
+	140 Rolls Avenue	3
	Total Social Housing Units Owned/Managed at Period End	82
<b>Headline Social Housing Cost Per Unit</b>		<b>£ 11,488</b>

**Metric 6: Operating Margin %**

A demonstrable mechanism of Cost Chain Efficiency, this metric determines the profitability of operating assets as a percentage of annual turnover for both the overall operating assets and any assets associated with social housing lettings.

<b>A: Social Housing Lettings Only</b>		<b>B: Overall</b>	
Operating Surplus	£ 177,527	Operating Surplus	£ 101,725
		Gain on Disposal of Fixed Assets (Housing Properties)	£ -
<i>Divided by</i>		<i>Divided by</i>	
Turnover	£ 1,297,719	Turnover	£ 1,885,398
<b>Operating Margin %</b>	<b>13.68%</b>	<b>Operating Margin %</b>	<b>5.40%</b>

**Metric 7: Return on Capital Employed (ROCE) %**

A comparator of operating surplus against total assets, less current liabilities, is a common commercial measure of Cost Chain Efficiency.

+	Operating Surplus	£ 101,725
	Share of Operating Surplus in Joint Ventures of Associates	£ -
<i>Divided by</i>		
	Total Assets Less Current Liabilities	£ 5,875,360
	<b>ROCE %</b>	<b>1.73%</b>

## Statement of Compliance with Regulatory Standards

Principal risks and material uncertainties affecting YMCA Crewe are its Pension Obligations and the uncertain nature of its funding streams. The Board considers annually and on a rolling basis a three-year strategic plan which YMCA Crewe progressively implements.

The Board receives bimonthly reports from the Chief Executive Officer and the senior leadership team which sets out the risks, risk management plans and tolerances for the business.

The strategic plan includes a robust assessment of the principal risks facing YMCA Crewe, including those that would threaten its business and financial model, future performance, solvency, or liquidity. The Directors believe that YMCA Crewe is well placed to manage its business risks successfully, having considered the current economic outlook.

Accordingly, the Board believes that, considering YMCA Crewe's current position, and subject to the principal risks faced by the business, YMCA Crewe will be able to continue in operation and to meet its liabilities as they fall due for the period up to 31st March 2023.

Directors have a reasonable expectation that YMCA Crewe has adequate resources to continue its operational existence for the foreseeable future and for a period of at least twelve months from the date of this report.

The Board confirms that the Association has maintained compliance with the Regulator of Social Housing Governance and Viability Standard.

## Self-Assessment of the Code of Governance of the National Housing Federation

YMCA Crewe maintains compliance with the code of governance of the National Housing Federation, thereby ensuring the effectiveness and excellence of the board of trustees. Examples of this include:

- All policies and procedures regarding governance are readily available to all staff and board members.
- The board of directors at YMCA Crewe comprises nine members; eight non-executive trustees, including a chair who is responsible for the leadership of the board, and the Chief Executive Officer. In the last year, six trustees have been recruited including a new chair. Each trustee has undertaken a skills audit, safeguarding and Prevent training. Trustees have also had the opportunity to attend the annual Board/Trustee development training day.
- The Head of Corporate and Community Services advises the board on compliance with our mission, vision and values and any and all statutory requirements.
- The Big Welcome Pack and Trustee handbook provides the history of the YMCA Crewe including strategy, cultural ethos and mission, vision and values of the organisation.
- All board meetings and committee meetings are fully minuted and based on full agendas with advance documentation provided to all trustees. All committees, including the board have formal terms of reference to ensure transparent and effectiveness.
- The organisation's CEO has a clear understanding of their legal responsibilities, authority and relationship with the board, outlined in their signed contract of employment. The performance and remuneration of the Chief Executive Officer is appraised annually by a panel composed of non-executive trustees.
- The board maintains high standards of probity and conduct especially pertaining to conflicts of interest and acceptance of hospitality. As per organisational policy, all senior staff and trustees must declare any interests, interested board members may not discuss nor vote on decisions regarding their interest.

## Future Activities

Building on the success of previous strategies, the Board, SLT and Team Leaders, have taken the opportunity to look to the future and be bold in our thinking to inform our strategic priorities for the next five years 2022-2027.

FIVE strategic goals were identified, the 'what', for YMCA Crewe over the next 5 years: 1. Expand our Reach 2. Expand our Housing Services 3. Build Community 4. Grow our People 5. Diversify Income.

## Our Strategic Goals

Each of the strategic goals that makes up our vision clearly contributes to what YMCA Crewe can achieve.

Expand our Reach In both geography and services we offer. From expanding geographically, to adding a range of mental health services to support our people, our volunteers, and our residents.

Expand our Housing Services. Whilst maintaining our high-quality accommodation we will increase our housing stock, through partnerships, relationships with private landlords and creative solutions. We will expand the range of Housing and

Welfare Services we offer to residents, landlords and authorities, becoming a respected service provider. We will evaluate a longer-term expansion into high need housing and rent to buy.

**Build Community.** At the heart of the YMCA is a community, whether it is those who use our spaces and services, our residents, our people, or our volunteers. We believe that connection to community is important, especially for families and those with children.

**Grow our People.** Investing in growing our people, our staff, our volunteers, and our residents, enables better lives and better futures. It empowers the transition to independence which is at the core of what we do.

**Diversify our Income.** Broad based income streams reduce the risk and enable a greater level of investment in the services we offer. Our social enterprises and partnerships expand our reach and create the financial security and stability to continue our work.

### **Future Activities**

- Expand into rent to buy
- YMCA Crewe trainer to provide Mental Health First Aid courses to other organisations
- Improve green spaces and outside areas at Gresty Road for resident wellbeing
- Increase local housing stock through new partnerships and creative solutions
- Increase the number of work placements for Gresty Road residents through our social enterprises
- Start further work with schools, building on relationships begun through education packs project
- Appoint a specialist worker to ensure voice of service users is heard, valued and acted upon.

### **Structure, Governance and Management**

#### **Governing document**

The organisation is a charitable company limited by guarantee, Registered Charity No 1030782, Company No 2875065.

The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association.

#### **Structure**

YMCA Crewe has a Board of Directors. They meet every two months and are responsible for setting strategic direction and policy in accordance with its aims and objectives and monitoring progress towards their achievement.

There are two subgroups that oversee work in critical areas, the Finance and Audit Committee chaired by the Treasurer and the Safeguarding Panel chaired by the Board Safeguarding Link Director. The Board of Directors nominates individuals as Link Directors for its range of operations, including finance, HR, safeguarding, training and engagement, communities and families and service users. Link Directors meet regularly with the appropriate members of the management team and with users of its services to discuss current issues and concerns.

Day to day responsibility for the provision of the services rests with the Chief Executive Officer along with the senior leadership team. The Chief Executive Officer is responsible for ensuring that the charity delivers its aims and objectives.

The Head of Corporate and Community Services manages the fundraising, communications, volunteer and communities teams and has responsibility for HR. She also acts as Company Secretary and supports the Board of Trustees with governance.

The Head of Housing and Support Services is responsible for the delivery of high-quality housing, support, and engagement services. They are part of the Senior Leadership Team working towards achieving the vision and strategy agreed by the Board of Directors and they provide excellent leadership and support to Team Leaders and service delivery staff.

The Head of Finance and business services is responsible for the maintenance of effective financial control and compliance across the organisation, providing accurate and timely management information to support strategic decision making.

#### **Composition of the Board of Directors**

At the end of the financial year, the Board of Directors had 9 members. The Chief Executive Officer also sits on the Board but has no voting rights. Board meetings are usually attended by senior managers.

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, a director is elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

The directors are from a variety of professional backgrounds relevant to the work of the organisation. The traditional business and voluntary sector skills are well represented on the Board of Directors. In an effort to maintain this broad skill mix, members of the Board of Directors are requested to provide a list of their skills and in the event of skills being lost due to retirements or a skills gap being identified, individuals are approached to offer themselves for election to the Board of Directors. The skills base of the Board and the relevance for the needs of the organisation is under constant review.

All the directors give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the Charity are set out in Note 7 to the accounts.

### **Risk Management**

YMCA Crewe has reviewed its risk reporting to trustees within the year seeking the assistance of new trustees with specific working expertise of operational risk systems to update our ongoing assessment of risks facing the organisation and the delivery of its services. The Association operates several quality assurance frameworks around the delivery of its accommodation, training and children and young people's services. These are underpinned by a risk management process which ensures policies and procedures are reviewed on a timely basis in accordance with changes in practice and legislative frameworks. Non-operational risk, specifically incorporating financial risk is also under-pinned by a system which ensures timely and regular review of critical areas.

### **Other Parties**

As a recipient of public funds, YMCA Crewe recognises the importance in its governance and management of working in partnership with local and national Government departments to deliver its aims and objectives. At a local level, our services are informed by local strategies for homelessness developed and commissioned by Cheshire East Council.

### **Statement of Board Members' Responsibilities**

The members of the Board are required by legislation concerning Registered Providers to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Association as at the end of the financial year and of the surplus and expenses of the Association for that period.

In preparing the accounts appropriate accounting policies have been used and applied consistently, reasonable, and prudent judgements and estimates have been made and the accounts have been prepared on a going concern basis.

The members of the Board are responsible for maintaining adequate accounting records, for safeguarding the assets of the Association and for taking reasonable steps for preventing and detecting fraud and other irregularities.

The Board Members holding office at the date of this report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each member has taken all the steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

.....  
On behalf of the members of the Board

.....  
  
M Hills  
Chief Executive Officer

Dated: 11<sup>th</sup> October 2022

**Statement of Corporate Governance and Internal Controls for the Year Ended 31 March 2022****Corporate Governance**

During the period the Board complied in all material respects with the elements of the Code of Governance issued by the National Housing Federation that are relevant and can be practically implemented given the size and nature of this organisation.

**Internal Controls**


There is no regulatory requirement for the Board to publish a statement on internal controls assurance, but it has decided to do so.

The Board acknowledges its responsibility for the establishment and maintenance of the system of internal controls and for reviewing its effectiveness mindful of the objectives of, and risks facing the Association.

The Board has conducted its annual review of the effectiveness of the system of internal control, which is designed to provide reasonable, not absolute, assurance.

The Board confirms that there are ongoing processes for maintaining sound systems of internal control and for managing significant risks. These processes have been in place throughout the year under review and they are regularly reviewed by the Board.

The Statement of Corporate Governance and Internal Controls was approved by the Board on .....  
and signed on its behalf by:

  
.....  
Joanne Turley – Chair

Date: 11<sup>th</sup> October 2022

**Independent Auditor's Report to the Members of Crewe YMCA Limited****Opinion**

We have audited the financial statements of Crewe YMCA Limited (the 'Association') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income and retained earnings, the Statement of Financial Position, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. 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 Company's affairs as at 31 March 2022 and of 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 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 2019.

**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 Company 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**

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**Independent Auditor's Report to the Members of Crewe YMCA Limited (continued)****Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company 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 specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 14, 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 Company'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 Company or to cease operations, or has 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 web-site at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws, regulations and guidance that affect the Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2019, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.

**Independent Auditor's Report to the Members of Crewe YMCA Limited (continued)**

- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Company's activities.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

**Use of our report**

This report is made solely to the Company'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 Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Richard Graham ACA (Senior Statutory Auditor)**

For and on behalf of  
**Beever and Struthers**  
Statutory Auditor  
One Express  
1 George Leigh Street  
Manchester  
M4 5DL

Date: 29 November 2022

**Statement of Comprehensive Income and Retained Earnings**  
**For the Year Ended 31 March 2022**

	Notes	2022 £	2021 £
Turnover	2	1,885,398	1,623,872
Operating expenditure	2	<u>(1,765,475)</u>	<u>(1,511,705)</u>
<b>Operating surplus</b>		119,923	112,167
Interest payable and financing costs	4	<u>(9,154)</u>	<u>(8,435)</u>
<b>Total surplus for the year and total comprehensive income</b>	7	<u>110,769</u>	<u>103,732</u>
Retained earnings at the start of the year		<u>973,628</u>	<u>869,896</u>
<b>Retained earnings at the end of the year</b>		<u>1,084,397</u>	<u>973,628</u>

The notes on pages 23 to 32 form an integral part of these financial statements.

The financial statements on pages 20 to 32 were approved and authorised for issue by the Board of Management on 11/10/2022 and were signed on its behalf by:



*Ms J Turley – Chair*



*Mr P Pitcher – Treasurer*



*Mr M Hills – Chief Executive Officer*


**Statement of Financial Position**  
**As at 31 March 2022**

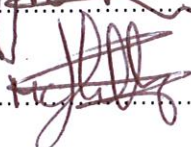
	Notes	2022	2021
		£	£
<b>Fixed assets</b>			
Tangible fixed assets	9	5,593,896	5,500,879
<b>Current assets</b>			
Debtors	10	76,878	72,490
Cash at bank and in hand		<u>518,057</u>	<u>722,309</u>
		594,935	794,799
<b>Creditors:</b>			
Amounts falling due within one year	11	<u>(295,273)</u>	<u>(361,855)</u>
<b>Net current assets</b>		<u>299,662</u>	<u>432,944</u>
		5,893,558	5,933,823
<b>Creditors:</b>			
Amounts falling due after one year	12	<u>(4,809,161)</u>	<u>(4,960,195)</u>
<b>Net assets</b>		<u>1,084,397</u>	<u>973,628</u>
<b>Capital and reserves</b>			
Income and expenditure reserve	15	<u>1,084,397</u>	<u>973,628</u>

The notes on pages 23 to 32 form an integral part of these financial statements.

The financial statements on pages 20 to 32 were approved and authorised for issue by the Board of Management on 11/10/2022 and were signed on its behalf by:

..... *Ms J Turley – Chair*

 ..... *Mr P Pitcher – Treasurer*

 ..... *Mr M Hills – Chief Executive Officer*

**Company Registration Number: 02875065**

**Statement of Cash Flows**  
**For the Year Ended 31 March 2022**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Net cash generated from operating activities (see note below)</b>	<b>123,937</b>	<b>184,756</b>
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	<u>(319,013)</u>	<u>(141,798)</u>
	<b>(319,013)</b>	<b>(141,798)</b>
<b>Cash flow from financing activities</b>		
Interest paid	<b>(2,918)</b>	<b>(3,125)</b>
Repayment of borrowings	<u><b>(6,258)</b></u>	<u><b>(6,322)</b></u>
	<b>(9,176)</b>	<b>(9,447)</b>
<b>Net change in cash and cash equivalents</b>	<b>(204,252)</b>	<b>33,511</b>
<b>Cash and cash equivalents at beginning of the year</b>	<u><b>722,309</b></u>	<u><b>688,798</b></u>
<b>Cash and cash equivalents at end of the year</b>	<u><b>518,057</b></u>	<u><b>722,309</b></u>

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Cash flow from operating activities</b>		
Surplus for the year	<b>110,769</b>	<b>103,732</b>
<b>Adjustments for non-cash items:</b>		
Depreciation of housing properties	<b>164,774</b>	<b>161,969</b>
Depreciation of other fixed assets	<b>61,222</b>	<b>45,208</b>
Amortisation of Government grants	<b>(139,664)</b>	<b>(139,664)</b>
Decrease in trade and other debtors	<b>4,388</b>	<b>23,813</b>
Increase in trade and other creditors	<b>(86,706)</b>	<b>(18,787)</b>
<b>Adjustment for investing or financing activities:</b>		
Interest payable	<u><b>9,154</b></u>	<u><b>8,435</b></u>
	<u><b>123,937</b></u>	<u><b>184,756</b></u>

The notes on pages 22 to 31 form an integral part of these financial statements.

**Notes to the Financial Statements  
For the Year Ended 31 March 2022**

**Legal Status**

Crewe YMCA Limited is a company limited by guarantee incorporated in England and a registered charity. The address of its registered office is 189 Gresty Road, Crewe, Cheshire, CW2 6EL.

**1. Principal Accounting Policies**

**Basis of accounting**

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018.

The financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The accounts are prepared on the historical cost basis of accounting and are presented in sterling £.

These financial statements have been prepared in compliance with FRS 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland.

The Association meets the definition of a public benefit entity (PBE).

**Going Concern**

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The review of financial position, reserves levels and future plans gives Trustees confidence the charity remains a going concern for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Significant judgements*

The judgements (apart from those involving estimations) that management has made in the process of applying the Association's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of whether there are indicators of impairment of the Association's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the Board the debt is not fully recoverable.
- Categorisation of housing properties. In determining the categorisation of housing properties the Association has considered the intended use of the assets. The Association considers that all properties are held for social benefit and therefore no properties are categorised as investment properties.

**Notes to the Financial Statements  
For the Year Ended 31 March 2022**

**1. Principal Accounting Policies (continued)**

*Other key sources of estimation uncertainty*

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Housing properties and other tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.
- Recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the Board the debt is not considered to be fully recoverable.
- Impairment of non-financial assets. Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified. The Association has assessed that Covid-19 is not considered a trigger for an impairment review due to the lack of voids, the high demand for properties and the level of rents being obtained. No impairment in the year is necessary.

**Revenue Recognition**

Turnover represents rental income receivable, amortised capital grant, revenue grants from local authorities and Homes England. All income is recognised on a receivable basis.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion. Supporting People Income is recognised under the contractual arrangements. No turnover relates to sales of housing accommodation during the year ended 31 March 2022.

**Supporting People Income**

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in notes 2 and 3. The related support costs are matched against the income in note 2.

**Grants**

**(i) Social Housing Grants**

Social housing grants are deferred and released in line with the expected useful life of the asset to which they relate.

**(ii) Other Grants**

Capital based grants and revenue based grants are credited to the income and expenditure account as they are received.

**Fixed assets – housing land and buildings (note 9)**

Housing properties included in fixed assets are stated at cost with only actual costs incurred in the acquisition, construction and improvement of housing properties being capitalised.

**Notes to the Financial Statements  
For the Year Ended 31 March 2022**

**1. Principal Accounting Policies (continued)**

**Depreciation**

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment losses.

Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual useful economic life. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Association depreciates freehold housing properties by component on a straight-line basis over the estimated useful economic lives of the component categories.

Useful economic lives for identified components are as follows:

	Years
Structure	50 – 70
Boiler	15
Electrical	25 – 40
Kitchens and Bathrooms	5 – 20
Windows	20 – 30
Roofs	15 – 70
Lift	20

Depreciation is charged on other tangible fixed assets on a reducing balance basis over the expected economic useful lives which are as follows:

	%
Hostel and Recreational	25
Motor Vehicles	25
Computer Equipment	25
Gym Equipment	25

**Impairment**

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

The Association has assessed that no trigger for an impairment review has occurred

**Notes to the Financial Statements  
For the Year Ended 31 March 2022**

**1. Principal Accounting Policies (continued)**

**Pension**

Crewe YMCA Limited 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. Due to insufficient information, the plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to Crewe YMCA Limited.

As described in note 13, Crewe YMCA Limited has a contractual obligation to make pension deficit payments of £47,662 per annum over a period to April 2029, accordingly this is shown as a liability in notes 11 and 12 to these accounts. In addition, Crewe YMCA Limited is required to contribute £38,954 per annum and £8,708 per annum to the operating expenses and an investment charge of the Pension Plan respectively and these costs are charged to the Statement of Comprehensive Income as made.

**Taxation**

The Association is a registered charity and is therefore not liable to taxation.

**Financial instruments**

The Association only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities.

**Cash and cash equivalents**

Cash and cash equivalents consist of cash at bank and in hand and short term deposits with an original maturity of less than three months, net of outstanding bank overdrafts.

**Debtors**

Amounts owed within one year are measured at the undiscounted amount of the cash or other consideration expected to be received.

**Creditors**

Creditors due within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid. The Association does not enter into any agreements to defer payment over one year.

**Leasing**

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

**Value added tax**

The Association charges value added tax (VAT) on room hire income and does not recover VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Association and not recoverable from HMRC. The balance of VAT payable or recoverable at year end is included as a current asset or liability.

Notes to the Financial Statements  
For the Year Ended 31 March 2022

2. Social Housing turnover and expenditure

		2022			2021		
	Notes	Turnover £	Operating Expenditure £	Surplus/ (Deficit) £	Turnover £	Operating Expenditure £	Surplus/ (Deficit) £
<b>Turnover and expenditure from lettings</b>							
Special needs accommodation	3	1,297,719	(1,101,994)	177,527	1,026,341	(875,635)	150,706
<b>Other turnover and expenditure</b>							
CJRS Income		5,684	(7,626)	(1,942)	54,781	(69,977)	(15,196)
Other income		<u>581,995</u>	<u>(655,855)</u>	<u>(73,860)</u>	<u>542,750</u>	<u>(566,093)</u>	<u>(23,343)</u>
		<u>1,885,398</u>	<u>(1,765,475)</u>	<u>101,725</u>	<u>1,623,872</u>	<u>(1,511,705)</u>	<u>112,167</u>

3. Turnover from lettings

	2022 £	2021 £
Rents receivable net of voids	1,158,055	1,026,341
Amortisation of government grants	139,664	139,664
Supporting People Contract Income	<u>-</u>	<u>-</u>
	<u>1,297,719</u>	<u>1,026,341</u>
Rent losses from voids	<u>(65)</u>	<u>(3,555)</u>

4. Interest payable and similar charges

	2022 £	2021 £
On bank loans payable wholly or partly in more than five years by instalments	2,918	3,125
Unwinding of YMCA pension liability discount	<u>6,236</u>	<u>5,310</u>
	<u>9,154</u>	<u>8,435</u>

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2022**

**5. Staff**

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
The average number of persons employed during the year including the Chief Executive Officer expressed in full time equivalents was (based on a 40 hour week):	<u>34</u>	<u>28</u>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Staff costs for the above</b>		
Wages and salaries	856,027	697,802
Social security costs	65,348	54,900
Other pension costs	<u>19,498</u>	<u>14,537</u>
	<u><b>940,873</b></u>	<u><b>767,239</b></u>

No full time equivalent staff were paid remuneration of over £60,000.

**6. Directors' emoluments and key management personnel**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Total key management personnel remuneration</b>		
Emoluments	57,120	57,346
Employer's pension contributions	1,714	1,504
Employers national insurance contributions	<u>6,524</u>	<u>5,707</u>
	<u><b>65,358</b></u>	<u><b>64,557</b></u>

The emoluments paid to the highest paid Director (Chief Executive)  
(excluding pension contributions)

**57,120**                      **57,346**

Key management personnel are defined as members of the Board of Trustees and the Chief Executive.

The Chief Executive is an ordinary member of the pension scheme. No enhanced or special terms apply. There are no additional pension arrangements. A contribution of £1,504 (2021: £1,403) was made by the Association in addition to the personal contributions of the Chief Executive.

No emoluments were paid during the year to any member of the Board of Trustees (2021: £Nil).

The Board of Trustees did not receive any expenses to reimburse for travelling costs incurred on behalf of the Association (2021: £Nil).

**7. Surplus on ordinary activities**

Surplus on ordinary activities is stated after charging/(crediting):

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Auditors remuneration (excluding VAT)	8,248	8,600
Operating lease charges	5,955	14,475
Depreciation of housing properties	164,774	161,969
Depreciation of other fixed assets	61,222	45,208
Amortisation of government grants	<u><b>(139,664)</b></u>	<u><b>(139,664)</b></u>

**8. Taxation**

The Association is a registered charity and is exempt from taxation on its charitable activities.

Notes to the Financial Statements  
For the Year Ended 31 March 2022

9. Tangible fixed assets

	Housing Properties	Computer Equipment	Hostel Fixtures and Fittings	Motor Vehicles	Gym Equipment	Total fixed assets
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2021	7,143,858	248,479	468,590	38,432	43,824	7,943,183
Additions	<u>209,752</u>	<u>30,910</u>	<u>71,709</u>	<u>-</u>	<u>6,642</u>	<u>319,013</u>
At 31 March 2022	<u><b>7,353,610</b></u>	<u><b>279,389</b></u>	<u><b>540,299</b></u>	<u><b>38,432</b></u>	<u><b>50,466</b></u>	<u><b>8,262,195</b></u>
<b>Depreciation</b>						
At 1 April 2021	1,778,604	202,101	401,343	27,792	32,463	2,442,304
Charge for year	<u>164,774</u>	<u>19,322</u>	<u>34,739</u>	<u>2,660</u>	<u>4,501</u>	<u>225,996</u>
At 31 March 2022	<u><b>1,943,378</b></u>	<u><b>221,423</b></u>	<u><b>436,082</b></u>	<u><b>30,453</b></u>	<u><b>36,964</b></u>	<u><b>2,668,299</b></u>
<b>Net book value</b>						
At 31 March 2022	<u><b>5,410,232</b></u>	<u><b>57,966</b></u>	<u><b>104,217</b></u>	<u><b>7,979</b></u>	<u><b>13,502</b></u>	<u><b>5,593,896</b></u>
At 31 March 2021	<u>5,365,254</u>	<u>46,379</u>	<u>67,246</u>	<u>10,640</u>	<u>11,361</u>	<u>5,500,879</u>
	<b>2022</b>	<b>2021</b>				
Housing properties comprises:	£	£				
Freehold land and buildings	<u><b>5,410,232</b></u>	<u>5,365,254</u>				

10. Debtors

	2022 £	2021 £
Rent arrears	104,440	97,482
Provision for bad debts	<u>(31,623)</u>	<u>(37,380)</u>
Net rent arrears	72,817	60,102
Prepayments and accrued income	<u>4,061</u>	<u>12,388</u>
	<u><b>76,878</b></u>	<u><b>72,490</b></u>

11. Creditors:

Amounts falling due within one year:

	2022 £	2021 £
Bank loan	6,117	6,814
Trade creditors	5,706	9,056
Rents in advance	14,324	1,746
Social security and other taxes	19,086	18,553
Accruals and deferred income	78,382	157,270
Pension agreement plan (note 13)	31,994	28,752
Deferred capital grant (note 14)	<u>139,664</u>	<u>139,664</u>
	<u><b>295,273</b></u>	<u><b>361,855</b></u>

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2022**

**12. Creditors:**

Amounts falling due after more than one year:

	2022 £	2021 £
Bank loan	60,774	66,334
Pension agreement plan (note 13)	173,320	179,130
Deferred capital grant (note 14)	<u>4,575,067</u>	<u>4,714,731</u>
	<u><b>4,809,161</b></u>	<u><b>4,960,195</b></u>

The bank loan of £66,891 (2021: £77,148) included in creditors due in less than one year and due in more than one year is secured by a first charge on properties owned by the YMCA and is repayable in monthly instalments of £781 over the next eleven years. Included within bank loans is £33,082 (2021: £38,372) which is due for repayment after more than five years from the Statement of Financial Position date.

**13. Pension obligations**

Crewe YMCA Limited 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 Crewe YMCA Limited and at the year end these were invested in the Mercer Dynamic De-risking Solution, 63% matching portfolio and 37% in the growth portfolio and Schroder (property units only).

The most recent completed three year valuation was as at 1 May 2020. 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 2.59% and 1.09% respectively, the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m. This represented 79% 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 2020 showed that the YMCA Pension Plan had a deficit of £39 million. Crewe YMCA Limited has been advised that it will need to make monthly contributions of £3,972 from 1 May 2022. 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. Agreed future deficit contributions have been discounted using a rate of 3%. (2021:3%). The current recovery period is 7 years commencing 1 May 2022.

	Repayable				After more than one year	Total 2022	Total 2021
	Within one year	One to two years	Two to five years	After five years			
As at 31 March 2022	31,994	31,062	87,864	54,393	173,319	205,314	
As at 31 March 2021	28,752	27,914	78,958	72,285	179,131		207,883

In addition, Crewe YMCA Limited 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 Crewe YMCA Limited may be called upon to pay in the future.

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2022**

**14. Deferred capital grant**

	2022 £	2021 £
As at 1 April	4,854,395	4,994,059
Released to income in the year	<u>(139,664)</u>	<u>(139,664)</u>
As at 31 March	<u>4,714,731</u>	<u>4,854,395</u>
	2022 £	2021 £
Due within one year	139,664	139,664
Due within two to five years	558,656	558,656
Due in over five years	<u>4,016,411</u>	<u>4,156,075</u>
	<u>4,714,731</u>	<u>4,854,395</u>

**15. Reserves**

Income and expenditure account – This reserve records retained earnings and accumulated losses.

**16. Capital commitments**

Capital commitments at 31 March 2022 were £Nil (2021: £Nil).

**17. Financial commitments**

The Association holds office equipment under non-cancellable operating leases. At the end of the year the Association had commitments of total future minimum lease payments as follows:-

	2022 £	2021 £
Expiring:		
Not later than one year	900	5,955
Later than one year and not later than five years	<u>-</u>	<u>1,500</u>
	<u>900</u>	<u>7,455</u>

**18. Units/Bedspaces**

	2022 Number	2021 Number
<b>Under management at end of the year</b>		
Supported hostel accommodation	<u>83</u>	<u>78</u>

**19. Grant and financial assistance**

The total accumulated government grant and financial assistance received at 31 March:

	2022 £	2021 £
Held as deferred grant – housing	4,714,731	4,854,395
Recognised as income in Statement of Comprehensive Income – housing	1,379,828	1,240,164
Recognised as income in Statement of Comprehensive Income – other	<u>25,615</u>	<u>25,615</u>
	<u>6,120,174</u>	<u>6,120,174</u>

**Notes to the Financial Statements  
For the Year Ended 31 March 2022**

**20. Analysis of changes in net debt**

	<b>At 1 April 2021</b>	<b>Cash flows</b>	<b>Other non-cash changes</b>	<b>At 31 March 2022</b>
	£	£	£	£
Cash at bank	722,309	(204,252)	-	518,057
Loans Due in One Year	(6,814)	697	-	(6,117)
Loans Due After One Year	(66,334)	5,560	-	(60,774)
	<u>649,161</u>	<u>(197,995)</u>	<u>-</u>	<u>451,166</u>