

Charity Number:	1053864
Company Number:	3169665
Homes England Number	H4099

YMCA LONDON CITY AND NORTH (Formerly City YMCA London)
(A Registered Charity)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

YMCA LONDON CITY AND NORTH

YMCA LONDON CITY AND NORTH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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**YMCA LONDON CITY AND NORTH
TRUSTEES REPORT**

REFERENCE AND ADMINISTRATIVE DETAILS

STATUS

Company Limited by Guarantee and does not have a Share Capital

SECRETARY

Elizabeth Rees (resigned 17 March 2021)

Michael Burris (appointed on 22 March 2021 and Resigned on 20 August 2021)

Jonathan Faulkner (appointed on 20 August 2021)

REGISTERED OFFICE

LandAid House, 10 Errol Street, London, England, EC1Y 8SE

REGISTERED NUMBERS

Companies House - 03169665

Homes England - H4099

Charity Commission - 1053864

AUDITORS

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

SOLICITORS

Travers Smith, 10 Snow Hill, London, EC1A 2AL

Simmons & Simmons, 1 Ropemaker Street, London, EC2Y 9SS

BANKERS

Allied Irish Bank (GB)

West London Business Centre, Ealing Cross, Uxbridge Road, London W5 5TH

PRINCIPAL OFFICERS as at 31 March 2021

Chief Executive	Gillian Bowen
Director of Estates and Major Projects	Jonathan Faulkner
Director of Community and Enterprise	Chris East
Director of Corporate Services	Emir Feisal

Patrons

Lord Mayor of the City of London

The Rt Revd & Rt Hon Dame Sarah Mullally, Bishop of London

The Revd Rose Hudson-Wilkin (Bphil Ed), Bishop of Dover

Vice-Presidents

Colonel Brian Kay OBE DL

Mr Peter Ellis

TRUSTEES (See page 3)

YMCA LONDON CITY AND NORTH TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also the Directors of the Company for the purpose of company law, present their report and financial statements of the Association for the year ended 31 March 2021.

The reference and administrative detail set out on page 1 forms part of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Introduction

This has been a momentous year in the charity's history. Having carefully considered the final transfer agreement the Trustees of City YMCA, London resolved that the charity should proceed with acquiring the assets and liabilities of YMCA North London as such a merger was deemed to be in the best interests of the charities objects. This became effective on 9 October 2020. YMCA London City and North's future remains shaped by our core values of City YMCA, London.

The governing document of City YMCA, London remains and the organisation is governed in accordance with its Memorandum and the Articles of Association. The Articles of Association were changed via a Special Resolution dated 4 May 2020 and as further amended by a Special Resolution dated 22 September 2020. They were changed to allow for the expansion of the organisation's activities and governance in connection with the merger in 2020 with YMCA North London.

Company History

London City YMCA was incorporated on 8 March 1996 and commenced trading on 1 October 1996. London City YMCA accepted a transfer of engagements from the Barbican YMCA on 1 December 2005 and at that date changed its name to City YMCA, London. On 9 October 2020, City YMCA, London accepted a transfer of engagements from YMCA North London. At the date of compiling this report, the organisation's name is formally changed to YMCA London City and North. The Company is limited by guarantee and does not have a share capital.

Directors and Trustees

The Directors, who are also Trustees for the purposes of charity law and throughout this report are referred to as Trustees, are elected at the Annual General Meeting of the Association for a period not to exceed three years or appointed by the Board of Trustees in the case of a vacancy in accordance with the Articles of Association.

A Board of Trustees, who meet at least quarterly, administer YMCA London City and North. None of the Trustees have any beneficial interest in YMCA London City and North. All of the Trustees are members of YMCA London City and North and are liable to contribute £1 in the event of a winding up. The work is accountable through regular meetings of the Board, its Audit Committee, Remuneration Committee and Property and Development Committee, which receive reports from the executive officers. The strategic plan provides guidance of the charity's key priorities and all organisation policies and procedures are regularly reviewed. The Executive Team and Management Team meet on a regular basis. Departmental and 'All Staff' meetings also take place to ensure effective communication channels are maintained.

The Board of Trustees is responsible for high level strategic decisions, monitoring performance against high level targets, ensuring statutory and regulatory compliance; ensuring financial controls are appropriate and managing risk. The Board delegate the day to day responsibilities of managing the activities of the charity to a staff team.

The Chief Executive is responsible for leading the staff team, liaising with the Board of Trustees and keeping them appropriately informed, developing strategy, ensuring targets are realised, affecting statutory and regulatory compliance, developing risk management policies and

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

processes, ensuring day to day management is efficient and ensuring that the capacity of YMCA London City and North is adequate to meet its objectives.

The longest serving one third of the Members of the Board retire each year and may offer themselves for re-election for a further three years. A Trustee requires at least two nominations to be elected or re-elected. All Trustees are subject to Disclosure and Baring Service vetting, in recognition of the fact that YMCA London City and North works with vulnerable groups. New Trustees receive a formal induction including induction materials to acquaint them with YMCA London City and North's policies and practices, aims, activities, management and governance.

The Remuneration Committee, comprising Board members meets as necessary to review the Salary Grade Policy and set the organisation wide Pay Scale. All staff positions are secured against the Grade Scale to ensure that salaries are proportionate to the level of responsibility of that role.

As a result of the merger, in January – March 2021 a review of top management (Directorate and Head of Departments) was undertaken via a Corporate Services Phase One Restructure. The review identified a number of posts where there was a duplication of the same role between the merged organisations. This resulted, via a comprehensive consultation process, in a number of staff accepting voluntary redundancies as well as the redeployment of others to new positions.

**YMCA LONDON CITY AND NORTH
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

The Trustees of YMCA London City and North during the year were:

Mr. Robert Thompson – Chairman
Mr. Mark Poulding-Wright – Vice Chairman
Mr. Gary Morley – Treasurer (Retired 9 December 2020)
Mr. Mark Henshaw – Treasurer (Appointed Treasurer 9 December 2020)
Mr Michael Baker (Appointed 9 October 2020)
Mr. Daniel Gerring
Mr Philip Graham (London Borough of Islington – Appointed 23 September 2020)
Ms. Patsy Mills
Mr Mark Thompson (Appointed 9 October 2020)
Mr Paul Tredwell (Appointed 9 October 2020)
Ms. Claudia Webbe (London Borough of Islington – Retired 23 September 2020)
Mr. Marek Wiluszynski

Network and Other Relationships

YMCA London City and North is an independent member of the YMCA movement in England and Wales.

Subsidiary Company

YMCA London City and North has a wholly-owned dormant subsidiary, City YMCA, London Trading Limited.

Risk Management

The Risk Management Policy and related procedures were reviewed and updated during the year including approval of the latest risk register with action plans by the Board of Trustees in accordance with the Policy. The Trustees maintained two Risk Registers – the general organisation register and a dedicated LandAid House register, with the involvement of our Employers Agent. The Trustees confirm controls are in place to mitigate, as far as possible, the identified risks. Practical completion of LandAid House was achieved on 8 March 2021 with monitoring of furniture, fittings and equipment to continue.

Key risks to the organisation include:

- Management of the timetable and cost exposure of LandAid House (including impacts of Coronavirus pandemic): YMCA London City and North, have appointed a professional team to manage the JCT Design and Build contract, with limited items of provisional sums.
- The continuing lack of funding for Local Youth Services, this limits our ability to support the needs of vulnerable young people. YMCA London City and North continues to manage our local relationships with the statutory providers and to pursue new opportunities that are under development.
- A major incident arising from a safeguarding breach. YMCA London City and North continues to regularly review our Policies and Procedures and refresh our training for staff around Safeguarding, Professional Boundaries, Fire, First Aid and Health & Safety to ensure that we continue to offer a secure and safe place for vulnerable young people.

Impact of Coronavirus (COVID-19)

The accounts have been approved by the Trustees at a time when there is significant uncertainty as a result of the emergence and international spread of the Coronavirus (COVID-19). With the introduction of related virus control measures across the world since early March 2020, and in common with most other organisations, YMCA London City and North has been

YMCA LONDON CITY AND NORTH TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

forced to curtail its activities. This led to the cessation of face-to-face youth projects and we took the opportunity to review and implement the delivery of some youth programmes via virtual platforms. Our housing operations were broadly less affected. Our construction team were able to attain practical completion on the LandAid House development on 8 March 2021.

YMCA London City and North closed its Head Office March 2020 – September 2020, relocated administrative activities to working from home and utilised the UK government Coronavirus Job Retention Scheme to furlough identified roles. Beyond this, a hybrid work approach was required as further government lockdowns required interim head office closures and further activity cessations. The charity sought to navigate this pandemic landscape within its best capabilities and always in line with government guidance. We continued to fundraise and utilise relationships with key donors and supporters in order to ensure robust continuity of services for young people and our overall business. All Trustee meetings were convened via virtual platforms.

Overall, through appropriate consideration of risks as part of its normal risk management processes and mitigating actions both already taken and available to be taken the Board consider it is still appropriate for the going concern basis to be adopted for these accounts.

Fundraising Statement

YMCA London City and North voluntarily signed up to the Fundraising Regulator in 2018 and all fundraising activities continue to be carried out under the Fundraising Code. We continue to adhere to the GDPR regulations in our ongoing communications about our work. We have received no complaints about our fundraising activities or about our use of personal data.

All our fundraising work has been carried out by our trustees or staff and our Appeal Director is a member of the Institute of Fundraising. Fundraising activities are regularly reviewed by the Board in line with our reporting procedures. We partner with a very small number of donors and never ask an individual for a donation more than twice in any financial year.

AIMS, OBJECTIVES AND ACTIVITIES

Objects

The history of the YMCA has its roots in a Christian basis, having been founded in London in 1844. The objects of YMCA London City and North as defined in paragraph 4 of the Memorandum include:

- To provide residential accommodation, including social housing, for people of all ages and in particular young people, who are in need, hardship or distress by reason of their social, physical, emotional, spiritual or economic circumstances.
- To provide or assist in the provision, in the interest of social welfare, of facilities for recreation or other leisure time occupation for men, women and children with the object of improving their conditions of life.

Overall Aim

YMCA London City and North has a **vision** of a world where young people and communities are equipped to create a future of their choosing.

YMCA London City and North has a **mission** to *help young people and communities build a future* and does this by providing a range of services that support young people and communities to build a future in which they can make informed and supported choices.

YMCA LONDON CITY AND NORTH TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

YMCA London City and North strives to provide high quality services for beneficiaries grounded in the **values** of respect for the individual and their cultural, spiritual and faith needs; encompassing diversity and inclusion; and equality of opportunities and access.

We have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing our aim and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims they have set. We provide public benefit through the services we engage in to achieve our intended outcomes.

Merger Aims

The key aims of the merger were identified as:

- Redefine the standard of accommodation for homeless young people in London.
- Redevelop accommodation in Crouch End, Haringey.
- Better enable the ability of young people to move-on positively.
- Enhance our community provision, including children's services, health and wellbeing and local engagement to make a greater impact for our beneficiaries.

Activities

The principal activity of YMCA London City and North is to help young people and communities to build a future, by providing a range of services. These activities are across the breadth of six Local Authorities (Islington; Haringey; Hackney; Barnet; Tower Hamlets; Newham) and the City of London. As a result of the merger, greater efficiencies of scale and scope are anticipated.

The range of activities include:

- Accommodation: including three hostels and two move-on houses totalling 395 bed spaces.
- Children's services: Crèche, Breakfast Club, After School Clubs and Holiday Play Schemes
- Health and wellbeing: including two fitness centres
- Youth and community: including 2 youth centres, 2 community centres and community engagement activities

Key achievements

YMCA London City and North continues on its trajectory to ensure a **Vibrant Future** for its services and engagement with young people. At the heart of our strategy remains our intent to work in areas of housing, youth and community, health and well-being where it makes sense for us to do so. We continue to utilise strategic evaluation tools to guide our decision making and we will also continue to support some of the most marginalised and vulnerable young people in London.

Our pursuit of excellence has not diminished and we recognised that our ability to achieve our objectives within the anticipated timelines were not wholly possible. As we navigated a landscape of a Coronavirus pandemic, a complex charitable fundraising environment and a merger – we are pleased that we were still able to attain, in whole or in part, our key achievements.

For the year 2020-2021 we said that we would:

- **Review the due diligence of merging with YMCA North London with the intention of completing a Merger - Transferring asset and liabilities of YMCA North London in to the City YMCA, London entity:** We successfully concluded due diligence and

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officially completed the merger, by way of transfer of assets and liabilities on 9 October 2020.

- **Open LandAid House:** We successfully attained practical completion on 8 March 2021. We have a range of next steps to undertake, into the coming year, for the LandAid House to be open.
- **Review use of technology, including virtual platforms, for the benefit of front line work and staff connectivity:** With good fortune, the charity had undertaken an operational review of our requirements during 2020-2021. Therefore, when the unforeseen force of the Coronavirus pandemic arrived in the UK, we were able to quickly mobilise our IT needs (having pre-assessed equipment needs and specifications etc) and ordered devices to ensure staff connectivity and communication.
- **Maintain our engagement with the regional and international YMCA:** YMCA London City and North have continued to engage with the broader YMCA movement over virtual platforms for the year. On a regional, national and international level, we have engaged in meetings and seminars for support and engagement. This includes the YMCA World Urban Network, which is a global CEO leadership forum.

The Year Ahead

YMCA London City and North retains the ambition to help more young people and communities in London to build a future. Principally, we will achieve this through reshaping the standard of accommodation for homeless young people and delivering youth and community focussed initiatives.

- **YMCA London City and North:** We will formally launch the new name of the merged organisation and promote this through a new charity website.
- **Open LandAid House:** We will welcome young people into the purpose build development
- **Crouch End Development:** We will seek to commence an options appraisal for the accommodation site.
- **Strategic plan:** We will develop a new strategic plan for YMCA London City and North
- **Trustee recruitment:** We will undertake a skills and governance audit to assist in the recruitment of new trustees with a focus on equality, diversity and inclusion.

Financial Review

The overall surplus for the year on the Statement of Financial Activities amounted to £915,336 compared to a surplus of £430,375 for the previous year.

During the year, further investment of £3,825,678 was made for the continuing redevelopment of LandAid House. This was made possible by drawdowns from our agreed loan with AIB(GB).

Our accounts again reflect the value of the lease from Cripplegate Foundation for The Drum building at a peppercorn rent, included at £30,000 for the year. Also included is the value of donated services to assist the merger from Travers Smith LLP £155,857(2020, Total donated service income: £155,020).

Staff costs of £96,413 (2019: £109,840) have been capitalised in accordance with FRS102 reflecting internal work on the redevelopment.

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Value for Money

YMCA London City and North strives to deliver value for money throughout all of its activities and procurement.

We have developed a Value for Money strategy which is compliant with the Regulator of Social Housing guidance. This includes maximising income from all sources and the appropriate tendering of key contracts. We also measure value for money based upon our social impact which enables us to develop measures to assess performance and prioritise resources.

YMCA London City and North complies with the HCA Governance and Financial Viability Standard. The organisation has adopted the NHF Code of Governance 2020 and is satisfied that it complies with the spirit of the code and principles set out in it.

VFM Metrics	<u>2021</u>	<u>2020</u>
Reinvestment %	18.10%	27.93%
New supply delivered % - social housing	65.06%	0.00%
New supply delivered % - non-social housing	0.00%	0.00%
Gearing %	24.05%	45.07%
EBITDA-MRI interest cover %	238%	958%
Headline social housing cost per unit	£12,764	£13,356
Operating margin % social housing	-26.41%	-27.38%
Operating margin % overall	-35.97%	-30.34%
Return on capital employed %	-4.18%	-3.63%

Going concern

Financial statements have been prepared under the going concern basis as required by FRS102. The Trustees have reviewed forecast results and cashflows up to 31 March 2023 and are satisfied these support the going concern basis.

The charity is currently in ongoing discussions with HMRC around the VAT treatment of hostel income. The treatment, adopted prior to HRMCs inspection, is as used by a number of other YMCAs. The Trustees believe based on independent advice that this position is correct. HMRC are arguing a different treatment which the charity disputes, and which would negatively affect the charity's future results and cashflows. However, the Trustees are satisfied the impact of this could be mitigated effectively albeit they consider this unlikely to be necessary. This matter went to a First Tier Tribunal Hearing on 29 March 2021 and the outcome is still awaited at the approval of the Financial Statement.

CITY YMCA, LONDON
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

Reserves Policy

The Trustees are aiming for unrestricted reserves representing between three and six months' unrestricted expenditure. This would provide sufficient funds for the maintenance of the current activities in the event of a significant drop in funding and also provide time to allow consideration of changes in activities or new sources of funding.

During the current major redevelopment this buffer is not practical but will be reinstated once LandAid House becomes operational, with a plan to build up reserves post completion over five years.

Restricted reserves represent funds raised for the purpose of the redevelopment of LandAid House.

Partners and Funders

Our sincere thanks go to all of our partners and funders that have made the development of LandAid House possible and facilitated our ongoing work in providing accommodation to homeless young people and intervening in the lives of those young people who are most at risk.

Our appreciation goes to:

- Allied Irish Bank
- B&Q Foundation
- Beacon Lodge Charitable Trust
- Bishop of London's Mission Fund
- City of London Corporation
- Cripplegate Foundation
- Community Festivals Fund, Islington
- Greig Trust
- Grand Charity Freemasonry for Women
- Homeless Link
- Hornsey Parish Church
- John Lewis Partnership (Victoria Office)
- LandAid Charitable Trust
- Local Infrastructure Levy, Islington
- Local Initiatives Fund, Islington
- London Borough of Barnet
- London Borough of Hackney
- London Borough of Haringey
- London Borough of Islington
- London Community Response Fund
- London Marathon Charitable Trust
- Marigold Health Foods
- Metage Capital
- National Lottery Power to Charge
- Sport England
- Travers Smith LLP
- YMCA Met Region Trust
- YMCA England & Wales

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Housing Delivery Partners

- Alone in London
- Central Care
- Centrepoint
- Circle Crisis
- Come Correct
- CPPD Counselling School
- Crisis
- DePaul UK
- Enfield Council
- EQUIP
- Greenhouse Project
- Growth
- Hackney Council
- Hope Worldwide
- Ipswich Care Leavers
- Islington Council
- London CRC
- Mana Society
- New Horizon
- No First Night Out
- No Second Night Out
- Nurture Academy
- One Housing
- Pillion Trust
- Probation Service
- Providence Row
- Shelter from the Storm
- Social Services
- St Giles Trust
- St Mungo's
- Thames Reach
- Tower Hamlets Council
- Waltham Forest Council
- Westminster Housing Option

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AUDITORS

A resolution to reappoint Haysmacintyre LLP will be proposed at the forthcoming Annual General Meeting.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements the directors are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements
- Prepare financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and legislation relating to Registered Providers of Social Housing. They are also responsible for safeguarding of assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's external auditors are unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to each that the company's independent auditors are aware of that information.

**YMCA LONDON CITY AND NORTH
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

INTERNAL CONTROL

The Board of Trustees acknowledges its ultimate responsibilities for ensuring that YMCA London City and North has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designated to give reasonable assurance with respect to:

- the reliability of financial information used within the company or for publication
- the maintenance of proper accounting records
- the safeguarding of assets against unauthorised use or disposition
- the control of key financial risks through clearly laid down authorisation levels and proper segregation of duties
- subjection of all planned new initiatives to a detailed risk assessment process, the results of which are reported to the Board of Trustees
- a fundamental review of strategic risks and costs and a consequent reassessment of the priorities and of the means of delivering services
- setting budgets and managing within resources
- using resources effectively.


It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

- Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of the company's assets.
- Experienced and suitably qualified staff takes responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance.
- Clear responsibilities on the part of line and financial management are in place for the maintenance of good financial controls and the production of accurate and timely financial management information.
- Budgets and forecasts are prepared which allow the Board and Management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term, regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- YMCA London City and North London's external auditors review the internal financial controls and procedures and the Audit Committee monitors their reports.
- All significant new initiatives, major commitments and investments projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.

BY ORDER OF THE BOARD



Robert Thompson, Chairman



Mark Henshaw, Treasurer

Independent auditor's report to the members of YMCA London City and North (formerly City YMCA London)

Opinion

We have audited the financial statements of YMCA London City and North (formerly City YMCA London) for the year-ended 31 March 2021 which comprise the statement of financial activities, the balance sheets, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing from January 2019; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity 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 trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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 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 (contained within the Trustees' Annual Report) prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report (contained within the Trustees' Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board, the operating and financial review or the strategic 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Responsibilities of the Trustee Board set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulation of registered charities and registered providers of social housing, and Health and Safety regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and the Housing and Regeneration Act 2008, and we considered other factors such as tax compliance.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to areas of estimation uncertainty and manual accounting journals. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing a sample of manual journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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 our report

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



Richard Weaver (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
Date: 29 September 2021

10 Queen Street Place
London EC4R 1AG

YMCA LONDON CITY AND NORTH

Consolidated statement of financial activities SOFA
(incorporating a consolidated income and expenditure
account) for the year ended 31 March 2021

		2021		2020
		Unrestricted	Restricted	Total Funds
			£	£
Income from:	Note			Total Funds
<i>Donations</i>				£
Donations		231,780	742,168	973,948
Donations - Drum building		-	30,000	30,000
Donations - legal fees		-	155,857	155,857
		<u>231,780</u>	<u>928,025</u>	<u>1,159,805</u>
Charitable Activities & Other Income				
Housing Income	2	2,637,477	-	2,637,477
Youth Projects income		-	69,598	69,598
Crouch End Community		90,507.00	-	90,507
Tarling Road		52,295.00	-	52,295
Other Income		8,645	-	8,645
Liquidated Damages Construction Income		747,450	-	747,450
		<u>3,536,374</u>	<u>69,598</u>	<u>3,605,972</u>
Investment income		15,428		15,428
Total income		<u>3,783,582</u>	<u>997,623</u>	<u>4,781,205</u>
EXPENDITURE ON:				
Fundraising		68,520	-	68,520
Costs of raising funds		<u>68,520</u>	<u>-</u>	<u>68,520</u>
Housing Expenditure	2	3,004,511	202,469	3,206,980
Youth Projects		-	113,721	113,721
Crouch End Community		337,057	-	337,057
Tarling Road		56,755	-	56,755
Legal Fees pro bono		-	155,857	155,857
Expenditure on charitable activities		<u>3,398,323</u>	<u>472,047</u>	<u>3,870,370</u>
Total expenditure		<u>3,466,843</u>	<u>472,047</u>	<u>3,938,890</u>
SUB TOTAL				
Net income for the year before losses and gains on investments		316,739	525,576	842,315
Net gains and (losses) on investments	8	73,021	-	73,021
Net income for the year	4	<u>389,760</u>	<u>525,576</u>	<u>915,336</u>
Transfers between funds	11	525,576	(525,576)	-
Gift at fair value	19	2,415,303	-	2,415,303
Reconciliation of funds:				
Net movement in funds		3,330,639	-	3,330,639
Total funds brought forward from City YMCA		3,355,165	-	3,355,165
Total funds carried forward		<u>6,685,804</u>	<u>-</u>	<u>6,685,804</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 19-30 form part of the financial statements.

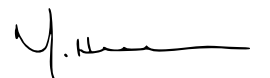
YMCA LONDON CITY AND NORTH
BALANCE SHEET
AS AT 31 MARCH 2021

Company No. 03169665

		2021	2020
		£	£
FIXED ASSETS	note		
Intangible Assets			
Intangible Assets	7	5,189	-
Tangible Assets			
F/H Housing Property	6	24,316,288	19,630,810
L/H Housing property Monarch Court	6	960,188	1,070,977
Leasehold Improvements	6	25,000	31,250
Other fixed assets	7	242,142	88,662
Investments	8	970,516	124,849
TOTAL FIXED ASSETS		26,519,323	20,946,548
CURRENT ASSETS			
Stock		1,737	-
Debtors < 1 year	9	238,212	97,922
Short Term Deposits		10,414	32,189
Cash at bank and in hand		1,286,333	784,865
		1,536,696	914,976
Liabilities:			
Creditors: Amounts falling due within one year	10	(2,883,447)	(2,378,701)
Loan Less than 1 Year		(237,639)	-
GLA housing grant MC		(86,160)	(86,160)
GLA housing grant LAH		(87,600)	-
Liquidated Damages Creditor		-	(334,847)
Defined benefit Pension Scheme payments	12	(74,462)	(53,361)
NET CURRENT LIABILITIES		(1,832,612)	(1,938,093)
TOTAL ASSETS LESS CURRENT LIABILITIES		24,686,711	19,008,455
Creditors: Amounts falling due over one year			
GLA MC housing grant > 1 year		(516,960)	(603,120)
GLA LAH housing grant > 1 year		(8,672,400)	(6,570,000)
AIB Loan > 1 year		(8,108,204)	(8,177,823)
Co-operative Bank > 1 year		(46,667)	-
Net Assets/Liabilities excluding pension liability		7,342,480	3,657,512
Defined benefit pension scheme liability	12	(656,676)	(302,346)
TOTAL NET ASSETS OR LIABILITIES		6,685,804	3,355,166
Funds:	11		
Unrestricted			
Designated Fixed Asset Funds		7,416,942	3,710,873
Pension reserve		(731,138)	(355,707)
		6,685,804	3,355,166
TOTAL FUNDS		6,685,804	3,355,166

The notes on pages 19-30 form part of the financial statements. The financial statements were approved and authorised for issue by the Board on 23rd September 2021 and signed on its behalf by:


Robert Thompson, Chairman


Mark Henshaw, Treasurer

**YMCA LONDON CITY AND NORTH
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £		
Cash flows from operating activities				
Net cash used by operating activities (note A)	3,121,298	264,070		
Cash flows from investing activities				
Investment income received	15,428	7,878		
Increase Pension Liabilities	55,687	-		
Long Term Loan	214,686	-		
Cash paid in respect of purchase of tangible fixed assets	(3,950,037)	(5,920,519)		
Purchase of Investment	(3,242)	-		
GLA grant received	2,190,000	-		
Net cash provided by investing activities	<u>1,643,820</u>	<u>(5,912,641)</u>		
<i>Change in cash and cash equivalents in the year</i>	<i>(703,003)</i>	<i>(446,213)</i>		
Cash and cash equivalents at the start of the year	1,999,750	1,263,267		
Cash and cash equivalents at the end of the year (note B)	<u>1,296,747</u>	<u>817,054</u>		
Note A: reconciliation of net income/(expenditure) to net cash used by operating activities				
Net income/(expenditure) for the year	3,330,639	430,374		
Adjustments for:				
Depreciation	173,992	155,682		
Amortisation of GLA grant	(86,160)	(86,160)		
Movement in Investment	(73,021)	3,772		
Investment Income	(15,428)	(7,878)		
(Increase)/decrease in Stock	2,133	-		
(Increase)/decrease in debtors	(513)	99,397		
(Decrease)/increase in creditors	124,502	-		
(Decrease)/increase in creditors	(334,846)	(331,117)		
Net provided by operating activities	<u>3,121,298</u>	<u>264,070</u>		
Note B: analysis of cash and cash equivalents				
Short term deposits	10,414	32,189		
Cash at bank and in hand	1,286,333	784,865		
	<u>1,296,747</u>	<u>817,054</u>		
Note: analysis of movement in net debt	At the start of the year	Cash-flows	Transfer From Merger	At the end of the year
Cash	784,865	(681,228)	-	1,286,333
Cash equivalents	32,189	(21,775)	-	10,414
Transfer from Merger			1,182,696	
<i>Sub-total</i>	<i>817,054</i>	<i>(703,003)</i>	<i>1,182,696</i>	<i>1,296,747</i>
Loans falling due within one year	-	(237,639)	-	(237,639)
Loans falling due after one year	(8,177,823)	22,952	-	(8,154,871)
Total	<u>(7,360,769)</u>	<u>(917,690)</u>	<u>1,182,696</u>	<u>(7,095,763)</u>

The notes on pages 19-30 form part of the financial statements.

**YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. PRINCIPAL ACCOUNTING POLICIES

YMCA London City and North is charitable company limited by guarantee (under number 03169665, registered office as shown in the Trustees' Annual Report). It is registered as a provider of social housing with the Housing Regulator, HCA (number H40499), and as a charity with the Charity Commission in England and Wales (number 1053864). It is a Public Benefit Entity. A summary of the principal accounting policies, which are appropriate to the entity status set out above, follows:

a. **Basis of Accounting** – The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Housing SORP 2014 (Statement of Recommended Practice for registered social housing providers), the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006, and the Accounting Direction for Private Registered Providers of Social Housing 2015. In addition, the Trustees have had regard to Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (updated 2019) - (Charities SORP (FRS 102)), where it does not conflict with the Housing SORP.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Investment assets are restated at fair value at each balance sheet date. All financial instruments are considered to be basic financial instruments.

In the opinion of the Trustees, there are no areas of material estimation uncertainty in preparing the accounts which would be likely to give rise to adjustments in subsequent periods.

The accounts are prepared in £'s and rounded to the nearest pound.

b. **Going Concern** - The Charity's business activities, its current financial position and factors likely to affect its future development are set out within the Trustees' Report. Financial statements have been prepared under the going concern basis as required by FRS102. The trustees have reviewed forecast results and cashflows up to March 23 and are satisfied these support the going concern basis.

The charity is currently in ongoing discussions with HMRC around the VAT treatment of hostel income. The treatment, adopted prior to HRMCs inspection, is as used by a number of other YMCAs. The Trustees believe based on independent advice that this position is correct. HMRC are arguing a different treatment which the charity disputes, and which would negatively affect the charity's future results and cashflows. However, the Trustees are satisfied the impact of this could be mitigated effectively albeit they consider this unlikely to be necessary. This matter went to a First Tier Tribunal Hearing on 29 March 2021 and the outcome is still awaiting at the approval of the Financial Statement.

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

c. **Income** – All income is included on a receivable basis. For donations and grants this is when the criteria of entitlement and probability have been met and the income due can be estimated with reasonable accuracy.

Capital Grants for housing properties - are accounted for under the accruals models as set in the Housing SORP, being initially accounted for as a creditor and then amortised over the expected life of the related asset. The amortised amount for the year is shown as part of housing income (see note 2).

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

d. Fixed Assets and Depreciation –

Tangible fixed assets, except housing properties, are stated at cost less accumulated depreciation.

Depreciation is charged on a straight line basis over the expected useful economic life of each asset at the following annual rate:

Equipment including IT equipment, fixtures and fittings – 20% per annum

e. Property

Property assets are stated at cost less depreciation with the exception of the LandAld House redevelopment costs. Depreciation will commence when the new hostel is completed and brought into operation.

No depreciation is provided on freehold land.

In compliance with the component accounting requirements of the Housing SORP, those components of each asset with materially different useful economic lives have been separately identified and depreciated over the following useful economic lives:

Freehold Housing Properties Elmfield

	Sheltered Supported Housing (%)	Useful Economic Life (years)
Building		
Main Fabric	42%	100
Sub Fabric	33%	100
Roof structures and Coverings	5%	70
Windows and external doors	2%	30
Gas boilers/fires	3%	15
Kitchen	4%	20
Bathroom/WCs	3%	30
Mechanical systems (heating, ventilation, plumbing)	6%	30
Electrics	2%	40
Total	100%	

Freehold land n/a

Freehold Non Housing Properties

Building Improvements 2%

Leasehold Housing Properties

Existing structure, roof & windows 16 Years

Bathrooms 8 Years

Leasehold improvements Up to the expected lease break-point

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

1. PRINCIPAL ACCOUNTING POLICIES (continued)

f. **Social Housing Grants** – Social Housing Grants (SHG) are initially accounted for as a liability on the balance sheet and amortised to income over a period related to the life of the assets funded.

g. **Investment** – Investments are included in the Balance Sheet at fair value. Gains or losses on the investment portfolio are accounted for under the Statement of Financial Activity (SOFA)

h. **Expenditure** – Expenditure is recognised on an accruals basis.

i. **Charitable Activities** include both direct and support cost.

j. **Funds** – Any restricted or designated funds held by YMCA London City and North at the year end are separately shown as such in the primary financial statements.

i. Unrestricted funds are available for use at the discretion of the Board in furtherance of the general objectives of YMCA London City and North. The Trustees have separately designated those funds which are tied up in the fixed assets of the charitable company or intending for to be applied to fixed assets in the immediate future.

ii. Restricted funds are funds where the donor has imposed restrictions as to future use.

k. **YMCA Pension Plan** – YMCA London City and North participated in a multi-employer pension plan for employees of YMCAs in England, Scotland and Wales, which was closed to new members and accruals on 30 April 2007. The plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA London City and North.

As described in note 13, YMCA London City and North has a contractual obligation to make pension deficit payments over the period to April 2027, accordingly, this is shown as a liability in these accounts. In addition, YMCA London City and North is required to contribute £21,602 pa. to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

Employees joining after 30 April 2007 are eligible to join a defined contribution scheme. YMCA London City and North's contributions to this scheme are accounted for as the expenditure falls due and there is no further liability to the scheme.

l. **Operating Lease Rentals** – Operating lease rentals are charged to the income and expenditure account as incurred.

m. **Donations of gifts, services and facilities** – YMCA London City and North recognises donated professional services and donated facilities as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the charities SORP (FRS 102), volunteer time is not recognised.

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

2. INCOME AND EXPENDITURE FROM HOUSING

	2021 £	2020 £
Income from housing		
GLA Grant amortisation	86,160	86,160
Rent receivable net of identifiable service charges	917,347	401,118
Service charges receivable	<u>1,713,638</u>	<u>903,393</u>
Gross rents receivable	2,717,145	1,390,671
Rent losses from voids	<u>(79,668)</u>	<u>(12,916)</u>
Net income from housing activities	2,637,477	1,377,755
Expenditure on housing activities		
Management & Services	3,041,942	1,404,431
Routine maintenance	171,896	141,458
Planned maintenance	27,196	48,422
Rent losses from bad debts	(170,209)	12,086
Depreciation on housing property	<u>136,155</u>	<u>148,630</u>
Total expenditures on housing activities	<u>3,206,980</u>	<u>1,755,027</u>
Operating deficit on housing activities	<u>(569,503)</u>	<u>(377,272)</u>
Number of units in management at the end of the year	<u>249</u>	<u>87</u>

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

3. TRUSTEES AND EMPLOYEE INFORMATION

Trustee information

No remuneration was paid to the Trustees during the year (2020 - £nil). Trustees are covered by Trustee Indemnity Insurance, but it is not possible to identify the cost separately. There were no related party transactions.

	2021	2020
	£	£
Employee cost for the year		
Salaries and wages	1,744,689	749,819
Social security costs	146,602	72,240
Defined benefit scheme costs (see note 12)	187,182	60,571
Defined contribution costs	61,969	39,244
	<u>2,140,442</u>	<u>921,874</u>
less Staff costs capitalised	<u>(96,413)</u>	<u>(109,841)</u>
	<u>2,044,029</u>	<u>812,033</u>

FTE number of staff receiving remuneration, excluding pension in excess of £60k

	2021	2020
£60,000 -69,999	2	1
£90,000 -99,999	1	1

Average head count was 102 (2020: 23 staff) and the average number of

full time equivalent staff (including temporary and part time staff was as follows:

	2021	2020
Management	3	3
Housing and support	71	17
Youth projects	21	2
Capital Fund Raiser	4	1
	<u>99</u>	<u>23</u>

The following information is given in respect of those employees defined as "directors" by the Accounting Direction for Private Providers of Social Housing. This group, along with the Trustees who are not remunerated, are the Key Management Personnel for the purposes of FRS102.

None of the Directors received any remuneration in the current or prior year.

The aggregate emoluments of the Key Management Personnel were £441,928- 7 FTE (2020: £368,339 - 5 FTE).

The remuneration of the Chief Executive comprised salary of £95,527 , NI of £11,971 and pension contributions of £7,642. (2020 £93,762, £11,748 and 7,501 respectively).

The Chief Executive is an ordinary member of the current stakeholder pension scheme with no special terms or rights to enhanced benefits.

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

4. NET INCOME / (EXPENDITURE)

	2021	2020
	£	£
This is stated after charging:		
Auditors' remuneration (excluding VAT)	25,000	14,400
Depreciation	173,992	155,561
Operating lease charges – plant and equipment	21,386	2,441

5. TAXATION

YMCA London City and North is a registered charity and a Housing Association registered with the Housing Regulator and is, therefore, exempt from liability to taxation on its income and capital gains from charitable activities, provided income is applied for its charitable purposes.

6. FIXED ASSETS – FREEHOLD PROPERTIES & LEASEHOLD IMPROVEMENTS

	Beginning of year	Transfer From North London YMCA	Transfer From Hornsey YMCA	Additions	Disposals	End of Year	March 2020
	£	£	£	£	£	£	£
Housing							
Freehold							
Cost	19,630,810	900,000	-	3,825,676	-	24,356,486	19,630,810
Depreciation	-	(32,763)	-	(7,435)	-	(40,198)	0
Net book amount	19,630,810	867,237	-	3,818,241	-	24,316,288	19,630,810
Leasehold							
Cost	1,740,577	-	-	17,930	-	1,758,507	1,740,577
Depreciation	(669,600)	-	-	(128,719)	-	(798,319)	(699,600)
Net book amount	1,070,977	-	-	(110,789)	-	960,188	1,040,977
Non Housing							
Leasehold							
Cost	198,652	-	-	-	-	198,652	198,652
Depreciation	(167,402)	-	-	(6,250)	-	(173,652)	(167,402)
Net book amount	31,250	-	-	(6,250)	-	25,000	31,250

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

7. OTHER FIXED ASSETS

	Beginning of year	Transfer From North London YMCA	Transfer From Hornsey YMCA	Additions	Disposals	End of year	March 2020
	£	£	£	£	£	£	£
Tangible Assets							
Computer equipment							
Cost	19,328	121,754	8,323	65,813	(109,680)	105,538	19,328
Depreciation	(9,185)	(105,998)	(5,486)	(9,597)	109,680	(20,586)	(9,185)
Net book amount	10,143	15,756	2,837	56,216	-	84,952	10,143
Gym Equipment							
Cost	-	-	3,634	-	-	3,634	-
Depreciation	-	-	(3,634)	-	-	(3,634)	-
Net book amount	-	-	-	-	-	-	-
Motor Vehicles							
Cost	-	5,900	59,358	-	-	65,258	-
Depreciation	-	(5,900)	(59,358)	-	-	(65,258)	-
Net book amount	-	-	-	-	-	-	-
Office Equipment							
Cost	-	8,389	-	-	-	8,389	-
Depreciation	-	(8,389)	-	-	-	(8,389)	-
Net book amount	-	-	-	-	-	-	-
Furniture and fittings							
Cost	132,140	397,397	98,018	36,618	(352,640)	311,533	132,140
Depreciation	(53,621)	(350,304)	(82,350)	(20,708)	352,640	(154,343)	(53,621)
Net book amount	78,519	47,093	15,668	15,910	-	157,190	78,519
Total net book amount	88,662	62,849	18,505	72,126	-	242,142	88,662
Intangible Assets							
Cost	-	57,708	25,019	4,000	(69,507)	17,220	-
Depreciation	-	(57,125)	(23,130)	(1,283)	69,507	(12,031)	-
Net book amount	-	583	1,889	2,717	-	5,189	-

8. INVESTMENTS

	31 March 2021	31 March 2020
	£	£
COIF Charities Investment Fund & Rathbones		
Historical Cost	685,080	76,810
Market Value		
Beginning of the year	124,849	128,620
Transfer From North London YMCA	387,334	-
Transfer From Hornsey YMCA	382,070	-
Additions	3,242	-
Disposals	-	-
Unrealised gain on investment	73,021	(3,771)
End of the year	970,516	124,849

Unquoted investment – In addition to the above investment, the Charity held shares in a wholly owned dormant subsidiary, which are carried at their historical cost of £2. The net assets of the subsidiary company are £2.

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

9. DEBTORS

	2021	2020
	£	£
Amounts falling due within one year:		
Rent debtors	131,445	37,886
Security for Expenses deposit	20,870	-
Other debtors and prepayments	85,897	60,036
	<u>238,212</u>	<u>97,922</u>

10. CREDITORS

	2021	2021
	£	£
Creditors due within one year:		
Trade creditors	266,369	365,553
Social security and other taxes	52,658	22,513
City Bridge Loan	150,000	1,750,000
Other creditors and accruals	2,414,420	240,635
	<u>2,883,447</u>	<u>2,378,701</u>

YMCA London City and North has an unsecured loan from City Bridge Trust at a rate of 2.5% pa. £1.6 m was repaid in March 2021 and the balance to be repaid in March 2022

	2021	2020
	£	£
Creditors due over one year:		
GLA Social Housing Grant – Monarch Court	516,960	603,120
GLA Social Housing Grant – Errol St/Landaid House	8,672,400	6,570,000
Co-operative Bank	46,667	-
AIB(GB) Ltd Term Loan	8,200,694	8,435,000
less funds in AIB(GB) Ltd Loan Account	<u>(92,490)</u>	<u>(257,177)</u>
	<u>17,344,231</u>	<u>15,350,943</u>

A loan facility is in place with AIB(GB) Ltd for £8,435,000 at a rate of 4% over base secured on all property or undertakings of YMCA London City and North, at 31 March 2021 this had been fully drawn down.

This loan is repayable from Practical Completion to November 2023, through a revised interest rate of 3% over base.

YMCA London City and North has deposited funds in a loan interest account with AIB(GB)Ltd to be used for loan repayments, at 31 March 2021 the balance in the account was £92,490.

The net amount of £8,108,204 at 31 March 2021 is shown on the Balance Sheet

YMCA London City and North has a bounced back loan from Co-operative bank £50,000 in November 2020. 12 Month repayment holiday. The interest for the first year of the loan was paid by the Government via a Business Interruption payment

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

11. TOTAL FUNDS

	Start of year 01-Apr-20 £	Income £	Expenditure £	Gift at fair value £	Transfer between Fund	Investment gains £	End of year 31-Mar-21 £
Unrestricted Funds							
Designated Fixed Asset Funds	3,710,872	3,783,582	(3,466,843)	2,415,303	863,585	73,021	7,379,520
Pension Fund	(355,707)	-	-	-	(338,009)	-	(693,716)
Total Unrestricted Funds	3,355,165	3,783,582	(3,466,843)	2,415,303	525,576	73,021	6,685,804
Restricted Funds							
Grant & Donation	-	202,469	(202,469)	-	-	-	-
Donation Errol Street	-	539,699	-	-	-	-	-
Youth Projects	-	69,598	(82,048)	-	-	-	-
Donations Drum Building	-	30,000	(30,000)	-	-	-	-
Donation Legal Fees	-	155,857	(155,857)	-	-	-	-
Total restricted Funds	-	997,623	(470,374)	-	(527,249)	-	-
Total funds	3,355,165	4,781,205	(3,937,217)	2,415,303	(1,673)	73,021	6,685,804

TOTAL FUNDS COMPARATIVE FOR 2020

	Start of year 01-Apr-19 £	Income £	Expenditure £	Gift at fair value £	Transfer between Fund	Investment gains £	End of year 31-Mar-20 £
Unrestricted Funds							
Designated Fixed Asset Funds	3,319,483	2,156,771	(1,979,039)	-	217,429	(3,772)	3,710,872
Pension Fund	(394,692)	-	-	-	38,985	-	(355,707)
Total Unrestricted Funds	2,924,791	2,156,771	(1,979,039)	-	256,414	(3,772)	3,355,165
Restricted Funds							
Grant & Donation	-	154,396	-	-	-	-	-
Youth Projects	-	191,301	(274,303)	-	-	-	-
Donations Drum Building	-	30,000	-	-	-	-	-
Donation Legal Fees	-	155,020	-	-	-	-	-
Total restricted Funds	-	530,717	(274,303)	-	(256,414)	-	-
Total funds	2,924,791	2,687,488	(2,253,342)	-	-	(3,772)	3,355,165

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

12. PENSION COMMITMENT

YMCA London City and North 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 YMCA London City and North and at the year-end these were invested in the Mercer Dynamic De-risking Solution, 40% matching portfolio and 60% in the growth portfolio and Schroder (property units only).

The most recent completed three-year valuation was as at 1 May 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 22.2 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 which 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 £36 million. YMCA London City and North has been advised that it will need to make monthly contributions of £7,806 from 1 May 2021. This amount is based on the current actuarial assumptions (as outlined above) and may vary in the future as a result of actual performance of the Pension Plan. The current recovery period is 8 years commencing 1st May 2021.

	Within one year £	Repayable			After more than one year £	TOTAL 2021 £	TOTAL 2020 £
		One to two years £	Two to five years £	After five years £			
As at 31 March 2021	74,462	78913	265,323	312,440	656,676	731,138	
As at 31 March 2020	53,381	53,361	160,473	88,512	302,346		355,707

In addition, YMCA London City and North 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 YMCA London City and North may be called upon to pay in the future.

13. OPERATING LEASE COMMITMENTS

As at 31 March 2021 YMCA London City and North had commitments under non-cancellable operating leases as details below

	Other March 2021	Other March 2020
Falling Due:		
Within one Year	50,184	4,068
Within two to five years	22,553	-
	<u>72,717</u>	<u>4,068</u>

14. HOUSING GRANTS

The GLA housing grants disclosed on the balance sheet relate to;

- an original grant of £1,120,129 received in 2015 of which £517,009 has been amortised to date. This relates to the Monarch Court hostel.
- an original grant of £8,760,000 received in 2016 for the rebuild of Errol Street Hostel, now named the LandAid House redevelopment, none of which has been amortised to date.

Previously £2,889,792 was received related to the Errol Street Hostel this is not included in the Balance Sheet as the property was revalued at 1 April 2014.

These amounts are potentially repayable if the sites ceased to be used for the provision of social housing. No such change is currently envisaged.

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

15. CAPITAL COMMITMENTS

At the balance sheet date YMCA London City and North had contractual commitments for future capital expenditure on the construction of LandAid House of £232,243 (2020: £1,668,085).

16. CONTINGENT LIABILITIES

The charity has received an assessment from HMRC in respect of a VAT liability for hostel accommodation supplied by YMCA London City and North in the sum of £263k. The Trustee Board strongly disputes the basis of the assessment, believing it to be incorrect and on the balance of probability, no liability will arise.

In arriving at, and supporting their assessment of liability and likelihood of payment, the Trustees have taken advice from Legal Counsel, and a firm of professional tax advisers both of whom have relevant expertise in this specific area, in relation to their VAT appeal. The appeal is to be heard in March 2021.

17. POST BALANCE SHEET EVENTS

No Post Balancesheet Events

18. Related Parties

During the year 31 March 2021 there were no related parties transaction

19. Gift at Fair Value

The following Assets & Liabilities were transferred to YMCA London City and North by Hornsey YMCA & Hornsey (North London) YMCA Housing Society limited on 9 October 2020

	Hornsey YMCA	Hornsey (North London) YMCA Housing Society limited	Total
Freehold Housing Properties	-	867,237	867,237
Other Fixed Assets	20,394	63,432	83,826
Investments	382,070	387,334	769,404
Stock	-	3,870	3,870
Debtors	50,123	321,312	371,435
Cash at Bank and in Hand	72,328	1,110,369	1,182,697
Creditors Falling due within one Year	(301,239)	(279,603)	(580,842)
Provision for Liabilities	(282,324)		(282,324)
Total Gift at Fair Value	(58,648)	2,473,951	2,415,303

YMCA LONDON CITY AND NORTH
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

20 STATEMENT OF FINANCIAL ACTIVITIES 2020 SHOWING SPLIT BETWEEN FUNDS

INCOME FROM:		Unrestricted	Restricted	Total Funds
		£	£	£
Donations				
Donations		25,388	154,396	179,784
Donations - Drum building		-	30,000	30,000
Donations – pro bono legal fees		-	155,020	155,020
		25,388	339,416	364,804
Charitable Activities & Other Income				
Housing Income	2	1,377,755	-	1,377,755
Youth Projects income		-	191,301	191,301
Other Income		7,450	-	7,450.00
Liquidated Damages Construction Income		738,300	-	738,300
		2,123,505	191,301	2,314,806
Investment income		7,878		7,878
Total Income		2,156,771	530,717	2,687,488
EXPENDITURE ON:				
Fundraising		68,991	-	68,991
Costs of raising funds		68,991	-	68,991
Housing Expenditure	2	1,755,027	-	1,755,027
Youth Projects		-	274,303	274,303
Legal Fees Pro bono		155,020	-	155,020
Expenditure on charitable activities		1,910,047	274,303	2,184,350
Total expenditure		1,979,038	274,303	2,253,341
Net income for the year before losses and gains on investments		177,733	256,414	434,147
Net gains on investments	8	(3,772)	-	(3,772)
Net (expenditure)/income for the year		173,961	256,414	430,375
Transfers between funds	11	256,414.00	(256,414)	-
Other recognised gains and losses		-	-	-
Net movement in funds		430,375	-	430,375
Reconciliation of funds:				
Total funds brought forward		2,924,790	-	2,924,790
Total funds carried forward		3,355,165	-	3,355,165