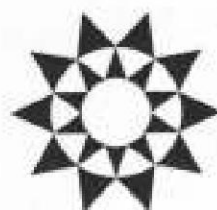


Registered number: 4116412
Charity number: 1086320

YMCA BLACK COUNTRY GROUP

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**



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YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

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YMCA BLACK COUNTRY GROUP
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	J Oakley, Chair (until 14 April 2023) J Rowe, Joint Chair (from 14 April 2023) A Walsh, Joint Chair (from 14 April 2023) S Balogun G England M Fussell S Patrick (appointed 6 October 2022) J Sargeant (appointed 7 June 2022) M Shenton G Stonyer (retired 16 November 2022) P Tomlinson P Walker J Welsby
Company registered number	4116412
Charity registered number	1086320
Registered office	38 Carters Green West Bromich West Midlands B70 9LG
Company secretary	S C Clay (resigned 30 November 2022) J Law (appointed 30 November 2022)
Chief executive officer	S C Clay (resigned 30 November 2022) J Law, Interim CEO (1 December 2022 - 5 March 2023) S Bavington (appointed 6 March 2023)
Independent auditors	WR Partners Chartered Accountants & Statutory Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	Unity Trust Bank PLC Four Brindley Place Birmingham B1 2JB
Solicitors	MFG Solicitors LLP Pamore House Hall Court Hall Park Way Overdale Telford TF3 4LX

YMCA BLACK COUNTRY GROUP
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Solicitors (Human Resources)	Irwin Mitchell Solicitors 31 Temple Street, Birmingham, B2 5DB
Solicitors (Operations & Developments)	Wright Hassall LLP Olympus Avenue, Royal Leamington Spa, Warwick. CV34 6BF
Chief Officer Team	Chief Executive Officer - Stephen Clay (resigned 30 November 2022) Chief Executive Officer - Steve Bavington (appointed 6 March 2023) Chief Corporate Officer - Jill Law Chief Operations Officer (Places) - Sally Cowan Chief Operations Officer (Programmes) - Joanne Goldie
Registered Provider of Social Housing Number	L4550

YMCA BLACK COUNTRY GROUP
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**CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

The Joint Chairpersons presents their statement for the year.

The 2022/23 financial year marks a year of consolidation and has ushered in a change in leadership of the Association with the appointment of Steve Bavington, our new CEO in March 2023.

Although many businesses and charities in the Black Country are beginning to return to pre-pandemic working patterns, the concern shifted this year towards the cost-of-living crisis, with rising costs of utilities and essential items, further compounded by rising interest rates. This is having a severe impact on many of our customers and service users who were already struggling, as well as affecting employees and the Charity as a whole.

On behalf of the Board of Trustees we would like to express our continued gratitude to all our staff, for the way they have served the Association and embodied the ethos and values of YMCA Black Country namely Compassion, Trust, Hope and Inspire. By showing their active concern and care for all, our amazing team of paid staff and volunteers exemplify our God-given calling to 'love others as ourselves' and we as trustees feel privileged to be part of an organisation that demonstrates this.

Since the completion of the YMCA City Gateway building in 2021 we have enjoyed a period of consolidation whilst assessing potential new development opportunities in line with our 2020-25 strategic objectives. That said, builders went on site on our campus on 235 Hamstead Road to bring the planned development of 26 new units of accommodation to fruition. This new housing block will increase our Y-Living accommodation on the site to 59 units.


Projects that were launched in the previous year including RAF Air Play, two new nurseries, and a community development programme in Wrens Nest, Dudley are all continuing to support young people to belong, contribute and thrive in vastly different settings.

The Trustees are pleased to once again support the YMCA's Christian Mission at an international level, including, through our previous CEO, coordinating the production of a YMCA Rhythms devotional booklet and the leading of the devotional content for the YMCA World Council in July 2022.

Despite some of the challenges we faced, it is encouraging to see that the reach of our charitable activity has continued to grow, supporting and working with 14,546 children, young people and community members during the year. This Trustee Report, together with the accompanying Annual Accounts are intended to provide a public and transparent account of these activities, detailing how the charity has utilised public funds toward our charitable objects in meeting local needs.

It is our ongoing hope that as you read through these pages you will discover an organisation with a clear sense of purpose and direction, a strong governance and management framework, and a stable financial position. There is much need within the Black Country, and an organisation committed to transforming communities and enabling young people to belong, contribute and thrive is more relevant than ever.

We are thankful, and hugely encouraged by all the activity and the positive impact achieved by all our services despite the challenges. We look forward to a new season, under new leadership, facilitating a bright future ahead - for the association, and the people and communities we serve.



JONATHAN ROWE
Joint Chair of Trustees
Date: 27-09-2023

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report)
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the YMCA Black Country Group for the year 1 April 2022 to 31 March 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Group includes the Charity, YMCA Black Country Group and two subsidiary charities; YMCA Walsall and YMCA Wolverhampton. References to 'The Charity' relate to YMCA Black Country Group only. Reference to consolidated activity or specific subsidiaries are stated.

Comment from the Chief Executive Officer

The year saw the departure of Steve Clay my predecessor, after 19 years with the Association, steering it safely through the creation of YMCA Black Country Group with the additions of YMCA Wolverhampton and YMCA Walsall and, of course, the pandemic. I have heard many voices of appreciation of his wisdom, insight and compassion from different quarters, and add my vote of thanks to him for all he did for the Charity, and the communities we serve. He left YMCA Black Country Group in great condition for the future.

It is a privilege for me to be returning to lead YMCA Black Country Group after nine and a half years away. My previous experience here, leading the Communications and Fundraising function locally under Steve Clay, as well as a 12 month secondment to YMCA England and Wales, has stood me in good stead for returning to the movement to work with many previous colleagues and friends – both locally and nationally.

The growth we have enjoyed over the last few years, alongside the challenges of the pandemic, lead to the need for the past year to be one of stability and consolidation. Arriving as I did, with the year almost at its close, I have been delighted by the quality of all our various services – a direct result of the incredible attitude, aptitude and dedication of the whole staff team, and especially the experienced and passionate senior leaders.

This year, our Housing team have further embedded the 'George Williams Award' which brings together different elements of the support we offer to help our residents become prepared for independent living, providing an engaging learning pathway that celebrates their accomplishments every step of the way. We continue to look for new ways to serve all our residents, and improve opportunities for young people of all backgrounds, in all our different settings to belong, contribute and thrive.

The year also saw the consolidation of our growth in childcare expansion ensuring a robust financial position by the end of the year resulting in our planned expansion to be resumed in the 2023/24 year. We have now successfully integrated the nursery acquisitions, enabling our Early Years team to embed our 'YMCA Early Years Nursery Curriculum' across all our settings. This curriculum encapsulates both the unique YMCA values, and the exceptional quality of our offer.

It has been picked up on by other YMCAs around the country who are interested in embedding our curriculum in their Day Nursery settings. It provides a reproducible model, and enables the whole Nursery team to clearly articulate our cohesive and comprehensive approach to Early Years learning. It is helping us to deliver remarkable outcomes for the children in our care evidenced by children achieving a good level of development within the EYFS profile, with our attainment scores consistently higher than local authority averages as published and benchmarked annually.

Our Youth and Community work is also flourishing, with excellent feedback on all our projects from the children and young people, their families, our funders and partner organisations. We have now completed 2 years of our innovative five year project on the Wrens Nest estate in the Dudley borough. This Big Lottery funded project has built trust in the area and as we are starting to observe an improvement in outcomes for children, young people and families in an area of multiple complex challenges.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (Incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The past year has been a period of great achievements highlighted with the achievement of ISO 30415 and in the summer of 2023, achievement of the IIP Gold Accreditation.

Whilst the impact of the coronavirus pandemic on both the Charity's financial position and operational activities lessened, the impact of the costs of living crisis and fuel poverty steadily increased throughout the year. As a Charity, we are not immune from the financial pressures and were proactive, in conjunction with our broker, in reviewing all our utility contracts to mitigate these costs both in this financial year and going forward. In response to this and the deficit generated in the 2021/22 financial year, the Board faced tough decisions in reviewing and amending Company Sick Pay to address the financial impact of sickness absence across all areas of operation whilst reluctantly deferring the aspiration to be a Real Living Wage employer in the 2022/23 year.

The Board of Trustees supported the creation of "Thrive Into Work" designated fund to provide short term financial support to remove the barriers face by our supported housing residents looking to secure employment to access affordable move-on accommodation due to reduced housing benefit and inability to save for a deposit for their own tenancy.

During the year, we also launched Trauma Informed Training across all of our staff team, with designated Trauma Informed Champions across all our locations.

Across the Group we served 2,042 young people, vulnerable adults and young professionals through our accommodation and childcare services (an increase of 31% on the previous year), and a further 14,546 community member engagements in our range of programme activity (an increase of 30% on the previous year).

Consolidated turnover grew by 13% to £7,642,523 indicating the start of recovery. Surplus in the Charity alone was positive at £33,967 with a consolidated surplus across the Group of £59,482.

The Going Concern review received by Trustees in September 2023 continues to demonstrate that the Charitable Group is in a strong financial position, despite the effect of the pandemic, and that governance and management structures are working effectively. Continued growth is anticipated in the next financial year, and a return to a consolidated surplus. However, aspirations to achieve Real Living Wage across all service areas have been hampered by the impact of Coronavirus and the limitation of Government funding for childcare.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities

a. Mission, Ethos & Values

YMCA Black Country Group is a charity committed to community transformation, enabling people to develop in mind, body and spirit. Built on a Christian foundation, with an ethos that is inclusive of all, we are a youth-minded organisation, with a community approach.

Our work is primarily in places across the Black Country and border areas, working with children, young people and their families, offering support & advice, accommodation, family work, health & wellbeing, and training & education services.

The report below highlights what we have achieved in the 2022/23 financial year in the midst of the coronavirus pandemic; and also, our aspiration (notwithstanding the present difficulties) to grow our services to best meet the needs of young people and their communities, so that they can truly belong contribute and thrive.



During the year, the principle activities of the consolidated group were young people's housing (60%) and community activities (40%)

HOPE

We encourage an expectation that life has more.
cf. 1 Thess. 5:11

COMPASSION

We demonstrate active care and concern for all.
cf. Galatians 6:10

INSPIRE

We inspire people to meet their potential
cf. John 10:10

TRUST

We build trust through open, honest and transparent relationships.
cf. Psalm 41:12

Values

Our Values, were further developed in 2019/20 through consultation with Staff and Trustees, and describe the way we behave.

They aim to be Christ-centred, inclusive for all and aspirational

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

b. Connected Communities: A Strategic Guide

The Senior Leadership Team and Trustees launched *Connected Communities: A Strategic Guide* at the beginning of the 20/21 financial year. This year we have continued to progress against its objectives. The Strategic Guide charts the direction of YMCA Black Country Group (and its subsidiaries) through to the end of 2025. The strategy allows for considerable flexibility in application, and despite the challenges of the pandemic, it remains a robust document to guide the charity forward.

Connected Communities: 2020-25, a Strategic Guide, is summarised below, and is being delivered through five areas of focus.

Focus 1: Places of Transformation <i>A YMCA BC presence spread across our area, with transformational community impact.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Sustainable 'Community Branches' that have sustainable 'economic engines' principally based on childcare and accommodation, and from which other community services can be delivered. Community Outreach locations, which meet strategically identified needs. Community awareness of YMCA presence & positive impact. 	4 full service 'central' Community Branches (2) 5 additional community branches 825 Childcare places (279) (544)* 175 Supported accommodation units (220) (223)* 278 Young professional / worker units (60) (136)* Community outreach present in 25 towns (13) (27)* 1 in 2 members of public are awareness of YMCA presence in Community Branch towns * () Number in 2019 { } in 2023
Focus 2: Programmes for People <i>People development programmes, covering the range of YMCA BCG services.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Learning & Skills / Health & Well-Being / Family Work / Support & Advice programmes which evidence impact, provided from Community Branches/ Outreach Locations, or where area-wide/specialist services meet strategic need. Focusing on the distinctive of YMCA BCG, our 'connected community' approach and our unique ethos and values. Nurturing a mixed model of social enterprise, alongside donor-based and commissioned services. 	Programme reaching 7,000 people p.a. (3,500) (14,546)* Quality assessments rated 'good' with >20% at outstanding (100% good) (88% good) Distinctive impact measures, developed & applied for all services 1 New scalable social enterprise identified & proven * () Number in 2019 { } in 2023

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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

Focus 3: Empowering Young People <i>Special emphasis on enabling young people aged 0-35 years, to Belong, Contribute & Thrive.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Informal education youth work, linked to YMCA BCG programme areas – delivered in YMCA Community Branches and Outreach locations. Providing 'Belong, Contribute, Thrive' progression routes in Community Branches for young people to grow within the YMCA environment ... from child to teenager to adult. Empowering young staff/ volunteers/ trustees to Belong, Contribute & Thrive. 	<p>Created a sustainable youth-work model regularly reaching 500 teenagers (665 / month)</p> <p>Birth - Youth - Adult progression routes in 4 Community Branches (3)</p> <p>50 young staff thrive through 'Group' task-groups which stretch them</p> <p>100 young people contribute as volunteers annually (142)</p> <p>Increase trustees aged under 35 (1) (1)</p> <p>* () Number in 2019 () in 2023</p>

Focus 4: Growing Ethos & Values <i>Nurturing an inclusive Christian culture, where everyone benefits.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none"> Effective Induction and the consistency of Christian Mission across the group. (e.g. spiritual content programme in nurseries) Establishing Ethos Champions in all YMCA BCG locations. Developing youth work which links into Church / Missional opportunities. Supporting Christian Mission growth through YMCA, locally, nationally and globally. 	<p>50 Governance Members (18) (20)</p> <p>100% complete full induction within 3 months (2022/23 69%)</p> <p>90% of locations have a trained ethos champion (0) (7/15 47%)</p> <p>All curriculums embed Mind Body & Spirit and Belong, Contribute & Thrive (new childcare curriculum)</p> <p>5 Church youth work partnerships working with over 100 young people (3 in ongoing development)</p> <p>Over 70% of staff engage in Christian Mission events annually (2022/23 over 50%)</p> <p>A national Christian Mission strategy established which contributes to World YMCA</p> <p>* () Number in 2019 () in 2023</p>

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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

Focus 5: Investing in Talent <i>Crafting a skilled, motivated and creative staff team to implement the Strategic Guide.</i>	
Delivered By	2025 Aim
<ul style="list-style-type: none">• Specific emphasis on the development / acquisition of Entrepreneurial Leadership, Spiritual Leadership and Organisational Management / Leadership• Recruiting & retaining excellent staff, continually developed and who exemplify our Ethos & Values.• Becoming a Real Living Wage employer	<p>24 staff have undertaken Entrepreneurial / Spiritual / Organisational leadership development (or were recruited for these skills)</p> <p>A range of tools are developed allowing Staff to regularly reflect on the YMCA BCG Values to test they are living them in their working practice.</p> <p>Real Living Wage implementation completed</p>

Strategic report

Achievements and performance

a. Key financial performance

In order to enhance transparency and openness, accounts consolidated with those of its charitable subsidiaries are included in the Financial Accounts and Statements, in addition to those of the Charity itself.

Consolidated turnover grew by 13% to £7,642,523 indicating the start of recovery. Surplus in the charity alone was positive at £33,967 with a consolidated surplus across the Group of £59,482. It should be noted that the surpluses include the recognition of capital grants as income in accordance with FRS102.

b. Review of activities

Places of Transformation

Our Community Branches provide a sustainable YMCA presence in towns across the Black Country. Each comprising a social enterprise (usually childcare or housing related) which forms its economic engine, and from which wider charitable services can be delivered. Community branches have a reception, central meeting hub, and deliver 3 key service areas on single or multiple sites. Full service community branches deliver across all 5 thematic service areas (housing, family & youth work, health & well-being, training & education, support & advice). We aspire to deliver four full service Community Branches by the end of 2025.

West Bromwich Central Community Branch	Full Service
Walsall Central Community Branch	Full Service
Wolverhampton Central Community Branch	Currently delivers across 4 thematic areas

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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic report (continued)

Achievements and performance (continued)

Community Outreach locations widen the scope and impact of our work beyond areas served by our Community Branches. In 2022/2023 we undertook a mapping exercise to evaluate what towns/neighbourhoods we were reaching with our services. Given our aspiration was to be reaching 25 towns/neighbourhoods by 2025, we have more than exceeded this target as we are currently reaching 27 towns (representing 135 neighbourhoods) across our service areas in Programmes alone.

Community Outreach Locations	
Dudley	Dudley Central, Wrens Nest, Kates Hill, Sedgley, Lye, Stourbridge, Kingswinford, Coseley, Halesowen, Black Heath, Russell Hall, Milking Bank, Priory, Holly Hall, Oakham, Springfields, Netherton, Upper Gornal, Gornal Wood, Lower Gornal, Ocker Hill, Tipton, Quarry Bank, Pensnett, Cradley Heath, Old Hill
Sandwell	Hamstead, Wednesbury, Greets Green, West Brom Central, Great Barr, Rowley Regis, Old Oscott, Pheasey, Quinton, Oldbury, Langley Green, Warley, Tividale, Burnt Tree, Great Bridge, Black Lake, Ling, Dartmouth, Gunns Village, Churchfields, Stone Cross, Friar Park, Hateley Heath, Charlemont, Streetly, Boardsley Green
Walsall	Rushall, Pelsall, Caldmore, Fullbrook, Walsall Central, Palfrey, Yew Tree, Caldmore, High Gate, Birchills, Alumwell, Chuckery, Leamore, Daisey Bank, Delves, Blakenhall Heath, Kings Hill, Beechdale, Pelsall, Cheslyn Hay, Brownhills, Aldridge, Bescott, Darlaston
Wolverhampton	Pendeford, Wednesfield, Parkfields, Blakenhall, Horsely Fields, Goldthorn Park, Merry Dale, Chapel Ash, Bilston, Graiseley, Merry Hill, Pendeford, Dunstall Hill, Fallings Park, Willenhall, Park Village, Low Hill, Wednesfield, Ettingshall, Moseley, Bradley, Cinder Hill, Bradmore, Heath Town, Lanesfield, Upper Penn, All Saints, Wood End, New Bridge, Penn, Cosford
Staffordshire Borders / Other	Rugeley, Cannock Chase, Cosford, Shawbury, Balsall Heath, Rotton Park, Harbourne, Handsworth, Nechalls, Aston, Camden, Hednesford, Kings Heath, Soho, Hockley, Lozells, Acocks Green, Selly Park, Jewellery Quarter, Perry Barr, Shard End, Solihull, Lichfield, Saltely, Little Aston, Codsall, Coven

The number of accommodation and childcare places offered across the Black Country is shown below.

Community Branch	Childcare Places**	Housing Units	Community Outreach Locations	Childcare Places**	Housing Units
Walsall Central	65	21 *	Dudley, Central		23
West Bromwich Central	179	145	Pendeford **		10
			Rugeley **		28
Wolverhampton Central	115	85 **	Wednesbury		34
			Black Country S.L. Hosts		60
			Pelsall Village, Walsall	32	
			Pelsall Lane, Walsall	60	
			Hurst Hill, Dudley	30	
			Lye, Stourbridge	63	

* Delivered by YMCA Walsall

** Delivered by YMCA Wolverhampton

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic report (continued)

Achievements and performance (continued)

Across the Group, YMCA BCG and its subsidiary charities have provided a consistent provision of accommodation throughout the year.

Supported housing provision for 478 young people was delivered in Dudley, Sandwell, Walsall, Wolverhampton and South Staffordshire, through a range of housing projects in our Community Branches and Outreach projects, including our Supported Lodgings network of host families and individuals.

Additionally 168 young adults benefited from the Charity's young professional / worker accommodation in Sandwell, Dudley and Rugeley.



The charity shop based in Wednesfield (and delivered through YMCA Wolverhampton managed to return a net contribution of £9,723 (management fee and surplus) by year end despite financial performance not returning to pre-pandemic levels. Having considered the ongoing financial viability of the shop, the Board reluctantly decided at it's July Board Meeting to close this area of operations when the lease expired in August 2023.

Programmes for People

During the year, our 'people development' programmes restarted meeting face-to-face, covering a range of service areas including learning and skills, health & wellbeing, family work and support and advice programmes. Our Community Branches in West Bromwich and Walsall, have facilities for other local charities and social enterprises to deliver their services and programmes to the local community, and these have slowly begun to return, albeit not yet at 2019 levels.

Across all of YMCA Black Country Group's programme activity (including community projects, supported housing and childcare) the charity group has worked with 14,546 people during the year.

One of our settings is Ofsted graded "Outstanding", five of our settings are Ofsted graded "Good", two are still awaiting their first inspection since registration and one setting was graded "Requires improvement."

Distinctive impact measures have been developed through a suite of key performance indicators, which are collected and monitored by the Senior Management Team, and reported to the Finance, Audit and Risk Committee throughout the year.

The Strategic Guide aspiration to identify one new scalable social enterprise has not been an area developed in this financial year.

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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic report (continued)

Achievements and performance (continued)

Community Branch	Programme Activity
Walsall Central	<p>The past twelve months have been a period of recovery from COVID for the Small Street Centre*.</p> <p>The Community work has continued and grown over the past twelve months. Two new projects have started at Small Street to increase our community engagement, the first of which is Making Connections which is a social prescribing project working with older people who are deemed vulnerable and isolated. In addition a Community Engagement Officer started a three year funded post and has been delivering on the Local Authority's Connected Project, assisting local people to access the local authority database to make claims and report local issues. This has increased the footfall through Small Street and brought in new conferencing opportunities for employability courses to be delivered.</p> <p>Small Street continues to provide premises for nursery provision as well as office hire and meeting spaces for local organisations to develop and deliver their own programmes. During the year conferencing and office hire have continued to recover post COVID and are showing signs of a health recovery in the 2023/24 year.</p> <p>Programmes at the Glebe Centre* have continued this year with both its Public Health contract and the Big Lottery funded INSPIRE programme. This year we have linked more strategically with the Walsall Drug and Alcohol Strategic Board which has further increased opportunities for partnership working and which has been a welcome addition to the timetable of activities offered. In addition, we have been embedding our Trauma Informed approach into our practices with all service users.</p>
West Bromwich Central	<p>Y-Gym and Coffee Shop have both been growing and developing their activity over the past year. The Coffee Shop was operated by Just Straight Talk (one of YMCA's partner organisations) until 31 March 2023 and is currently being delivered by YMCA following the TUPE'ing of their coffee shop staff. The energy and activity from the re-opening of the coffee shop has been a welcome return to Western Gateway.</p> <p>Y-Gym has continued to consistently increase in its memberships this year and now has a stable base of direct debit members. There are now set procedures in place with the staff team to ensure membership retention is prioritised and that any cancelled memberships are swiftly followed up. Similarly to last year, gym memberships have not been an issue, but the hiring of the larger spaces such as the sports hall and the dance studio continue to present challenges.</p> <p>Western Gateway's Incubator Units and Office Lets have taken some time to recover post COVID and are showing signs of a healthy recovery in the 2023/24 year.</p>

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TRUSTEES' REPORT (Incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic report (continued)

Achievements and performance (continued)

Community Outreach Locations	Programme Activity
Black Country-Wide	<p>Our Mentoring Advice & Guidance Programme, Building Better Opportunities concluded in February 2023 when our funding ended. However, following Board support we have retained two mentors to work on a YMCA specific mentoring project called Gateway To Achieve which began in March 2023. This smaller team of mentors continues to support individuals in our community into education, training and employment.</p> <p>YMCA Black Country Group has also been successfully delivering the National Mentoring Programme: Y's girls through a Partnership Agreement with YMCA England and Wales. This programme matches trained volunteer mentors with vulnerable females aged 8-14. These mentors meet one to one with the young people and act as mentor and role model to develop greater resilience and coping skills through engaging in confidence building and activities.</p>
Wolverhampton-Wide	<p>The Youth Work Programme, Y's Youth has been delivered over the past twelve months, building on the foundation of our Head Start programme. This programme has delivered universal access youth services to young people in the community throughout the school term. These activities include sports and recreational games, arts and crafts and cook/eat sessions. The programme has also secured additional funding to extend delivery in the school periods through the Holiday Activity Fund and this provision has proved one of the most popular elements of our youth provision. This has increased the number of young people engaging with our service.</p> <p>In April of 2022 the City of Wolverhampton Council approached and funded YMCA to deliver youth activities at The Way in Wolverhampton for a fixed term of six months to enable youth provision from the centre to continue. The Commissioner for Children's Services, working with YMCA directly as well as the Wolves Foundation, devised a timetable of activities to run throughout April to September.</p> <p>The Adult Learning** Contract concluded in August 2022 and did not continue into the autumn term.</p>
Dudley	<p>Wrens Nest Navigators has completed its second year of delivery with a revised and co-produced programme. This programme is funded by the National Lottery for 5 years to work holistically with families from the area of Wrens Nest, providing youth based activities, one to one support and guidance with families as well as community and schools based work. This programme has moved from strength to strength with a good SROI already calculated from the evaluation.</p>
Staffordshire Borders	<p>The RAF Airplay** contract began in January 2022. This has seen the youth work teams from RAF Cosford (Wolverhampton) and RAF Shawbury (Shrewsbury) being transferred to YMCA Black Country Group and the delivery of the youth work services for these bases being added to our youth work portfolio. RAF Cosford continues to be a thriving programme with great attendance and a new Station Youth Worker who has embedded the ethos and values of YMCA Black Country. RAF Shawbury is steadily increasing its numbers.</p>

* Delivered by YMCA Walsall

** Delivered by YMCA Wolverhampton

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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic report (continued)

Achievements and performance (continued)

Empowering Young People

Following on from the pandemic we have seen a tangible growth in the area of youth work at YMCA with continued funding for Y's Youth, the delivery of Y's girls, Wrens Nest and also the most recent delivery at both RAF Cosford and Shawbury. We now have youth work regularly reaching an average of 450 teenagers per month.

Work in other Strategic Objectives to empower young people will be given greater priority in the period 2022-2025, namely:

- Creating Birth - Youth - Adult progression routes in 4 Community Branches
- Enabling 50 young staff members to thrive through 'Group' task-groups which stretch them.
- 100 young people contributing as volunteers annually
- Increase the number of trustees aged under 35

Growing Ethos & Values

The Trustees continue to review the role of Governance Members and explore opportunities to increase Membership from 20 toward the 2025 goal of 50.

Staff ethos champions have been appointed in 7 locations during the year. This is expected to increase to 15 main operational sites over the next 12-24 months pending appointment of our new Christian Mission Co-Ordinator and who is due to take up post in September 2023.

YMCA Black Country Group's new childcare curriculum continues to be embedded across all our childcare settings embedding Mind, Body & Spirit and Belong, Contribute & Thrive within the Early Years Framework. During the year under review, our Curriculum was launched to other YMCAs culminating in this being presented at YMCA Strategic Leaders Conference in Belfast in April 2023 and at YMCA National Conference in July 2023. This has enabled other YMCAs to improve their practice and quality, and to model diversity within a Christian ethos framework.

The Charity continued to support the planning of YMCA's Unify Christian Mission events with face to face events resuming during the year including our attendance at YMCA European Unify which took place in Vienna in January 2023 and which was attended by a number of YMCA staff and Board Members. Following on from this, our Chief Operating Officer (Programmes) is now a member of the YMCA Youth Unify Planning Group with this event taking place in August 2023 in Budapest.

The relaxation of Coronavirus restrictions during the year enabled the work of the Charity's Christian Mission Coordinator to further support the spiritual life of the organisation, particularly in taking a lead to provide pastoral support to staff, and providing pastoral visits to project managers. This enabled delivery of the Alpha Course enabling our staff of all faiths and none to explore the Christian faith. The Charity's Chaplaincy service has continued to be supported during the year through the West Bromwich Church of England Deanery, and Blue Fish Chaplaincy, Wolverhampton.

The Charity has continued to support the work of the YMCA Movement through involvement in the Regional forums & networks, Governance Committee, and in coordinating the YMCA/ YWCA World Week of Prayer in November 2022 on behalf of World YMCA. Our former CEO was also involved in coordinating an international team in preparing the Devotions for World Council 2022 in Denmark, on behalf of YMCA World.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic report (continued)

Achievements and performance (continued)

Investing in Talent

The Charity was not immune from the cost of living crisis and the economic impact of increasing inflation, compounded by the fuel crisis placing a strain on the Trustee's ability to maintain real-term pay levels.

Whilst progress towards the implementation of the Real Living Wage was not made, the Board have tasked the Chief Officers to prepare a roadmap to achieving this by 2024/25.

In response to the cost of living crisis, the Board awarded a cost of living uplift of between 1.5% and 2.5% effective from 1 October for staff paid above National Living Wage, awarded qualifying staff with a one-off bonus paid in December and a further 1.5% uplift from 1 January 2023 for all staff and a further 5% uplift for staff paid above National Living Wage from 1 April 2023.

During March 2023, the Charity underwent external assessment for the renewal of our Investors in People accreditation having previously been awarded Silver. Following this process, we are delighted to have achieved Gold and reflects the investment we place in our staff.

The Trustees would like to place on record their thanks to the Charity's team of staff and volunteers, who in such unprecedented times have made such a difference in the lives of many children, young people and family members across the Black Country and surrounding area, evidenced in the above review of activities.

c. Capital commitments

Phase 2 of the City Gateway development providing community services completed in August 2022 and has enabled us to deliver youth support work, notably "HAF".

The conversion of 53 Walsall Street in Wednesbury to provide 14 units of affordable young professional / worker accommodation was complete in the autumn of 2022 and was made available to let from December.

During the year, the Board continued to explore the development of our land at 235 Hamstead Road, Great Barr to deliver against its Housing Growth Strategy. As a result, this was approved by the Board on 1 February 2023. Following the development costs being value for money tested and securing £1.2m external finance with Charity Bank, YMCA entered into contract with Jessup Partnership to deliver 26 units of affordable young professional worker accommodation. On 8 March 2023, YMCA entered into a capital commitment with the Developers who have secured Homes England grant funding of £1.949m. The total build costs before grant funding (and excluding VAT) is £3.207m, with YMCA entering into a contract with the developer worth £1.258m. This will be funded, in part, by a development loan secured with Charity Bank for £1.2m (secured on Western Gateway) and the remaining £0.058m from YMCA Reserves.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (Incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic report (continued)

Financial review

a. Going concern

The Trustees, supported by the Finance Audit and Risk Committee, have undertaken a detailed going concern review of current and future operations of the Charity and the Group as whole and, after making appropriate enquiries, very thorough consideration of draft budgets and cash flow up to March 2024 and beyond. Having taken key strategic decisions, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Trustees have no doubt that the Charity can pay its debts when they fall due, certainly for in excess of one year from the date the annual accounts were approved. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Trustees noted that despite another challenging year, the Group generated an "EBITDA" cash surplus (before depreciation and loan interest) of c.£506k which exceeded budgeted EBITDA by approximately £35k. At the time of approval of these accounts, and in the four months to July 2023, the Group had returned a consolidated surplus of £63k slightly below budget and an "EBITDA" cash surplus of c.£240k.

b. YMCA Pension Provision

YMCA Black Country Group 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 YMCA Black Country Group. As described in note 21, YMCA Black Country Group has a contractual obligation to make pension deficit payments of £2,042 per month over the period to April 2027. Accordingly this is shown as a liability in note 20 to these accounts. In addition, YMCA Black Country Group is required to contribute £5,804 pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Financial Activities as made.

c. Reserves Policy

The revaluation reserve represents the surplus over the original cost of the freehold land and buildings which occurred, less depreciation of the freehold buildings, following various valuations, the last of which was undertaken in March 2019.

The Board have agreed a policy of retaining a minimum £950k consolidated cash reserve (excluding designated reserves) as sufficient to support the cash management of the Group, considering the development of future projects, and in order to achieve the growth aspirations of the Group's 2020-2025 Strategic Guide. This reserve provides immediate cash for working capital, including the fluctuating demands of development. Additionally, for the charity alone, the cash reserve policy is to be maintained at a minimum of the average monthly outgoings, which for 2022/23 was £478k. At 31st March 2023 the actual consolidated cash reserve (excluding designated reserves) was £1,598k, and for the Charity alone was £566k, both achieving the policy requirements.

In considering medium term risks the Board have agreed that unrestricted funds (including property but net of social housing grant and borrowing) should be a minimum of 6 months operating cost which at 31st March 2023 was £2,870k. Actual unrestricted funds equalled £10,891k providing strong reassurance of financial stability.

The Board also tracks a measure of Income Security, requiring the proportion of budgeted income considered secure to be >80% of the overall budget. Based on recent performance, budgeted accommodation and contract income are considered secure. The Income Security Measure for 2022/23 is 95%.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (Incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

d. Designated reserves policy

In addition to the consolidated cash reserves referred to above, the Board have determined to set aside the following cash resource to be designated as follows:

Sinking Fund:	£112k as a sinking fund reserve for major capital improvements in the years ahead.
Ten Percent Fund	<p>£91k towards small scale projects which fulfil YMCA BCG's charitable objects, and meet the following criteria:</p> <ul style="list-style-type: none">• Activities which support Christian Mission• Building improvements for specific projects• Positive activities which divert away from anti social behaviour• Family activities which support good parenting• Emergency respite childcare <p>At its November 2022 Meeting, the Board agreed to designate £26k to maintain provision of our mentoring services post 31 March 2023.</p>
"Thrive" Fund:	£13k as fund to support young people progressing into Higher Education at University. During the year, £8k of support was provided.
"Welfare" Fund:	£10k designated to provide financial assistance to our residents suffering from fuel poverty.
"Thrive into Work" Fund:	£34k funds were designated by the Board in February 2023 to support our residents with the cost of living crisis enabling them to move into their own accommodation. These funds have been designated for a maximum a period of two years. During the year, £561 of financial support was provided.

As at 31 March 2023, unspent donations received total £9,953 for our "Moving Forward Fund" which have been treated as deferred income for future periods of expenditure. Our "Moving Forward Fund" provides financial support to our residents and service users move to independent living.

e. Material Investments policy

Under the Articles and Articles of Association, the charity has the power to invest in any way the trustees wish. The Trustees, having regard to the liquidity requirements of day to day operations and to the reserves policy, have, historically, operated a policy of keeping sufficient funds available on current account (to offset standard bank charges) and in an interest bearing account in order to generate a modest rate of return on such monies. The Charity currently does not have funds available to utilise for investment purposes; working capital requirements are met from the Charity's current account.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

f. Principal risks and uncertainties

YMCA BCG maintains a Corporate Risk Register which is then "RAG" rated. This is scrutinised by the Finance Audit and Risk Committee annually and presented to the Board for approval. This is reviewed on a regular basis by the Chief Officer team who, in accordance with the Risk Management Policy, are required to notify the Chair of the Board (normally via the CEO) of any new risks or any re-evaluated existing Retained (Net) Risks which exceed the Acceptable Risk Score Threshold as identified on the Corporate Risk Register.

The FAR completed its annual scrutiny of the Corporate Risk Register at its June 2023 meeting and recommended this to the Board for approval.

In addition, the Senior Leadership Team are responsible for highlighting operational risks which are captured on an Operational Risk Register. This is periodically reviewed at Senior Leadership Team meetings with additional risks and changes to existing risks discussed.

g. Financial risk management objectives and policies

The Trustees have overall responsibility for the system of internal financial control, the effectiveness of which has been reviewed and reported on to the Trustees by the Finance, Audit and Risk Sub Committee. The principal elements of the system, which is designed to recognise the specific characteristics and objectives of the Association and the risks to which it is exposed, include:

- A clearly defined structure which delegates authority, responsibility and accountability, including responsibility for internal financial control to management;
- A well established budgeting and reporting function, with budgets and results reviewed at a senior level within the Association to provide a timely and regular monitoring of financial performance;
- An investment evaluation process to ensure Trustees' approval for all major capital expenditure commitments, and
- A regular review procedure carried out by the Association of its risk exposure and of the systems of internal financial control in place to mitigate those risks, with annual reports of findings to the Trustees.

Internal financial control, by its nature, provides only reasonable and not absolute assurance against material misstatement or loss.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

h. Principal funding

The Trustees wish to record their sincere appreciation to the various public bodies for making grants totalling £2,308,228 across the consolidated Group.

The main funding sources continue to be the supported housing and supported lodgings projects, rents received for accommodation mainly through housing benefit and fees for the use of the Carters Green nursery.

The principal funding sources for the Charity for the financial year were:

Source	Project / Area of Work
Accommodation Rent	Including Housing Benefit and Self-Rent
Big Lottery	Building Better Opportunities
Black Country Growth Deal	YMCA City Gateway - Phase 2 (capital)
City of Wolverhampton Council	HAF Project and youth provision and YMCA Wolverhampton
CHADD (Lead Contractor)	Transitional support / accommodation for Young People
Donations	Including the Moving Forward Fund
Dudley Metropolitan Borough Council	Supporting People
The Eveson Charitable Trust	Supported Lodgings
Murray Hall Community Trust	Starting Well Project
Nursery fees	YMCA Wolverhampton
One YMCA	YMCA Wolverhampton
Sandwell Metropolitan Borough Council	Supported Lodgings
Small Street Centre	YMCA Walsall
Staffordshire County Council	YMCA Wolverhampton
The National Lottery Community Fund – RC Midland Region	Wrens Nest and YMCA Walsall - The Glebe Centre
Walsall Metropolitan Borough Council	Supported Lodgings and YMCA Walsall
West Midlands Combined Authority	YMCA Walsall
Western Gateway	Gym, Café, Conference Bookings, Office Rental and Associated services
Wolverhampton Voluntary Sector Council	Wolverhampton Skills Connect Project and YMCA Walsall
YMCA England and Wales	Y Girls Mentoring Programme and Room Sponsor

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

a. Constitution

The Charity is a company limited by guarantee and its governing document is its Articles of Association. It is an autonomous Charity, and an affiliated member of the National Council of Young Men's Christian Associations, which is the mechanism by which the individual YMCAs of England and Wales federate. In January 2020, the Board reaffirmed its affiliation, signing the new Membership Agreement of the federation.

For the sake of clarity, all references to Trustees are synonymous with Directors for purposes of Company law.

The Objects of the Charity are:

- To advance the Christian faith, including by:
 - a) promoting a Christian environment inspired and motivated by the life, example and teaching of Jesus Christ, where people of faith and people of none can work together for the transformation of communities; and
 - b) enabling people of all ages and in particular young people, to flourish through experiencing and responding to the love of God demonstrated by the life, example and teaching of Jesus Christ;
- To provide or assist in the provision in the interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life;
- To provide or assist in the provision of education for people of all ages and in particular young people, with the object of developing their physical, mental or spiritual capacities;
- 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 by reason of their social, physical, emotional, spiritual or economic circumstances; and
- 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.

The Charity welcomes, serves and works with persons of all religious faiths and of none.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The Governance Committee are tasked with overseeing the process of Board skill gap analysis and the recruitment of new Trustees. The Committee have been particularly active in recent years overseeing the recruitment of new trustees as retiring trustees have completed their three terms of office. They have sought to develop a healthy diversity, ensuring always an appropriate match of skills and ethos, combined with an intentional desire to broaden gender, ethnicity and age profiles.

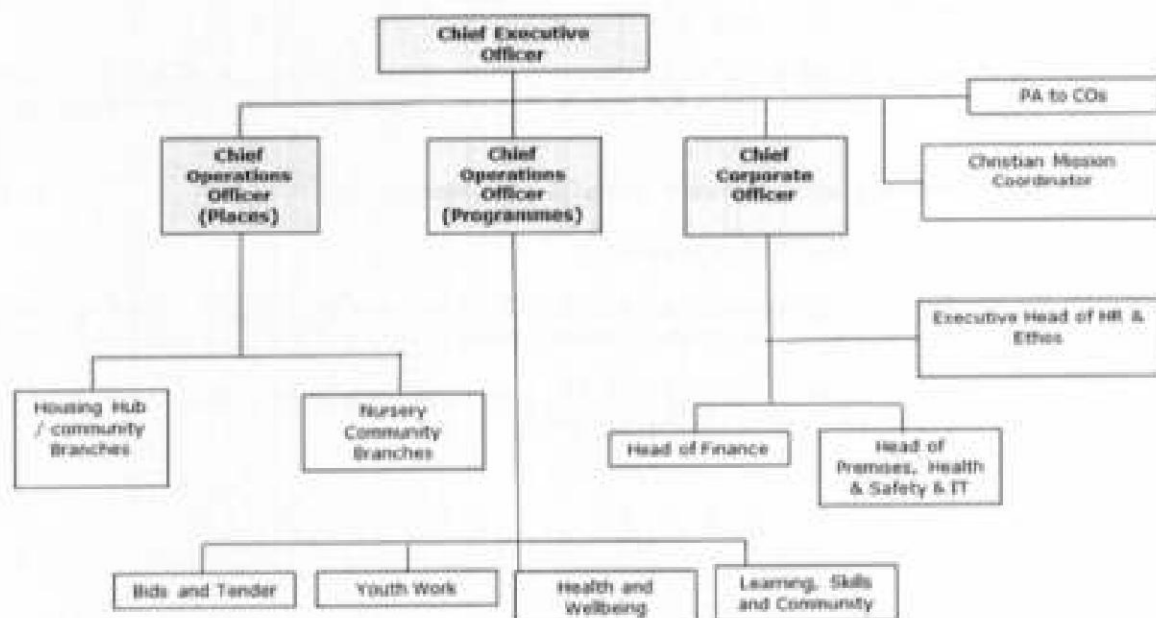
The Board place on record their thanks to Geoff Stonyer who retired as a Trustee in November 2022. Further recruitment is planned for 2023/24. Trustees are appointed by election at AGM or co option, in accordance with the Articles.

At the time of this report's approval, the make-up of the Board was as follows:

Sex		Age				Ethnicity	
Female	5	20 - 40	1	60 +	6	Ethnic Minority	2
Male	7	41 - 60	5			White	10

c. Organisational structure and decision-making policies

The Charity's forward strategy, together with high level policy are approved by the Board. The Chief Executive Officer is responsible to the Board for the operational implementation, delivered through Chief Officers, and a wider Senior Leadership Team.



Chief Officer Structure and Wider Senior Leadership Team Responsibilities

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

d. Group Subsidiaries

YMCA BCG is the sole member of two charitable subsidiaries, YMCA Walsall, and YMCA Wolverhampton. Each delivers against objects consistent with YMCA BCG for their designated geographical areas. YMCA Wolverhampton additionally takes prime responsibility for the Group's Ofsted registered childcare provision.

All present Trustees are also Trustees of these two subsidiary charities.

Trustees are also Directors of an associate company West Bromwich & District YMCA Community Enterprises and subsidiary company YMCA Black Country Social Enterprises Limited, both of which are now dormant following the Group restructure effective from 1 April 2019.

e. Risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The FAR completed its annual scrutiny of the Corporate Risk Register at its June 2023 meeting with the Register recommended to and approved by the Board in July 2023.

f. Governance Members

Governance Members are members of the company under Company law, and appointed, as defined in the Articles. Governance members ensure the Charity remains faithful to its Christian foundation and charitable purposes, by:

- holding the Board to account at each Annual General Meeting; and
- appointing new trustee directors to the Board

Throughout the year, Governance Members are updated on the Charity's progress, invited to project visits and special events, and where appropriately skilled, some participate on a number of the Charity's Committees.

There are currently 20 Governance Members, and the Board plans to increase this to 50, to gain greater ownership of the Charity from across the Black Country.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

g. Committee Structure

The Board delegate scrutiny to several standing Committees to provide efficient governance and effective use of Board time. Committees operates under terms of reference set by the Board.

Committee	Remit	Composition	
		Trustees	Governance Mem.
Finance Audit & Risk 6/year	Finance policy, financial performance & organisational delivery, budget scrutiny corporate risk, internal audit	Mark Fussell (Ch.) Martin Shenton Jeremy Oakley Jonathan Rowe (non-voting)	Eric Moore
Safeguarding 6/year	Safeguarding Policy, reports, incidents and claims, trends and actions	John Welsby (Ch.) Jayne Sargeant Stephanie Patrick	Hazel Bloxham Geoff Stonyer
Governance Development 3/year	Governance code, Trustee succession, training & development	Seinde Balogun (Ch.) Jonathan Rowe	
Capital Projects 3/year	Current and future capital development	Phil Walker (Ch.) Grace England Jeremy Oakley	Eric Moore Geoff Stonyer
Human Resources 2/year	HR & Ethos Policy, HR KPIs, employee relations and claims, trends and actions. GOR posts.	Anna Walsh (Ch.) Jeremy Oakley Jonathan Rowe (non-voting)	
Health & Safety 1/year	Health & Safety Policy, reports, incidents & claims, trends and actions	Seinde Balogun (Ch.) Phil Walker	
Executive Remuneration 1/year	Chief Officer remuneration, CEO supervision & review, Chief Officer appointments & succession	Anna Walsh (Ch.) Jonathan Rowe Jeremy Oakley	

h. Chief Officer Remuneration

The Group has established a Chief Officer and CEO Review Committee which meets annually to approve the remuneration of Chief Officer's posts.

i. Equity, Diversity and Inclusion

Since the tragic murder of George Floyd in 2020, YMCA Black Country, together with YMCAs from across the Midlands Region, have participated in a collaborative working group to develop a proactively response which increases diversity and equity for Black, Asian and Minority Ethnic community members. In 2021/22, this work resulted in the creation of an approved Terms of Reference for the Working Group, the adoption of a Diversity Champion at Trustee level in each Midlands YMCA (including YMCA Black Country Group), a series of regional training courses for YMCA staff and Trustees on Diversity and Unconscious Bias, and participation in a regional staff EDI perception survey.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

YMCA Black Country has built on the outcome of this work, creating an action plan in response to the results of the perception survey, and setting out to achieve the new international standard ISO 30415 in Human Resource Management: Diversity and Inclusion. YMCA Black Country became the first YMCA in the world and only the second organisation in the world to achieve this standard.

In addition to the table provided for Trustee demographics at section b, the following table will be used as a benchmark for future years:

	Number	Age	Sex	Ethnicity
Senior Managers	14	16-35 2	Female 9	Ethnic Minority 2
		36-55 9	Male 5	White 12
		56-65 1		
		66+ 2		
Managers / Supervisors	35	16-35 13	Female 31	Ethnic Minority 8
		36-55 17	Male 4	White 26
		56-65 5		Undisclosed 1
		66+ 0		
Other Staff / Volunteers	181	16-35 88	Female 146	Ethnic Minority 62
		36-55 60	Male 35	White 98
		56-65 27		Undisclosed 21
		66+ 6		

The Governance Committee has been working to improve the Charity's response to EDI matters for the past few years, and are particularly pleased with the positive developments this year.

Plans for future periods

The Connected Communities: 2020-25 strategic guide, continues to provide the helpful steer through this turbulent time, containing sufficient flexibility across the five areas of focus, to adjust to the changing environment. Specific initiatives will in the coming year include the following:

- Completion of the development of 26 units of young worker accommodation at 235 Hampstead Road, Sandwell which began in March 2023;
- Exploring the utilisation of the land and buildings adjoining our premises at Green Lane which was purchased during the 2022/23 year;
- Continuing to embed the YMCA Black Country Childcare Curriculum within our settings and exploring opportunities to promote the Curriculum across the YMCA Federation;
- Expanding youth work and mentoring provision in Wolverhampton, Walsall and Sandwell;
- Exploring opportunities to expand our Early Years offer across the Black Country;
- Empowering more young people through sponsorship and volunteering opportunities;
- Recruiting Ethos Reps to 100% of YMCA locations; and
- Supporting in the coordination of Youth Unify and European Unify devotional programmes.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Regulatory Bodies and Statutory Controls

a. Charity Commission and Regulator of Social Housing

YMCA BCG recognises that good governance is essential to the success of a charity. In selecting a Code of Governance to adopt (see below), the Trustees considered their obligations to both the Charity Commission and the Regulator of Social Housing.

A self-assessment review of the Economic and Consumer Standards set by the Regulator of Social Housing took place in the Summer of 2021 undertaken by Chief Officers and nominated Trustees, which was later reported into the Board. Trustees remain confident that the charity remains compliant with the standards.

There were no serious incidents reportable to the Charity Commission or the Regulator of Social Housing during the year.

b. Code of Governance

Following a comparative review by the Governance development Committee, in March 2021 the Trustees adopted the Charity Code of Governance (2020) believing the revised format better suited the needs to the charity. Prior to this, the charity used the National Housing Federation Code of Governance (2015).

The Trustees acknowledge compliance with the Charity Code of Governance (2020) code, and have tasked the Governance Committee with the role of recommending remedial and improvement actions to the Board.

c. Fundraising Statement

Fundraising undertaken by the Charity for its charitable activities are carried out by employees or volunteers of the Charity. Funds raised outside of contracts and traded income are mainly sourced through charitable grants obtained through a rigorous process of application. Funds presently raised from voluntary donations are principally for specified purposes, namely the 'Moving Forward Fund' with funds raised designated to provide low cost resources to YMCA residents who are in the process of moving into independent accommodation; the Glebe centre, with donations raised for the operation of the centre, provision of food and clothing; and the 'emergency fuel' fund, with donations supporting YMCA residents who are struggling to meet their basic heat/lighting needs.

No fundraising has been undertaken on behalf of the YMCA Black Country Group (or its charitable subsidiaries) by a contracted third party individual or organisation.

YMCA BLACK COUNTRY GROUP
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TRUSTEES' REPORT (incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

d. Value for Money

A Value for Money Strategy has been developed in compliance with regulatory requirements.

YMCA BCG proactively engages with all of its service users whether this be through one to one support, service user meetings or satisfaction questionnaires to ensure that the services delivered are fit for purpose and outcomes achieved. Trustees receive presentations from service users throughout the year, and a report on service user consultation and engagement at its September meeting.

Contracted work won under competitive tendering situations is scrutinised against price and quality, with the need to offer and deliver best value to secure new contracted work. Exempt housing rents are now regularly scrutinised by Local Authorities to ensure they represent value for money. Traded services (e.g. Childcare, Gym, Café etc.) operates within the boundaries of local market forces to moderate price, and (for Childcare) our commitment to quality is judged by Ofsted.

The Finance Policy of YMCA BCG has clear levels of authority delegated to officers but with certain financial transactions based on value and type of expenditure requiring Board approval. Financial and non financial outputs and performance are scrutinised by the Group's Finance Audit and Risk Sub Committee for variances. In addition, a Corporate Risk Register is maintained, updated and reviewed on a regular basis.

The Group structure has enabled all entities to benefit from cost savings achieved by way of Group wide procurement. Significant cost savings continue to be achieved in respect of insurance, audit and utility costs.

e. Safeguarding

The Safeguarding Committee is a well established Committee comprising of Trustees, Governance Members, Designated Safeguarding Lead together with Designated Safeguarding Officers and which meets bi monthly to scrutinise safeguarding incidents and to ensure compliance with legal and regulatory requirements including the reporting of incidents as they arise to the relevant authorities, including the Charity Commission.

f. Consideration of furthering the Charity's Purposes for the Public Benefit

The Trustees have considered the general guidance on public benefit issued by the Charity Commission and believes that having reviewed the Charity's activities undertaken to achieve its charitable objects, the Charity does indeed provide significant public benefit. Details of these activities are outlined in the Strategic Report above.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

TRUSTEES' REPORT (Incorporating strategic report) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

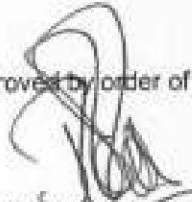
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

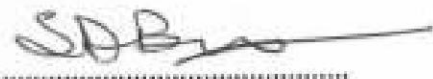
- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
JONATHAN ROWE
(Joint Chair of Trustees)
Date: 27-09-2023


.....
S Bavington
(Chief Executive)
27-09-2023

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA BLACK COUNTRY GROUP

Opinion

We have audited the financial statements of YMCA Black Country Group (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including 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 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA BLACK COUNTRY GROUP
(CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are 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.

Opinion 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' report including the Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; 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.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA BLACK COUNTRY GROUP
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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:

- We reviewed the susceptibility of the charitable company's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the charitable company's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the charitable company and its environment and identify any instances of non-compliance.
- We also assessed the charitable company's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and charitable company awareness to carry out our work to the required standard.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YMCA BLACK COUNTRY GROUP
(CONTINUED)

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

WR Partners

Andrew Malpass BA FCA (Senior statutory auditor)
for and on behalf of

WR Partners

Chartered Accountants & Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date:

28th September 2023

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

COMPANY STATEMENT OF COMPREHENSIVE INCOME
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Turnover	3	6,022,653	5,284,841
Operating Expenditure	5	<u>(5,803,595)</u>	<u>(5,026,990)</u>
Operating Surplus		219,058	257,851
Finance Income	6	10	406
Interest Payable		<u>(185,101)</u>	<u>(74,300)</u>
Surplus for the year		33,967	183,957
Total comprehensive income for the year		<u>33,967</u>	<u>183,957</u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
AS AT 31 MARCH 2023

Turnover	3	7,642,523	6,758,161
Operating Expenditure	5	<u>(7,397,950)</u>	<u>(6,763,312)</u>
Operating Surplus/(Deficit)		244,573	(5,151)
Finance Income	6	10	406
Finance Payable		<u>(185,101)</u>	<u>(74,300)</u>
Surplus/(Deficit) for the year		59,482	(79,045)
Total comprehensive income for the year		<u>59,482</u>	<u>(79,045)</u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Housing properties	11	15,637,558	15,198,461
Tangible assets	12	1,071,845	1,046,790
		<u>16,709,403</u>	<u>16,245,251</u>
Current assets			
Stocks	13	238	238
Debtors	14	848,714	673,117
Cash at bank and in hand	18	2,562,283	3,189,405
		<u>3,411,235</u>	<u>3,862,760</u>
Creditors: amounts falling due within one year	15	<u>(2,212,313)</u>	<u>(2,150,755)</u>
Net current assets		<u>1,198,922</u>	<u>1,712,005</u>
Total assets less current liabilities		<u>17,908,325</u>	<u>17,957,256</u>
Creditors: amounts falling due after more than one year	16	<u>(4,388,750)</u>	<u>(4,471,277)</u>
Net assets excluding pension liability		<u>13,519,575</u>	<u>13,485,979</u>
Defined benefit pension scheme liability	21	<u>(53,385)</u>	<u>(79,271)</u>
Total net assets		<u><u>13,466,190</u></u>	<u><u>13,406,708</u></u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412


CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Charity funds			
Restricted funds		399,832	406,746
Unrestricted funds		13,066,358	12,999,962
Total funds		13,466,190	13,406,708

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


JONATHAN ROWE
Joint Chair of Trustees
Date: 27-09-2023


S Bavington
Chief Executive
27-09-2023

The notes on pages 40 to 58 form part of these financial statements.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Housing properties	11	15,637,558	15,198,461
Tangible assets	12	244,190	193,559
		<u>15,881,748</u>	<u>15,392,020</u>
Current assets			
Debtors	14	698,141	976,265
Cash at bank and in hand		792,238	1,118,176
		<u>1,490,379</u>	<u>2,094,441</u>
Creditors: amounts falling due within one year	15	<u>(1,784,272)</u>	<u>(1,824,160)</u>
Net current liabilities / assets		<u>(293,893)</u>	<u>270,281</u>
Total assets less current liabilities		<u>15,587,855</u>	<u>15,662,301</u>
Creditors: amounts falling due after more than one year	16	<u>(4,388,750)</u>	<u>(4,471,277)</u>
Net assets excluding pension liability		<u>11,199,105</u>	<u>11,191,024</u>
Defined benefit pension scheme liability	21	<u>(53,385)</u>	<u>(79,271)</u>
Total net assets		<u><u>11,145,720</u></u>	<u><u>11,111,753</u></u>

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412


COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023


	Note	2023 £	2022 £
Charity funds			
Restricted funds		27,482	27,482
Unrestricted funds		11,118,238	11,084,271
Total funds		<u>11,145,720</u>	<u>11,111,753</u>

The company's net movement in funds for the year was £33,967 (2022 - £183,957).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


JONATHAN ROWE
Joint Chair of Trustees
Date: 27-09-2023


S Bavington
Chief Executive
27-09-2023

The notes on pages 40 to 58 form part of these financial statements.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)
REGISTERED NUMBER: 4116412

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

Group Statement of Changes in Equity

	Revenue Reserves	Designated Reserves	Revaluation Reserves	Restricted Reserves	2023	2022
	£	£	£	£	£	£
At 1 April	9,144,243	1,025,038	2,830,681	406,745	13,406,708	13,485,752
Surplus for the year	66,396	-	-	6,914	59,482	79,045
Transfers	27,094	- 27,094	-	-	-	-
	9,237,733	997,944	2,830,681	399,831	13,466,190	13,406,708

Company Statement of Changes in Equity

	Revenue Reserves	Designated Reserves	Revaluation Reserves	Restricted Reserves	2023	2022
	£	£	£	£	£	£
At 1 April	7,997,572	256,017	2,830,681	27,482	11,111,753	10,927,795
Surplus for the year	33,967	-	-	-	33,967	183,957
Transfers	- 4,216	4,216	-	-	-	-
	8,027,323	260,233	2,830,681	27,482	11,145,720	11,111,753

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	17	211,174	881,566
Cash flows from investing activities			
Dividends, interests and rents from investments		10	406
Purchase of tangible fixed assets		(92,570)	(221,909)
Purchase of housing properties		(633,451)	(2,366,220)
Net cash used in investing activities		(726,011)	(2,587,723)
Cash flows from financing activities			
Cash inflows from new borrowing		-	2,516,290
Repayments of borrowing		(112,285)	(265,186)
Net cash (used in)/provided by financing activities		(112,285)	2,251,104
Change in cash and cash equivalents in the year		(627,122)	544,947
Cash and cash equivalents at the beginning of the year		3,189,405	2,644,458
Cash and cash equivalents at the end of the year	18	2,562,283	3,189,405

The notes on pages 40 to 58 form part of these financial statements

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

YMCA Black Country Group is a private company limited by guarantee, registered in England and Wales. The charitable company's registered number and registered address can be found on the Company information page. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The principal activity of the company is the provision of social housing.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015, the Statement of Recommended Practice for Social Housing Providers (SORP) and the Housing and Registration Act 2008.

YMCA Black Country Group has prepared the financial statements in accordance with FRS102.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Turnover

Turnover represents rent and service charges receivable (net of losses from voids), revenue grants and charitable fees and donations.

2.3 Basis of consolidation

The financial statements consolidate the accounts of YMCA Black Country Group and all of its subsidiary undertakings ('subsidiaries').

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party. It is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property and improvements	- Over the term of the lease
Fixtures and fittings	- 20-25% straight line
Office equipment	- 15% reducing balance
Computer equipment	- 33.3% straight line
Major Components	- See below

Major components in housing properties are to be treated as separable assets and depreciated over their estimated useful lives as follows:

Buildings - 100 years
Roof - 70 years
Electrics - 40 years
Windows/Doors/Bathrooms - 30 years
Kitchen - 20 years
Boiler - 15 years

2.7 Revaluation of tangible fixed assets

The company has adopted the revaluation model to revalue items of property, plant and equipment whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professional qualified valuers. The fair value of items of plant and machinery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity.

2.8 Interest receivable

Interest of funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.15 Social Housing grants (SHG) and other grants

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

2.16 Pensions

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

YMCA Black Country Group 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 YMCA Black Country Group.

As described in note 21 YMCA Black Country Group 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 Black Country Group is required to contribute to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.18 Gift Aid payments

Gift aid payments are charged as distributions of reserves in accordance with the guidance included in the Institute of Chartered Accountants technical release 'Guidance on donations by a company to its parent charity'.

2.19 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. In the opinion of the Trustees there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Turnover, Operating Costs and Operating Surplus

Group	2023 Turnover £	2023 Operating Expenses £	2023 Operating Surplus £	2022 Turnover £	2022 Operating Expenses £	2022 Operating Surplus £
Income & Expenditure from lettings						
Accommodation	5,258,386	(4,054,007)	1,204,379	4,873,812	(3,726,815)	1,146,997
Other Income & Expenditure						
Community Activities	2,074,151	(3,343,943)	(1,269,792)	1,664,491	(3,036,497)	(1,372,006)
Donations	22,333	-	22,333	49,342	-	49,342
Other Income	287,653	-	287,653	163,606	-	163,606
Furlough Income	-	-	-	6,910	-	6,910
Total	7,642,523	(7,397,950)	244,573	6,758,161	(6,763,312)	(5,151)

Company	2023 Turnover £	2023 Operating Expenses £	2023 Operating Surplus £	2022 Turnover £	2022 Operating Expenses £	2022 Operating Surplus £
Income & Expenditure from lettings						
Accommodation	3,019,404	(2,575,719)	443,685	2,790,596	(2,099,213)	691,383
Other Income & Expenditure						
Community Activities	561,190	(3,227,876)	(2,666,686)	398,224	(2,927,777)	(2,529,553)
Donations	16,856	-	16,856	9,404	-	9,404
Other Income	2,425,203	-	2,425,203	2,085,536	-	2,085,536
Furlough Income	-	-	-	1,081	-	1,081
Total	6,022,653	(5,803,595)	219,058	5,284,841	(5,026,990)	257,851

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Turnover from lettings

	Group £ 2023	Group £ 2022	Company £ 2023	Company £ 2022
Income from lettings				
Rent receivable	4,148,281	3,725,841	2,917,174	2,559,719
Net Rent Receivable				
Supporting people - grant	35,000	122,500	-	87,500
Supported lodgings	102,230	143,377	102,230	143,377
Total income from lettings	4,285,511	3,991,718	3,019,404	2,790,596
 Rent Losses from voids	 1,736,571	 896,560	 1,627,590	 810,238

YMCA BLACK COUNTRY GROUP
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Operating costs

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
People Related	356,474	83,053	309,428	18,730
Premises Related	972,936	788,146	782,867	653,512
Office Costs	52,230	67,084	26,382	28,578
Direct Activity Costs	205,052	158,691	61,406	54,528
Other Direct Expenses	436	-	436	-
Other Operating Overhead	116,022	135,312	39,082	31,624
Recharges	-	-	1,229,278	964,158
Bad Debts	87,810	42,683	57,759	22,520
Bank Charges	5,911	6,789	-	-
Travel Costs	4,819	4,349	-	-
Programme Delivery	268,853	299,092	-	-
Salaries	1,786,049	1,899,277	56,843	270,952
NIC	103,895	105,946	3,882	31,310
Pension	24,238	39,131	1,231	8,841
Depreciation	59,283	97,264	7,125	24,462
Total Operating Costs from Lettings	4,044,007	3,726,815	2,575,719	2,109,215
Other Operating Costs	3,353,943	3,036,497	3,227,876	2,927,777
Total Operating costs	7,397,950	6,763,312	5,803,595	5,036,992

6. Finance income

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank Interest	10	406	10	406
	<u>10</u>	<u>406</u>	<u>10</u>	<u>406</u>

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7. Interest payable

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Loan Interest payable	185,101	74,300	185,101	74,300
	<u>185,101</u>	<u>74,300</u>	<u>185,101</u>	<u>74,300</u>

No interest was capitalised in the year (2022: £Nil).

8. Net Income/(Expenditure)

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	67,515	98,935
Depreciation of housing properties	194,354	157,774
Auditors remuneration	22,240	20,250
Operating lease rentals	<u>336,268</u>	<u>416,573</u>

During the year, no Trustees received any remuneration (2022: £Nil).

During the year, no Trustees received any benefits in kind (2022: £Nil).

9. Staff costs

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	3,541,017	3,260,010	1,811,811	1,631,684
Social security costs	245,871	212,964	145,857	128,327
Contribution to defined contribution pension schemes	82,167	83,527	49,160	53,238
	<u>3,869,055</u>	<u>3,556,501</u>	<u>2,006,828</u>	<u>1,813,249</u>

Included in the above, are £6,044 (2022: £Nil) redundancy payments paid out to 5 employees (2022: 0 employees).

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9. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

	Group 2023 No.	<i>Group 2022 No.</i>
Average staff numbers	202	<i>196</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	<i>Group 2022 No.</i>
In the band £70,001 - £80,000	-	<i>1</i>

Directors' and Senior Executives Emoluments

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Emoluments	255,759	<i>274,941</i>	53,513	<i>88,122</i>
Pension contributions	30,215	<i>36,038</i>	13,229	<i>19,599</i>
	285,974	<i>310,979</i>	66,742	<i>107,721</i>

The chief executive is included in the YMCA Pension Scheme and is an ordinary member of the scheme. No enhanced or special terms apply. During the period the total amount contributed to the individual pension arrangement was £13,229 (2022: £19,599).

10. Taxation Status

YMCA Black Country Group is a company limited by guarantee, a registered charity and is registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008.

The Company has charitable status for tax purposes and no liability to corporation tax arises.

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11. Housing Properties

Group and Company

	Housing Properties £
Cost	
At 1 April 2022	16,254,945
Additions	633,451
	<u>16,888,396</u>
At 31 March 2023	
Amortisation	
At 1 April 2022	1,056,484
Charge for the year	194,354
	<u>1,250,838</u>
At 31 March 2023	
Net book value	
At 31 March 2023	<u>15,637,558</u>
At 31 March 2022	<u>15,198,461</u>

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12. Tangible fixed assets

Group

	Long-term leasehold property and improvements £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2022	1,029,844	583,888	164,829	29,455	1,808,016
Additions	24,648	58,937	-	8,985	92,570
At 31 March 2023	1,054,492	642,825	164,829	38,440	1,900,586
Depreciation					
At 1 April 2022	166,639	414,207	156,812	23,568	761,226
Charge for the year	40,504	20,847	3,773	2,391	67,515
At 31 March 2023	207,143	435,054	160,585	25,959	828,741
Net book value					
At 31 March 2023	847,349	207,771	4,244	12,481	1,071,845
At 31 March 2022	863,205	169,681	8,017	5,887	1,046,790

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12. Tangible fixed assets (continued)

Company

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	157,036	303,190	22,280	482,506
Additions	-	57,002	8,985	65,987
At 31 March 2023	157,036	360,192	31,265	548,493
Depreciation				
At 1 April 2022	11,173	255,494	22,280	288,947
Charge for the year	5,663	9,693	-	15,356
At 31 March 2023	16,836	265,187	22,280	304,303
Net book value				
At 31 March 2023	140,200	95,005	8,985	244,190
At 31 March 2022	145,863	47,696	-	193,559

13. Stocks

	Group 2023 £	Group 2022 £
Food for nurseries	238	238

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14. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due within one year				
Trade debtors	620,490	436,859	454,355	347,742
Amounts owed by group undertakings	-	-	46,250	468,731
Other debtors	25,293	23,334	15,096	3,370
Prepayments and accrued income	202,931	212,924	182,440	156,422
	<u>848,714</u>	<u>673,117</u>	<u>698,141</u>	<u>976,265</u>

Provisions for bad and doubtful debts included above for the group are £184,748 (2022: £132,235).

Provisions for bad and doubtful debts included above for the company are £139,506 (2022: £104,645).

Rent arrears included within the above for the group are £581,987 (2022: £432,116) and for the company are £465,254 (2022: £343,426).

15. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	121,409	151,167	121,409	151,167
Trade creditors	424,203	345,986	351,257	276,406
Other taxation and social security	453	68,024	453	36,147
Other creditors	236,367	174,226	196,877	160,518
Accruals and deferred income	1,429,881	1,411,352	1,114,276	1,199,922
	<u>2,212,313</u>	<u>2,150,755</u>	<u>1,784,272</u>	<u>1,824,160</u>

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	<u>4,388,750</u>	<u>4,471,277</u>	<u>4,388,750</u>	<u>4,471,277</u>

Included within the above are amounts falling due as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Between one and two years				
Bank loans	<u>136,908</u>	<u>153,228</u>	<u>136,908</u>	<u>153,228</u>
Between two and five years				
Bank loans	<u>288,745</u>	<u>468,185</u>	<u>288,745</u>	<u>468,185</u>
Over five years				
Bank loans	<u>3,963,097</u>	<u>3,849,864</u>	<u>3,963,097</u>	<u>3,849,864</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Repayable by instalments				
Payable or repayable by instalments	<u>3,963,097</u>	<u>3,849,864</u>	<u>3,963,097</u>	<u>3,849,864</u>
	<u>3,963,097</u>	<u>3,849,864</u>	<u>3,963,097</u>	<u>3,849,864</u>

Bank loans totalling £4,510,159 (2022: £4,622,444) are secured by fixed charge over the freehold property and assets of the company.

Bank loan term of repayment are monthly and interest is payable at 2.25% above the base rate of the Bank of England over the principal amount.

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17. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	59,482	(79,045)
Adjustments for:		
Depreciation charges	261,869	256,709
Interest income	(10)	(406)
Increase in debtors	(175,597)	(142,875)
Increase in creditors	91,316	872,276
Decrease in provisions	(25,886)	(25,093)
Net cash provided by operating activities	211,174	881,566

18. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	2,562,283	3,189,405
Total cash and cash equivalents	2,562,283	3,189,405

19. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	3,189,405	(627,122)	2,562,283
Debt due within 1 year	(151,167)	29,758	(121,409)
Debt due after 1 year	(4,471,277)	82,527	(4,388,750)
	(1,433,039)	(514,837)	(1,947,876)

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20. Capital commitments

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	1,258,000	433,534	1,258,000	433,534

21. Pension commitments

Defined Contribution Scheme

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £82,167 (2022: £83,527).

Defined Benefit Scheme

YMCA Black Country Group 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 Black Country Group 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 22.0 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, 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 Black Country Group has been advised that it will need to make monthly contributions of £2,035 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.

In addition, YMCA Black Country Group 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 Black Country Group may be called upon to pay in the future.

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Reconciliation of opening and closing provision

	2023 £	2022 £
Provision at the start of the year	79,271	104,364
Deficit contribution paid	(25,886)	(25,093)
	<u>53,385</u>	<u>79,271</u>

22. Operating lease commitments

At 31 March 2023 the Group and the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Not later than 1 year	287,421	343,071	118,788	216,271
Later than 1 year and not later than 5 years	210,925	508,161	109,725	354,127
Later than 5 years	341,713	364,513	31,500	32,000
	<u>840,059</u>	<u>1,215,745</u>	<u>260,013</u>	<u>602,398</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Operating lease rentals	<u>336,268</u>	<u>416,573</u>	<u>209,668</u>	<u>209,064</u>

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23. Related party transactions

YMCA Black Country Group which is registered in England and Wales is the ultimate parent undertaking of:

YMCA Wolverhampton - a company limited by guarantee and a registered charity in England and Wales.

YMCA Walsall (Previously trading as First Base Walsall) - a company limited by guarantee and a registered charity in England and Wales.

None are registered with the Regulator of Social Housing.

Transactions with Non-Regulated Subsidiaries

	2023	2022
	£	£
Rental Expenditure		
YMCA Wolverhampton	-	58,425
YMCA Walsall	38,100	30,500
Management Charge Income		
YMCA Wolverhampton	359,957	364,139
YMCA Walsall	87,067	40,910
Rental Income		
YMCA Wolverhampton	146,800	109,514
YMCA Walsall	65,000	60,536
Premises Related Income		
YMCA Wolverhampton	50,120	44,350
YMCA Walsall	2,400	40,460