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YMCA North Staffordshire Ltd.
(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

31 March 2021

Company Registration No: 04804681
Registered Charity No: 1100749
RP No: H4426

YMCA North Staffordshire Ltd.

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YMCA North Staffordshire Ltd.

TRUSTEES, DIRECTORS AND ADVISORS

PRESIDENT

Bishop of Stafford (non voting)

BOARD OF DIRECTORS

GC Handforth – Chair Person

MJ Toohey – Vice Chair

B Sumner – Treasurer

L Tindale (Resigned

14.12.21)

A Robinson

Rev SA Smith

PJ Franklin

PA Dartford

PA Williams

H Chadwick

(Resigned

10.05.21)

Dr SW Williams

J Sawyers

NC Joy-Johnson

JL Thorpe

T Gordon

(Appointed

14.12.21)

CHIEF EXECUTIVE AND COMPANY SECRETARY

D Flynn

REGISTERED OFFICE

Edinburgh House

Harding Road

Hanley

Stoke-on-Trent

Staffordshire

ST1 3AE

AUDITORS

Crowe UK LLP

The Lexicon

Mount Street

Manchester

M2 5NT

BANKERS

National Westminster Bank Plc.

1 Upper Market Square

Hanley

Stoke-on-Trent

Staffordshire

ST1 1NS

YMCA North Staffordshire Ltd

Trustees' Report

Our vision

YMCA's vision in England and Wales is of an inclusive Christian movement transforming communities so that all young people can belong, contribute and thrive.

Our Mission

We develop young people; they develop their world.

Principal Activities

The principal activities of YMCA North Staffordshire are to provide housing, support, training, recreation and sports activities for young people, their families and their communities.

What we do

We develop life chances and new futures for young people, their families and communities. This comes in the form of a wide range of services.

We provide specialist housing on our young people's campus including purpose-built move on accommodation, housing in the community for young workers. The campus offers young people a high standard of accommodation in a safe supportive environment with staff who offer development opportunities in areas of education, employment and well-being advice together with a wide range of creative and recreational activities to inspire and motivate.

We provide effective training programmes for young people and their families to assist them to gain confidence, acquire skills and development via volunteering and support them to gain and sustain paid employment.

We provide a range of family services where our team help to re-build and maintain family relationships in area such as parenting skills, conflict resolution, work with separated parents and their children.

We provide an onsite sports and recreation centre including a gym, sports hall, outdoor football pitch and offer a range of programmes for young people, community sports clubs, schools and our local community.

We provide a roof top conference centre and other meeting rooms that can be hired by local community groups and businesses for meetings and conferences and offer in house catering if required.

We provide a place for our community to gather and actively support other local charities, community groups and other stakeholders by sharing our space, experience and expertise where it is of use.

We provide an experienced staff team to deliver the National Citizenship service to young people.

We play an active role in our community working with them to provide opportunities.

Our values

YMCANS Values are

- Trust
- Hope
- Persevere
- Protect

These values are our bedrock and help us create the resilience to develop young people into thriving lives.

YMCA North Staffordshire Ltd

Trustees' Report

DIRECTORS

The directors who have held office since 1 April 2020 are as follows:

GC Handforth
MJ Toohey
B Sumner
L Tindale (Resigned 14.12.21)
A Robinson
Rev SA Smith
PJ Franklin
PA Dartford
PA Williams
DR S Wynn-Jones
H Chadwick (Resigned 10.05.21).
J Sawyers
NCy Joy-Johnson
JL Thorpe
T Gordon (Appointed 14.12.21)

ORGANISATIONAL STRUCTURE

YMCA North Staffs is a Registered Social Landlord (Reg No: H4426); a registered charity (Reg No: 1100749) and a company limited by guarantee (Reg No: 04804681). The YMCA board of management meets bi-monthly with a full business agenda. The board oversees the strategic development and operational performance of the organisation.

Appointment and recruitment of directors

Potential candidates for directors are interviewed by the Chair and the Chief Executive. This is a three-stage process:

1. A discussion around the organisation's vision and mission and to explain the charitable objects, company articles, business plan and direction of the organisation. To check on the potential members skills set and experience.
2. If the Chair and the potential director agree that they would be suitable, the individual is introduced to the board of directors who then collectively decide whether to offer Board Membership.
3. If the full board agrees the proposed director comes to a full board meeting and after discussion a vote will take place.

Directors' induction and training

Once appointed each Board Member is allocated to one of the strategic groups that oversee the running of the organisation, membership of these groups allows the board member to specialise in their area of expertise and/or interest.

The Current Groups are:

Finance & Risk
H.R.
Campus Development
Performance Standards (Including Health & Safety & Safeguarding)
Christian & Spiritual Development
Business Development
Capital Development
Connectivity & Communications
Environment
Empathy Engine / Equality, Diversity & Inclusion

Membership of the groups include one or two board members plus senior and operational staff.

YMCA North Staffordshire Ltd

Trustees' Report

In addition, the Chair of the Board & CEO will identify areas of training and development and ensure that this is delivered. Regular events take place at least annually where the Board reflects on the Values of the YMCA and the work that we do to ensure that they are aligned.

Public benefit and value for money

The YMCA aims to serve young people, their families and the community, we continue to provide housing for some of the most marginalised young people in our area and have improved our offer with the new flats that provides a better standard of accommodation and facilities for young families for the first time. We are growing our property portfolio to help low waged young people afford community-based accommodation and maintain their employment.

Our activity centre is being enjoyed by members of the community for sports and family fun days and our family contact centre continues to serve young children providing a safe space for them to play and talk to trained counsellors.

Our training and employment service assists people lacking in skills and confidence to become ready to manage work opportunities and move towards economic independence.

Value for money

In the current economic environment, it is important to ensure that the YMCA maximises the value from its expenditure. The Board considers value for money as part of its strategic approach when allocating resources, but not at the expense of providing quality of service, all new proposals and major items of expenditure are scrutinised by both the business development and finance and risk board working groups prior to approval.

Risk management

YMCA North Staffordshire works with people who have been disadvantaged through limited life chances. As we describe ourselves as a life chances agency it is appropriate to take risks with our charity's resources to make opportunities available to those people in order for them to reach their potential and thrive. We are therefore happy to take a risk with creating life chances.

We will not however, take any risks relating to the protection of young people and vulnerable adults. Full vetting procedures will always be followed for all staff and volunteers and disciplinary action follows when breaches occur. A similar policy is adopted in relation to fraud and corruption.

The Charity is fortunate to hold assets in the form of property and investments and revenues generated from our activities. We will take some risk to achieve good returns but will not put at risk the capital value of our assets and will always seek to balance the risk of any loss against the expected return.

The board delegates the detailed review of Risk Management to the Finance and Risk Management Working Group which consists of the Vice Chair, Treasurer, plus at least one other board member/ advisor together with the Deputy Chief Executive and Finance Director. This group meets bi-monthly to review all issues both internal and external that might have an adverse effect on the organisation fulfilling its objectives

The Board identifies headline current risks to the charity as follows:

The Capital Development for the new flats is completed within agreed timescales and an affordable budget.

Disruption to the charity's activities from the impact of COVID-19

Risk of fraud

Protecting vulnerable people who use our services from any safeguarding risk.

Impact of COVID -19

The Charity has responded to the pandemic by focussing on the core activities and directing resources to

ensure that beneficiaries, staff and the communities that we work with are able to thrive in line with our aims and plans.

YMCA North Staffordshire Ltd

Trustees' Report

We have prioritised the safety and well-being of our residents and staff, services that cannot be delivered face to face have moved to digital delivery where possible and staff who do not need to be on site are working from home.

Procedures and protocols have been produced to for service users and staff and meetings take place on a weekly basis of the full management team to monitor the situation and respond to changes.

Where services could not be delivered, we have made use of the job retention scheme grant and other small grants made available locally. We have been able to help members of our local community by providing resource packs for children during lockdown and contributing to food distribution efforts.

We have introduced lateral flow testing for all staff and arranged vaccination for all staff and residents at the earliest opportunity.

We have added a temporary objective to our business plan to enable the charity to manage the period of the pandemic and learn from the experience.

We will learn to Thrive through COVID-19

We aim to ensure that we achieve the following outcomes:

Staff, Customers, Visitors and Volunteers:

- feel safe.
- have positive physical, spiritual and mental health.
- are included and feel part of a supportive community.

The YMCA Campus is safe and fit for purpose to deliver all activities.

Use of technology has enabled us to rethink the ways in which we can thrive.

This objective will form part of our monthly development days for the Senior Management Team and will be reported to the Board via working groups and the full Board meeting.

In terms of financial management during COVID-19. Expenditure deemed to be non-essential has been paused. All services and activities budgets are reviewed quarterly to consider any changes in circumstances. This has allowed management and the Board to adapt as flexibly as possible to changing circumstances.

Director's indemnity insurance

The YMCA has Directors Indemnity Insurance of up to £1m.

FUTURE PLANS

Over the past 16 years we have been successful in building a great reputation we are seen as a contributor to the strategy of the city, where we have established a leadership role and our good standing has manifested into becoming a "go to" organisation.

Our business plan 2020-23 describes and forecasts the next development phase of YMCANS. We want to be a charitable business that drives towards its own financial independence as we broaden our reach serving young people, helping them to grow into adulthood with the strength, resilience and skills to be able to thrive and successfully grow their preferred futures. In the last 3 years we have developed and implemented Asset Based Community Development thinking and subsequent approaches to our mission. This Business plan reflects the learning of the last 3 years and a forecast into the future. There is no fundamental change in our strategic direction of travel. Rather we are deepening and strengthening the insights and learning the previous period.

We will ensure that most of our products and services are scalable and profitable. Where this is not possible, we will clearly understand those activities to be loss leaders, research and development or campaigning activities. Ultimately a greater focus on profitability will ensure a sustainability and a stronger position from

YMCA North Staffordshire Ltd

Trustees' Report

which to fund our charitable objectives.

In 2021-22 we intend to continue the work of our current business plan.

Be a Thriving Business: We understand as a charity we must be business like, unless we produce annual surpluses on our activities, we will not be able to deliver and grow our mission and subsequent activities. However, we understand that in areas of mission and subsequent development we must take a broad view of surplus and recognize that some areas of our work will need to be supported to ensure we deliver our broader vision. We measure our impact in three ways, social, environmental, and cash.

Get our capital development of 46 flats back on track and fully funded.

Maximise the opportunities of new working as we continue to adapt to the recovery from Covid 19.

Invest in our digital infrastructure producing meaningful data to improve our outcomes and impact and communicate this effectively.

See those in our community of service thrive: Our passion is to see young people, families and communities thrive. All our current product and services and future development are focused on this outcome. We act as a facilitator to serve and grow community strength. We will adopt a social capital model to measure our impact.

Continue to give young people as many opportunities as possible as the recovery from Covid continues.

Plan to use our Campus in the most effective way to support our residents and staff.

Develop our Empathy Engine initiative to ensure that the level of diversity and equality of opportunity increases within the charity.

Increase and develop our local pantry project.

Establish a Board Working Group to monitor and evaluate our environmental impact.

Invest in Staff and volunteers to see them thrive: YMCANS is a human organisation and all transactions are relational, our biggest cost and resource are our people. Our Asset approaches understand that all individuals have gifts and talents. We shall invest in the people resources building a teams and individuals of able, equipped and focused staff and volunteers, who expand and strengthen our mission.

Launch our Thrive Academy to encourage staff to develop throughout their time with the charity.

Strengthen and improve our lunchtime learning programme and other events.

Grow and support volunteers in our community food pantry project.

See our city and its people thrive: We are committed to contribute our value to build the strength of our geographical area of service, across the communities. We will work with partners and engage in strategies, activities and events that improve the lives, education and environment of the geography we serve.

Continue to lead projects and be good partners aimed to the improvement and prosperity of North Staffordshire.

Develop our links with communities for the delivery of youth services and activities.

Understand and adapt to the cultural and behavioural shift that Covid 19 has brought to our services, people and community.

We will continue to work to maintain the highest safety standards to protect residents, staff and visitors.

We will review our working practices to ensure that we maximise the opportunities that have come from the progress made through technology during the crisis that support our aims and objectives.

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KEY MANAGEMENT REMUNERATION

The remuneration policy is decided by the Board by means of a triennial formal review based on national YMCA guidance. The Human Resources working group undertakes the review, which is presented to the board for formal approval. Implementation is subject to affordability.

ACHIEVEMENTS AND PERFORMANCE

Last year we set out the following Future Plans for 2020-21.

Be a Thriving Business: We understand as a charity we must be business like, unless we produce annual surpluses on our activities, we will not be able to deliver and grow our mission and subsequent activities. However, we understand that in areas of mission and subsequent development we must take a broad view of surplus and recognize that some areas of our work will need to be supported to ensure we deliver our broader vision. We measure our impact in three ways, social, environmental, and cash.

We increased our number of affordable community housing units that allow us to grow our unrestricted earned income.

We were successful in funding initiatives including continued funding for our community youth projects.

See those in our community of service thrive: Our passion is to see young people, families and communities thrive. All our current product and services and future development are focused on this outcome. We act as a facilitator to serve and grow community strength. We will adopt a social capital model to measure our impact.

We have developed our pantry project and increased our community food delivery offer.

Eight young people who live with us went on to university.

We have started initiatives to improve our work in the areas of equality and diversity and developing a group to improve and report on our environmental impact.

We were awarded the HRH Queen her Award for Enterprise innovation for our work in promoting opportunities for young people.

Invest in Staff and volunteers to see them thrive: YMCANS is a human organisation, and all transactions are relational, our biggest cost and resource are our people. Our Asset approaches understand that all individuals have gifts and talents. We shall invest in the people resources building a teams and individuals of able, equipped and focused staff and volunteers, who expand and strengthen our mission.

We have developed an internal staff training programme and work via our staff meetings and cultural conversations to grow as a learning organisation.

We have started lunchtime learning sessions in partnership with the Global Leadership Network

See our city and its people thrive: We are committed to contribute our value to build the strength of our geographical area of service, across the communities. We will work with partners and engage in strategies, activities and events that improve the lives, education and environment of the geography we serve.

We lead a group working to bring philanthropic capital into the city of Stoke-on-Trent.

We have been asked to lead a city-wide consortium bid for the community renewal fund.

Understand and adapt to the cultural and behavioural shift that Covid 19 has brought to our services, people and community.

We have kept our staff and residents safe during the pandemic by restricting all non-essential visitors to our youth campus. We have introduced lateral flow testing of staff and ensured that all staff and residents had the opportunity of vaccination at the earliest possible opportunity.

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We have invested to develop new ways of working to allow staff to work effectively from home.

OPERATIONAL REVIEW OF THE YEAR (including balance sheet review)

The year to March 2021 has been a year of dominated by COVID. The Charity has made a financial surplus of £ 464,554 , this has been due to a combination of reduction in essential spending , support from the furlough scheme to assist staff members unable to work , grants to assist the Sports Centre during closure and some additional support from benefactors.

We continued our investment in Community Housing and our Capital Project to develop 46 new units of accommodation on our Campus, which has seen our fixed assets grow in value by £585k. The flats development has been delayed by the pandemic causing the initial contractor appointed to enter administration and following the successful re-tender problems over piling works that had taken place, this explains the high level of cash balances which includes a significant proportion of unspent capital grant from Homes England.

Our borrowings increased as a new loan of £500k was taken out to fund the community housing project.

FUNDS AND RESERVES

YMCA North Staffs has funds available to finance its activities. These are unrestricted funds expendable at the discretion of the board in furtherance of the charity's objects. Such funds may be designated by the board for a project or purpose.

The board recognises the need to establish a level of general reserves that enables financial stability, is adequate to meet the requirements of working capital and acts as a cushion against fluctuations in income levels and in the financial performance of the YMCA's activities. Such reserves are built up from operating surpluses. The Board will also use reserves to develop the range of services and activities where this is deemed appropriate.

Our reserves are also needed to manage our ongoing maintenance commitments following our major refurbishment. We had a major development programme between 2008 and 2013 which will need increasing maintenance and major repairs and the board feels that it is prudent to designate a sum to ensure that any future costs can be met. We commissioned a long-term maintenance plan during the year which predicts the cost of future planned and major repairs. In 2018 we set up a designated reserve to work to aim to meet this cost, we have started to consider some long-term investment in order to build growth into the reserve but have suspended this decision due to uncertainty caused by COVID -19 and Brexit. The Board will review the situation in 2021-22.

The board's policy is that free reserves should be sufficient to manage the predominant risks to the organisation and its working capital requirements, currently these risks would include the completion of our current capital development project, The Board remains vigilant in monitoring risk of redundancy payments due to any loss of income because of the economic situation and changes to government policy. The economy is expected to enter a period of recession following the coronavirus disruption and The Board recognises that this may have an impact on our operating environment. There is an on-going pension deficit liability to manage which is expected to increase. Our new business plan recognises the need for more commercial skills and greater data evidence to measure and demonstrate our impact and reserves will be allocated to fund these changes. Regulation of our sector continues to grow, and resources need to be allocated to ensure that the charity has the capacity to meet these obligations.

The level of free reserves on 31 March 2021 was £560k this figure is calculated by deducting the restricted and designated funds from the total reserves on page 13 and any funds tied into fixed assets. This amount is considered as adequate by the board for current short-term needs.

The Board also recognises that due to the Impact of the coronavirus on the new flats' development that some contribution from reserves may be required to complete this project.

YMCA North Staffordshire Ltd

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PRINCIPAL RISKS AND UNCERTAINTIES

The primary risk that we face is now based around the impact on the charity sector as we transition from Covid 19 to the new normal . The impact of this is not yet fully understood. The Board is monitoring the situation closely. This adds to the risk that we constantly prioritise which is changes in government policy that might impact upon contract funding. Austerity measures are still impacting local authority funding.

We are currently in contract to develop 46 new units of accommodation, ensuring that this is developed within budget and by the revised Homes England deadline of 31st May 2023 is also a priority risk.

The Board monitors the longer-term impact on the organisation of maintenance and major repairs and recognises that the challenge to maintain our campus is challenged by the current economic climate.

The Board keeps all fraud related issues facing the sector that the charity operates in under review in order to assess potential impact on the charity of any emerging risks or uncertainties.

We continue to strive for ways to generate a greater proportion of our income and consider the growth and development of affordable housing as a key strategy.

Other ongoing risks are always in the areas of safeguarding and health and safety and these are under constant management and review by the Board.

STATEMENT OF DISCLOSURE TO THE AUDITOR

So far as the trustees and directors are aware, there is no relevant information of which the company's auditor is unaware. Additionally, the trustees and directors have taken all the necessary steps that they ought to have taken as trustees and directors to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Crowe UK LLP was appointed by the company. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and therefore Crowe UK LLP will continue in office.

By order of the Board

G Handforth
Director



21.12.2021

B Sumner
Director



21.12.2021

YMCA North Staffordshire Ltd

Trustees' Report

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors (who are also trustees of the charity) are responsible for preparing The Report of the Board of Management and the financial statements in accordance with applicable law and regulations.

Company law and housing association legislation requires the directors to prepare financial statements for each financial year. Under those laws the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 company and of the surplus or deficit of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors and trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2019. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of YMCA North Staffordshire Ltd

Opinion

We have audited the financial statements of YMCA North Staffordshire Ltd (the "Company") for the year ended 31 March 2021 which comprise the Statements of Comprehensive Income, the Statement of Changes in Reserves, Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including 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 Company's affairs as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing from April 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Board is responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 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 matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Housing and Regeneration Act 2008 and Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the Report of the Board for the financial year for which the financial statements are prepared is not consistent with the financial statements; or
- adequate accounting records have not been kept by the Company; or
- a satisfactory system of controls over transactions has not been maintained; or
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Board's responsibilities statement set out on page **XX**, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements such as the Companies Act 2006, the Housing and Regeneration Act 2008 and other laws and regulations application to a registered social housing provider in England. We also considered the risks of non-compliance with the other requirements imposed by the Regulator of Social Housing, and we considered the extent to which non-compliance might have a material effect on the financial statements.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud,

to be within the timing of recognition of rental and grant income, the capital costs of development and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and substantive testing of key income streams.

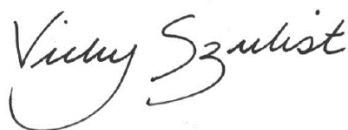
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members as a body in accordance with the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vicky Szulist (Senior Statutory Auditor)

For an on behalf of Crowe U.K. LLP

Statutory Auditor

The Lexicon
Mount Street
Manchester
M2 5NT

21st December 2021

YMCA North Staffordshire Ltd.
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2021

	Note	2021 £	2020 £
TURNOVER	2	4,589,750	5,351,276
Operating expenditure	2	(4,356,690)	(5,326,739)
Other operating income	2	262,416	33,308
		<hr/>	<hr/>
OPERATING SURPLUS	6	495,476	57,845
Interest receivable	4	1,428	2,687
Interest and financing costs	5	(32,350)	(3,493)
		<hr/>	<hr/>
SURPLUS BEFORE AND AFTER TAX		464,554	57,039
		<hr/>	<hr/>
SURPLUS FOR THE YEAR		464,554	57,039
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		464,554	57,039
		<hr/> <hr/>	<hr/> <hr/>

The company results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

YMCA North Staffordshire Ltd.
STATEMENT OF FINANCIAL POSITION
at 31 March 2021

	Notes	2021	2020
		£	£
FIXED ASSETS			
Housing properties	10	13,829,292	13,235,963
Other fixed assets	10a	410,682	419,084
		14,239,974	13,655,047
CURRENT ASSETS			
Stock	12	8,860	1,843
Trade and other debtors	13	268,837	256,290
Cash and cash equivalents		2,788,804	2,592,781
		3,066,502	2,850,914
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	14	(1,070,552)	(1,014,921)
NET CURRENT ASSETS		1,995,950	1,835,993
TOTAL ASSETS LESS CURRENT LIABILITIES		16,235,924	15,491,040
Creditors: Amounts falling due after more than one year	15	(12,800,658)	(12,499,718)
Provisions for liabilities			
Pension provision	18	(82,732)	(103,342)
TOTAL NET ASSETS		3,352,534	2,887,980
RESERVES			
Income and expenditure reserve	19	2,503,209	2,121,347
Designated reserve	19	712,430	680,798
Restricted reserve	19	136,894	85,835
TOTAL RESERVES		3,352,534	2,887,980

The financial statements on pages 14 to 36 were approved by the board of directors and authorised for issue on 21.12.2021 and are signed on its behalf by:

GC Handforth
Director



B Sumner
Director



Company Registration No: 04804681

YMCA North Staffordshire Ltd.
STATEMENT OF CHANGES IN RESERVES
for the year ended 31 March 2021

	Income and expenditure reserve £	Designated reserve £	Restricted reserve £	Total £
Balance at 1 April 2019	2,075,808	660,029	139,641	2,875,478
Surplus for the year	57,039	-	-	57,039
Transfer from statement of comprehensive income to restricted reserves	-	-	(53,806)	(53,806)
Transfer from statement of comprehensive income to designated reserves	(11,500)	20,769	-	9,269
Balance as at 31 March 2020	2,121,347	680,798	85,835	2,887,980
Surplus for the year	464,554	-	-	464,554
Transfer from statement of comprehensive income to restricted reserves	(51,059)	-	51,059	-
Transfer from statement of comprehensive income to designated reserves	(31,632)	31,632	-	-
Balance at 31 March 2021	2,503,209	712,430	136,894	3,352,534

YMCA North Staffordshire Ltd.

STATEMENT OF CASH FLOWS

for the year ended 31 March 2021

	Note	2021 £	2020 £
OPERATING ACTIVITIES			
Net cash generated from operations	20	743,936	537,489
NET CASH GENERATED FROM OPERATING ACTIVITIES		743,936	537,489
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets	10-10a	(1,104,055)	(1,469,635)
Grants received	16	110,560	2,040,181
Interest received	4	1,428	2,687
NET CASH GENERATED FROM/(USED IN)INVESTING ACTIVITIES		(992,067)	573,233
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds of new borrowings		500,000	500,000
Repayments of borrowings		(55,846)	(14,064)
NET CASH USED IN FINANCIAL ACTIVITIES		444,154	485,936
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		196,023	1,596,658
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		2,592,781	996,123
CASH AND CASH EQUIVALENTS AT END OF YEAR	20	2,788,804	2,592,781

YMCA North Staffordshire Ltd.

ACCOUNTING POLICIES

for the year ended 31 March 2021

LEGAL STATUS

YMCA North Staffordshire Ltd. is a company limited by guarantee and is an English registered social housing provider, charity and public benefit entity.

The address of the company's registered office and principal place of business is Edinburgh House, Harding Road, Hanley, Stoke-on-Trent, Staffordshire, ST1 3AE.

The company's principal activities and nature of the company's operations are included in The Report of the Board of Management.

The company has not prepared consolidated accounts on the basis of materiality of its subsidiary under Section 402 of the Companies Act 2006. Further details of its subsidiary are described in note 11.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and to comply with the Accounting Direction for Private Registered Providers of Social Housing 2019, and under the historical cost convention.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

GOING CONCERN

On 11 March 2020, the World Health Organisation declared the global coronavirus outbreak to be a pandemic. This has seen significant limitations placed on the movement of goods and people worldwide, with the United Kingdom implementing lockdown measures on 23 March 2020. The directors consider this to have no material effect on the ability of the company to meet its financial obligations.

When the COVID 19 pandemic restrictions were announced in March 2020 the Board instructed management to focus on maintaining the core of the charity. All non-essential expenditure was stopped. All Budgets are reviewed on a quarterly basis to consider any change in circumstances.

In terms of the basis for a going concern, the key issues are:

1. Housing is the core activity of the charity and is stable and financially viable
2. Regarding contract activities our operating model ensures that when funding for a contract ends the associated costs related to that contract also come to an end. Reserves are only ever used as a bridge to new funding agreed.
3. The Board and management have experience in dealing with uncertainty.

The Charity has prepared detailed budgets and cash flow forecasts for the period ending 31st March 2023. In order to mitigate the impact of the COVID-19 crisis, a review of each cost centre within the charity has taken place with particular focus on cost centres that rely upon short term contract income. This review has considered the most pessimistic position where Income has not been confirmed.

The Board has reviewed the covenants on the existing loan with Unity Trust Bank and remains confident that all covenants can be fulfilled. This arrangement consists of three loans of £ 500k for properties in the community secured on those properties and is fully drawn down.

YMCA North Staffordshire Ltd.

ACCOUNTING POLICIES

for the year ended 31 March 2021

The cash position of the charity is positive and will remain so throughout 2021-22 with the support of a loan from Charity Bank to support the completion of the Development of 46 additional units of accommodation. This loan is currently at the legal stage with both parties having signed the agreement on 12/01/2021. The loan will be drawn down monthly from applications submitted by the contractor once approved.

The Board does recognise that the unprecedented level of uncertainty caused by Covid-19 and rapidly changing circumstances mean that the judgements and estimates required by management are more challenging than under normal circumstances. The Board has considered the increased pressure on income streams brought about by the pandemic and has concluded that given the financial performance of the current housing projects and the ability to quickly adapt to changes in contract funded activities that a concern basis remains appropriate for the preparation of these financial statements. For this reason, the Board do not consider there to be a material uncertainty on the Charity's ability to operate as a going concern.

TURNOVER AND REVENUE RECOGNITION

Turnover comprises rental and service charge income receivable in the period, and revenue grants receivable in the period from local authorities and the Homes England. Turnover is recognised net of VAT, where applicable.

All rental income is recognised in the period it which is has been earned, this includes actual receipts and also estimates of income receivable for training income that is reconciled at the end of the academic year.

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met.

SERVICE CHARGES

Service charges are made to tenants weekly, the eligible portion predominantly being paid through Housing Benefit and the ineligible charges being collected directly from the tenant.

OTHER INCOME

Interest income

Interest income is accrued on a time-apportioned basis and credited to the income and expenditure account in the period.

APPORTIONMENT OF EXPENSES

Administration and operating costs have been apportioned to the housing and non-housing activities on the basis of costs directly related to the activities dealt with in these financial statements.

TANGIBLE FIXED ASSETS - HOUSING PROPERTIES

Housing properties are properties for the provision of social housing and are principally properties available for rent. Completed housing is stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Major refurbishment of existing housing is charged to capital and depreciated over the unexpired life of the asset. Major repairs are charged against revenue and an equivalent release from the major repairs reserve is completed. Planned maintenance, minor repairs and redecoration are charged to expenditure in the year that they occur.

On disposal of housing property, an application is made to the Homes and Communities Agency ('Homes England') for consent. Any outstanding Social Housing Grant (SHG) is recycled in accordance with the Homes England regulations.

YMCA North Staffordshire Ltd.

ACCOUNTING POLICIES

for the year ended 31 March 2021

DONATED LAND AND OTHER ASSETS

Land or other assets which have been donated by a government source is added to cost of assets at the fair value of the land at the time of the donation. The difference between the fair value of the asset donated and the consideration paid is treated as a non-monetary government grant and included within the Statement of Financial Position as a liability. The terms of the donation are considered to be performance related conditions. Where the donation is not from a public source, the value of the donations less the consideration is included in income.

GOVERNMENT GRANTS

Government grants include grants receivable from the Homes and Communities Agency (“Homes England”), local authorities and other government bodies.

Government grants are utilised to reduce the capital costs of the housing properties, including land costs. The amount of SHG receivable is calculated on a fixed basis depending on the size, location and type of housing property. SHG due from the Homes England or received in advance is included as current assets or liability. SHG received in respect of revenue expenditure is accounted for in the same period as the expenditure to which it relates.

SHG is subordinated to the repayment of loans by agreement with the Homes England. SHG released on the sale of a property is normally available to be recycled.

Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset, even if the fair value of the grant exceeds the carrying value of the structure in the financial statements.

OTHER GRANTS

Grants received from non-government sources are recognised using the performance model. Grants are recognised as income when the associated performance conditions are met.

DEPRECIATION OF HOUSING PROPERTIES

Freehold land is not depreciated.

The company separately identifies the major components of its housing properties and charges depreciation so as to write-down the cost of each component to its estimated residual value, on a straight line basis over the following years:

Housing structure	-	50 years straight line
Roofs	-	30 years straight line
Lifts	-	20 years straight line
Kitchens	-	20 years straight line
Windows and external doors	-	25 years straight line
Central heating and air con systems	-	25 years straight line
Internal walls and doors	-	20 years straight line
Finishes	-	15 years straight line
Furniture and fittings	-	15 years straight line
Bathroom and appliances	-	10-15 years straight line

Depreciation is charged on assets in the first full year of use.

YMCA North Staffordshire Ltd.

ACCOUNTING POLICIES

for the year ended 31 March 2021

OTHER TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation of each asset to its estimated residual value over its expected useful life, as follows:

3G Pitch, Fixtures, furnishings and office equipment	-	3 to 10 years straight line
Car park	-	50 years straight line
Motor vehicles	-	33% reducing balance on a monthly basis

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

ASSETS UNDER THE COURSE OF CONSTRUCTION

Assets under the course of construction are carried at cost, less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. Depreciation commences when the properties are ready for their intended use.

FIXED ASSET INVESTMENTS

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in profit or loss.

STOCKS

Stocks represent raw materials and consumables, and are valued at the lower of cost and net realisable value.

TAXATION

YMCA North Staffordshire Ltd. has charitable status and is registered with the Charities Commission and is therefore exempt from paying Corporation Tax on charitable activities.

VALUE ADDED TAX

The company is registered for value added tax. A proportion of its income is exempt from VAT. The expenditure relating to this income is subject to VAT which cannot be reclaimed; this expenditure is therefore shown inclusive of VAT.

Partial exemption has been applied to management expenditure. Each quarter input tax recovery is limited to the percentage of total income that is business income. VAT recovered through partial exemption rules is credited to the income and expenditure account.

The balances of VAT payable and recoverable at the year end are included as a current asset or liability.

LEASES

The company as lessee – operating leases

All leases are operating leases and the annual rentals are charged to income and expenditure on a straight line basis over the lease term.

YMCA North Staffordshire Ltd.

ACCOUNTING POLICIES

for the year ended 31 March 2021

RETIREMENT BENEFITS

YMCA North Staffordshire Ltd. participated in a multi-employer defined benefit pension plan for employees of YMCA's 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 North Staffordshire Ltd.

As described in note 22, YMCA North Staffordshire Ltd. has a contractual obligation to make pension deficit payments of £16,940 per annum indexed for inflation and subject to future triennial valuations over the period to April 2029; accordingly this is shown as a liability in note 18 of these financial statements.

In addition YMCA North Staffordshire Ltd. is required to contribute £3,914 per annum indexed for inflation to the operating expenses of the pension plan and these costs are charged to the Statement of Comprehensive Income as made.

The company also participates in a stakeholder pension scheme where the amount charged to income and expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument, and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Commitments to receive a loan are measured at cost less impairment.

YMCA North Staffordshire Ltd.

ACCOUNTING POLICIES

for the year ended 31 March 2021

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

PROVISIONS

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

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 within interest payable and similar charges.

Provisions relate to an agreement by YMCA North Staffordshire Ltd. to contribute to a historic funding deficit of YMCA England's pension scheme over a period of time.

RESERVES

Income and expenditure reserve

The company's policy is to maintain a prudent level of reserves to insure against future liabilities.

Reserves are also used for activities to assist the association to achieve its strategic purpose of helping people recover a sense of self-worth and live in cohesive communities.

In particular, reserves will be used to ensure that development and maintenance are to the highest standard to provide housing quality that demonstrates how highly the company values its customers.

The directors continually assess the needs of customers and provide a range of short and long term housing and support services that are innovative, continually improving our capabilities, people and performance.

Designated Reserve

Funds are designated by the company for particular purposes (see note 19).

Restricted Reserve

The Company has a restricted reserve which is held under the terms of a contract with a funder and can only be applied to revenue with their authority. Reserves that are shown as restricted have conditions as to their usage attached and are therefore not available as a surplus reserve.

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The YMCA is still operating in a changing environment due to continued changes in social policy. In making our assumptions for income and expenditure the board monitors the external environment carefully, we work closely with both the local authority and YMCA England Policy Team when making our financial assumptions. The current projections are based upon the latest information that we have and all forecasts are reviewed on a quarterly basis and updated for potential changes.

The rate used to discount benefit obligations to their present value is based upon market yields for high quality corporate bonds with terms consistent with those of the benefit obligations. Our commitment to the YMCA Pension Plan of £120,601 (2020: £116,110) for the next 10 years has been discounted at a rate of 1.9% amounting to a net present value of £91,912 at 31 March 2021 (2019: £103,342).

Critical areas of judgement

All housing properties are included in the financial statements as property, plant and equipment and stated at cost less accumulated depreciation and impairment losses. The company regularly reviews and assesses the carrying value of its social housing properties for any indication of impairment. In making the judgement, management consider the detailed criteria set out in the Housing SORP and would recognise such changes in the financial statements as necessary.

The board deem that the accounts of the subsidiary company are immaterial and have therefore not been consolidated on this basis.

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

2 TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2021				2020			
	Turnover	Operating costs	Other operating income	Operating surplus	Turnover	Operating costs	Other operating income	Operating surplus
	£	£	£	£	£	£	£	£
Income and Expenditure from Social Housing Lettings	2,645,261	(2,489,896)	29,134	184,500	2,881,593	(2,595,936)	25,000	310,657
Non-Social Housing Activities	1,944,488	(1,866,794)	233,282	310,976	2,469,683	(2,730,803)	8,308	(252,812)
	4,589,750	(4,361,280)	262,416	495,476	5,351,276	(5,326,739)	33,808	57,845

Particulars of income and expenditure from social housing lettings	2021	2020
	£	£
TURNOVER FROM SOCIAL HOUSING LETTINGS		
Rents receivable net of voids	2,288,276	2,179,978
Service charges receivable	90,789	87,382
NET RENTAL INCOME	2,379,065	2,267,360
Supporting people grant receivable	266,037	612,755
Other income	160	478
TURNOVER FROM SOCIAL HOUSING LETTINGS	2,645,261	2,881,593
EXPENDITURE ON SOCIAL HOUSING LETTINGS		
Direct property management costs	1,706,982	1,637,748
Administrative costs	739,579	920,282
Bad debts	15,576	20,063
Loan interest	27,760	17,843
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	(2,489,896)	(2,595,936)
OTHER OPERATING INCOME		
Insurance claims receivable	29,134	25,000
OPERATING SURPLUS ON SOCIAL HOUSING LETTINGS	184,500	310,657
Rent losses due to voids	202,361	153,431

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

3 ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

	2021 units	2020 units
General needs housing		
- Affordable rent	41	35
Supported housing	120	118
	<hr/>	<hr/>
TOTAL UNITS IN MANAGEMENT	161	153
	<hr/> <hr/>	<hr/> <hr/>

4 INTEREST RECEIVABLE

	2021 £	2020 £
Interest on bank deposits	1,428	2,687
	<hr/> <hr/>	<hr/> <hr/>

5 INTEREST AND FINANCING COSTS

	2021 £	2020 £
Loan interest	27,760	-
Unwinding of discount on pension provision	<u>4,590</u>	<u>3,493</u>
	<u>32,350</u>	<u>3,493</u>

6 OPERATING SURPLUS

	2021 £	2020 £
Operating surplus is stated after charging:		
Depreciation of housing properties	399,076	425,181
Depreciation of other tangible fixed assets – owned	120,052	109,191
Operating lease rentals:	-	260
Other		
Auditor's remuneration – audit	14,500	11,700
	<hr/> <hr/>	<hr/> <hr/>

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

7	EMPLOYEES	2021	2020
		Number	Number
	The average monthly number of persons (including directors) employed by the company during the year was:		
	Office and management	22	20
	Housing support and care	85	85
	Development	40	73
		147	178
	Staff costs for the above persons:	2021	2020
		£	£
	Wages and salaries	2,589,582	2,885,072
	Social security costs	202,054	211,046
	Other pension costs	87,188	88,085
		2,878,824	3,184,203
	The full time equivalent number of staff who received remuneration (excluding directors):	2021	2020
		Number	Number
	£70,001 - £80,000	2	1
	£60,001 - £70,000	1	2
	£50,001 - £60,000	2	2
		5	5
8	BOARD MEMBERS AND EXECUTIVE DIRECTORS		
	The total remuneration of the key management personnel of the Company was £407,769 (2020: £402,710).		
9	TAXATION		
	The company is a registered charity and therefore it is exempt from corporation tax on income and gains falling within chapter 3 Part 11 of the Corporation Taxes Act 2010 or S256 Taxation of Chargeable Gains Act 1992 (TCGA 1992) to the extent that these are applied to its charitable objects.		

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

10	TANGIBLE FIXED ASSETS – HOUSING PROPERTIES	Social housing properties held for letting £	Social housing properties under the course of construction £	Other property £	Total £
	COST				
	1 April 2020	10,462,765	758,959	6,065,791	17,287,515
	Additions	640,034	352,371		992,405
	Transfer	47,409	(4,200)	(43,209)	0
	31 March 2021	11,150,208	1,107,130	6,022,582	18,279,920
	DEPRECIATION				
	1 April 2020	2,903,628	-	1,147,924	4,051,552
	Depreciation charged in year	381,612	-	17,464	399,076
	Transfer				
	31 March 2021	3,285,240	-	1,165,388	4,450,628
	CARRYING AMOUNT				
	31 March 2021	7,864,968	1,107,130	4,857,194	13,829,292
	31 March 2020	7,559,137	758,959	4,917,867	13,235,963
	EXPENDITURE ON WORKS TO EXISTING PROPERTIES			2021 £	2020 £
	Improvement work capitalised			79,465	7,322
	EXPENDITURE ON WORKS TO EXISTING PROPERTIES			2021 £	2020 £
	Total cumulative amounts received or receivable at 31 March:				
	Capital grant			16,371,350	15,260,790

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

10a TANGIBLE FIXED ASSETS – OTHER

	3G Pitch, fixtures, furnishings and office equipment £	Car park £	Motor vehicles £	Total £
COST				
1 April 2020	1,383,317	12,383	98,841	1,494,541
Additions	102,799	-	8,849	111,648
31 March 2021	1,486,116	12,383	107,690	1,606,189
DEPRECIATION				
1 April 2020	996,454	3,622	66,905	1,075,455
Depreciation charged in year	115,645	248	12,631	120,052
31 March 2021	1,12,099	3,870	79,537	1,195,507
CARRYING AMOUNT:				
31 March 2021	374,014	8,514	28,154	410,682
31 March 2020	378,389	8,760	31,935	419,084

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

11 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertaking £
COST	
1 April 2020 and 31 March 2021	50,100
PROVISION FOR IMPAIRMENT	
1 April 2020 and 31 March 2021	50,100
CARRYING AMOUNT	
31 March 2021	-
31 March 2020	-

The Company's subsidiary undertaking is:

<i>Name of undertaking</i>	<i>Nature of business</i>	<i>Class of shareholding</i>	<i>Proportion of nominal value held directly</i>
YMCA North Staffs Trading Ltd	Retail	Ordinary	100%

YMCA North Staffs Trading Ltd is not consolidated in these financial statements as its inclusion is not material to giving a true and fair view.

The registered office of the subsidiary undertaking is Edinburgh House, Harding Road, Hanley, Stoke-on-Trent, Staffordshire, ST1 3AE.

12 STOCK	2021 £	2020 £
Raw materials and consumables	8,860	1,843

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

13	DEBTORS	2021	2020
		£	£
	<i>Amounts falling due within one year:</i>		
	Rent and services receivable	81,460	153,108
	Provision for bad and doubtful debts on rents and services receivable	(9,050)	(16,413)
		72,410	136,695
	Other debtors	163,841	75,718
	Prepayments and accrued income	32,586	43,877
		268,837	256,290

During the year, an impairment loss of £nil (2020: £46,179) was recognised in respect of the group debtor.

14	CREDITORS: Amounts falling due within one year	2021	2020
		£	£
	Bank loans	43,675	30,677
	Deferred capital grants	263,226	257,915
	Trade creditors	40,427	25,258
	Other taxation and social security	64,928	65,003
	Other creditors	90,991	141,296
	Accruals and deferred income	567,305	494,772
		1,070,552	1,014,921

Health Zone – A grant of £40,090 (2020: £40,090) was received during the year to run health zone activities. At the end of the year £2,875 (2020: £3,346) had not been spent and this has been reserved in a control account within accruals and deferred income in the financial statements.

15	CREDITORS: Amounts falling due after more than one year	2021	2020
		£	£
	Bank loan	1,370,759	911,842
	Deferred capital grants	11,429,899	11,587,876
		12,800,658	12,499,718

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

15 CREDITORS: Amounts falling due after more than one year (continued)

Included in creditors are:

	2021	2020
	£	£
Amounts repayable by instalments falling due after more than five years	1,159,098	762,255

The bank loan agreements specify that interest on the loans are charged at a rate of 2% per annum above the banks base rate. The base rate at 31 March 2021 is 0.1%.

The bank loans are secured by a fixed charge against the properties of the company.

16 DEFERRED CAPITAL GRANTS	2021	2020
	£	£
As at 1 April	11,845,791	10,087,900
Grants received in the year	110,560	2,040,181
Capital grants released	(263,226)	(282,290)
	<hr/>	<hr/>
As at 31 March	11,693,125	11,845,791
	<hr/> <hr/>	<hr/> <hr/>

Included within capital grants is The Big Lottery Fund “My Place” grant which is secured by a legal mortgage charge over the freehold land on the north east side of Harding Road, Hanley, Stoke-on-Trent. Should the YMCA breach any of the grant conditions, the grant will be repayable at a rate equal to 4% per annum above the Lloyds TSB Bank plc. base rate.

17 FINANCIAL INSTRUMENTS	2021	2020
	£	£
Financial assets:		
Debt instruments measured at amortised cost	134,017	212,413
	<hr/>	<hr/>
Financial liabilities:		
Measured at amortised cost	1,070,552	972,603
	<hr/> <hr/>	<hr/> <hr/>

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

18	PROVISION FOR LIABILITIES	Pension deficit £
	As at 1 April 2020	103,342
	Utilised in the year	(15,939)
	Unwinding of discount & change or discount rate	(4,671)
	As at 31 March 2021	82,732

The YMCA England's Pension Plan provider represents the net (present value of the commitment to the multi-employer pension scheme in respect of past deficits. There is an agreement by YMCA North Staffordshire Ltd. to contribute to an historic funding deficit of YMCA England's pension scheme over a period of time (see note 22).

19 SHARE CAPITAL AND RESERVES

SHARE CAPITAL

The Company is limited by guarantee and consequently has no share capital. Each of the company's members agrees to contribute £1 in the event of the company winding up.

RESERVES

Reserves of the company represent the following:

Income and expenditure reserve

The company's policy is to maintain a prudent level of reserves to insure against future liabilities.

Reserves are also used for activities to assist the association to achieve its strategic purpose of helping people recover a sense of self-worth and live in cohesive communities.

In particular, reserves will be used to ensure that development and maintenance are to the highest standard to provide housing quality that demonstrates how highly the company values its customers.

The directors continually assess the needs of customers and provide a range of short and long term housing and support services that are innovative, continually improving our capabilities, people and performance.

Designated reserves

Family Services - to support the development of families and communities staying connected. The designated reserve figure of £35,235 (2020: £40,735) is money that was transferred to YMCA North Staffordshire Ltd. when Contact First joined YMCA North Staffordshire Ltd. The Board agreed that this money should be designated to support that area of work. It has been agreed that this money be used to assist the Family Services Department to make the transition caused by legislative changes in the commissioning of child contact assessment work.

The Green Apprentices Trust - this money was donated to the YMCA. The Board has designated this money to provide a source of funding for new ideas to improve services and to generate new ones.

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

19 SHARE CAPITAL AND RESERVES (continued)

Maintenance reserve - the YMCA had a major development programme between 2008 and 2013 which over time will result in increased costs for maintenance and major repairs. The board feels that it is important to highlight this and work to ensure that any future costs can be met. The Charity has had an independent report produced to predict as accurately as possible the cost of future planned and major repairs and guide our long-term maintenance programme. To date the Board has designated £613,148 to this reserve and will monitor the reserve annually.

Restricted reserves

Reserves that are shown as restricted, all have conditions as to their usage attached and therefore, are not available as a surplus reserve.

Big Lottery - it was a requirement of the Big Lottery Grant Fund to provide details of any amounts held within restricted reserves relating to the Fund. A grant of £65,838 (2020: £306,808) was received in the year. Against this grant expenditure of £20,786 (2020: £295,021) was incurred during the year.

A reserve of £56,839 (2020: £85,835) was held in restricted reserves at the end of the year.

20 RECONCILIATION OF PROFIT AFTER TAX TO NET CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Surplus for the year	495,476	57,039
Adjustments for:		
Depreciation of tangible fixed assets	519,128	534,372
Release of restricted and designated reserves	-	(44,537)
Defined benefit pension scheme	(20,610)	(16,587)
Capital grants released	(263,226)	(282,290)
Interest receivable	-	(2,687)
Interest payable	(4,590)	3,493
Operating cash flow before movements in working capital	726,178	248,803
(Increase)/ decrease in stock	(7,017)	-
(Increase)/ decrease in trade and other debtors	(12,547)	(3,222)
Increase/ (decrease) in trade and other creditors	37,322	291,908
Cash generated from operations	743,936	537,489
 CASH AND CASH EQUIVALENTS	 2021 £	 2020 £
Cash and cash equivalents represent:-		
Cash at bank	2,788,804	2,592,781

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

21 COMMITMENTS UNDER OPERATING LEASES

The company as a lessee:

The total future minimum lease payments under non-cancellable operating leases for fixed assets are as follows:

	2021	Other	2020
	£		£
Amounts due:			
Within one year	-		163
Between two and five years	-		-
	<u>-</u>		<u>163</u>
	<u>-</u>		<u>163</u>

22 RETIREMENT BENEFITS

YMCA North Staffordshire Ltd. 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 North Staffordshire Ltd. 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 plan's actuary has advised that it is not possible to separately identify the assets and liabilities relating to YMCA North Staffordshire Ltd. and accordingly the pension deficit is not shown on the balance sheet.

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>> has been advised that it will need to make monthly contributions of £xx 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.

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

22 RETIREMENT BENEFITS (continued)

In addition, YMCA North Staffordshire Ltd. 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 North Staffordshire Ltd. may be called upon to pay in the future.

The company also participates in a stakeholder pension scheme for other employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions payable by the company charged to income and expenditure amounted to £69,313 (2020: £88,085). Contributions of £10,075 (2020: £10,290) were payable to the fund at the year end.

23 RELATED PARTY TRANSACTIONS

A Board Member provides the Association with HR support on a consultancy basis. During the year a total of £2,700 (2020: £3,300) was paid to this Board member. At 31 March 2021 £300 (2020: £300) was outstanding.

A Board Member and Chairperson are common directors of The Ideas Facility Limited. During the year The Ideas Facility Limited provided training sessions totalling £17,130 (2020: £5,280). At the yearend £1,440 was due to The Ideas Facility Limited (2020: £nil).