

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

REPORT AND FINANCIAL STATEMENTS

31 March 2023

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

YMCA North Staffordshire Ltd.

CONTENTS

TRUSTEES, DIRECTORS AND ADVISORS	1
REPORT OF THE BOARD OF MANAGEMENT (INCLUDING STRATEGIC REPORT)	2
DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS	11
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YMCA NORTH STAFFORDSHIRE LTD.	13
STATEMENT OF COMPREHENSIVE INCOME	14
STATEMENT OF FINANCIAL POSITION	15
STATEMENT OF CHANGES IN RESERVES	16
STATEMENT OF CASH FLOWS	17
ACCOUNTING POLICIES	18
NOTES TO THE FINANCIAL STATEMENTS	24

YMCA North Staffordshire Ltd.

TRUSTEES, DIRECTORS AND ADVISORS

PRESIDENT

Bishop of Stafford (non-voting)

BOARD OF DIRECTORS

GC Handforth – Chairperson

MJ Toohey – Vice Chair

B Sumner – Treasurer

A Robinson

Rev SA Smith

PJ Franklin

PA Dartford

PA Williams

Dr SW Williams

J Sawyers

NC Joy-Johnson

JL Thorpe

T Gordon

Hifsa Iqbal (appointed 16.02.23)

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 areas 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 2022 are as follows:

GC Handforth
MJ Toohey
B Sumner
A Robinson
Rev SA Smith
PJ Franklin
PA Dartford
PA Williams
DR S Wynn-Jones
J Sawyers
NC Joy-Johnson
JL Thorpe
T Gordon
H Iqbal (appointed 16.02.23)

ORGANISATIONAL STRUCTURE

YMCA North Staffordshire Ltd 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 remains an affordable project.

Economic volatility due to inflation and changes in interest rates.

Funding risks due to political policy changes

Risk of fraud

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

YMCA North Staffordshire Ltd

Trustees' Report

Impact of COVID -19

The charity remains vigilant to any future challenges that might arise during the winter months. All staff will be encouraged to take advantage of the booster programme and our Covid monitoring team will continue to monitor outbreaks at local level and provide advice to ensure that our priority remains the health and well-being of the young people that we serve and our staff and volunteers.

We added a temporary objective to our business plan to enable the charity to manage the period of the pandemic and learn from the experience. This will remain in place for the remainder of the current financial year and be reviewed in 2023.

Director's indemnity insurance

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

FUTURE PLANS

Future focus

Our new business plan has been co designed with staff, volunteers and young people to promote empowerment, inclusivity and diverse perspectives. We are focusing on five aims and developing a collective impact model whereby we can measure how all organisational services contribute to each aim.

Business Development and Income Generation

YMCA North Staffordshire has developed an increasingly diverse income stream which enables us to positively impact upon the lives of children, young people, their families and their communities.

Objective	Impact	Evidence
Identify Risks & Income Streams	We use financial insights to make appropriate and timely business decisions.	Pipeline Board Reporting of New and expiring sources of finance every 3 months via Quarterly Finance Meetings
Evaluation of all products	Develop a robust and relevant evaluation framework for every work activity, Product & Service	Standardised Framework published as a report to the board on a regular basis.

Unlocking the diverse gifts, talents, and abilities and to be seen as an asset so that all young people, staff and volunteers can belong contribute, and thrive.

We believe that all people have gifts talents and abilities. We need to further implement our thinking around Ubuntu and will broaden whole team approach. Including those we serve as centre of that team/community of assets approach.

Objective	Impact	Evidence
Creating space for young people's voices to be amplified	Young people feel both heard and empowered to influence change.	YP & communities are involved in campaigns & investment opportunities to benefit their peers & communities.
Stakeholder voices can see their influence in the life and work of YMCANS community	The influence of stakeholder feedback will drive up the quality & delivery of all our services.	We have established a Continuous Stakeholder feedback loop that demonstrates codesign of all key services (Community, Staff, Customers, Products & services etc)

YMCA North Staffordshire Ltd

Trustees' Report

Learning Organisation Growing Capacity Education, Skills

We have successfully built a culture of learning and development across the whole association. We have clear training and development opportunities for all, and the impact is measured by the growth in those opportunities and the attendance and achievement of those.

Objective	Impact	Evidence
Identify and remove barriers to learning.	Learning opportunities reflect peoples learning preferences.	People feedback positively around learning opportunities.
To develop a co designed appraisal process.	A new appraisal process is in place that staff are happy with	Staff feedback to demonstrate that the new system works.
We have invested in furthering relationships with learning providers e.g., Colleges / unis	We have a diverse learning offer that accommodates all people	Uptake of learners with external organisations

Environmental Sustainability

Promoting a culture and business practice that embeds sustainability practices across all of our communities.

Objective	Impact	Evidence
Developed an Environmental Sustainability Impact and outcomes Strategy in partnership with others.	YMCANS promotes sustainable business practices and actively contributes to the collaborative network sustainable impact model.	We will have gathered reliable baseline data and set targets for improvement.
We raise awareness of sustainability issues for all our staff and young people.	All stakeholders are aware of how they positively contribute to the sustainability change model and are actively promoting sustainability practice across all of our services.	We will have measured and demonstrated an improvement in the understanding and contributions people can make to the UN Development Goals.
To achieve the bronze award in sustainable food with Food for Life	YMCA North Staffordshire offers healthier and more sustainable food to its community.	Achieving the bronze award standard.

Welfare and community partnerships (linking with partners for the common good)

We will seek out and build with individuals, partners and organisations that share our values. Taking on ABCD approach helping to identify those wider assets brought by partners and unlocking ours and partner assets for the benefit of those we serve.

YMCA North Staffordshire Ltd

Trustees' Report

Objective	Impact	Evidence
Develop partnerships with others who share our values.	Our offer to the communities we serve is enhanced due to the added value of the partnerships that we have developed and nurtured.	Working with partners, we will have unlocked our values and partners values e.g. collab net model.
Campaigns, events, appeals and activities delivered.	YMCANS will raise awareness of issues affecting YP and will seek to bring about positive changes.	We will have established campaigns with our partners.

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. The latest review took place in the 2022 -23 financial year and was fully funded .

ACHIEVEMENTS AND PERFORMANCE

In our last Trustees' report, we said we would deliver on seven key objectives. Detailed below are the activities delivered against those objectives.

Be a Thriving Business

We have made significant progress in this area of our work and have invested additional capacity into our business development team to ensure we can respond to the external funding environment. Our Christmas campaign saw us increase investment into communities through fundraising and we have developed the pantry sponsors network to fund additional food to meet the increase in demand.

Work has continued with Made in Stoke, the philanthropy network for the city and we have seen a return on this work through financial gifts and people offering time to support our charitable objectives.

To ensure sustainability across our community youth work, which can be vulnerable to cuts in funding, we have created a reserve pot which provides 12 months of funding to deliver a core offer to children and young people, so rather than stop / starting programmes, we have a reserve pot we can draw on if needed.

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

We will be focusing on the completion of the construction of forty-six flats on our site. This work commenced in 2020 but due to two previous contractors going into administration, we have now appointed a new building contractor. We have agreed with Homes England to extend the completion deadline into their next development programme.

The cost of the flats will be funded by a Home's England grant and a loan from Charity Bank.

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

COVID 19 has continued to impact on our work, and we are still offering hybrid working to support the work life balance of our team.

In addition, we are working closely with external agencies to meet the longer-term challenges around mental health and providing weekly support to staff, customers and volunteers.

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

Investment in OSKA database and Mind & Body booking systems has enhanced efficiency, streamline our

YMCA North Staffordshire Ltd

Trustees' Report

efforts and helped to broaden our reach. This infrastructure has been crucial to reducing the administrative element and to monitor the effectiveness and impact of our services. We have developed our skills in analysing the data to continually improve our service delivery, leading to better decision making and resource allocation.

See those in our community of service thrive.

We have invested in a Youth Governance team which consists of young staff/residents who input into the strategic development of our business. This means that young people are directly involved in influencing and inputting into the design, delivery and implementation of services across our YMCA.

Our Youth Opportunities team has further developed relationships with schools, and we are now delivering PSHE sessions, further strengthening our work in communities.

Invest in staff and volunteers to see them thrive.

Staff are consulted on a regular basis, so we know how best to support them and see them thrive. We have invested in learning so that all staff have opportunities to develop, and we now offer a wellbeing hour every week for staff to do something they enjoy.

We have re-registered with EAP to continue offering employer support, with staff able to access counselling, debt and other professional support services. YMCA North Staffordshire is also now registered with the Living Wage Foundation and is recognised as a Living wage Employer.

See our city and its people thrive.

Partnership working and collaboration has grown, and we are now working with more organisations to be included in their programmes to enhance our offer to staff, volunteers and young people. We led on a consortium bid with city partners to deliver a programme to young people not engaged in employment, education and training and we have secured further funding to grow this area of work in response to the increase in need.

Work with the refugee community in partnership with Sanctus and Your Local Pantry network has grown and we are now working with external professionals to support individuals and families.

Our work with the Collaborative Network has promoted a more joined up approach to working and we are part of city-wide initiatives around sustainability, cost of living response and furniture poverty, amongst others.

Challenges

Over the past twelve months, we have faced challenges and have worked hard to respond to them. Our key challenges have been around:

Capital Programmes – With inflation rising and many building products increasing in price, we have had challenges around our two capitals programmes. To address challenges, we have worked closely with funders and professional cost consultant which has supported us in navigating through any barriers we have faced.

Cost of Living – We have seen an increase in service demand and shift towards supporting people with basic living needs. We have responded to this by partnership working, pooling services and increasing capacity to secure funding to respond to need.

Unpredictable Funding Environment – Funding opportunities have often required a quick turn around and there are also a larger number of smaller opportunities. We have responded to this by committing time to developing theory of change models across our services, so we know exactly what is needed and how resource aligns to our organisational impact. This places us in a strong position of being proactive in response to opportunities rather than reactive.

OPERATIONAL REVIEW OF THE YEAR (including balance sheet review)

For the year to March 2023 the Charity increased turnover to £5.3m (2022 £5.1m), operating expenditure increased to £4.9m (2022 £4.6m). The reduction in the financial surplus of £362k, (2022 £425k) is mainly due to the cost for implementation of the triennial salary review plus rising inflation and interest rates. This could have been more significant had our gas and electricity costs not been protected from the increases due to our price being fixed until autumn 2024.

YMCA North Staffordshire Ltd

Trustees' Report

Our Capital Development project has now recommenced and is planned to be completed in 2024. Due to the delay costs have risen and our loan to complete the contract increased. The Board is sensitive to this challenge and reviews costs and projections on a quarterly basis.

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'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 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 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 2023 was £825k, 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 challenges around the new flats' development that some contribution from reserves may be required to complete this project.

PRINCIPAL RISKS AND UNCERTAINTIES

The primary risk that we face currently is economic uncertainty, rising inflation, interest rates and a possible reduction in public spending. The Board is monitoring the situation closely. Political changes are always a risk to our areas of operation working closely with the public sector and current uncertainty is of concern to

The Board.

The Capital Development of the New Flats remains a major risk that is under constant monitoring.

The Board monitors the longer-term impact on the organisation of maintenance and major repairs and

YMCA North Staffordshire Ltd

Trustees' Report

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.

The Board is aware of current rises in interest rates at a time when the charity has variable rate loans for community housing and will enter into a loan for the new flats later in 2023/24.

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

STATEMENT OF DISCLOSURE TO THE AUDITOR

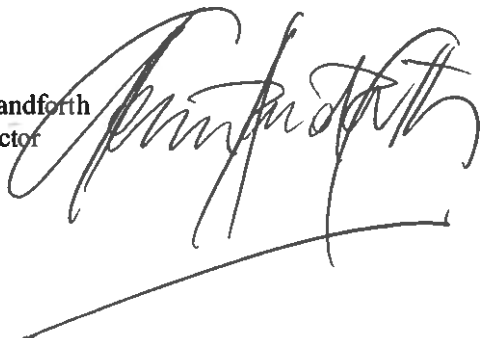
So far as the trustees and directors are aware, there is no relevant information of which the company's auditor is unaware. Additionally, the trustees and directors have taken all the necessary steps that they ought to have taken as trustees and directors to make themselves aware of all relevant audit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



B Sumner
Director



27th November 2023

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 2023, 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 2023 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 11, 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 grant income 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.

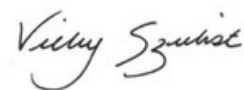
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing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

30th November 2023

YMCA North Staffordshire Ltd.
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2023

	Note	2023 £	2022 (Restated) £
TURNOVER	2	5,320,126	5,072,587
Operating expenditure	2	(4,928,533)	(4,594,083)
Other operating income	2	-	18,843
OPERATING SURPLUS	6	391,593	497,347
Interest receivable	4	18,738	3,965
Interest and financing costs	5	(48,627)	(84,808)
SURPLUS BEFORE AND AFTER TAX		361,704	416,504
SURPLUS FOR THE YEAR		361,704	416,504
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		361,704	416,504

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 2023

	Notes	2023	2022 (Restated)
		£	£
FIXED ASSETS			
Housing properties	10	13,519,631	13,979,907
Other fixed assets	10a	478,647	440,288
		13,998,278	14,420,195
CURRENT ASSETS			
Trade and other debtors	12	277,334	231,200
Cash and cash equivalents		3,344,269	3,058,765
		3,621,604	3,289,965
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	13	(829,535)	(968,986)
NET CURRENT ASSETS		2,792,069	2,320,979
TOTAL ASSETS LESS CURRENT LIABILITIES		16,790,346	16,741,174
Creditors: Amounts falling due after more than one year	14	(12,699,614)	(12,988,429)
Provisions for liabilities			
Pension provision	17	(96,884)	(120,602)
TOTAL NET ASSETS		3,993,849	3,632,143
RESERVES			
Income and expenditure reserve	18	3,148,744	2,841,617
Designated reserve	18	845,105	790,526
Restricted reserve	18	-	-
TOTAL RESERVES		3,993,849	3,632,143

The financial statements on pages 14 to 35 were approved by the board of directors and authorised for issue on xxxxx and are signed on its behalf by:

27/11/2023

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 2023

	Income and expenditure reserve £	Designated reserve £	Restricted reserve £	Total £
Balance at 1 April 2021 (restated)	2,503,209	712,430	-	3,215,639
Surplus for the year (restated)	416,504	-	-	416,504
Transfer from statement of comprehensive income to restricted reserves	-	-	-	-
Transfer from statement of comprehensive income to designated reserves	(78,096)	78,096	-	-
Balance as at 31 March 2022 (restated)	2,841,617	790,526	-	3,632,143
Surplus for the year	361,704	-	-	361,704
Transfer from statement of comprehensive income to restricted reserves	-	-	-	-
Transfer from statement of comprehensive income to designated reserves	(54,578)	54,578	-	-
Balance at 31 March 2023	3,148,743	845,104	-	3,993,847

YMCA North Staffordshire Ltd.

STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

	Note	2023 £	(Restated) 2022 £
OPERATING ACTIVITIES			
Net cash generated from operations	20	451,179	538,862
NET CASH GENERATED FROM OPERATING ACTIVITIES		451,179	538,862
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of tangible fixed assets		178,330	-
Purchase of tangible fixed assets	10-10a	(289,748)	(711,984)
Grants received	16	-	511,923
Interest received	4	18,738	3,965
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES		(92,680)	(196,096)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayments of borrowings		(24,369)	(42,467)
Interest Payable		(48,627)	(30,338)
NET CASH USED IN FINANCIAL ACTIVITIES		(72,996)	(72,805)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		285,503	269,961
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		3,058,765	2,788,804
CASH AND CASH EQUIVALENTS AT END OF YEAR	20	3,344,268	3,058,765

YMCA North Staffordshire Ltd.

ACCOUNTING POLICIES

for the year ended 31 March 2023

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

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. 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 used 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 2023

The cash position of the charity is positive and will remain so throughout 2023-24 with the support of a loan from Charity Bank to support the completion of the Development of 46 additional units of accommodation. This loan has not been drawn down yet due to the delay in the development. The loan will be drawn down monthly from applications submitted by the contractor once approved.

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 2023

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 2023

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 2023

RETIREMENT BENEFITS

YMCA North Staffordshire Ltd., 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 North Staffordshire Ltd.

As described in note 22, YMCA North Staffordshire Ltd. has a contractual obligation to make pension deficit payments of £16,500 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 £3,880 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 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 2023

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 2023

I 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 for the next 9 years has been discounted at a rate of 3% amounting to a net present value of £96,884 at 31 March 2023 (2022: £120,602).

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.

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

2 TURNOVER, OPERATING COSTS AND OPERATING SURPLUS								
	2023				(Restated)	2022		
	Turnover	Operating costs	Other operating income	Operating surplus	Turnover	Operating costs	Other operating income	(Restated) Operating surplus
	£	£	£	£	£	£	£	£
Income and Expenditure from Social Housing Lettings	3,069,916	(2,744,866)	-	325,051	2,877,615	(2,507,396)	-	370,219
Non-Social Housing Activities	2,250,210	(2,183,667)	-	36,653	2,203,601	(2,086,687)	18,843	46,278
	5,320,126	(4,928,533)	-	361,704	5,081,217	(4,594,083)	18,843	416,497

	(Restated)	
Particulars of income and expenditure from social housing lettings	2023	2022
	£	£
TURNOVER FROM SOCIAL HOUSING LETTINGS		
Rents receivable net of voids	2,710,138	2,512,858
Service charges receivable	96,412	93,272
NET RENTAL INCOME	2,806,550	2,606,130
Supporting people grant receivable	263,275	271,400
Other income	92	86
TURNOVER FROM SOCIAL HOUSING LETTINGS	3,069,916	2,877,616
EXPENDITURE ON SOCIAL HOUSING LETTINGS		
Direct property management costs	1,565,749	1,749,578
Administrative costs	730,783	712,152
Bad debts	18,431	15,229
Loan interest	57,803	30,438
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	(2,372,766)	(2,507,397)
OTHER OPERATING INCOME		
Insurance claims receivable	-	-
OPERATING SURPLUS ON SOCIAL HOUSING LETTINGS	697,151	370,227
Rent losses due to voids	196,214	176,570

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

3 ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

	2023 units	2022 units
General needs housing		
- Affordable rent	42	42
Supported housing	118	120
	<hr/>	<hr/>
TOTAL UNITS IN MANAGEMENT	160	162
	<hr/>	<hr/>

4 INTEREST RECEIVABLE

	2023 £	2022 £
Interest on bank deposits	18,738	3,965
	<hr/>	<hr/>

5 INTEREST AND FINANCING COSTS

	2023 £	2022 £
Loan interest	57,803	30,438
Impact of discount on pension provision	<u>(9,176)</u>	<u>54,370</u>
	48,627	84,808

6 OPERATING SURPLUS

	2023 £	2022 £
Operating surplus is stated after charging:		
Depreciation of housing properties	409,704	410,595
Depreciation of other tangible fixed assets – owned	123,632	120,809
Auditor’s remuneration – audit	17,433	14,500
	<hr/>	<hr/>

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

7	EMPLOYEES	2023	2022
		Number	Number
	The average monthly number of persons (including directors) employed by the company during the year was:		
	Office and management	23	21
	Housing support and care	69	79
	Development	46	50
		<u>138</u>	<u>150</u>
	Staff costs for the above persons:	2023	2022
		£	£
	Wages and salaries	2,643,101	2,505,100
	Social security costs	230,186	196,360
	Other pension costs	94,156	80,959
		<u>2,967,443</u>	<u>2,782,418</u>
	The full-time equivalent number of staff who received remuneration (excluding directors):	2023	2022
		Number	Number
	£70,001 - £80,000	3	2
	£60,001 - £70,000	1	2
	£50,001 - £60,000	4	1
		<u>8</u>	<u>5</u>

8 **BOARD MEMBERS AND EXECUTIVE DIRECTORS**

The total remuneration of the key management personnel of the Company was £616,422 (2022: £390,937). This increase is due to three Associate Directors being appointed.

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 2023

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 2022	11,215,704	1,598,437	6,022,582	18,836,723
	Additions	41,781	85,977		127,758
	Disposal	(178,330)	-		(178,330)
	31 March 2023	11,079,155	1,684,414	6,022,582	18,786,151
	DEPRECIATION				
	1 April 2022	3,672,995	-	1,183,821	4,856,816
	Depreciation charged in year	393,905	-	15,799	409,704
	Transfer	-			-
	31 March 2023	4,066,900	-	1,199,620	5,266,520
	CARRYING AMOUNT				
	31 March 2023	7,012,255	1,684,414	4,822,962	13,519,631
	31 March 2022	7,542,709	1,598,437	4,838,761	13,979,907
	EXPENDITURE ON WORKS TO EXISTING PROPERTIES			2023	2022
				£	£
	Improvement work capitalised			6,628	47,400
	EXPENDITURE ON WORKS TO EXISTING PROPERTIES			2023	2022
				£	£
	Total cumulative amounts received or receivable at 31 March:				
	Capital grant			15,873,273	15,873,273

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

10a TANGIBLE FIXED ASSETS – OTHER

	3G Pitch, fixtures, furnishings and office equipment £	Car park £	Motor vehicles £	Total £
COST				
1 April 2022	1,635,997	12,383	108,224	1,756,605
Transfer				
Additions	157,442	-	4,548	161,990
31 March 2023	1,793,439	12,383	112,772	1,918,595
DEPRECIATION				
1 April 2022	1,220,536	4,117	91,663	1,316,316
Depreciation charged in year	112,649	248	10,735	123,632
31 March 2023	1,333,185	4,365	102,398	1,439,948
CARRYING AMOUNT:				
31 March 2023	460,254	8,018	10,374	478,647
31 March 2022	415,462	8,266	16,561	440,288

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

12	DEBTORS	2023 £	2022 £
	<i>Amounts falling due within one year:</i>		
	Rent and services receivable.	164,127	146,273
	Provision for bad and doubtful debts on rents and services receivable	11,803	(8,309)
		<hr/>	<hr/>
		175,930	137,964
	Other debtors	50,294	53,730
	Prepayments and accrued income	51,110	39,506
		<hr/>	<hr/>
		277,334	231,200
		<hr/>	<hr/>

13	CREDITORS: Amounts falling due within one year	2023 £	2022 £
	Bank loans	57,803	58,167
	Deferred capital grants	265,009	265,209
	Trade creditors	75,331	47,563
	Other taxation and social security	55,703	63,595
	Other creditors	73,264	81,052
	Accruals and deferred income	302,425	431,490
		<hr/>	<hr/>
		829,535	947,076
		<hr/>	<hr/>

Health Zone – A grant of £40,090 (2022: £50,113) was received during the year to run health zone activities. At the end of the year £36,281 (2022: £14,036) had not been spent and this has been reserved in a control account within accruals and deferred income in the financial statements.

14	CREDITORS: Amounts falling due after more than one year	2023 £	2022 £
	Bank loan	1,289,793	1,313,798
	Deferred capital grants	11,409,822	11,674,631
		<hr/>	<hr/>
		12,699,615	12,988,429
		<hr/>	<hr/>

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

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

Included in creditors are:

	2023	2022
	£	£
Amounts repayable by instalments falling due after more than five years	1,197,842	1,109,286

The bank loan agreements specify that interest on the loans is charged at a rate of 2% per annum above the banks base rate. The base rate at 31 March 2022 is 0.75%.

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

15 DEFERRED CAPITAL GRANTS	2023	2022
	£	£
As at 1 April	11,939,839	11,693,125
Grants received in the year	-	511,923
Capital grants released	(265,009)	(265,209)
	<hr/>	<hr/>
As at 31 March	11,674,830	11,939,839
	<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 northeast 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.

16 FINANCIAL INSTRUMENTS	2023	2022
	£	£
Financial assets:		
Debt instruments measured at amortized cost	180,371	155,763
	<hr/>	<hr/>
Financial liabilities:		
Measured at amortized cost	829,535	823,462
	<hr/>	<hr/>

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

17	PROVISION FOR LIABILITIES	Pension deficit £
	As at 1 April 2022	120,602
	Utilised in the year	(14,542)
	Unwinding of discount & change of discount rate	(9,176)
	As at 31 March 2023	96,884

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).

18 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 £6,629 (2022: £35,235) 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 2023

18 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 £774,429 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 £123,949 (2022: £131,594) was received in the year. Against this grant expenditure of £123,949 (2022: £85,051) was incurred during the year.

A reserve of £nil (2022: £46,543) was held in restricted reserves at the end of the year.

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

	2023	(Restated) 2022
	£	£
Surplus for the year	361,704	416,504
Adjustments for:		
Depreciation of tangible fixed assets	533,336	531,762
Release of restricted and designated reserves	-	-
Defined benefit pension scheme	(23,718)	37,870
Capital grants released	(260,401)	(265,209)
Interest receivable	(18,738)	(3,965)
Interest payable	48,627	30,438
Operating cash flow before movements in working capital	640,810	747,400
(Increase) / decrease in stock	-	8,860
(Increase) / decrease in trade and other debtors	(46,134)	37,637
Increase / (decrease) in trade and other creditors	(143,495)	(247,090)
Cash generated from operations	451,181	546,807
 CASH AND CASH EQUIVALENTS	 2023	 2022
	£	£
Cash and cash equivalents represent:-		
Cash at bank	3,344,269	3,058,765

YMCA North Staffordshire Ltd.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

20 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 £1,705 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 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 £94,156 (2022: £80,958). Contributions of nil (2022: £9,680) were payable to the fund at the year end.

YMCA North Staffordshire Ltd.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

21 RELATED PARTY TRANSACTIONS

A Board Member provides the Association with HR support on a consultancy basis. During the year a total of £3,650 (2022: £3,000) was paid to this Board member. At 31 March 2023 £nil (2022: £300) was outstanding.

The Board Member and Chairperson are common directors of The Ideas Facility Limited. During the year The Ideas Facility Limited provided training sessions totaling £6,120 (2022: £14,760).

Gordon French Associates Ltd delivered a training session on Equality, Diversity and Inclusion in the year totaling £8859.09 (2022: £745.35). Trevor Gordon was appointed to the Board of YMCA North Staffordshire Limited on 14/12/2021.

Entrust is an Education & Skills support service which delivered sessions to our young people totaling £921.60 in the year. Jayne Thorpe is a Board Member and is also employed by Entrust however, the arrangement existed before Jayne Thorpe was appointed. Conditions of trade have remained the same since the appointment of the trustee, therefore, consider the transaction to be conducted at market rate.

RESTATEMENT OF ACCOUNTS

In the 2022 Accounts, an adjustment was made to recognize the £123,613 in the year that was incorrectly recognized as income and therefore the position has now been adjusted. This resulted in 2022 Income & Expenditure Reserve and Surplus being overstated by this amount.

	Previously reported	Adjusted
Turnover	5,081,217	5,072,587
Surplus	425,134	416,504
Creditors within one year	(823,462)	(968,986)
Income & Expenditure Reserve b/f	2,503,209	2,804,729
Income & Expenditure Reserve c/f	2,704,724	2,841,617