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**Reading Y.M.C.A.**

Report and Financial Statements

Year Ended

31 March 2021

# Reading Y.M.C.A.

## Annual report and financial statements for the year ended 31 March 2021

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### Board of Management (directors)

K Felgate (appointed 29/3/21)	G M Woolley (appointed 27/10/20)
P Addington (resigned 29/3/21)	P Dick OBE
L A Edwards (resigned 13/5/20)	R Fleming
R A Jones (resigned 1/6/20)	G Nowacki
G Parker (resigned 29/10/20)	S Sherwood

### Chief Executive Officer

Mr D Poulton

### Company number

05646553

### Registered office and principal place of business

34 Parkside Road, Reading, Berkshire, RG30 2DD

### Bankers

Barclays Bank plc, Tilehurst, Berkshire

### Solicitors

Field Seymour Parkes, Reading, Berkshire

### Auditors

James Cowper Kreston, Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS

# **Reading Y.M.C.A.**

## **Chief Executive Summary**

### **for the period ended 31 March 2021**

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The annual report this year is entirely related to YMCA Reading's response to the global Coronavirus (COVID-19) pandemic which led to lockdown almost exactly as the financial year began. Only a year ago it was a constant struggle to keep up with ever emerging new regulations, obtain necessary PPE and carry out structural modifications that would keep residents, staff and visitors safe.

The YMCA Reading Team all rose to the challenge, and though it wasn't easy I am proud of the team for making it through the year. We did have a few staff members get ill but none with lasting effects. Residents, in the main stayed in and stayed safe, there were a few positive cases, but no major outbreak in the project.

In the summer, when the first lockdown ended, some residents did take advantage of new discovered freedoms, and there were some evictions as a result of dangerous behaviours. This had an impact on our finances over the summer and early autumn, as evictions mean voids and reduced income. This was swiftly turned around in the closing days of December and we have run at full occupancy since with a good crowd of young people seriously seeking to improve their life chances at YMCA Reading.

The Support and Housing Teams worked very hard to support young people through such difficult times while also maintaining COVID-secure working practices. They were determined to work face-to-face in order to provide the best possible support. We were very grateful that this was recognised by Public Health England and Reading Borough Council who placed staff in the 2<sup>nd</sup> tier for vaccination, and all those who wanted a vaccine have had one. Staff have also had access to a range of testing to ensure we do not have, or unknowingly pass on the virus.

The Milward Sport Centre, now the YMCA Reading Sport Centre, was closed for refurbishment in March 2020, so no income was anticipated before summer 2020. Unfortunately, due to lockdown the completion of works did not happen until September. We are all so pleased with the end result. The new facilities look great and we really look forward to being able to put them to full use in the upcoming year. Some income was lost over the year, but we recouped some of the losses from closure by offering the space to the local pupil referral unit, Cranbury College, as an alternative site for COVID-secure learning. This arrangement worked well until the December lockdown, when schools closed again. Despite this, YMCA Reading has an excellent refurbished facility that will be put to good use supporting residents and offering exciting new programmes to the wider community for years to come. We are really looking forward to getting stuck in in 2021-22.

Apart from a few bookings over the open summer months, the YMCA Padworth Activity Centre has had to remain closed during the lockdowns. However, during the first lockdown, an action plan was put in place and Maintenance staff, who would have otherwise have been put on furlough, did an excellent job redecorating the centre. While there have been some losses across the year, we are confident that 2021-2022 will be a profitable year for the YMCA Padworth Activity Centre.

The YMCA Parkside Pre-School has had its best financial year ever. This is partly due to the Government providing secure funding throughout the pandemic. The Pre-School closed during the first lockdown, really because everyone was very uncertain about the safety of staying open. Come Autumn term the team were chomping at the bit to get back to work and they did so with relish. Throughout they have had to make huge modifications in the way they deliver their very excellent service, but they have carried on. Those children that have not come back have received regular phone support and hand delivery of learning materials to their doors.

YMCA Parkside Café has kept its doors open throughout the pandemic. They have continued to provide an essential service to our residents, with free hot breakfast available daily and are open for lunch and snacks until 2pm. They have also produced meals for residents that are having to isolate or shield. The losses would have been significant, however we did reduce staff by one and kept the doors open for takeaway service. We gratefully received funding from Berkshire Community Foundation (SEGRO), the Albert Hunt Trust, and the Earley Charity, who allowed us to divert apprenticeship funding. This funding went towards a catering training project for any of the residents interested, and supported them with positive activities to engage with. This approach was sufficient to help us keep the doors open and mitigated any risk to residents and staff.

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Huge strides were made towards profitability just as lockdown occurred, and we are confident that the Café has a profitable future ahead once the doors open for table service, particularly once we are running a holistic community service across all of our facilities at Parkside Road.

The Risk Assessment has been regularly updated in line with COVID-19 guidance and Safeguarding has remained our top objective.

We also successfully updated our Articles of Association in line with a model document provided by YMCA England.

### **Fundraising**

Following the enormous success of last year, Ray Tapken MBE, our indomitable Fundraiser, has refused to admit his age or his vulnerability and worked throughout the pandemic.

This year has not been an easy year for any one raising funds, we are eternally grateful to all of the organisations and individuals who have contributed to us over the year.

Our thanks to the following organisations that have paid significant contributions during the year:

Berkshire Community Foundation (BCF) Mental Health Project  
Rotary Club of Reading  
RBC (COVID-19 emergency funding)  
Helen Robertson Charitable Trust  
Trelux Charitable Trust  
Asda Foundation  
Leeds Building Society Foundation  
Shanly Foundation  
Bruce Wake Charitable Trust  
John Bunn Charity  
Earley Charity  
Mobbs Memorial Trust  
Englefield Charitable Trust  
BCF/SEGRO (Café Training Project)  
Sport England  
Albert Hunt Trust  
Edgar Milward Trust  
The Hobson Charity  
St Laurence Church Charities  
Bradfield College, who have generously donated all of their fresh food supplies at the start of each lockdown.

We also continue to make use of on-line giving platforms, although this year we have not been able to run many focussed fund raising events. In this modern age of on-line giving we also receive many donations through our online platforms, Just Giving, Virgin Giving and The Good Exchange. We are unable to acknowledge each individual donation but increasingly these platforms provide us with a steady stream of additional funding.

Dave Poulton  
CEO  
YMCA Reading

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**Report of the Board of Management**  
**for the period ended 31 March 2021**

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## **Report of the Board of Management for the period ended 31 March 2021**

The Board of Management is pleased to present its Annual Report together with the audited financial statements for the period ended 31 March 2021. This report is also the Directors' Report required by section 417 of the Companies Act 2006.

### **1 Introduction**

YMCA is the largest and oldest youth charity in the world and celebrated its 175 anniversary in 2019 with a series of events, the highlight of which was a 4 day conference at Excel London in August.

Today YMCA is a global movement, helping over 58 million people across 119 countries. In England and Wales YMCA intensively support 228,000 young people every year, ensuring each young person we meet has an opportunity to belong, contribute and thrive. Across England there are 114 YMCAs.

Reading YMCA has continued to survive and thrive in this environment. It can trace its origins back to the earliest days of the YMCA movement. The first formal meeting of Reading YMCA was on 18th December 1846. Reading YMCA proudly claims to be one of the oldest YMCAs in the world.

In reaching this point YMCA has continually evolved and adapted to changing circumstances; no more so than in the last few years in the UK. The financial crisis and resultant austerity regime has left Local Authorities (LAs) - key commissioners of YMCA services – with significantly reduced budgets for services and housing support for young people. At a time when the UK's young people need these services most, provision of services continue to be cut.

Reading YMCA operates as a Registered Charity, Company Limited by Guarantee and Registered Provider with the Social Housing Regulator.

### **2 Activities**

#### **2.1 Housing**

Reading YMCA provides supported housing for 40 service users at any one time (through its Parkside Road accommodation centre) and works closely with Reading Borough Council's housing department, criminal justice agencies, substance misuse services, employment and training partners and other specialist young people's services.

#### **2.2 Community Involvement**

In addition, Reading YMCA operates the Parkside Pre-school and the Parkside Community Café on-site, both tremendous assets to the Reading YMCA Community profile, along with the ongoing services of the Reading YMCA Workshop which provides alternative learning for Cranberry College students. Reading YMCA works in partnership with a range of community services and clubs - from Scout groups through to senior citizen groups – and draws on a range of facilities to provide services, including its main accommodation centre (built in 2008), the Padworth Outdoor Activity Centre, and its sports facilities – the Milward Centre. It works with several hundred children, young people and adults each year and the annual turnover is currently over £1,000,000.

#### **2.3 Future plans**

Reading YMCA is looking to continue to respond to the challenges in its local community and to meet the needs of young people in the area. As with the wider YMCA movement, it is taking a more holistic approach, with a focus on creating a community that is transforming lives. Critical to this is helping young people play an active and fulfilling role within their communities.

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## Report of the Board of Management for the period ended 31 March 2021

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### **3 Vision**

Within this context, the vision of Reading YMCA is of an inclusive Christian movement transforming communities so that all young people can belong, contribute and thrive. This is underpinned by five strong and distinctive values that flow from YMCA's Christian ethos:

#### **We seek out**

We actively look for opportunities to make a transformative impact on young lives in the communities where we work, and believe that every person is of equal value.

#### **We welcome**

We offer people the space they need to feel secure, respected, heard and valued; and we always protect, trust, hope and persevere.

#### **We inspire**

We strive to inspire each person we meet to nurture their body, mind and spirit, and to realise their full potential in all they do.

#### **We speak out**

We stand up for young people, speak out on issues that affect their lives, and help them to find confidence in their own voice.

#### **We serve others**

We are committed to the wellbeing of the communities we serve and believe in the positive benefit of participation, locally and in the wider world.

To deliver on this vision and these values, Reading YMCA has recognised that it needs to further change and develop. Specifically, it has set a number of strategic goals to be achieved over the lifetime of this business plan. These are:

1. Continue to deliver high quality supported accommodation while being recognised as the Reading market leader in the delivery of supported accommodation for young people.
2. Develop and deliver high quality community programmes enabling positive development of children and young people.
3. Work collaboratively with YMCAs and other partners.
4. Supporting and enhancing quality and good governance.
5. Lessening our dependence on public funding.
6. Operate our finances in a prudent manner.

### **3.1 Our Objects**

1. To unite those who, regarding Jesus Christ as their God and Saviour according to the holy scriptures, desire to be his disciples in their faith and in their life, and to associate their efforts for the extension of His Kingdom.
2. To lead young people to the Lord Jesus Christ and to fullness of life in Him.
3. To provide or assist in the provision in the interests of social welfare of facilities for recreation and other leisure time occupation for men and women with the object of improving their conditions of life.
4. To provide, improve and manage houses and hostels providing residential accommodation for men and women of all ages upon terms appropriate to their means. And the Association shall have the following powers exercisable in furtherance of its said objects but not otherwise namely:
  - (a) To apply for and thereafter maintain a Certificate of Affiliation to The National Council of Young Men's Christian Associations (Incorporated).
  - (b) To establish and carry on new branches of the Association.
  - (c) To promote, provide and carry on or assist in any way in the promotion, provision and carrying on of facilities, societies and clubs of any kind and to arrange and hold meetings, conferences, lectures and training courses.

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- (d) To co-operate with and enter into any interchange of facilities and benefits with any Young Men's Christian Association wherever established
- (e) To provide directly or in association with others a counselling and advice service for men and women of all ages.
- (f) To collect and make available information related to the needs of men and women of all ages.
- (g) To raise funds and invite or receive contributions for any person or persons whatsoever by way of subscription, donation and otherwise provided that the Association shall not undertake any permanent trading activities in raising funds for its charitable objects.
- (h) To purchase, take on lease or in exchange, hire or otherwise acquire real or personal property and any rights privileges and to construct, maintain and alter buildings or erections.
- (i) To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Association subject to such consents as may be required by law.
- (j) To undertake and execute any charitable trusts which may lawfully be undertaken by the Association.
- (k) To solicit, and receive and accept financial assistance donations and endowments, gifts (both inter vivos and testamentary), devises, bequests and loans of money, rents, hereditaments and other property whatsoever real or personal and subject or not to any specific charitable trusts or conditions.
- (l) To borrow or raise money on such terms and on such security as may be thought fit subject to such consents as may be required by law.
- (m) To invest the moneys of the Association not immediately required or its purposes in or upon such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- (n) To lend any part of the moneys of the Association and do with or without interest and in the case of a loan not exceeding E20 with or without security and in any case with such security as the Association may reasonably consider sufficient, to enter into guarantees, contracts of indemnity and suretyships of all kinds and to become security for any persons, firms or companies.
- (o) To engage and pay any agents and employees and to make all reasonable and necessary provision for the payment of pensions and superannuation to and on behalf of employees, former employees and their widows and other dependants.
- (p) To establish and support or aid in the establishment and support of any charitable associations or institutions and to subscribe or guarantee money for charitable purposes.
- (q) To do all such other lawful things as are necessary for the attainment of the above objects of any of them.

#### **4 Operating model**

##### **4.1 Governance and structure**

###### **4.1.1 Registration with the Charity Commission**

As already noted, Reading YMCA is registered with the Charity Commission, Companies House and the Social Housing Regulator. Reading YMCA complies with the legal requirements and best practice guidance of these and other relevant bodies by virtue of its duties as an employer and a recipient of government funds.

###### **4.1.2 Board of Management**

Reading YMCA's governing document is the Memorandum and Articles of Association 2010. Under these, the Association is administered by a Board of Management, whose members (who are both Directors and Trustees) are drawn from the wider community and bring a considerable range of experience and expertise to the administration of the Association. They operate across the YMCA's sub-committees, which cover: Housing & Support, Safeguarding, HR and Remuneration, Quality, Development and Finance.

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## **Report of the Board of Management for the period ended 31 March 2021**

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### **4.1.3 Operational**

Under the Board of Management, the strategic management and direction of the business is vested in the Chief Executive. This was Arlene Kersley for the year to 31 March 2021, but is now Dave Poulton. Day-to-day operational Housing, Support and Facilities Management is vested in Stephen Ritchie, General Manager. Human Resources is managed by Rachel James. The Parkside Pre-school is managed by Alison Bennett and the Parkside Café by Alice Heidemann Poynton.

Remuneration for these senior roles is set by conducting a local and national benchmark of comparable roles. This benchmarking process creates a salary range and then the exact remuneration level is set by assessing the individual's performance and experience.

### **4.2 Fundraising Regulation**

All fundraising activity at Reading YMCA are carried out in accordance with the Fundraising Regulator Code of Practice. Reading YMCA use no third party suppliers for the purpose of fundraising, all fundraising activities are carried out by staff and volunteers.

Reading YMCA does no fundraising activity by way of direct marketing. YMCA's primary source of fundraising income is from grant making trusts.

### **4.3 Governing Document**

The organisation is a charitable company limited by guarantee, incorporated on 6 December 2005 and registered as a charity with the Charity Commission. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

### **4.4 Directors**

The directors in office during the period were as follows:

Mr R Fleming	Mr R Jones (resigned 1 June 2020)
Prof. G Parker (resigned 29 October 2020)	Mr L Edwards, Chair (resigned 13 May 2020)
Mr S Sherwood	Mr P Dick, Chair (elected 15 May 2020)
Mr G Nowacki	Mr P Addington (resigned 29 March 2021)
Ms G Wooley (appointed 27 October 2020)	Ms K Felgate (appointed 29 March 2021)

### **4.5 Recruitment and Appointment of Trustees**

The directors of the company are also charity trustees for the purposes of charity law.

The work of the charity focuses upon young people in need of support and the trustees seek to ensure that these people are appropriately represented through the diversity of the trustee body. In order to maintain a broad mix, the existing trustees are requested to provide a list of their skills and individuals from outside are approached to offer themselves for election.

### **4.6 Trustee Induction and Training**

An information pack is provided to new trustees, which gives information about the charity and its role within the national YMCA movement. A copy of the company's Memorandum and Articles and the latest financial statements is also provided, and new Trustees are referred to the Charity Commission's guidance "How to be an effective trustee".

Additionally, new trustees are encouraged to familiarise themselves with the charity by meeting with staff, residents and community user groups, and by attending a meeting with the Chair of Trustees and the Chief Executive at which the aims and objectives of the charity are discussed together with a review of the financial position. The responsibilities of trustees are also explained within this meeting and a copy of the Code of Conduct for Trustees is provided on joining.

A Stakeholder Away Day is held annually in order for trustees and staff to get together and discuss and brainstorm new ideas and the future direction of the charity.



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## **5 Risk Management**

### **5.1 Introduction**

A Risk Committee comprising of a minimum of 3 members of staff meet every 3 months at Management Team Meetings to identify, analyse, assess and monitor the Top 15 risks to the organisation. The Chief Executive reports directly to the Board of Management on risks to the organisation at the bi-monthly Board of Management meetings. The aims of this risk management process are:

1. To guard against sudden shocks and unwelcome surprises
2. Improved management information leading to more informed decision making
3. Evidence that the organisation is being effectively managed
4. Ensure that everyone is aware of risk and that risk management is their responsibility
5. Improve skill sets / motivation of staff
6. Reduce losses arising from workplace accidents and illnesses
7. Support strategic planning
8. Achieve cost savings
9. Influence internal and external stakeholders

A Risk Register is compiled and monitored and contains the Top 15 risks to the organisation including Risk Action Plans and the organisational Risk Map.

### **5.3 Major risks**

The top 3 risks taken from the Risk Register and the controls currently in place to mitigate the risk are:

1. Loss of a key funder/funding stream
  - a. key strategic priority is to lessen our dependence on public funds
  - b. formalise fundraising strategy
  - c. improve sustainability of current community projects
  - d. maintaining good relationships with Commissioners
  - e. maintain quality standards and Key Performance Indicators
  - f. formalise marketing strategy
2. Major health or safety incident
  - a. ensure Health & Safety Policies are up to date
  - b. update all Department Risk Assessments
  - c. staff refresher courses
  - d. risks are insured
3. Board Succession Planning
  - a. CEO and Management Board to actively recruit new Board Members
  - b. Identify skills gaps

Following a review for the 2020 Risk Register on the 2nd March 2020, Pandemic Disease, was rated in the Top Three Risks, however mitigations did not become relevant until the 2020-21 financial year.

## **6 Systems and processes**

Reading YMCA maintains a formal Quality Management System (QMS), this year having begun the process of selfaccreditation with the Trusted Charity System. Key elements of this system include:

1. A strong management commitment to quality
2. Recruitment and retention of high calibre, experienced, well trained staff
3. Appropriate documented processes, procedures and controls
4. An ethos of continual improvement and challenge
5. Meeting all necessary legal and regulatory requirements

The QMS and Quality Policy are regularly reviewed by the management team under the guidance of the Chief Executive Officer. At each annual management review, objectives and improvements are established and a review of previous targets is undertaken.

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## **Report of the Board of Management for the period ended 31 March 2021**

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### **People**

As already stated, Reading YMCA's service model is based on highly-skilled staff, working with high-quality systems and processes, and using tailored, high-spec facilities.

The foundation of this is the Staff Development and Training policy which seeks to enable staff to:

1. acquire the knowledge and skills to enable them to perform effectively in their current roles
2. enhance their performance in their current roles
3. respond effectively to the demands placed upon them by internal and external change and development
4. develop their careers effectively within the Association

In meeting these objectives, Reading YMCA seeks to apply the following principles:

1. that all staff should have access to appropriate opportunities for initial professional development in their jobs, in accordance with the Association's equal opportunities policy
2. that the training and development opportunities provided should be relevant to the needs of staff for their employment at the Association
3. that the training and development opportunities provided should be of appropriate quality

Within the existing support service, as a baseline all staff have an NVQ Level 3 in working with young people, all have safeguarding and some have specialised training in areas such as, dealing with drug and alcohol misuse and social work. In addition, all staff are currently on specialist CPD programmes covering a range of relevant subject areas.

### **Pensions**

As stated in Accounting Policies on pages 19-21 and in Note 23 on page 33 of the accounts, Reading YMCA participates in the YMCA Pension Plan which had a deficit at the last valuation in May 2020. The company will make monthly contributions in respect of its share of the deficit for the next 8 years.

The YMCA Pension Plan has now been closed to new members and all staff are entitled to join a contributory pension scheme run on behalf of Reading YMCA by the Peoples Pension and Scottish Widows for pre-existing members. Reading YMCA contributes in accordance with statutory requirements.

### **Financial review**

Reading YMCA's operations demonstrate a consistent performance over time, delivering at breakeven in line with the charitable status of the organisation. Revenues are forecast to stay fairly flat in future years – some decrease may occur in upcoming years due to changes in Local Government funding for housing and support.

### **Reserves Policy**

Reserves are that part of our unrestricted funds that are freely available to spend on our charitable purposes. Reading YMCA seek to increase reserves year on year in order to improve resilience. However given the nature of our funding, generally restricted, there is limited capability for significant annual cash contributions into reserves. Cash assets are retained at limit not below 3 x monthly operating costs.

Reading YMCA own the Freehold at 34 Parkside Road where the delivery of primary services take place. While normally land assets would not be considered within the context of reserves, should a situation arise where it was necessary to access urgent funding we would consider a loan on that freehold to get us through any difficult financial period. Sale of land assets would only be considered in the event of terminal contingency.

### **Support & Advice**

As already noted, the Support and Advice service line is dependent on the Supporting People contract with Reading Borough Council. No inflationary increases have been made in this contract, however it was extended to September 2020 and reflects a 10% cut in funding. Reading YMCA is currently developing the replacement agreement with Reading Borough Council to continue the work that Reading YMCA does in this area with 16-17 year olds in particular. This is a labour-intensive service which is core to Reading YMCA's values and is forecast to run at a small loss, with accommodation more than supporting the share of the central overhead.

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### **Accommodation**

Revenues for the Accommodation service largely come from housing benefits paid directly by Reading Borough Council to Reading YMCA.

Performance is driven by achieving 95% occupancy – which is conservative versus recent occupancy rates, which are over 98%. Reading YMCA is also forecasting bad debts of 2.5% - which is in line with performance in the last 12 months. Even then the margins on this service are much higher than those in Support & Advice and help to cover a significant proportion of central overhead costs.

### **Training & Education / Other**

The YMCA Workshop continues to offer exceptional alternative education classes to students from Cranbury College at risk of exclusion from school. Parkside Pre-School is Ofsted rated 'Good' and is a thriving and happy Early Years Learning provider for 2-4 year olds. Our residents have many training opportunities offered to them over the year including in house training and external courses on a wide variety of both practical skills as well as fitness.

Covid-19 has had an impact on the delivery of all of these services from the end of March 2020 when the Country went into lock-down, however the greater impact took place in the 2020-21 financial year.

### **Balance sheet and cash flow**

Historically Reading YMCA has maintained between £64K and £297K of cash on the balance sheet. As of the end of March 2021 debtors were approximately £57K, whereas creditors were approximately £90K. Overall therefore the YMCA is not very working capital intensive.

### **Related Parties**

The Chief Executive and senior staff maintain close links with Reading Borough Council and many other interested parties and community groups to provide the support required by the young people who use our services.

The staff maintains close contact with other supported housing providers in Reading and attend partnership meetings relevant to respective roles.

### **Board of Management's Responsibilities**

The Board of Management is responsible for the preparation of the financial statements for each financial year, which give a true and fair view of the state of affairs of the company and the group and the income and expenditure of the group for that period. In preparing these financial statements the board is required to:-

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the group will continue on that basis.

The Board of Management is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006, Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, the Housing and Regeneration Act 2008, the Accounting Direction for private registered providers of social housing in England 2019 and comply with its Constitution, which is its governing document. The board is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. To that end the Board of Management hold bi-monthly Finance Committee meetings.

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In addition the following Operational Plan has been developed.

**EMPOWERING YOUNG PEOPLE TO BUILD A STRONGER COMMUNITY**

This plan has been discussed with senior management and approved by the Board, and sets out the key issues for staff and board members over the next two years. It should be read in conjunction with the original strategic plan (2019-2023). As agreed by the board this plan will be reviewed in two years, when we look back to the decision to remain independent, and take stock.

The key priorities for this two-year period are:

- Our work in support and housing is critical and generates some 90% of our funding, around £650K. We must seek to maintain and improve our standards in this key area. In support of that, we must seek a closer working relationship with Reading Borough Council, particularly but not only at board level.
- We must continue to focus on more positive outcomes for young people (for example more NEET moving into employment and education, and more positive moving on by residents). Key to this will be to continue to develop community programmes which will help enhance the life skills, health and well-being of the young people whom we serve. This will include, but not be limited to, building on the successes of the Café, the Pre-School, Padworth Activity Centre and the new Sports Centre.
- The CEO and as appropriate senior colleagues will foster good relations with St Paul's Group, one obvious way is to learn from their extensive suite of policies and practices, a time efficient way of strengthening our governance.
- All seek to maximise income and benefits of and from all our facilities, so as to grow investment in our core services.
- Covid - While the pandemic continues, we all understand that keeping our clients and staff safe and well is a key and overriding priority. The four points above will remain key priorities.

The trustees / directors have had due regard to guidance published by the Charity Commission on public benefit.

**Statement as to disclosure of information to auditors**

So far as the Directors are aware, there is no relevant information of which the charitable company's and group's auditors are unaware, and each Director and member of the senior management team have taken all the steps that ought to have been taken to make themselves aware of any relevant audit information and to ensure that the company's and group's auditors are aware of that information.

**Auditors**

A resolution to re-appoint James Cowper Kreston as the charitable company's and group's auditors will be proposed at the forthcoming Board of Management meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006, relating to small entities.

Signed on behalf of the Board of Management:

.....  
P Dick  
Director

Dated:

# Reading Y.M.C.A.

## Independent Auditors' Report to the Members of Reading Y.M.C.A.

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### Opinion

We have audited the financial statements of Reading Y.M.C.A. for the year ended 31 March 2021 on pages 14 to 33. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2021 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board of Management'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 group or parent 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 of Management with respect to going concern are described in the relevant sections of this report.

### Other information

The Board of Management are responsible for other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identified such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

# Reading Y.M.C.A.

## Independent Auditors' Report to the Members of Reading Y.M.C.A.

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### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Board of Managements' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Board of Managements' report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Board of Managements' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Board of Managements' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Board of Management were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Board of Managements' report.

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

- a satisfactory system of control over transactions has not been maintained by the parent company.

### Responsibilities of the Board of Management

As explained more fully in the Board of Management's Responsibilities Statement set out on page 9, the Board of Management are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Management determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

In preparing the financial statements, the Board of Management are responsible for assessing the group's and parent 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 of Management either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

# Reading Y.M.C.A.

## Independent Auditors' Report to the Members of Reading Y.M.C.A.

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The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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](http://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 Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alexander Peal BSc(Hons) FCA DChA (Senior Statutory Auditor)

For and on behalf of

James Cowper Kreston

Statutory Auditor and Chartered Accountants

Reading Bridge House

George Street

Reading

Berkshire

RG1 8LS

Date .....

## Reading Y.M.C.A.

### Consolidated income and expenditure account for the year ended 31 March 2021

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		Year ended 31 March 2021	Year ended 31 March 2020
		£	£
<b>Turnover</b>	4	<b>1,033,420</b>	1,107,151
Operating costs	4	<b>(1,161,592)</b>	(1,062,653)
		_____	_____
<b>Operating (deficit) / surplus</b>	4	<b><u>(128,172)</u></b>	<u>44,498</u>
 <b>Total comprehensive income for the year</b>		 <b><u>(128,172)</u></b>	 <u>44,498</u>

All amounts relate to continuing activities.

The income and expenditure account includes all gains and losses recognised in the year.

The notes on pages 19 to 33 form part of these financial statements



# Reading Y.M.C.A.

Company number: 05646553

## Consolidated Balance Sheet at 31 March 2021

	Note	31 March 2021		31 March 2020	
		£	£	£	£
<b>Fixed assets</b>					
<i>Tangible assets</i>					
Hostel buildings	12	<b>2,590,322</b>		2,658,179	
Other tangible assets	13	<b>787,808</b>		808,027	
			<b>3,378,130</b>		3,466,206
<b>Current assets</b>					
Debtors	15	<b>56,572</b>		67,436	
Cash at bank and in hand		<b>141,204</b>		255,130	
<b>Creditors: amounts falling due within one year</b>	16	<b>(90,407)</b>		(127,819)	
<b>Net current assets</b>			<b>107,369</b>		194,747
<b>Total assets less current liabilities</b>			<b>3,485,499</b>		3,660,953
<b>Creditors: amounts falling due after more than one year</b>	17		<b>(2,171,652)</b>		(2,239,451)
<b>Defined benefit pension liability</b>	23		<b>(113,016)</b>		(92,498)
<b>Net assets</b>			<b>1,200,831</b>		1,329,004
<b>Reserves</b>					
Accumulated fund	18	<b>467,245</b>		568,749	
Restricted funds	19	<b>420,850</b>		443,339	
Designated funds	20	<b>312,736</b>		316,916	
			<b><u>1,200,831</u></b>		<b><u>1,329,004</u></b>

Approved and authorised for issue by the Board of Management on

.....  
Director – P Dick

.....  
Director – G Nowacki

The notes on pages 19 to 33 form part of these financial statements

# Reading Y.M.C.A.

Company number: 05646553

## Company Balance Sheet at 31 March 2021

	Note	31 March 2021		31 March 2020	
		£	£	£	£
<b>Fixed assets</b>					
<i>Tangible assets</i>					
Hostel buildings	12	<b>2,590,322</b>		2,658,179	
Other tangible assets	13	<b>787,808</b>		808,027	
Investments	14	<b>1</b>		<b>1</b>	
			<b>3,378,131</b>		3,466,207
<b>Current assets</b>					
Debtors	15	<b>56,658</b>		67,590	
Cash at bank and in hand		<b>141,117</b>		254,975	
			<b>197,775</b>		322,565
<b>Creditors: amounts falling due within one year</b>	16	<b>(90,407)</b>		(127,819)	
			<b>107,368</b>		194,746
<b>Net current assets</b>					
<b>Total assets less current liabilities</b>			<b>3,485,499</b>		3,660,953
<b>Creditors: amounts falling due after more than one year</b>	17		<b>(2,171,652)</b>		(2,239,451)
<b>Defined benefit pension liability</b>	23		<b>(113,016)</b>		(92,498)
			<b>1,200,831</b>		1,329,004
<b>Net assets</b>					
<b>Reserves</b>					
Accumulated fund	18	<b>467,245</b>		568,749	
Restricted funds	19	<b>420,850</b>		443,339	
Designated funds	20	<b>312,736</b>		316,916	
			<b>1,200,831</b>		1,329,004

Approved and authorised for issue by the Board of Management on

.....  
Director – P Dick

.....  
Director – G Nowacki

The notes on pages 19 to 33 form part of these financial statements

# Reading Y.M.C.A.

## Consolidated and company statement of changes in funds for the year ended 31 March 2021

	Accumulated fund	Restricted fund	Designated fund	Total
	£	£	£	£
<b>At 1 April 2019</b>	<b>566,716</b>	<b>427,489</b>	<b>290,301</b>	<b>1,284,506</b>
Total comprehensive income for the year	44,498	-	-	44,498
Transfers to restricted funds	(15,850)	15,850	-	-
Transfers to designated funds	(9,842)	-	9,842	-
<b>At 31 March 2020 and 1 April 2020</b>	<b>568,749</b>	<b>443,339</b>	<b>316,916</b>	<b>1,329,004</b>
Total comprehensive income for the year	(128,172)	-	-	(128,172)
Transfers from restricted funds	22,489	(22,489)	-	-
Transfers from designated funds	4,180	-	(4,180)	-
<b>At 31 March 2021</b>	<b>467,245</b>	<b>420,850</b>	<b>312,736</b>	<b>1,200,831</b>

The notes on pages 19 to 33 form part of these financial statements

# Reading Y.M.C.A.

## Consolidated cash flow statement for the year ended 31 March 2021

	2021 £	2020 £
<b>Cash flow from operating activities (see below)</b>	<b>(99,241)</b>	75,945
<b>Cash flow from investing activities</b>		
Payments to acquire fixed assets	<b>(2,618)</b>	-
<b>Cash flow from financing activities</b>		
Loan repayments	<b>(12,067)</b>	(11,127)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(113,926)</b>	64,818
<b>Cash and cash equivalents brought forward</b>	<b>255,130</b>	190,312
<b>Cash and cash equivalents carried forward</b>	<b>141,204</b>	255,130
<b>Cash and cash equivalents consists of:</b>	<b>141,204</b>	255,130
Cash at bank and in hand	<b>141,204</b>	255,130
Reconciliation of surplus / (Deficit) for the year to cash flow from operating activities		
(Deficit) / Surplus for the year	<b>(128,172)</b>	44,498
Depreciation of fixed assets	<b>90,694</b>	92,534
Release of grant creditor	<b>(55,732)</b>	(55,732)
(Increase) / decrease in debtors	<b>10,864</b>	(23,078)
Increase / (decrease) in creditors	<b>(37,413)</b>	31,976
Increase / (decrease) in defined benefit pension liability	<b>20,518</b>	(14,253)
<b>Net cash from operating activities</b>	<b>(99,241)</b>	75,945

# Reading Y.M.C.A.

## Notes forming part of the financial statements for the year ended 31 March 2021

---

### 1 General information

Reading Y.M.C.A. is a registered charity, company limited by guarantee and registered provider with the Homes and Community Agency, incorporated in England and Wales. The charity's registered office and principal place of business is disclosed on the information page at the front of the financial statements.

The principal activity of the charity is to assist the local community and transform the lives of young people.

### 2 Accounting policies

#### *Basis of consolidation*

The accounts consolidate the accounts of Reading Y.M.C.A. and its subsidiary undertaking, Y-Build Limited.

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account. The deficit for the year dealt with in the accounts of the company was £128,172 (2020: surplus of £44,498).

#### *Accounting convention*

The accounts have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018 and with the Accounting Direction for private registered providers of social housing in England 2015. The accounts are prepared in accordance with the historical cost basis of accounting.

The company constitutes a public benefit entity as defined by FRS 102.

#### *Company status*

The company is limited by guarantee. The members of the company are the directors. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member.

#### *Going concern*

The Board of Management have considered the financial position of the company and, based on financial forecasts, consider the going concern basis to be appropriate.

#### *Fees receivable*

Fees receivable for the provision of accommodation and related amenities, fees and grants from local authorities and the Tenant Services Authority (formerly the Housing Corporation) are accounted for in the period to which they relate.

#### *Investments*

Investments in group undertakings are stated at cost, less any provision for diminution in value.

# Reading Y.M.C.A.

## Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

### 2 Accounting policies (continued)

#### *Depreciation of tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets so as to write them off over their anticipated useful lives at the following annual rates on a straight-line basis:

Freehold buildings	-	2% per annum
General equipment	-	12.5% per annum
Motor vehicles	-	25% per annum
Electrical equipment	-	33.3% per annum
Furniture equipment	-	12.5% per annum

The carrying values of tangible assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

#### *Debtors*

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are recognised at the amount prepaid less any discount offered.

#### *Creditors and provisions*

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### *Cash at bank and in hand*

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

#### *Social housing grant (SHG) and other capital grants*

The SHG and the grant received from the Office of the Deputy Prime Minister (ODPM) are capital grants received towards the cost of acquiring and/or building additional properties.

The SHG is repayable indefinitely unless formally abated or waived although it can be recycled following certain relevant events.

Capital grants are recognised as a liability and amortised over the useful economic life of the related asset.

#### *Restricted funds*

Restricted funds, whose use is specified by the donor, are credited to income in the year in which they are received. Where amounts are not specifically allocated against expenditure in that year, the balance is deferred and added to the balance brought forward on the restricted fund to be used in future years.

# Reading Y.M.C.A.

## Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

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### 2 Accounting policies (continued)

#### *Donations, bequests and other receipts*

Donations and bequests are accounted for on a receipts basis.

#### *Income earned from designated funds*

Income earned from designated funds is credited to the accumulated fund and is available for general use.

#### *Designated funds*

Designated funds are funds designated for particular use by the directors.

The company appropriates funds to a major repair fund to cover future major repair expenditure on housing properties.

#### *Pension costs*

Reading Y.M.C.A. 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 Reading Y.M.C.A.

As described in note 23, Reading Y.M.C.A. has a contractual obligation to make pension deficit payments over the period to April 2029, accordingly this is shown as a liability in these accounts.

Reading Y.M.C.A. also contributes to a stakeholder pension scheme for employees. Contributions to this scheme are charged to the income and expenditure account in the year in which they become payable.

The assets of the scheme are held separately from those of the Association in an independently administered fund.

### 3 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the board to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and amounts reported for income and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

#### **Tangible fixed assets**

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values may vary depending on a number of factors.

#### **Allocation of expenditure**

Where expenditure is not directly attributable to activity categories, costs are apportioned based on an estimate of the time spent on each activity or by reference to the proportion of resources utilised.

# Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

## 4 Turnover, operating costs and operating surplus/(deficit)

Year ended 31 March 2021						
	Note	Turnover £	Operating costs £	Operating surplus/ (deficit) £	Transfers between funds £	Net surplus/ (deficit) £
Income and expenditure from housing activities	5	725,476	(792,794)	(67,318)	-	(67,318)
Community	6	286,415	(344,009)	(57,458)	-	(57,458)
Sea Scouts and Whycotes centre	7	21,461	(24,857)	(3,396)	-	(3,396)
Y-Build Limited		68	(68)	-	-	-
<b>Total</b>		<u>1,033,420</u>	<u>(1,161,592)</u>	<u>(128,172)</u>	<u>-</u>	<u>(128,172)</u>

Year ended 31 March 2020						
	Note	Turnover £	Operating costs £	Operating surplus/ (deficit) £	Transfers between funds £	Net surplus/ (deficit) £
Income and expenditure from housing activities	5	723,982	(660,372)	63,610	-	63,610
Community	6	341,807	(356,428)	(14,621)	-	(14,621)
Sea Scouts and Whycotes centre	7	41,279	(45,770)	(4,491)	-	(4,491)
Y-Build Limited		83	(83)	-	-	-
<b>Total</b>		<u>1,107,151</u>	<u>(1,062,653)</u>	<u>44,498</u>	<u>-</u>	<u>44,498</u>

Turnover is wholly attributable to the principal activities of the YMCA and arises solely from within the United Kingdom.



# Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

## 5 Particulars of income and expenditure from housing activities

	Year ended 31 March 2021 £	Year ended 31 March 2021 £	Year ended 31 March 2020 £	Year ended 31 March 2020 £
<b>Income from lettings</b>				
Rent receivable net of identifiable service charges	400,040		391,907	
Service charges receivable	32,787		32,877	
	<u>          </u>		<u>          </u>	
<b>Gross rents receivable</b>		432,827		424,784
Void losses	(42,404)		(25,633)	
	<u>          </u>		<u>          </u>	
<b>Net rents receivable</b>		390,423		399,151
Supporting people grant	325,049		317,491	
	<u>          </u>		<u>          </u>	
		325,049		317,491
Donations and grants received	10,004		7,340	
	<u>          </u>		<u>          </u>	
<b>Total income from lettings</b>		725,476		723,982
		<u>          </u>		<u>          </u>
<b>Expenditure on housing activities</b>				
Management expenses and staff costs	557,626		480,280	
Routine maintenance	148,535		90,387	
Hostel depreciation	12,125		12,124	
Other direct expenditure	66,907		69,716	
Sinking fund	7,601		7,865	
	<u>          </u>		<u>          </u>	
<b>Total expenditure on housing activities</b>		792,794		660,372
		<u>          </u>		<u>          </u>
<b>Operating surplus/(deficit) on letting activities</b>		(67,318)		63,610
		<u>          </u>		<u>          </u>

## Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

### 6 Community

	Year ended 31 March 2021 £	Year ended 31 March 2021 £	Year ended 31 March 2020 £	Year ended 31 March 2020 £
<b>Income</b>				
Income from activities	128,801		117,940	
Grants & donations	149,566		206,557	
External lettings	8,048		17,310	
	<u>          </u>		<u>          </u>	
		286,415		341,807
<b>Expenditure</b>				
Management expenses and staff costs	139,521		184,222	
Other direct costs	204,488		172,206	
	<u>          </u>		<u>          </u>	
		(344,009)		(356,428)
		<u>          </u>		<u>          </u>
<b>Surplus/(deficit) on Community</b>		<u>(57,458)</u>		<u>(14,621)</u>

### 7 Sea Scouts and Whycotes centre

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Income	21,461	41,279
Expenditure	(24,857)	(45,770)
	<u>          </u>	<u>          </u>
<b>Deficit on Sea Scouts and Whycotes centre</b>	<u>(3,396)</u>	<u>(4,491)</u>

The income and expenditure above are the consolidated results of the various sections and their sub accounts, plus the Group Accounts of the 1 Reading YMCA Sea Scout Group.

## Reading Y.M.C.A.

### Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

#### 8 Surplus/(deficit) on ordinary activities

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
The surplus/(deficit) on ordinary activities is stated after charging:		
Auditors' remuneration	7,700	7,300
Depreciation of fixed assets	90,694	92,537
	<u>          </u>	<u>          </u>

#### 9 Directors' emoluments

The directors are defined as the members of the Board of Management, the Chief Executive and any other person reporting directly to the Chief Executive or directly to the Board whose total emoluments exceed £60,000 per year. The Board received no emoluments and there were no employees whose total emoluments exceeded £60,000 in either the current year or prior year.

#### 10 Staff costs

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Staff costs include the following:		
Wages and salaries	535,159	542,359
Social security costs	37,651	36,236
Other pension costs	44,999	15,360
	<u>          </u>	<u>          </u>
	<u>617,809</u>	<u>593,955</u>

The average monthly number of persons employed by the Association during the year expressed as full-time equivalents was as follows:

	Year ended 31 March 2021 Number	Year ended 31 March 2020 Number
Care	23	23
Administration	3	3
	<u>          </u>	<u>          </u>
	<u>26</u>	<u>26</u>

During the year expenses of £nil (2020 - £nil) were reimbursed to members of the Board of Management.

No pensions were paid to any current or former members of the Board of Management during the current year or prior year. Pension contributions of £985 (2020: £932) were paid on behalf of the Chief Executive this year. Key management personnel of the company comprises of the Board of Management together with the Chief Executive, General Manager and HR and Training Manager. The total employment benefits, including employer pension and national insurance contributions, of the key management personnel were £80,782 (2020: £105,240).

## Reading Y.M.C.A.

### Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

#### 11 Tax on surplus on ordinary activities

In view of the Association's charitable status no liability to UK corporation tax arises on any surplus for the year (2020 - £nil).

#### 12 Tangible fixed assets - Hostel buildings

##### Group and company

	Completed £
<i>Cost</i>	
At 1 April 2020	3,375,465
	_____
At 31 March 2021	3,375,465
	_____
<i>Depreciation</i>	
At 1 April 2020	717,286
Charge for the year	67,857
	_____
At 31 March 2021	785,143
	_____
<i>Net book value</i>	
At 31 March 2021	2,590,322
	=====
At 31 March 2020	2,658,179
	=====

## Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

### 13 Tangible fixed assets – Other Group

	Freehold buildings £	General equipment £	Electrical equipment £	
<i>Cost</i>				
At 1 April 2020	315,446	38,399	33,524	
Additions	-	-	-	
	<hr/>	<hr/>	<hr/>	
At 31 March 2021	315,446	38,399	33,524	
	<hr/>	<hr/>	<hr/>	
<i>Depreciation</i>				
At 1 April 2020	131,740	38,399	33,524	
Charge for year	6,309	-	-	
	<hr/>	<hr/>	<hr/>	
At 31 March 2021	138,049	38,399	33,524	
	<hr/>	<hr/>	<hr/>	
<i>Net book value</i>				
At 31 March 2021	<u>177,397</u>	<u>-</u>	<u>-</u>	
	<hr/>	<hr/>	<hr/>	
At 31 March 2020	<u>183,706</u>	<u>-</u>	<u>-</u>	
	<hr/>	<hr/>	<hr/>	
	Padworth cabin	Furniture equipment	Scouts Whycotes Centre	Total
	£	£	£	£
<i>Cost</i>				
At 1 April 2020	372,767	26,686	349,286	1,136,108
Additions	-	2,618	-	2,618
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	372,767	29,304	349,286	1,138,726
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 April 2020	44,732	16,812	62,874	328,081
Charge for year	7,455	2,087	6,986	22,837
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	52,187	18,899	69,860	350,918
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 March 2021	<u>320,580</u>	<u>10,405</u>	<u>279,426</u>	<u>787,808</u>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	<u>328,035</u>	<u>9,874</u>	<u>286,412</u>	<u>808,027</u>
	<hr/>	<hr/>	<hr/>	<hr/>

## Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

### 14 Tangible fixed assets – Other Company

	Freehold buildings £	General equipment £	Electrical equipment £
<i>Cost</i>			
At 1 April 2020	315,446	38,399	33,524
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2021	315,446	38,399	33,524
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 April 2020	131,740	38,399	33,524
Charge for year	6,309	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2021	138,049	38,399	33,524
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 March 2021	177,397	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	183,706	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Padworth cabin £	Furniture equipment £	Scouts Whycotes Centre £	Total £
<i>Cost</i>				
At 1 April 2020	372,767	26,686	349,286	1,136,108
Additions	-	2,618	-	2,618
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	372,767	29,304	349,286	1,138,726
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 April 2020	44,732	16,812	62,874	328,081
Charge for year	7,455	2,087	6,986	22,837
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	52,187	18,899	69,860	350,918
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 March 2021	320,580	10,405	279,426	787,808
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	328,035	9,874	286,412	808,027
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

## 14 Fixed asset investments

Company	Shares in group undertakings £
Cost	
At 1 April 2020 and 31 March 2021	<u>1</u>

The company's investment represents 100% of the ordinary £1 share capital of Y-Build Limited. The principal activity of Y-Build Limited is that of property development.

## 15 Debtors

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Other debtors	29,007	39,622	29,007	39,622
Prepayments and accrued income	27,565	27,814	27,565	27,814
Amounts due from group undertakings	-	-	86	154
	<u>56,572</u>	<u>67,436</u>	<u>56,658</u>	<u>67,590</u>

## 16 Creditors: amounts falling due within one year

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	34,413	40,528	34,413	25,763
Taxation and social security costs	13,033	17,447	13,033	9,544
Accruals and deferred income	29,576	56,459	29,576	56,459
Bank loan	13,385	13,385	13,385	13,385
	<u>90,407</u>	<u>127,819</u>	<u>90,407</u>	<u>127,819</u>

# Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

## 17 Creditors: amounts falling due after more than one year

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Bank loan	<b>24,398</b>	36,465	<b>24,398</b>	36,465
Grants	<b>2,147,254</b>	2,202,986	<b>2,147,254</b>	2,202,986
	<b><u>2,171,652</u></b>	<u>2,239,451</u>	<b><u>2,171,652</u></b>	<u>2,239,451</u>

Included within the above are amounts falling due as follows:

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
<b>Between two and three years</b>				
Bank loan	<b><u>13,385</u></b>	<u>13,385</u>	<b><u>13,385</u></b>	<u>13,385</u>
<b>Between three and five years</b>				
Bank loan	<b><u>11,014</u></b>	<u>23,081</u>	<b><u>11,014</u></b>	<u>23,081</u>
<b>Over five years</b>				
Bank loan	<b><u>-</u></b>	<u>-</u>	<b><u>-</u></b>	<u>-</u>

Included in group and company creditors is a bank loan of £37,783 (2020: £49,850) which is secured by freehold property at 34 Parkside Road, Reading, Berkshire.

## 18 Reserves

Group and company	Accumulated
	Fund £
At 1 April 2020	568,749
Deficit for the year	(128,172)
Transfers from restricted funds	22,489
Transfers from designated funds	4,180
	<u>          </u>
At 31 March 2021	<b><u>467,245</u></b>



# Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

## 19 Reserves - Restricted funds

### Group and company

	Café Fund	Nursery Fund	SYMCA Fund	J Houghton
	£	£	£	£
At 1 April 2020	2,317	23,968	165,000	2,221
Income	12,410	-	-	-
Expenses	(14,727)	-	-	-
Depreciation	-	(631)	-	-
<b>At 31 March 2021</b>	<b>-</b>	<b>23,337</b>	<b>165,000</b>	<b>2,221</b>

  

	Milward Fund	Workshop Fund	Earley Fund	Eyre Family Fund
	£	£	£	£
At 1 April 2020	2,117	3,935	1,855	8,042
Income	100,855	-	10,824	-
Expenses	(102,972)	-	(12,679)	(4,512)
Depreciation	-	-	-	-
<b>At 31 March 2021</b>	<b>-</b>	<b>3,935</b>	<b>-</b>	<b>3,530</b>

  

	Scouts Centre Fund	Padworth Fund	Total
	£	£	£
At 1 April 2020	127,981	105,903	<b>443,339</b>
Income	-	500	<b>124,589</b>
Expenses	-	(6,165)	<b>(141,055)</b>
Depreciation	(3,144)	(2,248)	<b>(6,023)</b>
<b>At 31 March 2021</b>	<b>124,837</b>	<b>97,990</b>	<b>420,850</b>

The Mr J Houghton Award is to be used in respect of young people's work.

SYMCA – the fund represents funds donated for the purpose of establishing a specific play scheme.

Scouts Whycotes Centre fund represents funds donated towards the rebuilding of the boathouse. The boathouse has now been built so the depreciation will be offset each year against the fund.

The Padworth fund is in respect of the rebuild of the Padworth cabin.

The Nursery fund is in respect of the building of the nursery.

The Café fund relates to the café.

Milward Fund is for the refurbishment of the Milward building.

The Eyre Family Fund is to cover the cost of a Café apprenticeship.

The Earley Fund is to fund an apprenticeship in the Maintenance department.

The Workshop Fund is to provide learning for young people within the workshop.

# Reading Y.M.C.A.

Notes forming part of the financial statements  
for the year ended 31 March 2021 (Continued)

## 20 Reserves - Designated funds

### Group and company

	Mr M Brown Fund £	Residential Fund £	Major repair Fund £	Millward Fund £	Covid-19 Fund £
At 1 April 2020	91,804	20,499	177,315	14,194	-
Income	-	-	7,601	8,650	10,000
Expenses	(1,500)	-	-	(22,844)	(6,037)
<b>At 31 March 2021</b>	<b>90,304</b>	<b>20,499</b>	<b>184,916</b>	<b>-</b>	<b>3,963</b>

  

	Padworth Fund £	Nursery Fund £	YMCA Fund £	Total £
At 1 April 2020	4,025	4,078	5,000	<b>316,916</b>
Income	3,541	795	1,824	<b>32,411</b>
Expenses	(5,711)	(499)	-	<b>(36,591)</b>
<b>At 31 March 2021</b>	<b>1,856</b>	<b>4,374</b>	<b>6,824</b>	<b>312,736</b>

The Mr M Brown fund is in respect of donations to be used for work with young people.

A service charge is collected from residents for the purpose of providing funds for future reparations, the balance of service charges not expended are carried in the major repair fund.

The surplus funds incoming in the accumulated fund, less any unrealised gains, have been allocated by the Board of Management to these designated funds to ensure appropriate use.

## 21 Capital commitments: contracted for but not provided in these financial statements

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Repairs, maintenance or enhancements to Milward	-	221,207	-	221,207

It is intended that the capital expenditure will be financed by grants, donations and reserves set aside for the refurbishment of the Milward building.

## 22 Analysis of changes in net debt

Group	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	255,130	(113,926)	141,204

# Reading Y.M.C.A.

## Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

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### 23 Pensions

Reading Y.M.C.A. 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 Reading Y.M.C.A. 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%, and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m. This represented 79% of the benefits that had accrued to members.

The Pension Plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits all employed deferred members became deferred members as from 1 May 2011.

The valuation prepared as at 1 May 2020 showed that the YMCA Pension Plan had a deficit of £36 million. Reading Y.M.C.A. has been advised that it will need to make monthly contributions of £1,050 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 1 May 2021.

In addition, Reading Y.M.C.A. 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 Reading Y.M.C.A. may need to pay in the future.

The Association also operates a defined contribution scheme which is available to all of its employees. Contributions are charged in the accounts as incurred and there were no outstanding or proposed contributions as at the balance sheet date.

Total pension costs charged to the income and expenditure account in the year were £44,999 (2020 - £15,360).

### 24 Contingent liability

Reading Y.M.C.A. had previously received a Housing Association Grant from The Housing Corporation (now the Tenant Services Authority) to maintain Marlborough House prior to its demolition. This grant was transferred to Reading Y.M.C.A. on 1 April 2011. In the event of Reading Y.M.C.A. ceasing to provide housing accommodation this grant may be liable for repayment. The value of the grant was £443,861.

### 25 Legislative provisions

The Association is a Registered Social Landlord registered with the Tenant Services Authority (formerly the Housing Corporation). The Association is also a registered charity No 1140731.