

YMCA England & Wales

Annual report & accounts

Year ended 31 March 2022



Here for young people
Here for communities
Here for you





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Welcome to YMCA England & Wales Annual Report 2021/22

2021-22 has been the year in which YMCA's main focus has been how the federation emerges in the post pandemic world. Whereas 2020-21 had been dominated by how YMCAs reacted to and supported young people and communities during the eye of the Covid storm, 2021-22 has been about recovery and adjusting to the new realities. It is easy in this scenario to assume that in some way the worst was over, but whilst the immediate challenges have changed somewhat, the challenges that have now emerged for YMCA are as potentially impactful long term as those posed by the pandemic itself.

These challenges are not exclusive to YMCAs or the charity sector, but rather are a series of factors that have come together to create a 'perfect storm' affecting the whole national and global economy; the result of which is and has the capacity to impact significantly upon the lives of those that YMCAs work every day to support.

The term 'new normal' is a phrase often used in the media to describe the post pandemic world. It is one of those catch-all phrases used to sum up a concept that everyone recognises, but cannot fully define what it means or looks like in reality. The pandemic has undoubtedly changed how we lead our lives, but to what extent these are permanent, will change further, or are part of a temporary phase on the journey back to a pre-pandemic structure is not clear.

These changes impact upon every YMCA and the services that they deliver. YMCAs are continually adapting their own business models to meet these changes, and are being asked to do so in an unsettled environment where much of the external support given during the pandemic has long since gone, and against a backdrop of an economic outlook that makes these challenges even more difficult.

The economic outlook at present is bleak; the consequences of which are challenging YMCAs from many angles. Inflation at levels not seen for a generation are meaning higher costs, whilst increasing interest rates risk stifling investment programmes across the Federation. The recent rapid increases in energy costs are severely

affecting YMCAs with, for example, one of our larger YMCAs reporting that the increase in energy costs alone has added £1.2 million to their annual expenditure. Recruitment and retention remains a significant issue across the Federation with many YMCAs, alongside other organisations, reporting that recruiting the appropriately skilled staff in many service areas has become such a challenge that it has the potential to impact upon our very ability to fulfil that service.

However, despite all of these challenges, YMCAs have continued to show that they are resilient and are adapting and evolving to meet the demands of the emerging world. At the heart of this resilience is that desire and determination to continue to provide and deliver programmes and services for the young people and communities that we support.

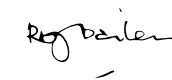
It is in this spirit that 2021-22 saw the development of the new Federation Strategy 2022-2030. Developed and endorsed by YMCAs, the strategy sets out an ambitious programme around the four key themes – Leadership & influence; Excellence and impact, Growth & reach; and Awareness & support – that working together YMCAs want to achieve. YMCAs were clear during the Federation Strategy process that the coming years are a 'time to do'; they are not emerging from the pandemic with a spirit of retrenchment, but rather with one of opportunity and how do we grow together to reach even more communities across England and Wales.

YMCA England & Wales has and continues to 'support, represent and develop' the Federation to enable YMCAs to achieve our collective ambition. Our key focus during 2021-22 was to ensure that YMCA England & Wales emerged from the pandemic financially stable, whilst continuing to give support to the Federation where required.

Central to that activity was ensuring that our retail operation, which has been so affected by the continual closures during national lockdowns, were able to fully re-open and trade as quickly as possible. It is a testament to our hardworking and dedicated retail team that not only was that achieved, but during 2021-22 have been able to deliver a £1.5 million surplus (compared to a £0.5 million deficit in the previous year) – surpassing even pre-pandemic financial results.

This, together with good fundraising results, a strong return on investments, and a continuous drive to bring down costs has meant that YMCA England & Wales delivered a £1.9 million surplus for 2021-22. As a result, this has meant that YMCA England & Wales has been able to distribute some £1.7 million to member YMCAs to help support their work in their communities. Increasing this in the years to come remains one of our key priorities and over the past year the ETV pension exercise was completed, bringing into sight the end in our work to reduce and eliminate the pension deficit. Achieving this in the next few years will be one of the key ways to ensuring that even more resource will be available to support YMCAs.

In last year's annual report 2020-21 was described as a year that had been 'exceptionally testing – emotionally, physically and spiritually'. The same is equally as true for 2021-22 and many of the challenges being faced will remain with us for some time to come. However, there is much to be confident about and once again YMCA has shown itself to be both resolute and determined in meeting today's challenges, whilst also looking to the future with a vision of how we would all like YMCA to be over the next generation. Together we will make that happen!



Reg Bailey CBE
Chair,
YMCA England & Wales



Denise Hutton
National Secretary and CEO,
YMCA England & Wales

YMCA is proud to be the oldest and largest youth charity in the world, with our foundations first rooted in England in 1844.

Over the years, YMCA has evolved into a significant global movement, passionately helping more than 58 million people across 120 different countries.

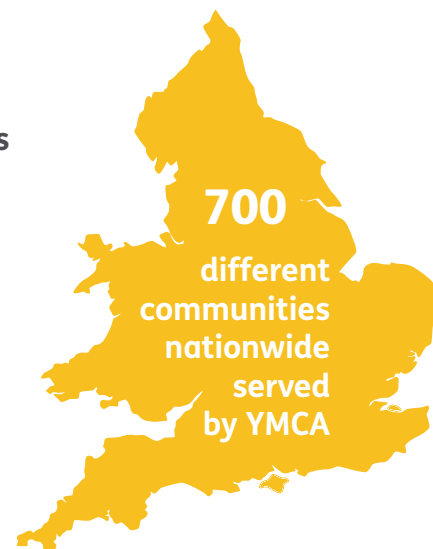


Here for young people
Here for communities
Here for you



83 YMCAs provide services throughout England and Wales

YMCA impacts upon the lives of more than
572,000
young people every year



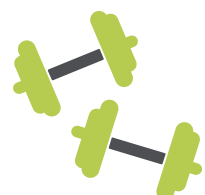
What YMCA does



YMCA's housing services provide **8,800** beds and connects more than **20,000** young people with case workers helping them to live independently



YMCA works with **207,000** children, young people, parents and carers to provide the best possible start in life and support into teenage years and beyond



YMCA provides health and wellbeing across opportunities across **225** sites in England and Wales, helping more than **132,000** people through healthy living activities



YMCA offers more than **28,000** young people practical skills and hands-on learning through training and education



YMCA has enabled **72,000** young people to have someone to talk to or a helping hand

How YMCA influenced

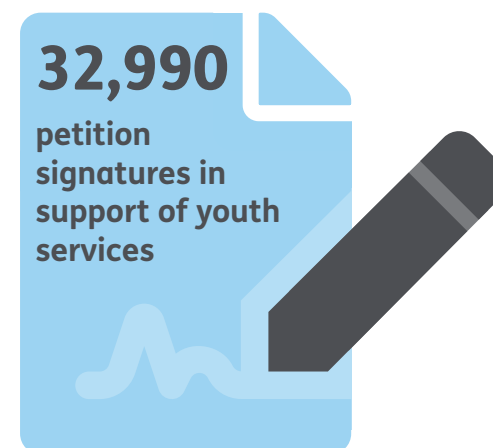


16 new Youth Ambassadors recruited and undertaking training

21 references to YMCA work in parliament



369M people reached by YMCA England & Wales coverage



32,990 petition signatures in support of youth services



1,045 young people involved in our policy and research work



1,659 press articles generated by YMCA England & Wales



3 research reports and 2 national campaigns undertaken

Together YMCA

Helps ensure that everyone has a fair chance to discover who they are and what they can become



YMCA aspires to

Achieve more and better together

YMCA England & Wales

YMCA is proud to be the oldest and largest youth charity in the world, with our foundations first rooted in England in 1844. Over the years, YMCA has evolved into a significant global movement, passionately helping more than 58 million people across 120 different countries. YMCA England and Wales (YMCA England & Wales) also known as the National Council of the YMCA Federation, provides services that support, represent and develop on behalf of approximately 83 local YMCAs working in more than 700 different communities to intensively support 572,000 people every year so that they have an opportunity to truly belong, contribute and thrive in today's society. YMCAs share a common goal: we are an unstoppable movement intent on creating supportive, inclusive and energising communities, enabling young people to lead their very best lives.

YMCA England & Wales supports local YMCAs by promoting gold standards of working, sharing best practice and more recently in the adoption of common core standards in a membership agreement that define a YMCA. We also fundraise to support the work of both the national body and local associations through fundraising (national campaigns, corporates and donors) and through a retail operation – that as well as financial benefits brings many non-financial benefits in the form of local employment and signposting to services. We also partner with YMCAs to pilot new projects such as that in relation to Y-Girls, identify new opportunities and provide training / knowledge sharing opportunities for staff and volunteers. There is also on occasion the need for intervention, support and expert advice in order to address local issues – whether in the form of financial, human resources, press and communications management, or governance level support. We also act in the role of Principal Employer in relation to pensions, lead on other joint procurement initiatives and where requested undertake payroll for a number of YMCAs. YMCA England & Wales represents YMCAs by advocating the needs of the most vulnerable people in England and Wales through engaging government, key policy makers and national media. A number of developments have been built on during the

year, which take forward and expand the influence that YMCAs have in relation to shaping the future agenda. We have continued to focus on ensuring that young people have a home and have been campaigning in response to the reduction in youth services. Together YMCAs in England and Wales are continuing to drive the momentum and push for change around our national flagship campaigns whilst at the same time ensuring that our local YMCAs remain connected to our European and International movements. YMCA England & Wales develops YMCAs by encouraging collaborative working on joint opportunities that further the reach of YMCAs and so that we continue to adapt in the light of young people's priorities – looking to develop solutions to the issues faced in today's society, and working with our YMCAs to meet the needs of young people in communities. In this light we have been working on common tools of impact measurement that better demonstrate our collective value, whilst continuing to support work in relation to faith and heritage. Also during 2021-22 we have built on the collaborative opportunities developed in 2020-21 in relation to the local work of YMCAs including housing projects, homelessness, Y-Girls and mentoring as well as opportunities to consider joint fundraising so as to further activity. This spirit of collaboration has during the year been captured in the facilitation of a new Federation Strategy that sets out the collective ambition of YMCAs identifying those areas where together we can maximise impact in the interests of beneficiaries.

Public Benefit

The Board has considered the general guidance on public benefit issued by the Charity Commission and has taken due regard of that guidance and is satisfied that the charity's activities do provide wider public benefit. The work of YMCA makes a difference to young lives and communities every day. An example of the work that we do and the public benefit that is delivered is shown in the tables below, spanning work areas including Support & Advice, Housing, Health & Wellbeing, Training & Education and Family & Youth Work. The support that we deliver is only made possible thanks to the dedication of staff and volunteers, and the generosity of our supporters. These are the foundations on which the work of YMCA has always been built, and will be even more important as society re-emerges from the pandemic and addresses some of the new challenges presented.

The role of YMCA England & Wales in relation to support, represent and develop is delivered across the following service lines, and to the extent that the resources available provide for capacity:

Uphold membership standards



To oversee and monitor the implementation of the Membership Agreement to deliver a common approach to standards across the YMCA Federation.

Assurance, risk and compliance



To deliver a high level of confidence across the Federation in relation to agreed compliance levels being achieved and identifying potential areas of concern.

Intervention and support



To ensure potential risks are mitigated through intervention and support.

Policy, research and advocacy



To effect positive change on key policy areas impacting upon the work that matters most to the YMCA Federation and our beneficiaries.

Press, campaigns, brand and communications:



To promote the work of YMCA, its positive impact upon the lives of our beneficiaries, and ensuring a high level recognition of YMCA's brand.

Faith



To ensure the Federation has the resources, thinking and strategy to hold its Christian identity and apply that in the 21st century; enabling the Federation to deepen bonds of unity; and for faith to find its place in our local, regional, and national identity.

Heritage



As the stewards of YMCA's heritage, to protect, enhance and enrich our history.

Strategy and growth



To facilitate and promote strategies within the YMCA movement that provide for growth, innovation and collaboration across the Federation.

Impact measurement



To establish a number of coherent key impact measurement indicators across the main work areas to show the overall impact of YMCA work throughout England and Wales.

International, democracy and engagement



To represent YMCAs across England and Wales on the international stage, and to facilitate opportunities for all member YMCAs to engage and contribute to the future direction of the Federation.

Financial sustainability



There are four components to financial sustainability covering pensions management; fundraising, including business development; retail; and value for money

Strategic objectives

With 2020-21 being the last year of the Federation Strategy a process has been undertaken during 2021-22 to develop a new Federation Strategy which would apply from 2022 onwards. This work, the content of which is set out below, articulated a new collective ambition to inform the work taken forward by YMCAs in the period 2022-2030. With the new 2022-2030 Federation Strategy activity concluding in the middle of the 2022 calendar year, the period for which these accounts are written has therefore been within the context of the prior Federation Strategy.

In future years it is proposed that, with the future Federation Strategy now agreed, YMCA England & Wales will articulate the role it plays in the delivery of the collective ambition through a new YMCA England & Wales Strategy (as distinct from the Federation Strategy) and as now through annual Business Plans. For now however the below reports on progress against the 2017-21 Federation Strategy.

2017-21 Federation Strategy

YMCA England and Wales (YMCA England & Wales) has three aims that it shares with the Federation (set out in the YMCA Federation Strategy 2017 to 2021) and applied in the period covered by these financial statements. These are:

1 | To be viable and sustainable by:

- ▶ Maximising asset value and removing the pension burden;
- ▶ Generating greater economies of scale, scope and efficiencies through collaboration and partnership; and
- ▶ Changing the income mix and reduce reliance on statutory funding.

2 | Extending our influence and impact by:

- ▶ Effective evidence-based research. Local/national engagement with decision makers;
- ▶ Communicating and promoting the activities and impact of the Federation; and
- ▶ Demonstrating and measuring the impact of the Federation.

3 | Working together better to deliver better by:

- ▶ Modelling good governance and management;
- ▶ Building capacity and skills; and
- ▶ Delivering safely to consistently high quality and standards.

All YMCAs are responsible for the successful delivery of the Federation Strategy. YMCA England & Wales however, in its role as the national body, has three further objectives which are focused on delivering services to our member YMCAs. These are:

- 1. To secure our financial future by increasing our income and reducing costs to ensure our sustainability;**
- 2. To ensure a fit-for-purpose infrastructure; by creating a new, streamlined structure to deliver the Federation Strategy within our financial constraints; and**
- 3. To protect and enhance the YMCA by acting as guardian for all that the YMCA stands for in England and Wales and contributing to its development at home and abroad.**

This report evaluates our performance against these objectives but also through the YMCA England & Wales 2021-22 Business Plan (which further cascades the Federation Strategy aims and objectives) specifically how we delivered against the plan objectives for the year.

As noted above, for future years this statement will report on the YMCA England & Wales Strategy that identifies how we contributed to the collective ambition in the Federation Strategy.



Review of achievements

Introduction

Whilst 2020-21 was very much influenced by both the pandemic and the pension (with a triennial valuation undertaken in that year), 2021-22 was very much concerned with emerging post pandemic. In this respect both YMCA England & Wales (and in particular our shops, given that other operations had continued, but where these had remained closed for much of the year) but also our YMCAs. In particular in the case of the latter, where for many the impact of the pandemic had been significant with gyms and leisure activities required to close, childcare closed, family and wellbeing services delivered in different ways, and other activities having to be delivered in different ways in order to sustain services and take account of Government requirements and the changed environment.

That noted, the need for housing for all, and focus on homelessness during the pandemic, has provided some opportunity and with YMCAs showing innovation we are aware that some YMCAs have yet managed to thrive and grow coming out of the pandemic. In this respect 2021-22 has continued to represent a mixed picture both building on the challenges of the past year but also providing the opportunity to rethink business models. However, it has allowed in almost all instances a return to the service delivery albeit with some lasting effects on both operating and financial performance to which 2021-22 has added the further challenge of recruitment and price inflation, driven largely by an uncertain world environment.

In this respect however, YMCAs have continued to show that they are resilient and have where needed adapted to the changed environment to provide essential services for young people and communities.

In relation to YMCA England & Wales, and our emergence from the pandemic (recognising that much of the core service delivery not only continued but increased during the pandemic), the key area effected has been our Retail activity – with 100+ shops that were required to remain closed until April 2021, and where there was much uncertainty in relation to demand.

In this respect we are delighted that, due to effective management our shops have not only reopened effectively but have done so in a way that surpasses pre-pandemic results. This has led the Board to consider whether there is an opportunity to increase the number of shops as a means of generating additional unrestricted income both to further the work for beneficiaries but also for distribution directly to YMCAs. As a result a new 'growth' in the shops portfolio is underway that will see shop numbers moderately increase over a five year trajectory.



2017-2021 Federation Strategy: Aims & objectives

The following reports on progress
against the 2017-21 Federation
Strategy aims and objectives:



1 | Be viable and sustainable

Maximise **asset** value and remove the **pension** burden:

- ▶ Integrated strategy for asset value maximisation across the Federation: A number of opportunities were identified where collaborative working would be beneficial to deliver greater value. This continues to be explored both with and through YMCA England & Wales, but also directly across YMCAs – for example a number of joint fundraising projects have been taken forward involving collaborative asset sharing in order to best pool resources, knowledge and skills.
- ▶ Integrated solution to reducing and buying out pension liabilities: Work continues with a sweep up of the ETV exercise (having concluded the earlier £12m transfer exercise) and on-going liaison with the Pension Trustees to provide for effective management of the scheme. Activity has begun to consider the ‘end-game’ as we get closer to the scheme being in balance following deficit repayments, with further work due in 2021-22 to prepare for the May 23 triennial valuation.

Greater **economies of scale, scope and efficiencies** through collaboration and partnership:

- ▶ Proactive exploration and development of collaboration opportunities: Some areas already utilise collective buying power e.g. in the areas of insurance, group life cover, VAT, pensions and in some service areas such as payroll and human resources. Progress continues in relation to a partnership approach to fundraising.

- ▶ Develop collaboration support and guidance: This was very much a focus during 2020-21 with support provided to YMCAs through the pandemic, and in 2021-22 continues with on-going encouragement of sharing support and guidance across the Federation.
- ▶ Develop and implement resource sharing approaches: This remains an area for further work to be taken forward in the context of the new Federation Strategy.

Change income mix and reliance on **statutory funding**:

- ▶ Develop and roll out a range of business models: YMCAs have continued to consider their business models, brought into sharp focus by the challenges post pandemic. This has resulted in some YMCAs having to reduce activity and refocus, whilst others have grown. This will continue to be a focus as YMCAs find the ‘new normal’ in relation to the changed environment, and services required by beneficiaries.
- ▶ Develop and implement an approach to coordinated fundraising and tendering: Work on a partnership approach to fundraising has progressed with partnership developed in relation to Room-sponsor, but also across a number of new initiatives including funded activity in relation to Y-Girls mentoring programmes, accommodation and the development of transitional housing guides. This joined up approach to tendering remains a significant opportunity for YMCAs, with opportunities continuing to be explored at a national and local level.

2 | Extend our influence and impact

Effective evidence-based, local/national **engagement** with decision makers:

- ▶ Equipping and supporting local engagement: YMCAs have continued to be represented at the highest level with evidence gathered of local issues framed so as to inform the national conversation. This work has continued in areas relating to the impact of youth cuts, the need for accommodation support, the mental health challenges facing young people and the need for societal change in communities. This has included representation on select committees, representing YMCAs in discussions with Government including Department for Culture Media and Sport, Department for Education and the Ministry for Housing and Local Government as well as interacting and supporting YMCAs with local engagement.
- ▶ Sector partnership development: YMCA England & Wales continue to work in partnership with stakeholders in the sector to identify common interests and where to target advocacy and lobbying in order to champion with partners the need for better outcomes for young people and communities.
- ▶ National campaigns: A number of research project and national awareness campaigns were undertaken so as to stimulate action. These have included issues in relation to housing, mental health, welfare, support, work and training – all work areas that the YMCA delivers on a daily basis. A national campaign, building on the earlier pilot activity across certain geographies remains an aspiration subject to resourcing appropriately and is reflected in the new Federation Strategy.

Communicate and promote the activities and impact of the federation:

- ▶ Shared performance measurement framework: Work has now concluded on a shared housing metric in 2020-21 and continues on developing an education metric.
- ▶ Develop and implement frameworks to capture and disseminate activities across the Federation: There has been much sharing of practices across YMCAs resulting from the pandemic and continuing into 2021-22. This basis of sharing will be further built on in the new Federation Strategy ensuring that there are appropriate structures to share and promote practice to assist drive the beneficiary focused priorities forward.

Demonstrate and measure **impact** of the Federation:

- ▶ YMCA evidenced research reports around key areas: A number of evidenced research reports produced in 2021-22. These research reports continue to tap into the key themes that impact on youth and communities and attract significant attention to inform the agenda.
- ▶ Consistent adoption and application of brand: The brand is now a requirement of the membership agreement. All YMCAs are expected to comply with the brand requirements by March 2023 and many have continued steps to ensure compliance by this date. YMCA England & Wales continues to offer support to YMCAs to enable them to adopt the brand.
- ▶ Internal and external communications strategies/frameworks: A range of internal and external communication strategies and frameworks have been adopted including local advice to member YMCAs on difficult public relations issues. Much use continues to be made of virtual communication channels including virtual network events, Chair and CEO events and sharing of practice.

3 | Work together better, to deliver better

Model good governance and management:

- ▶ Agree and nurture most appropriate association/federation structure. This work has not been a focus during 2020-21 and overtaken by other priorities, although earlier work on the Commission assisted to inform future thinking.
- ▶ Clarify governance standards and requirements: All YMCAs signed a membership agreement by March 2021 as required (other than one which left the movement). A new health check was issued in 2021 with returns analysed and shared as comparative benchmarking information with YMCAs. The 2022 return has been issued and will build on this progress.
- ▶ Clarify and adopt rights and responsibilities: This has been completed and adopted in the membership agreement.
- ▶ Review and simplify governance mechanisms: The Membership Agreement sets out a number of core governance standards.
- ▶ Clarify crisis/intervention mechanisms: The work on the YMCA England & Wales Business Model clarified the role desired by the Federation from YMCA England & Wales. The pandemic increased the need for specialist support to YMCAs whether in relation to business models, viability, human resources, public relations and other challenges in their work with young people. There has been less of this required (direct financial) activity in 2021-22 although assistance has continue to be provided on governance, human resources and other expert support where not available within the local YMCA, or a need for a 'outside' the organisation perspective.

To build capacity and skills:

- ▶ Coordinated approach to developing capacity and skills in key practice areas: There has been much activity in this area across the Federation to share skills and knowledge. This remains a core theme in the new Federation Strategy.
- ▶ Develop and implement a culture and behavioural framework: Work on ethos and culture has very much come to the fore post pandemic as the need to respond to place our people and the way in which we work at the centre of our thinking has to the fore (with YMCAs sharing how they look after the well-being of but also the way in which we embody our values in our day to day work. Work continues into 2021-22 to conclude and embed these cultural aspirations in our work.
- ▶ Develop and implement a volunteer strategy: Volunteers are an integral part of the YMCA England & Wales Retail function and with the Retail operation being closed for most of 2020-21 the opportunities for volunteers had been limited. However with shops reopening we are now hopeful of continuing with this important aspect of our work, both assisting the workforce but also generating opportunity and in this respect have added additional resources to assist (noting some lower take up of volunteering opportunities post pandemic).
- ▶ Leadership development programme: An initial programme was developed by the George Williams College following pump prime funding from YMCA England & Wales. Alongside this a new CEO's programme has been developed that will ensure that all new appointments will have access to an internal programme that embraces them into the work of YMCA.

- ▶ Create and nurture internal networks: Internal networks across the Federation operate effectively to ensure the voice of the Federation is heard and drives the agenda. This has included Chair, Chief Executives and senior leader networks with support / facilitation by YMCA England & Wales as well as more formal aspects of the democracy process such as the Annual General Meeting. Throughout the pandemic these networks have continued to meet with both an in person Youth Matters Awards held in December 2022 to celebrate young people and local YMCA achievements and a national conference held in April 2021.

Deliver safely to consistently high **quality** and **standards**:

- ▶ Articulate and roll out quality service standards: Quality standards developed and set out in the Membership Agreement with the majority of YMCAs signing by the deadline of 31 March 2021.
- ▶ Roll out and monitor safeguarding standards: Safeguarding is a priority across YMCA and within YMCA England & Wales has included a new safeguarding policy, tightening up of the approach to DBS checks and appropriate recruitment checks, as well as mandatory roll out of training with 100% compliance. This has included the recent purchase of the reporting and management tool My Concern. Across the Federation, YMCA England & Wales continues to provide guidance on best practice and engages in the Federation Safeguarding Working Group to share and disseminate best practice.

YMCA England & Wales: Aims & objectives

As noted above
YMCA England & Wales has
further objectives in relation
to its own operations.

An assessment of progress
against these are
below:

► To secure our financial future; by increasing our income and reducing costs to ensure our sustainability: Unrestricted funds show a surplus of (£0.56m) made up of an unrestricted surplus of £0.54m and a restricted surplus of £0.02m Including the return on investments of £1.09m and movement of the pension this provides for a net movement in funds of £1.89m. As a result the YMCA England & Wales balance sheet remains strong with loans all repaid and funds invested to assist with the significant pension contributions.

► To ensure a fit-for-purpose infrastructure; by creating a new, streamlined structure to deliver the Federation Strategy within our financial constraints: A number of changes have been made to the way in which YMCA spend including less reliance on external support and expertise, but also to inject some necessary capacity where needed in order to take forward priorities. This has been achieved alongside increasing the level of distributions to YMCAs, securing our own financial future but also as required introducing new systems and processes that enable activity, within limited resources, to be focused on the priorities that align with overarching objectives and which will improve future performance.

► To protect and enhance the YMCA; by acting as guardian for all the YMCA stands for in England and Wales and contributing to its development at home and abroad: YMCA England & Wales has continued to represent the Federation at home and abroad, ensuring that the YMCA voice is heard across the World whether in activities with the World Alliance, YMCA Europe or other national movements across the globe. More recently this has included activity in relation to co-ordinating support to Ukraine to ensure that our support, with others, provides for much needed resources with a fundraising effort generating over £200k for distribution to the cause.



2021/22 YMCA England & Wales Business Plan

As well as having specific YMCA England & Wales Federation Strategy objectives, the YMCA England & Wales Annual Business Plan sets out a number of specific objectives that further the priorities set out in the Federation Strategy.

The Business Plan priorities in 2021-22 built on those in 2020-21 and included:

Identify collective aspiration to serve young people and communities over the next four years through the development of a refreshed Federation strategy which will be presented at the 2021 AGM.

Strategy:

- ▶ Engage the Federation in developing a delivery plan to take forward aspirations set out in the Federation Strategy: completed with presentation at national conference in April 2022

Faith:

- ▶ Develop an action plan to support the YMCA Federation's resources, thinking and strategy to hold its identity and apply that into a post-modern 21st century Christian culture: work has begun in this area and continues into 2022.

Heritage:

- ▶ As the founding movement to develop an updated plan to preserve explore and capitalise on the heritage of the YMCA in the context of our work: This work has continued into 2022.

International Democracy & Engagement:

Reinvigorating democracy is an important aspect of the YMCA federation. This work has included:

- ▶ On-going facilitation of virtual conferences with Chairs, Trustees, CEOs and strategic leaders.
- ▶ Delivering the Youth Matters Awards 2021 and a National Conference in 2022.

- ▶ Scoping a proposal in relation to developing young Trustees from diverse backgrounds and taking this forward into 2022.
- ▶ Representing YMCAs on the World stage, including World Council 2022, the process for new WAY Executive Committee members, as well as engagement across a number of areas (strategy, working groups).

Upholding Membership Standards: where we have:

- ▶ Now facilitated the role of the Quality and Assurance Development Group to plan future work to ensure beneficiaries receive high-quality services.
- ▶ Continued with the roll out of Trusted Charity Status providing engagement and support to YMCAs to ensure standards are met.
- ▶ Supported where appropriate YMCAs to achieve the CHAS (Health and Safety) standard across the Federation.

Assurance Risk and Compliance:

Where we have reissued the Health Check to now include the requirements of the Membership Agreement and having received return developed ratio analysis to enable Boards to both consider comparative data but also that enables risks to be managed.

Intervention and Support:

- ▶ Emerging from the pandemic, assess the financial sustainability and emerging themes from YMCAs, and identify areas for support. On-going assistance has been provided to YMCAs during 2021-22 with a key theme emerging through the new Federation Strategy being the need to assess the current viability and risk challenges across the movement. This is to be furthered in 2022.
- ▶ Undertake a research report on the impact of collaboration recognising this as a key theme that YMCAs have highlighted throughout the pandemic: whilst work was readied for this to happen, given the burden of further activity on already busy YMCAs this was deferred.
- ▶ Support the Health and Wellbeing of staff and volunteers coming out of the pandemic by enabling the Federation to share best practice: much work undertaken whether in relation to sharing well-being techniques and tools adopted, clarifying culture and sharing activity / knowledge in relation to reward and key people hygiene and motivation factors has been undertaken during 2021-21.

Impact measurement

- In order to ensure models of service delivery for beneficiaries achieve positive outcomes, to conclude and launch the housing impact measurement tool and make significant progress in two other service areas: housing tool now concluded with work progressing in relation to an education based measure.

Policy, Research, Campaigns & Advocacy:

- In order to emphasise key issues affecting beneficiaries and YMCAs, deliver at least three research projects during 2021–22 with emphasis on COVID-19 recovery and the impact upon local YMCAs, and a number of research projects delivered in 2021-22.

Press Brand and Communications: Actions have included:

- Ensure YMCA's National Brand continues to support member YMCAs' needs, implement the outcomes of the brand review, and publish updated brand guidance. YMCAs continue to implement the brand increasing compliance levels across the board, with those unable yet to do so largely due to the availability of resources. New brand guidelines have been published.
- Ensure beneficiaries understand what YMCA do and complete the purpose conversation: Purpose work now concluded statement clarify the YMCAs position in relation to communities and young people.
- To improve how we communicate and engage as a Federation. The internal communications review has progressed during 2021-22 with work commissioned.

Financial sustainability:

Actions in this area span a number of activities but have included:

- Extend our reach to beneficiaries and local communities by developing partnership opportunities particularly for: Accommodation; Health & Wellbeing; and Training & Education: a number of partnership opportunities have either been furthered or developed in 2021-22.
- Deliver partnership working through Retail to benefit local YMCAs: As noted shops have returned positively post pandemic with an ambitious growth agenda that will deliver increased income for the work whether nationally or locally.
- Deliver partnership working through Fundraising opportunities, particularly Room-sponsor and Legacy: partnership working continued through 2021-22 noting some of the challenges of the new model of working, with a commissioned independent review of the Room-sponsor programme providing a useful set of recommendations to take forward.
- Maximise national collaborative opportunities to secure responses to support young people and local communities: a number of partnership have continued in 2021-22 including Y-Girls mentoring project, Shine, the Sidley Partnership to name but a few.
- Ensure we continue to manage the risk of the pension liability and identify next steps: work has continued with the Pension Trustees to manage the liability with the pension position now returning to pre-pandemic levels.



The aforementioned objectives deliver on the role of YMCA England & Wales in relation to the Federation, which in turn furthers the objectives identified in the Federation Strategy.

In addition to the work that recognises our role in either the delivering of the collective aspiration of the strategy, or our foundational role in relation to support, represent and develop we also have a role in relation to the operation of YMCA England & Wales as a charity of its own accord. In this respect the following represent the 2021-22 Business Plan targets that relate to this:

Fit-for-purpose infrastructure

Actions to deliver a fit for purpose infrastructure have included:

- ▶ Develop and embed faith in the culture of YMCA England & Wales in a way that is consistent with the outcomes of the Federation-wide Faith Group: an Ethos and Culture group has been established that has during 2021-22 developed a statement of how faith should be represented in the way in which we work, with the Board discussing this at their strategic away day.
- ▶ Equal opportunities are embedded in the Paris basis, therefore as an employer passionate about equality, diversity and inclusion, we will develop an action plan that removes barriers to achieving this: An equalities, diversity and inclusion action plan has been developed with a number of actions delivered in 2021-22.
- ▶ Develop a YMCA England & Wales strategy that aligns with the new Federation strategy. Work has begun in this area with Board level conversations and debate both to inform a near and far environmental assessment but also to assess YMCA England & Wales strengths, weakness, opportunities and threats. With work concluding on the Federation Strategy (later than planned) this now presents the opportunity to determine the YMCA England & Wales strategy in this context.

- ▶ Develop a digital strategy to aid engagement with beneficiaries and the services we provide to the Federation through digital platforms. This has been considered within the context of the internal communications review.
- ▶ Ensure high-quality governance to implement a Board development programme based on the assessment of evidence against the Governance Code. The Board have considered the Governance Code and identified where action is needed.
- ▶ We believe in supporting our staff and volunteers through body mind and spirit. We will continue to identify solutions to support the health and wellbeing of staff and volunteers. A well-being action plan was developed during the pandemic and has continued into 2021-22 through the work of the culture and ethos group.
- ▶ In order to retain and attract high-quality staff, we will undertake a pay and performance framework review to ensure we remain competitive within the sector. Pay review completed to ensure that staff are paid at the median for the sector with further work planned to review pay frameworks and progression in the light of aspiration and affordability.
- ▶ Consider our longer-term needs for accommodation, alongside scope for increased flexible working and value for money. Negotiations concluded with the landlord that provided for reduced cost, whilst also continuing to evolve an agile working model that is in the interests of the organisation and staff.
- ▶ Ensure we achieve the standards in the Membership Agreement. Work continued on Trusted Charity status and other governance aspects required in this context.

- ▶ Improve how we communicate and engage across YMCA England & Wales, and implement the internal communications review: Internal communications reviews underway that will inform future direction in 2022-23.
- ▶ Utilise our retail network in communities to maximise the reach of campaigns: to be further explored in 2022-23 although retail network used in instance to assist promote messaging e.g. more recently in relation to Ukraine.
- ▶ Ensure transparency and report on a series of value for money and impact measurements at the AGM (including financial, retail and fundraising performance): Information on value for money and impact reported to the AGM.

Secure financial future

Actions against this objective have included:

- ▶ To ensure a financially secure national body we will deliver the agreed budget by the National Board. As evidenced in the financial statement a strong financial outturn for the year, although noting that much of the positive variance was due to one -off changes e.g. for pension contributions, investments.

- ▶ Deliver against agreed Retail and Fundraising targets. Retail targets exceeded due to exceptional post pandemic performance although issues with pipeline for legacy notifications at the Probate Office impacted on outturn.
- ▶ Following the increasing distribution of funds to local YMCAs, develop existing or alternative ways to generate unrestricted income to specifically support YMCA England & Wales so that it can continue to deliver services to YMCAs: as noted, expansion of Retail will secure increased unrestricted distribution.
- ▶ Maintain the level of funds in investments to meet the pension burden: funds increased in 2021-22 due to market performance.

A 2022-23 Business Plan has been agreed by the Board that set out the priorities for the year. This has been set within the context of both building on the priorities in 2021-22 but also the emerging goals and strategies emerging from the 2022-2030 Federation Strategy.

2022 – 2030 Federation Strategy

In addition to the report on achievements against the above, with work now concluding on a new Federation Strategy this report also provides an update on the outcome of this work and articulates the ambition set out following further work for future years.

The 2022-2030 Federation Strategy defines four overarching goals and the work needed to accomplish them, encompassing the Federation's aspirations. The strategy focuses on collaborative and combined work that will make the most of our national capacity and increase our impact across England and Wales to the benefit of all YMCAs and the people in our communities. The goals and strategies identified are shown below.

Goal: Leadership & Influence

Lead change that brings about a more just, inclusive, and equitable future.

Strategies

1. Take clear, strong, public positions to influence the direction of public opinion and governments in both Westminster and Cardiff in support of YMCA priorities and the reduction of inequality.
2. Define, adopt, and embed an overarching and inclusive YMCA ethos that puts the people we serve first and can be put into action in all our operations.

Goal: Excellence & Impact

Transform lives with programmes that are second to none in quality.

Strategies

1. Develop a common basis for core programmes and services, defining a shared approach to quality improvement, outcomes, and measurement that can be used by any YMCA.
2. Embed systems that will strengthen our ability to be an inclusive learning organisation.

Goal: Growth & Reach

Provide more support in more places, to more people, where there is unmet need.

Strategies

1. Scale up delivery of our strongest and most suitable programmes for national impact, adding value to work that is already happening, and developing new work where there is an opportunity to do so.
2. Make it easier for different YMCAs to collaborate as allies with openness and confidence for the benefit of all YMCAs of whatever size and in whatever location.

Goal: Awareness & Support

Achieve high levels of public understanding of the issues people and communities face, driving urgency, support, and empathy for others so that the public shares and supports our goals.

Strategies

1. Build a compelling, highly visible, and relevant presence for YMCA that establishes for the public what we do, why it matters, and how they can join us in changing outcomes.
2. Increase recognition of and trust in YMCA's reputation among decision-makers and influencers, including governmental, civic, business and partner entities.
3. Collaborate to increase opportunities for donations, grant funding and partnerships for large-scale impact.

The Federation Strategy was created using a facilitated, collaborative process, and is designed to be flexible in the face of an external environment that is changeable and an internal environment that has to remain agile as recovery from the economic effects of Covid continues.

Through multiple rounds of in-person discussion and input in individual interviews and in groups, online surveys and review, the final document was created with the participation to varying degrees of 85% of member YMCAs. The final document was approved by the National Board of the YMCAs of England & Wales. The implementation is now commencing with the creation of a Federation Strategy Delivery Group, an operational group made up of volunteer CEOs, Board Chairs, and the National Secretary.

2022-2030 National Council (YMCA England & Wales) Strategy

With the business model defined, the role of YMCA England & Wales clarified and having worked towards increasing the security of our future, 2022-23 offers the opportunity to align all of this activity to the new goals identified in the 2022-2030 Federation Strategy. In this light, we will look to develop a YMCA England & Wales Strategy that identifies how we will contribute, with our local YMCAs (but conscious of our different roles) to the ambition that is set out. This will very much focus our work programme as we move into the 2023-24 business planning round.

Alongside the role that YMCA England & Wales will be required to play in helping to deliver the collective ambition, there is also the foundational role that exists in relation to support. This role, which is articulated in the role under which the business plan priorities are identified, continues to be taken forward albeit recognising the significant overlap between much of the work already underway and that in the new federation strategy. That noted, we are very much aware that the pandemic has left a lasting challenge for YMCAs to respond the changing environment.

In this respect we are not only focused on the ambition of the Federation Strategy, but also firmly rooted in the 'here and now' and ensuring that YMCAs continue to feel the benefits of being a national movement and are able to benefit from the day to day activities whether policy and advocacy, intervention and support, risk management, the protection of heritage or international democracy and engagement. Finally 2022-23 offers the opportunity to continue to build on our own capability and capacity to be able to best deliver against both the Federation Strategy and foundational role. This will include further work on both driving improved financial security through our retail expansion, but in a measured, managed way but also by ensuring that YMCA England & Wales is able to recruit, retain and reward the very best staff, that our information technology supports communication needs and that our governance is best in class.

The year has started positively as we look to build on the progress, and ensure that we together with YMCAs are well placed to deliver on the ambition identified and are able to ensure that YMCA remains are the forefront of transforming young people's lives and communities, enabling them to belong, contribute and thrive. These components make up our role, whether in relation to our contribution to the Federation Strategy, our foundational role or ensuring that we are best placed to deliver against the above which will make up our new strategy which is to be agreed by Board (following discussions on strategic direction) later in 2022.

Performance to date and cost of living

Performance in the financial year has built on the progress made in 2021-22, although very much aware that the prior year performance was due in part to exceptional items. For 2022-23 the Board agreed a balanced operational budget for the current year improving in later years across the five year term, again recognising the cash impact of the pension but also cognisant of the ambitious retail growth plan. At the time of writing the performance into 2022-23 has continued the upward trend seen in 2021-22 with improving retail performance recognising the growth plan agreed by the Board, fundraising improving in particular in relation to restricted fund projects but now with legacies showing some signs of return to prior levels. Offsetting this there has been some fall in the value of investments in the light of World events.

In addition, and as for many in the UK, YMCA England & Wales is impacted by the factors that are driving current UK inflation levels – with both pressure on pay, with consequences for staffing, and also utility costs (specifically in relation to our retail shops). In relation to the former at the turn of 2022-23 the Board awarded a 3% annual pay increase for Charterhouse staff and a 5.7% average increase in our shops in the light of the changes to the living wage with consequent increases across the shops staffing model to retain parities. The Board also agreed a one-off increase of 2.25% from 2021-22 that would aid with the cost of living, and the additional national insurance costs now met by employees. Alongside these two measures, during 2022-23 we have also reviewed all staff salaries to ensure that all members of staff are at least on the median for their role and have reduced the travel burden placed on staff with the introduction of agile working.

The pressures faced by staff remains under review by the Board in order to enable our staff to be best placed to manage with the cost of living increases that are impacting on real terms pay but whilst also being aware of the affordability challenge both now and in future years. This affordability challenge is furthered by rising utility costs which will impact on the bottom line of our retail operation. Whilst some account of rising prices had been taken into account in setting the budget for future utility costs, the latest suggested increase has exceeded our expectations with prices rising by nearly 300% before Government support. Whilst manageable in 2022-23 (although impacting significantly on expected forecast outturn) and with steps taken to mitigate the impact as much as possible, we continue to monitor the situation closely to ensure that our future plans take into account this risk.



Risk management and internal controls

YMCA England and Wales operates a comprehensive corporate risk management process in order to manage and mitigate risk. The Board of Trustees has overall responsibility for ensuring that we operate an appropriate system of controls, financial and otherwise, to provide assurance that:

- ▶ Our resources are used in a way that maximise impact for our beneficiaries and the Federation
- ▶ We are operating efficiently and effectively within a climate of value for money
- ▶ Our assets are safeguarded against unauthorised use
- ▶ Proper records are maintained and financial information used within YMCA England & Wales and for publication is reliable and accurate
- ▶ We comply with relevant laws and regulations.

The systems of internal control are designed to provide assurance against material misstatement or loss. These include:

- ▶ A Business Plan and budget approved by the Board following a thorough business planning process that allocates resources to priorities

- ▶ Ensuring that the Board, Committees and Senior Leadership Team are apprised of financial results, variances from budgets and non-financial performance indicators

- ▶ A Committee structure that ensures an appropriate skills mix to be able to have informed challenge

- ▶ Effective management information systems, which continue to develop with the provision of monthly management accounts to a range of audiences including: Trustees, Committee members, Leadership Team and Budget Holders

- ▶ Delegation of authority and appropriate segregation of duties ensuring controls on expenditures

- ▶ Appropriate financial policies, processes and systems as detailed in a Finance Manual

- ▶ Identification and management of financial and other risks by the Board and Senior Leadership Team including frequent review of the Risk Register by the Board and Finance and Audit Committee

- ▶ Processes to ensure that conflicts of interest are identified and recorded

- ▶ Regular checks and review through internal, joined up budget/outturn conversations

- ▶ Updates from investment managers and provision of information to Committees

- ▶ Accountability to members through an Annual General Meeting.

The Finance and Audit Committee monitors the effectiveness of audit and reviews our risk management processes. The Committee has provided the following statement:

The Finance and Audit Committee has reviewed the reports from the senior management, auditors and other reports on areas of operation. It is through regular review, scrutiny and challenge from experts that the environment for continuous improvement is created, providing a basis for the assessment of whether internal controls and risk management have operated effectively during the year. The Committee confirm that the above systems have been applied and are therefore confident that systems of internal control and risk management are working effectively (albeit noting that there is always scope for improvement).

In relation to risk, the Board operates a formal risk management process to assess risk and implement mitigating strategies. This involves identifying the types of risks faced, prioritising them in terms of potential impact and likelihood of occurrence, and identifying a means of management. This has also informed the Reserves Policy that is set by the Board.

As part of this process the Board receives regular reports detailing major risks, approves plans for the implementation or enhancement of procedures and policies where these are required, and otherwise ensures that appropriate steps are being taken to manage the key risks. Approved actions are implemented by senior managers who are accountable to the Board.

A number of risks have been managed in 2021-22 and indeed whilst increasing during the pandemic have since reduced. Whilst at this stage last year there were 13 significant risks of which 9 related to either the pandemic or pension, there are now only 5 significant risks recognising the positive response to the post pandemic environment. The highlights from the YMCA England & Wales Risk Register are listed below:



| Risk | | Latest Action |
|------|--|--|
| 1 | Key Person Dependency -including Payroll, Legacy, Supporter Services | High level review undertaken of key dependencies for FAC with some actions identified - IT review completed allowing fall back arrangements to be put in place and any risk mitigated. IT Review now with SLT. |
| 2 | Increase in pension deficit obligations with implications for solvency and liquidity | Next review due in 2023 although current indications suggest that funding levels returned to pre-pandemic funding basis and as such now in front-off the original trajectory to achieve self-sufficiency. |
| 3 | Covid-19 - Financial Implications for YMCA Federation (with impact for YMCA England & Wales) | A number of activities undertaken to support YMCAs including specifically direct financial support in 2020-21 and into 2021-22. Polling in 2021 suggested a mixed economy across YMCAs but generally much improved from the initial Covid assessment. However, whilst YMCAs have noted over the past year that the financial implications have been managed, some previously optimistic have faced a challenging 2021-22 with 2022-23 being subsequently concerned with consolidation. |
| 4 | Reputational impact for YMCA Federation due to local YMCA issue | Continue to work on a number of cases across YMCAs in order to manage reputation risk. Potential to reduce in due course |
| 5 | Impact of inflation and rising energy prices | Early assessment of increased utility costs with impact on retail net position. To be managed through a range of measures and cost reduction |

The full risk register is considered by the Finance, Audit and Risk Committee at every meeting. The Board review the key (red) risks that have been highlighted through appraisal of cause / consequence.

The Trustees believe that the system of internal controls has been adequate to provide assurance against material misstatement or loss.



Fundraising

Approach to fundraising activity

Our fundraising activity falls under two broad headings:

Individual Giving

- ▶ Our Acquisition activity seeks to recruit donors to make a cash gift or to commit to a programme of regular giving. We recruit donors through online marketing via social media and digital adverts, through offline marketing by the insertion of recruitment flyers in magazines and newspapers, and through telephone marketing – using the services of a professional telemarketing agency.
- ▶ Our Appeals programme is focussed on individuals who have previously made charitable gifts to YMCA England & Wales and is delivered via direct mail and email. In addition, the services of a professional telephone marketing agency may be used to ask donors to reinstate lapsed regular giving or to increase the value of their regular gifts.
- ▶ Our Legacy programme seeks to encourage already engaged donors to consider leaving a gift in their Will. Our partnership with National Free Wills Network has also enabled us to engage with a cold audience via social media.

Strategic Partnerships

- ▶ High Net Worth individuals are approached on a personal basis to encourage their continued support, by post, telephone and email.
- ▶ Approaches to and relationships with Charitable Trusts are conducted via post, email and telephone.
- ▶ Approaches to and relationships with Corporate donors and prospective-donors are conducted via email and telephone.
- ▶ Participants in challenge events, such as the London Marathon, are recruited via focused social media advertising.

Compliance with Fundraising and Data Protection standards

In all our fundraising, we adhere fully to the Fundraising Code of Practice, in respect of both the legal rules that apply to fundraising and the standards designed to ensure that fundraising is open, honest and respectful.

- ▶ We are registered with and regulated by the Fundraising Regulator (Membership Number: 000206)
- ▶ We are members of and adhere to the standards of the Institute of Fundraising (Membership Number: Z2043125).
- ▶ We require others acting on our behalf to adhere to the same standards and will take appropriate action promptly if we find any failure to do so.

Our full compliance with GDPR legislation ensures the protection of personal details and the privacy of our fundraising audience. Our capturing, management and application of communication consents is robust and subject to strict vigilance.

Neither YMCA England & Wales nor any person acting on behalf of YMCA England & Wales was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising, in respect of activities on behalf of the charity.

Monitoring of fundraising activities

Telephone marketing was carried by a professional telemarketing agency on behalf of YMCA England & Wales for the purpose of fund-raising. The audience was individuals who have an existing financial relationship with YMCA England & Wales, who had provided their telephone number and have consented to being contacted by telephone for fundraising purposes. All the agency staff involved in this activity received training directly from YMCA on our brand and our compliance policies. This is in addition to the training that our partnering professional fundraising agency provides on data protection, compliance and maintaining call quality. We listened to randomly selected calls (approximately 5% of all calls) to ensure the highest of standards, and that we are complying with all relevant regulations and legislation. We also regularly undertake supplier tenders to ensure value for money.



Protecting vulnerable people

The telephone marketing agency who acted as our agent, has a comprehensive policy in respect of Safeguarding Vulnerable People, which is taken seriously and owned at all levels within their organisation. All their employees are required to undergo vulnerable persons training upon joining the organisation, utilising an adapted version of the 'Caring for the Vulnerable' training as compiled by the Direct Marketing Association, and the 'Treating Donors Fairly' training as compiled by the Institute of Fundraising. All their employees must agree to abide by this Policy.

In compliance with Institute of Fundraising guidance on protecting supporters, YMCA England & Wales will:

- ▶ Never pressure someone into making a donation.
- ▶ Be alert to signs that someone may be confused or vulnerable and need additional support.
- ▶ Take care not to take advantage of mistakes by donors or to exploit their lack of knowledge or need for care.
- ▶ Not accept a donation from an individual if we believe he/she lacks the capacity to make the decision to donate.

We actively look for indicators that a donor might be vulnerable, such as:

- ▶ Making repeated telephone calls to make a donation or check a donation
- ▶ Sending weekly donations in post
- ▶ Mention of low income or relying on benefits
- ▶ Communication covering unrelated topics e.g. aliens, blue moon, death, self-harming
- ▶ Communication indicating that a person is deeply affected by a mailing sent e.g. legacy mailing triggering deep concerns about death.
- ▶ People who inform they have health issue e.g. Dementia, Alzheimer's, mental health issues, and cancer.

Each individual is dealt with, respectfully, on a case by case basis and we are careful when recording sensitive information. For example, if a person informs us they have Dementia in its early stages but is still capable of making rational decisions/ donations, we will continue to send mailings but will log on their record that they need Special Consideration and take note that the supporter has dementia. If we start to see a different behaviour pattern, we will upgrade our action and consider reducing mailings or remove the supporter from our mailing lists.

Complaints

We closely monitor any complaints that we receive. During the reported year we received just six complaints:

- ▶ Four people complained that they had received requests for monetary gifts in addition to their regular monthly Direct Debit gifts. Of these, one further complained that an appeal deadline date had been suggested. We have recorded their preferences so that they will not receive any further cash appeals.
- ▶ One person complained that they had been given a key-ring as part of their welcome pack as they felt this was a waste of money.
- ▶ One person complained that they had found a Webpage donation link misleading – they had intended to make a donation to YMCA Milton Keynes and had inadvertently made a donation to YMCA England & Wales. Consequently, we transferred the gift to YMCA Milton Keynes.



Trustees Report

Financial Review

Format of accounts

As a Registered Social Landlord, YMCA England & Wales is governed by the regulations of the Statement of Recommended Practice issued by the National Federation of Housing Associations (the Housing SORP) and the Accounting Direction for Private Registered Providers of Social Housing from January 2019 (the Accounting Direction). The holding of this status is currently being considered by the Board of Trustees, recognising that housing sold has now been sold but also in the light of other national funding contract opportunities.

As a leading UK charity, our Board of Trustees has chosen to follow the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) (effective 1 January 2015) issued by the Charity Commission (the Charities SORP), so long as it does not conflict with the Housing SORP.

As a company limited by guarantee, we must follow the Companies Act 2006 and applicable accounting standards. To meet the terms of this Act, we have prepared a separate income and expenditure account. To comply with the Housing SORP and the Accounting Requirements of Private Registered Providers of Social Housing, this has been configured to separate the performance of housing and non-housing activities.

Consolidation

In these accounts we have brought together the results of YMCA England & Wales with:

1. Our three connected subsidiary charities

- Dunford House Trust, which previously owned Dunford House but with the proceeds held as a restricted fund subject to the Dunford covenant
- Douglas Wood Charity, which provides funding for agricultural training activities. The majority of the funds of this subsidiary were used in the year to support organisations inside and outside of the YMCA
- The YMCA Trust Fund (known as The Movement Trust Fund), which provides grants and loans to YMCAs (noting that this fund has now been used in accordance with its aims).

2. Our subsidiary trading company (described in note 8 to the accounts)

In order to prevent a tax charge arising in the charity, the subsidiary trading company Gift Aid its surplus to YMCA England & Wales. The performance of YMCA Retail Limited was considered to be satisfactory, given the current operating environment.

3. Restricted funds under the control of YMCA England & Wales

Over the passage of time several trusts and funds have come under the stewardship of YMCA England & Wales. Usually these were for buildings or were trusts with particular objectives, and most were not significant and have subsequently ceased to exist.

However, there are three groups of trusts that we continue to look after:

- Trusts that share our aims and objectives, which are added to the YMCA England & Wales figures on the financial statements and include the subsidiary charities listed above;
- Instances where YMCA England & Wales has been appointed to act as sole Trustee of a charity and we look after its assets (these are included in the financial statements as part of the restricted Trust and Association funds in note 14); and
- Instances where we have been appointed to act as Trustee but we have no financial relationship. This is usually because a YMCA cannot hold title deeds itself and YMCA England & Wales holds them as trustee. As these are not the equitable property of YMCA England & Wales, we do not include them in these financial statements.

Funds and reserves

Total reserves at 31 March 2022 were £8m (2021: £6m), the increase arising from:

- ▶ An operating surplus of £0.53m (2021: operating deficit (£0.25m))
- ▶ A gain on investments of £1.1m (2021: gains of £1.9m)
- ▶ A decrease in pension scheme future commitments of £0.24m (2021: increase of £2.25m).

Of these, the restricted funds of £1.85m (2021: £2.1m) are held for specific purposes and can only be used for these purposes. The remaining reserves of £6.1m (2021: £4.0m) are known as “unrestricted” funds.

Unrestricted funds

The 2022 accounts show net income on unrestricted funds of £0.52m (2021: net expenditure of £0.15m), before the adjustments for revaluation and pension scheme deficit obligations.

Free Reserves

These are funds that the Board is free to use to support our charitable work, available at short notice and are known as the “free reserves”.

YMCA England & Wales Board of Trustees aims to hold sufficient free reserves to provide financial stability when considering the key areas of risk. The Free Reserves at March 2022 were £4.5m (2021: £2.2m) against the target level of £3.4m (see note 15 for a breakdown of free reserves). The increase arising from the three factors noted above. The Trustees are therefore comfortable that the Reserves position is appropriate given the increase largely arises from the performance of investments (which increase/decrease with market conditions) and the pension (which may change in the future depending on the outcome of next triennial valuation).

Restricted funds

While still meeting our wider charitable objectives, there is some funding that has restrictions on how it can be spent. The principle restricted funds are listed below:

- ▶ Dunford House, which has its own Trust – Dunford House has now been sold with balances retained for the purposes of the original covenant
- ▶ YMCA England & Wales activities – monies given to us to support specific activities either at local YMCAs or within YMCA England & Wales
- ▶ The Movement Trust Fund, the Hartwoodside Award and the Douglas Wood Charity – these funds provide grants and loans for YMCA work
- ▶ Other Trust and Association Funds – these are funds we hold on behalf of YMCAs that have closed or when we hold assets on behalf of a specific Trust (not already listed above).

Movement in restricted funds during the year

Restricted funds have decreased as restricted funds are spent plus Dunford House leaving the YMCA Pension Plan.

Going concern

In line with current best practice, the Board has reviewed the financial impact of those risks identified as part of YMCA England & Wales’s on-going risk management process and its going concern status. As part of this review, the following have been considered:

- ▶ Forecasts and cash-flows for future years’ income
- ▶ Forecasts and cash-flows for future years’ expenditure
- ▶ Future needs, opportunities, contingencies and/or risks

As noted in the financial statements the performance for the year has improved on that in prior years, and whilst this is in part due to one-offs in the form of investments and pensions, it is also due to both improved income from our retail shops (albeit noting a reduction in fundraising due to issues with the legacy pipeline) but also improved cost control with expenditure reductions made in a number of areas.

As well as the improvement in operating performance, the increase in investment values have seen the General Reserve position increase during the year from £12.5m (as at March 2021) to £13.1m (as at March 2022).

Once again, a balanced budget pre pension and investments has been set for the forthcoming year, with the first quarter results showing income generating activities holding up across all areas. However investment values have been volatile due to international circumstances. The Board remain of the view that YMCA England & Wales has sufficient assets to enable future obligations to be met, and therefore continues to operate as a going concern.

Further details in relation to the income and expenditure of YMCA for the year are set out in detail in the Statement of Financial Activities (SoFA) on page 66.

Review of 2021-22 Financial Performance

The annual accounts report a £1.9m surplus for the year compared to a (£0.6m) net deficit for the prior year. This figure includes investment gains and the outcome from changes to contributions due to changes in the pension liability.

The operational performance was a surplus of £0.53m (2021: operating deficit of £0.25m). The prior year included the sale of Dunford House which realised £1.3m after costs of disposal and restricted funds distributed to YMCAs through the Emergency Response of £1.6m. Excluding these restricted fund items the operational position for March 2021 would have been a surplus of £0.05m. However, the operational performance excludes the adjustments for pensions and investments, and therefore represents both significant growth in retail income (albeit recognising the prior year was disrupted due to the pandemic) but also cost control (in part offsetting the increased costs of generating additional retail income).

The position reported above includes distributions to the Federation of £1.7m (2021: £2.2m noting that the prior year included £1.6m of emergency funding for YMCAs).

Overall the shops reopened following removal of restrictions in April 2021 and have performed well, generating a surplus of £1.6m which is shared with local YMCAs (2021: deficit of £0.5m). We remain very grateful for the commitment, hard work and contribution of all our staff and volunteers. In relation to unrestricted fundraising, whilst holding up in difficult circumstances this reported a decline on net return from the prior year (2021: £1.6m) to £1.4m.

Income

Total income was £17.6m (2021: £14.4m of which £1.3m arose from gains on the sale of Dunford House). The increase reflects the reopening of the retail shops. Also the prior year had a three month affiliation fee holiday as part of the package of assistance provided to local YMCAs, hence affiliation fees increased to £1m (2021: £0.7m) before contributions to World Alliance and YMCA Europe on behalf of YMCAs.

Expenditure

Total expenditure was £17.1m (2021: £14.6m). Again this increase largely arising from the Retail operations of £10.9m (2021: £8.5m). Fundraising activity and support / representation and development spend for member YMCAs accounted for the majority of the remaining expenditure. As noted above, within the expenditure figures are payments to YMCAs of £1.7m in relation to either projects, retail profit share or Roomsponsor. If added back, as funds are remaining within the movement, albeit outside of YMCA England & Wales, this would have further increased the operating surplus to £2.25m.

Looking ahead

Whilst the economic environment remains uncertain, YMCA England & Wales continues to retain sufficient Reserves to enable these challenges to be overcome. We remain optimistic that the solid financial foundations will enable YMCA England & Wales to generate sufficient income to subsidise the work that YMCA England & Wales undertakes for its members and therefore continuing the alignment of increasing necessary capacity to deliver against the Federation strategy, increasing distributions to YMCAs but also remaining on solid financial foundations. That noted, and recognising that much of the financial success in 2021-22 has been due to one-offs, YMCA England & Wales does not remain complacent in the need to both manage cost and risk.

Investment policy and performance

Net funds released from the sale of the housing schemes have all been invested with investment managers and continue to benefit from increases in market value of £1.1m (2021: £1.9m more than recovering the losses sustained in 2020). These are now more than sufficient to meet the pension liability in the balance sheet, and provide the Board and Pension Trustees with reassurance that as the holder of the largest share of the liability in the scheme YMCA England & Wales remains aware of its responsibilities and is well equipped to meet them.

Value for money

YMCA England & Wales has limited resources and it is important that we derive the maximum benefit from these. Value for Money (“VfM”) is concerned with not only reduced costs, but rather maximising the benefit from the resources at our disposal to achieve our desired outcomes. In this respect we are conscious of the principles of economy, efficiency and effectiveness and strive to ensure that these underpin the decisions that we make when using resources to maximise impact for our beneficiaries. The full annual Value for Money statement which is available on our website www.ymca.org.uk/value-for-money-2022.

Grant making policy

The Movement Trust Fund administers three funds from which grants are made:

- The YMCA Trust fund provides grants to YMCAs in England or Wales to start new projects. This was utilised to provide the emergency Covid relief during the prior.
- The Hartwoodside Award gives grants to YMCAs to help disabled staff or volunteers to take part in activities such as training courses or conferences.
- The Douglas Wood Charity gives grants to young people to train in agriculture, horticulture, farming, environmental protection or other similar activities.

Our Approach to Value for Money

Value for Money is led by the Board and overseen by our Finance and Audit Committee. Value for money is viewed as the key to financial sustainability as we optimise cost relative to outcomes, and seek to maximise impact with scarce resources. The Board is responsible for setting and monitoring the value for money through oversight of the annual plan and receives performance updates at each of their meetings, and reports on the consumption of resources. The Board holds an annual strategy session at their November residential meeting, which informs the development of the plans and budget for the following year. The following provide a brief overview of some of the measures that are used to inform the Boards assessment. The five key components of our value for money strategy are:

- **Governance** – to develop a Board led value for money culture within YMCA England & Wales with all staff encouraged to accept ownership and accountability for achieving it
- **Customer focus** – to ensure that the services we provide are shaped around the needs of our members
- **Performance** – to ensure that staff understand their objectives and the right things are measured
- **Financial stewardship** – setting budgets understanding our cost base and sources of income and to report performance against these budgets.
- **Procurement** – buying goods at the optimum price/quality mix.

The above measures relate to the direct work within the remit / control of YMCA England & Wales. However, there are wider opportunities for driving value for money across the Federation – some of which have been implemented where considered appropriate e.g. insurance, group life, VAT advice, payroll and human resources.

There remains however significant scope to further maximise value for money across the Federation and through the work on the YMCA England & Wales business model a number of opportunities were identified. It is hoped that further progress can be made on collaborative opportunities moving forward.

Overall Measures

Measures for return from our staff

The following measures relate to the performance of staff:

| | 2022 | 2021 | 2020 |
|--|---------|----------|----------|
| Human capital cost (total staff cost per FTE) | | | |
| | £26,380 | £26,970 | £26,502 |
| Gross revenue per employee: | | | |
| ▶ Retail | £49,190 | £37,070 | £44,940 |
| ▶ Non-Retail | £95,240 | £101,440 | £112,020 |
| Staff turnover | | | |
| ▶ Retail | 52% | 28% | 56% |
| ▶ Non-Retail | 26% | 12% | 45% |

The decrease in total staff costs per FTE reflects the mix of staff with expansion of our Retail operations where salaries are linked to the living wage. Retail gross revenue per employee in 2021 reflects the closure of the shops for much of that year. Staff turnover remains a challenge, in particular in retail although much work has been done to improve this area including work in relation to staff terms, welfare and environment but this also reflects the economic conditions – noting that in 2021 this fell significantly largely due to the uncertainty of the pandemic and that shops were closed for much of the year.

Measures for use of assets

The following measures relate to the use of assets:

| | 2022 | 2021 | 2020 |
|--|--------|---------|---------|
| Operational surplus as % of turnover (excluding sale of assets) | 3.02% | (1.92)% | (2.30)% |
| Staff costs as % of total expenditure | 48% | 49% | 46% |
| Expenditure as % of budgeted costs | 101% | 81% | 99% |
| Unrestricted bank and investment balances | £14.7m | £13.1m | £10.0m |

The improving performance has seen an operating surplus. This coupled with the increase in market value of investments has resulted in the increased cash reserves.

Measures for return from our Retail and Fundraising operations

The following measures relate to performance of our retail and fundraising activities, which make up a significant proportion of the activity of YMCA England & Wales:

| | 2022 | 2021 | 2020 |
|--|--------|--------|--------|
| RETAIL OPERATIONS | | | |
| Average number of shops | 94 | 91 | 90 |
| Average weekly income | £2,556 | £2,487 | £2,045 |
| Average number of staff | 316 | 275 | 274 |
| Full-time equivalent | 254 | 215 | 213 |
| FUNDRAISING OPERATIONS | | | |
| Gift Aid penetration in fundraising | 66% | 69% | 73% |
| Return on Investment in fundraising | 2.24x | 2.47x | 2.38x |

Retail operations

There has been a deliberate strategy of reducing loss making shops, and only increasing shop numbers where there is a profit making shop that can be taken on the appropriate lease terms. The average weekly income for 2021 is based on the 20 weeks when all shops were open but as shown reported a significant increase which has continued into 2022. The increased staff numbers arises from the additional shops but also the filling of vacancies with permanent staff rather than, as previously, covering vacancies with overtime.

Fundraising

Fundraising has been difficult, in particular legacy income with both the end of 2020-21 and subsequently carried forward into 2021-22 suffering from delays at the Probate Office.

Measures for our housing operations

During the year ended March 2020 YMCA England & Wales sold its last housing scheme so no longer has any housing stock.

Corporate governance statement

Structure, governance and staff

YMCA England & Wales

The first YMCA was founded by George Williams in London in 1844. YMCA England was established in 1882, registered as a charity on 24 September 1962 and took over responsibility for YMCAs in Wales on 3rd December 2015. YMCA England & Wales is a company limited by guarantee (incorporated in 1902), a registered social landlord and a registered charity governed by its Memorandum and Articles of Association.

A worldwide movement of YMCAs

Each YMCA in England and Wales is an individual, self-governing charity that affiliates to YMCA England & Wales. Through this affiliation, YMCAs become part of the YMCA Movement in England and Wales, and part of the World Alliance of YMCAs.

Governance

The Board of Trustees guides YMCA England & Wales in its work and development. It provides strategic leadership to the Senior Leadership Team which is responsible for decisions on operational issues. The Board comprises no more than 12 Trustees elected by members and 3 co-options i.e. not more than 15 in total. Trustees serve for a three-year term and may be re-elected for two further three year terms. Once a Trustee has served his or her full term, they must wait one year before they can stand for re-election. We hold elections to fill vacancies annually as necessary. Applications for Board membership are invited from across the YMCA Movement and by external advertisement and are considered by the Nominations Committee based on relevant skills, competencies and experience.

YMCA England & Wales continually seeks to improve and strengthen its governance duties to ensure these are fit for purpose. YMCA England & Wales has adopted the Charity Governance Code.

The Board confirms that YMCA England & Wales fully complies with the Regulator of Social Housing Governance and Financial Viability Standard.

During 2020-21, one new Trustee appointment was made to the Board. A full listing can be seen on page 58. YMCA England & Wales has purchased Trustee indemnity insurance.



Committee structure

During the year the Board of Trustees had two Committees. These were:

1. The Finance, Audit and Risk Committee which oversees the management and direction of the finances of YMCA England & Wales, monitors the effectiveness of internal and external audit and reviews our risk management processes. Key financial decisions are submitted to the Finance, Audit and Risk Committee for consideration
2. The Governance Committee provides advice on the governance of the National Council and on governance issues for the YMCA Federation in England and Wales.

These committees comprise members from the Board of Trustees, members from local YMCAs plus independent persons with specialist expertise. All the above have terms of reference and meet regularly.

Board member’s induction and development

Induction training is offered to all trustees. In addition, each new Board member receives background information on the operations of YMCA England & Wales. Where appropriate, Board members are encouraged to visit the work of YMCA England & Wales and that of the Federation in order to develop understanding.

Code of Governance

A self-assessment review has been undertaken against the Code of Governance to identify and inform areas for improvement. This has included as assessment of all aspects of the charities governance and will inform future developments.

Organisation structure

YMCA England & Wales has premises in all parts of the country in order to deliver our retail operations. The members of staff based in London operate from the central London office in Charterhouse Square. During the year our operations were organised into divisions, each headed by a Director:

► **Chief Executive’s Office supports the Board and coordinates the activity of YMCA England & Wales.**

Corporate Resources covering:

- Company Secretary providing support to the Board and member YMCAs on all aspects of charity governance;
- Finance provides internal services to ensure that YMCA England & Wales operates efficiently and meets regulatory requirements;
- Human Resources is responsible for implementing strategies and policies relating to the management of individuals throughout YMCA England & Wales;
- IT supports the infrastructure used by YMCA England & Wales
- Administration supporting the staff of YMCA England & Wales
- Health and safety: review the health and safety aspects of YMCA England & Wales operations and reporting to the Board and senior management
- Movement Services provides support, advice and guidance to YMCAs in areas such as HR and governance.

► **Income Generation covering:**

- Fundraising raises funds for YMCA England & Wales and the YMCA Federation as well as providing fundraising advice and support to member YMCAs.
- Retail operates the YMCA England & Wales charity shops, raising funds to support the work of YMCA England & Wales and member YMCAs via the profit sharing arrangement.
- Business Development explores, coordinates and manages business and funding opportunities to benefit the Federation.

► **Policy, Research, Communications and International covering:**

- Policy and Research raises the public profile of YMCA through work with national and local government and works to influence key decision makers.
- Communications and Brand manages the YMCA national brand and develops communications for both member YMCAs and YMCA England & Wales. The team manages the YMCA England & Wales website, supports member YMCAs to develop their own websites and manages social media channels for YMCA England & Wales. It also has responsibility for national media and PR and provides advice and support to member YMCAs on media relations and crisis communications.
- International represents the YMCAs in England and Wales at the European and World Alliance of YMCAs.

Staff and volunteers

YMCA England & Wales relies on the skills and dedication of its staff throughout England and Wales and across all of our activities. The Chief Executive holds a monthly consultation for staff on topical issues and regular updates for staff are provided via our intranet site.

The average number of staff we employed during 2021-22 was 371 (2020-21: 327). The increase is due expansion of our retail operations. Note 3.5 gives more detail on employee costs and staff numbers whilst note 3.6 gives details of the expenses reimbursed to trustees and senior staff.

YMCA England & Wales need to employ staff with the right skills for their role. Salaries offered are usually significantly lower than those available for comparable roles in the commercial or public sectors, and at the lower quartile of roles in the charity sector. This differential becomes more marked at senior levels although a deliberate effort of moving staff close to the medium of the charity sector has been a strategy in recent years, in order to ensure that YMCA England & Wales recruit and retain the very best. The Chief Executive earned £115k pa plus pension contributions of £20k for the year (2021: £108k plus pension contributions of £19k). The majority of our staff (over 80% based on headcount) work part-time in the Retail operation where salaries are set based on the minimum wage. We have implemented the National Living Wage, and intend to increase this further as financial results allow, continuing to follow Government guidelines in this area. For the remaining staff the average salary is £40,204, giving a remuneration ratio of 2.9 to the Chief Executive (2021: average salary was £39,858 with a remuneration ratio of 2.7).

We owe a huge debt of gratitude to the efforts of our volunteers, whose energy and commitment is vital to our work. The majority, 1,200 (2021: 967) are based in our Retail operations, contributing over 25,000 hours per month. Others are involved in fundraising, raising awareness of our work at public events and contributing to our governance on the Board, committees, panels and advisory groups.

How we engage with our employees

Throughout the year the Board, through the Chief Executive and Leadership Team have ensured an active dialogue with employees to ensure that staff have been equipped with information in relation to day to day performance and future plans (as well as financial and operational information that provides context to decision making). During the year there has been both frequent written and oral communication. This has included staff meetings, team meetings, opportunities for staff to come together to talk about concerns as well as more social opportunities. These have all helped with the management of staff morale and welfare during the last year – ensuring that staff are appraised of the position, and that their views are taken into account when leadership are making decisions.

Equality, diversity and inclusion

Inclusiveness is fundamental to the ethos of the YMCA Movement. We have a wholehearted commitment to welcome people of other faiths and those of none, linked to a confident identity as a Christian faith-based organisation. This includes ensuring that diversity is reflected strongly within our structures and that the services and activities managed by YMCA England & Wales are designed to provide equal opportunities – with the Board and leadership team undertaking unconscious bias training. A great deal of work has been undertaken to improve equality, diversity and inclusion. This has included the development of a strategy that ensures ownership to the agenda, raises awareness and implements a number of targeted actions.

Salaries are based on the role regardless of the gender of the person performing the duties. YMCA England & Wales operates a staff grading system for all roles, where points are allocated based on the skills and responsibility of each role which determines the salary level for that role. Salary levels for each grade are set by benchmarking against other voluntary sector organisations. As we have more than 250 staff we are required to give our gender pay analysis in the statutory format, as at 5 April 2022:

| Pay level | Male employees | Female employees |
|----------------------|----------------|------------------|
| Number of employees | 133 | 265 |
| Quartile 1 (highest) | 39% | 61% |
| Quartile 2 | 34% | 66% |
| Quartile 3 | 29% | 71% |
| Quartile 4 (lowest) | 31% | 69% |
| Average hourly rate | £13.41 | £11.38 |
| Median hourly rate | £9.44 | £9.19 |

As is shown in the table above, two thirds of the staff working for YMCA England & Wales at April 2022 were female. In addition, over 80% of the staff employed by YMCA England & Wales work in Retail (many of whom welcome the ability to work part-time) and consequently means that a more significant percentage of staff fall within the lower quartile bands. As a consequence, the above analysis is distorted and it is more meaningful to separate out the results of Retail staff from non-Retail staff which provides for the following analysis:

| Pay level | Retail | | Non-Retail | |
|----------------------|----------------|------------------|----------------|------------------|
| | Male employees | Female employees | Male employees | Female employees |
| Quartile 1 (highest) | 17% | 26% | 22% | 34% |
| Quartile 2 | 33% | 67% | 1% | - |
| Quartile 3 | 29% | 71% | - | - |
| Quartile 4 (lowest) | 31% | 66% | - | - |
| Average hourly rate | £10.60 | £9.82 | £26.85 | £21.19 |
| Median hourly rate | £9.19 | £9.19 | £24.30 | £18.56 |

The above analysis is further explained below.

- ▶ Two thirds of the staff working for YMCA England & Wales are female;
- ▶ In every pay quartile YMCA England & Wales employs more women than men (which is common throughout the voluntary sector). This is partly due to the range of family friendly and flexible working policies available to staff. The pay disparity shown in the table is largely due to the relatively low number of male employees;
- ▶ As at April 2022, there were 4 people on the Senior Leadership Team of which 2 are female and 2 male; and
- ▶ Over 80% of our staff work in the retail operation. Hourly rates for the Retail staff have been increased and the lowest level is above the rates required by the National Living Wage.

Every role within YMCA England & Wales is benchmarked and considered against the market, and a recent benchmarking exercise has been undertaken using the market tool Cendex to further inform salary levels. YMCA England & Wales ensures its assessment of salaries is undertaken against a robust job evaluation process and consistent with our range of policies that ensure fair recruitment. We continue to review the implications of our gender pay gap statement and specifically the gender balance of staffing across the organisation – in particular at the higher quartiles – and have undertaken a review of our pay and grading framework.

In view of the financial situation caused by Covid-19 there were no increases at April 2020 (or April 2021) but as the position clarified, the Board awarded a one-off non-consolidated award of 2% of gross salary in March 2021 and a 2% consolidated award in 2021-22. In March 2022 a further 2.25% non-consolidated award was applied (in the light of inflationary cost pressures and now affordability) with a 3% award (consolidated) from April 2022.

Employment of disabled persons

We operate an equal opportunities employment policy. In particular, we give full and fair consideration to applications for employment and volunteering made by people who are disabled having regard to their particular aptitudes and abilities. Where possible, we continue the employment of, and arrange appropriate training for, employees who have become disabled during the period they were employed. People who are disabled are treated in the same way as other employees and volunteers when training, career development and promotion opportunities are being considered. Full details of these and our other policies are available on request from our registered office.

Safeguarding

As an organisation that works in communities and with young people the YMCA England & Wales Board recognises its responsibilities in relation to safeguarding, and promoting a climate in which individuals are able to report their concerns in confidence and have these dealt with appropriately. The Board have an appointed individual with responsibility for safeguarding and safeguarding is a standing item at all Board meetings, with the Board being informed on not only current status but also progress against the actions that make up the Safeguarding Strategy.

Transparency and individual understanding of the practices and procedures to be followed are key in ensuring that all individuals feel safe in any engagement with YMCA England & Wales (whether an employee, volunteer or user of services). We have continued work in relation to our Safeguarding Strategy ensuring continuous improvement in our policies, practices and procedures to ensure that these remain appropriate. Actions taken have included improvements to our recruitment procedures, ensuring that all members of staff receive safeguarding training, additional steps to encourage and enable staff to report any safeguarding concerns (especially during the time over which our shops have been closed during the pandemic and staff working virtually) as well as more detailed training for all line managers on safeguarding, in particular on how to encourage reporting and their role in subsequent action given their position in the organisation.

Whilst highlighting these improvements, the Board are not complacent in their responsibilities, recognising that there is always more to do with a need to continue to learn and adapt to changes in the environment. Work is therefore continuing to be taken forward, including monitoring of safeguarding concerns across our federated structure (with safeguarding given a focus in our Federation Membership Agreement) including implementation of software packages that aid transparency and management, as well as tools and techniques that be shared – with a Federation Safeguarding Group meeting to drive forward action.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the strategic report, the Trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company and social housing regulations require the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charity and of the surplus or deficit of the group for the year. In preparing those financial statements the Trustees are required to:

- ▶ Select suitable accounting policies and then apply them consistently
- ▶ Make judgements and accounting estimates that are reasonable and prudent
- ▶ State whether applicable UK Accounting Standards have been followed and the Statement of Recommended Practice: Accounting by registered providers of social housing 2014, subject to any material departures disclosed and explained in the financial statements
- ▶ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and parent's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable us to ensure that the financial statements comply 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 January 2019. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that the report of the board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2014.

Financial statements are published on YMCA England & Wales's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of this website is the responsibility of the board. The Board's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Members of the Board of Trustees

The members of the Board of Trustees who served during the year, including the Chairman, Vice Chair and the Senior Leadership Team are listed on pages 58 and 59.

Appointment of auditors

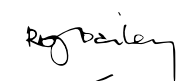
The Finance, Audit and Risk Committee agree the audit strategy each year during which they assess the independence of external auditors.

External audit services are placed out to tender every five years and were last reviewed in 2020.

Disclosure of information to auditors

Each of the Board members (who are also Trustees and directors of YMCA England & Wales) has confirmed that so far as they are aware, there is no relevant audit information of which the auditors are unaware, and that they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Strategic and Trustee reports were approved by the Board of Trustees on 21 September 2022 and signed on its behalf by



Reg Bailey CBE
Chair,
YMCA England & Wales

Trustees and Advisors

President: Dr John Sentamu, Archbishop of York

Vice-presidents: Tim Waldron
Val Wallis MBE³
Peter Posner OBE

Board members

- | | |
|--|--|
| ▶ Reg Bailey CBE ² | Chair |
| ▶ Graham Bratby ¹ (resigned December 2021) | |
| ▶ Peter Calderbank ¹ (Co-opted) | Chair of Finance, Audit and Risk Committee |
| | |
| ▶ Maxine Green (Co-opted) | |
| ▶ Ross Hendry | |
| ▶ Paul Laffey | |
| ▶ Jemima Lovett (Co-opted) | |
| ▶ Jonathan Rowe | |
| ▶ Hanna Sebright | |
| ▶ Gillian Sewell | |
| ▶ Chris Stern | |
| ▶ Dawn Ward CBE | |
| ▶ Emma White (Osmundsen) Vice-Chair | |

Membership of divisional boards, committees, panels and advisory groups during the year ended March 2022:

¹ Finance, Audit and Risk Committee (2 Board members plus 6 independent members) Dawn Ward was appointed to the Committee from September 2022

² Constitution Committee
(Chair of the Board plus 5 independent members)

³ Archives Group
(a Vice-President plus 4 independent members)

All members of the Board and its committees and groups give their time voluntarily and receive no benefits from YMCA England & Wales. Any expenses reclaimed are set out in note 3.6 to the accounts.

Advisors

Auditors:
Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Bankers:
Lloyds Bank plc
Fourth Floor,
25 Gresham Street,
London, EC2V 7HN

Barclays Bank plc
Charities Team, Level 27
1 Churchill Place
London E14 5HP

Solicitors:
Bates, Wells & Braithwaite LLP
10 Queen Street Place,
London EC4R 1BE

EDC Lord & Co
One the Square
Southall Lane, Southall
Middlesex, Heathrow UB2 5NH

Senior staff

Chief Executive and National Secretary of the Council of YMCAs in England and Wales:

- ▶ Denise Hatton

Senior Leadership Team:

- ▶ Jo Chettleburgh, Director of Income Generation
- ▶ Jamie Hutchinson, Director of Resources
- ▶ Jason Stacey, Director of Policy, Research, Communications and International

Company Secretary:
Duncan Berry

Registered Office:
3rd Floor
10–11 Charterhouse Square
London EC1M 6EH

Registered charity number: 212810
Registered company number: 73749
Homes England agency number: LH2204

Independent Auditor's Report

To the members of
the National Council
of Young Men's
Christian Associations
(incorporated)

Opinion

We have audited the financial statements of National Council for Young Men's Christian Associations (Incorporated) ('the charitable company') and its subsidiaries (the "group") for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, the Consolidated and Parent Balance Sheets, the Consolidated and Parent 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 state of the group's and the charitable company's affairs as at 31 March 2022 and of its profit 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, the 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Housing and Regeneration Act 2008 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 financial statements are not in agreement with the accounting records and returns; or
- ▶ certain disclosures of trustees' remuneration specified by law are not made; or
- ▶ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' Responsibilities on page 57, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable 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. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, the Housing and Regeneration Act 2008, together with the Housing SORP. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within charitable company for fraud. The laws and regulations we considered in this context for the UK operations were requirements imposed by the Regulator of Social Housing, GDPR, taxation legislation, health & safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, legal counsel and the Finance, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, and reading minutes of meetings of those charged with governance.

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. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Tim Redwood
Senior Statutory Auditor
For and on behalf of

Crowe U.K. LLP
Statutory Auditor
London

Date: 30 September 2022

FINANCIAL STATEMENTS



National Council of Young Men’s Christian Associations (Incorporated) | Consolidated statement of financial activities | Year ended 31 March 2022

| | | 2022 | | | 2021 | | |
|---|------|-----------------------|---------------------|----------------|-----------------------|---------------------|----------------|
| | Note | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL £'000 | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL £'000 |
| <u>INCOME FROM</u> | | | | | | | |
| Donations and legacies | 2.1 | 2,777 | 266 | 3,043 | 3,045 | 474 | 3,519 |
| Affiliation fees | 2.2 | 1,039 | - | 1,039 | 736 | - | 736 |
| Income from charitable activities | 2.3 | 111 | 674 | 785 | 199 | 348 | 547 |
| Income from trading activities | 2.4 | 12,544 | - | 12,544 | 7,994 | - | 7,994 |
| Investments, interest and rental income | 2.5 | 177 | 25 | 202 | 228 | 18 | 246 |
| (Loss) profit on disposal of fixed assets | 2.6 | - | (21) | (21) | - | 1,325 | 1,325 |
| TOTAL INCOME | | 16,648 | 944 | 17,592 | 12,202 | 2,165 | 14,367 |
| <u>EXPENDITURE FROM</u> | | | | | | | |
| Costs of raising funds | 3.1 | 1,357 | - | 1,357 | 1,427 | - | 1,427 |
| Expenditure on charitable activities | 3.2 | 3,842 | 930 | 4,772 | 2,417 | 2,271 | 4,688 |
| Operating costs of trading activities | 3.3 | 10,931 | - | 10,931 | 8,503 | - | 8,503 |
| TOTAL EXPENDITURE | | 16,130 | 930 | 17,060 | 12,347 | 2,271 | 14,618 |
| NET INCOME (EXPENDITURE) FOR THE YEAR | | 518 | 14 | 532 | (145) | (106) | (251) |
| Net gains on investments | 7. | 1,089 | 4 | 1,093 | 1,843 | 62 | 1,905 |
| Transfers between funds | 14. | 240 | (240) | - | - | - | - |
| Other recognised gains and losses: | | | | | | | |
| Gains (losses) on defined benefit pension schemes | | 243 | - | 243 | (2,254) | - | (2,254) |
| NET MOVEMENT IN FUNDS | | 2,090 | (222) | 1,868 | (556) | (44) | (600) |
| Reconciliation of funds | | | | | | | |
| Fund balances at 1 April | | 3,999 | 2,074 | 6,073 | 4,555 | 2,118 | 6,673 |
| FUND BALANCES AT 31 MARCH | | 6,089 | 1,852 | 7,941 | 3,999 | 2,074 | 6,073 |

The statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 72 to 95 form part of these accounts.

National Council of Young Men’s Christian Associations (Incorporated) | Consolidated statement of financial activities | Year ended 31 March 2022

Commentary

The increased income largely arises as the shops were open throughout the year (prior year included closure due to Covid restrictions). Affiliation fees have increased as YMCA England & Wales gave a three month affiliation fee holiday in the prior year. Income from charitable activities includes a full year of the Y's Girls grant income.

Expenditure on charitable activites includes over £1m payments to local YMCAs for Roompsonor and Retail profit shares plus £0.5m on programme activities. The prior year included grants of over £1.6m paid to local YMCAs to assist with the impact of Covid.

YMCA England & Wales is reporting an operating surplus on general funds of over £0.5m for the year which included £0.3m on non-recurring government grants (2021: operating defiict £0.15m). This is increased by investment gains of £1.1m (2021: £1.8m) and a reduction of £0.24m in future pension contributions (2021: increase £2.25m) to give the net movement in funds total of £2.1m (2021: deficit £0.56m).

National Council of Young Men’s Christian Associations (Incorporated) | Statements of comprehensive income | Year ended 31 March 2022

Company number: 00073749

| | Note | Non-housing operations £'000 | Discontinued £'000 | GROUP TOTAL £'000 | PARENT £'000 | Non-housing operations £'000 | Discontinued £'000 | GROUP TOTAL £'000 | PARENT £'000 |
|---|------|------------------------------------|-----------------------|-------------------------|-----------------|------------------------------------|-----------------------|-------------------------|-----------------|
| Income | 5.1 | 17,390 | 21 | 17,411 | 17,361 | 12,792 | 4 | 12,796 | 12,772 |
| Operating Costs | 5.1 | (17,044) | (16) | (17,060) | (17,032) | (14,562) | (56) | (14,618) | (14,598) |
| Operating (deficit) surplus | | 346 | 5 | 351 | 329 | (1,770) | (52) | (1,822) | (1,826) |
| Investment income | 4. | 167 | - | 167 | 167 | 181 | - | 181 | 181 |
| Interest and rents receivable | 4. | 35 | - | 35 | 35 | 65 | - | 65 | 65 |
| Profit on sale of assets | | - | (21) | (21) | (21) | - | 1,325 | 1,325 | 1,325 |
| Net gains on investment assets | | 1,089 | 4 | 1,093 | 1,093 | 1,898 | 7 | 1,905 | 1,905 |
| SURPLUS FOR THE YEAR | | 1,637 | (12) | 1,625 | 1,603 | 374 | 1,280 | 1,654 | 1,650 |
| Gains (losses) on defined benefit pension schemes | | | | 243 | 243 | | | (2,254) | (2,254) |
| TOTAL COMPREHENSIVE INCOME FOR YEAR | | | | 1,868 | 1,846 | | | (600) | (604) |

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

| | General £'000 | Pension £'000 | Unrestricted Funds £'000 | Restricted Funds £'000 | TOTAL £'000 |
|---|------------------|------------------|--------------------------------|------------------------------|----------------|
| Surplus (deficit) at 31 March 2020 | 11,590 | (7,035) | 4,555 | 2,118 | 6,673 |
| Net income (expenditure) for the year | (899) | 754 | (145) | (106) | (251) |
| Net gains (losses) on investments | 1,843 | - | 1,843 | 62 | 1,905 |
| Other recognised gains and losses | - | (2,254) | (2,254) | - | (2,254) |
| Surplus (deficit) at 31 March 2021 | 12,534 | (8,535) | 3,999 | 2,074 | 6,073 |

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

| | General £'000 | Pension £'000 | Unrestricted Funds £'000 | Restricted Funds £'000 | TOTAL £'000 |
|---|------------------|------------------|--------------------------------|------------------------------|----------------|
| Surplus (deficit) at 31 March 2021 | 12,534 | (8,535) | 3,999 | 2,074 | 6,073 |
| Net income (expenditure) for the year | (771) | 1,289 | 518 | 14 | 532 |
| Net gains on investments | 1,089 | - | 1,089 | 4 | 1,093 |
| Transfers between funds | 240 | - | 240 | (240) | - |
| Other recognised gains and losses | - | 243 | 243 | - | 243 |
| Surplus (deficit) at 31 March 2022 | 13,092 | (7,003) | 6,089 | 1,852 | 7,941 |

This page shows the results for YMCA England & Wales in the format required by the Companies Act 2006. Discontinued activities comprise the sale of Dunford House.

The notes on pages 72 to 95 form part of these accounts.

National Council of Young Men’s Christian Associations (Incorporated) | Balance sheets | Year ended 31 March 2022

| | Note | Unrestricted Funds £'000 | Restricted Funds £'000 | GROUP TOTAL £'000 | PARENT £'000 | Unrestricted Funds £'000 | Restricted Funds £'000 | GROUP TOTAL £'000 | PARENT £'000 |
|--|------|--------------------------------|------------------------------|-------------------------|-----------------|--------------------------------|------------------------------|-------------------------|-----------------|
| FIXED ASSETS | | | | | | | | | |
| Tangible Assets: | | | | | | | | | |
| Other tangible assets | 6. | 541 | - | 541 | 541 | 572 | - | 572 | 572 |
| Fixed asset investments | 7. | 12,431 | 38 | 12,469 | 12,469 | 11,342 | 34 | 11,376 | 11,376 |
| Investments in subsidiaries | 8. | - | - | - | 1 | - | - | - | 1 |
| | | 12,972 | 38 | 13,010 | 13,011 | 11,914 | 34 | 11,948 | 11,949 |
| CURRENT ASSETS | | | | | | | | | |
| Stocks | 9. | 235 | - | 235 | 235 | 167 | - | 167 | 167 |
| Debtors | 10. | | | | | | | | |
| Due within one year | | 1,788 | 9 | 1,797 | 1,832 | 1,817 | 6 | 1,823 | 1,830 |
| Due after one year | | 1,041 | - | 1,041 | 1,041 | 1,184 | - | 1,184 | 1,184 |
| Short-term deposits | | 71 | 408 | 479 | 479 | 71 | 424 | 495 | 495 |
| Cash and cash equivalents | | 2,204 | 1,470 | 3,674 | 3,648 | 1,708 | 1,724 | 3,432 | 3,425 |
| | | 5,339 | 1,887 | 7,226 | 7,235 | 4,947 | 2,154 | 7,101 | 7,101 |
| CREDITORS: Amounts falling due within one year | 11. | (5,359) | (73) | (5,432) | (5,442) | (4,930) | (114) | (5,044) | (5,045) |
| NET CURRENT ASSETS | | (20) | 1,814 | 1,794 | 1,793 | 17 | 2,040 | 2,057 | 2,056 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 12,952 | 1,852 | 14,804 | 14,804 | 11,931 | 2,074 | 14,005 | 14,005 |
| CREDITORS: Amounts falling due after one year: | | | | | | | | | |
| Provisions for liabilities | 12. | (860) | - | (860) | (860) | (684) | - | (684) | (684) |
| Pension scheme obligations | 13.1 | (6,003) | - | (6,003) | (6,003) | (7,248) | - | (7,248) | (7,248) |
| NET ASSETS | | 6,089 | 1,852 | 7,941 | 7,941 | 3,999 | 2,074 | 6,073 | 6,073 |
| The funds of the charity: | | | | | | | | | |
| Restricted Funds | 14. | - | 1,852 | 1,852 | 1,852 | - | 2,074 | 2,074 | 2,074 |
| Unrestricted Funds: | 15. | | | | | | | | |
| - General reserve | | 13,092 | - | 13,092 | 13,092 | 12,534 | - | 12,534 | 12,534 |
| - Pension reserve | | (7,003) | - | (7,003) | (7,003) | (8,535) | - | (8,535) | (8,535) |
| | | 6,089 | 1,852 | 7,941 | 7,941 | 3,999 | 2,074 | 6,073 | 6,073 |

Reg Bailey

Reg Bailey CBE
Chair

Peter Calderbank

Peter Calderbank
Treasurer

The notes on pages 72 to 95 form part of these accounts.

Investments are held to meet future pension obligations and have shown strong performance during the year.

The pension reserve has decreased due to the rebasing of contributions arising from the triennial valuation plus the payments made during the year.

These accounts were approved and authorised for issue by the Board on 21 September 2022.

National Council of Young Men’s Christian Associations (Incorporated) | Statement of cash flows | Year ended 31 March 2022

| | 31 March 2022 | | 31 March 2021 | |
|--|----------------|-----------------|----------------|-----------------|
| | Group £'000 | Parent £'000 | Group £'000 | Parent £'000 |
| CASHFLOWS FROM OPERATING ACTIVITIES | | | | |
| Net income (expenditure) for the year | 532 | 532 | (251) | (251) |
| Loss (profit) on disposal of fixed assets | 21 | 21 | (1,438) | (1,438) |
| Depreciation charge | 359 | 359 | 323 | 323 |
| Return on investments and servicing of finance | (202) | (202) | (246) | (246) |
| (Increase) in stocks | (68) | (68) | - | - |
| Decrease in debtors | 169 | 141 | 485 | 532 |
| Increase in creditors and deferred income | 1,089 | 1,098 | 1,369 | 1,362 |
| NET CASHFOW GENERATED FROM OPERATING ACTIVITIES | 1,900 | 1,881 | 242 | 282 |
| CASHFLOWS FROM INVESTING ACTIVITIES | | | | |
| Unrestricted fund investments: | | | | |
| Funds placed into investments | - | - | (3,000) | (3,000) |
| Restricted fund investments: | | | | |
| Proceeds from sale of investments | - | - | 1,845 | 1,845 |
| Trust & Association and Movement Trust Fund investments: | | | | |
| Decrease (increase) in funds on short term deposit | 16 | 16 | (223) | (223) |
| Investment income | 167 | 167 | 181 | 181 |
| Interest received | 35 | 35 | 65 | 65 |
| | 218 | 218 | (1,132) | (1,132) |
| Cash inflow from sale of fixed assets | - | - | 1,600 | 1,600 |
| Cash (outflow) from purchase of other fixed assets | (349) | (349) | (230) | (230) |
| NET CASHFLOW FROM INVESTING ACTIVITIES | (131) | (131) | 238 | 238 |
| CASHFLOWS FROM FINANCING ACTIVITIES | | | | |
| Repayment of fixed asset loans | - | - | (6) | (6) |
| Pension deficit payments | (1,527) | (1,527) | (1,005) | (1,005) |
| NET CASHFLOW FROM FINANCING ACTIVITIES | (1,527) | (1,527) | (1,011) | (1,011) |

National Council of Young Men’s Christian Associations (Incorporated) | Statement of cash flows | Year ended 31 March 2022

Continued

| | 31 March 2022 | | 31 March 2021 | |
|---|---|--|---|-----------------|
| | Group £'000 | Parent £'000 | Group £'000 | Parent £'000 |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 242 | 223 | (531) | (491) |
| Cash at bank and in hand at 1 April | 3,432 | 3,425 | 3,963 | 3,916 |
| Cash at bank and in hand 31 March | 3,674 | 3,648 | 3,432 | 3,425 |
| ANALYSIS OF CHANGES IN GROUP NET DEBT | | | | |
| | At 31 March 2022 £'000 | Operational £'000 | At 31 March 2021 £'000 | |
| Cash and cash equivalents | 3,674 | 242 | 3,432 | |
| Short-term deposits | 479 | (16) | 495 | |
| | 4,153 | 226 | 3,927 | |
| ANALYSIS OF CHANGES IN PARENT NET DEBT | | | | |
| | At 31 March 2022 £'000 | Operational £'000 | At 31 March 2021 £'000 | |
| Cash and cash equivalents | 3,648 | 223 | 3,425 | |
| Short-term deposits | 479 | (16) | 495 | |
| | 4,127 | 207 | 3,920 | |

The notes on pages 72 to 95 form part of these accounts.

National Council of Young Men’s Christian Associations (Incorporated) | Accounting policies | Year ended 31 March 2022

1 | Accounting Policies
The financial statements have been prepared in accordance with applicable accounting standards for a public benefit entity. The most important accounting policies are:

1.1 | Basis of accounting
These financial statements are prepared under the historical cost convention, except for the valuation of investments and social housing properties, and comply with the Accounting Direction for Private Registered Providers of Social Housing from April 2015, the Statement of Recommended Practice issued by the National Federation of Housing Associations (the Housing SORP) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102)" issued by the Charity Commission (the Charities SORP (FRS 102)), where this does not conflict with the Housing SORP, the Charities Act 2011 and the Companies Act 2006.

As disclosed on page 57, the trustees are responsible for preparing the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue on this basis. The trustees have undertaken an assessment in relation to going concern and has considered such matters as the level of reserves, together with the Plan’s forecasted future results.

The trustees have determined that there is not a material uncertainty as to the ability of the charity to continue as a going concern for the foreseeable future and the trustees therefore believe it remains appropriate to prepare the financial statements on a going concern basis.

1.2 | Basis of consolidation
The National Council of YMCAs is required to prepare consolidated financial statements on a line-by-line basis including the results of the company's trading subsidiary (YMCA Retail Limited), and the operations of Dunford Trust, Douglas Wood Charity and the YMCA Trust Fund. Prior to the gift aid payment from the subsidiaries, the gross income of the parent company was £17.5m (2021: £14.3m) and the net movement in funds reported for the year includes a surplus of £1.8m (2021: deficit of £0.6m) which is dealt with in the financial statements of the parent company.

1.3 | General
The Statement of Financial Activities records the activities of the National Council of YMCAs and its subsidiary, both as an affiliating body and of operating projects on a national basis and the balance sheet sets out its assets and liabilities. In addition to its own assets, properties and investments are registered in the name of YMCA England & Wales as formal trustee for Associations. These assets are excluded from these financial statements. Restricted funds are raised for specific purposes and may only be used for the specified purpose.

The movement on these funds are separated from movements in unrestricted funds on the Statement of Financial Activities and the amount at the balance sheet date is shown in note 14. Where funds are in deficit they are charged against the General Fund.

1.4 | Dunford House
This property was held by YMCA England & Wales as trustee, and under the terms of the Trust Deed the surpluses from operations can only be applied for specified purposes accordingly this is shown as a movement on restricted funds.

1.5 | Turnover
The total income represents the amounts receivable exclusive of VAT in respect of operational activities, grants receivable and fundraising activities. All income arose in the United Kingdom. All income from operations, grants and fundraising is recognised in the Statement of Financial Activities when any conditions relating to the income have been satisfied, and any amounts in respect of future periods are carried forward as deferred income.

Goods donated for sale in the charity shops are included at their sales value. Gifts received in kind are included in income at their market value with a corresponding charge included within expenditure.

Grants of a revenue nature are credited to the Statement of Comprehensive Income in the period to which they relate.

National Council of Young Men’s Christian Associations (Incorporated) | Accounting policies | Year ended 31 March 2022

1.6 | Legacies
Legacies are recognised within income and debtors when probate is granted unless there are specific conditions preventing receipt, eg a life tenant. At the year end there were 2 legacies notified but not recognised as probate had not been granted and 7 legacies subject to life tenants with an estimated value of £69k (2021: 7 legacies with estimated value of £69k) which are held in property and investments.

1.7 | Capital expenditure and depreciation

Fixed assets are items costing in excess of £1,000 with a useful life of more than one year and are stated at cost less depreciation. The depreciation charge is calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

| | |
|---|---|
| Freehold buildings | — 50 years |
| Leasehold land and buildings | — Period of the lease or earlier break |
| Shop leases and shop fittings | — Period of the lease or five years whichever is less |
| Computers, equipment and motor vehicles | — 3 years straight line |

Estimated provisions are made for significant leasehold property dilapidation liabilities.

1.8 | Stocks and work in progress
Stocks and work in progress are stated at the lower

of cost and net realisable value. Goods donated for sale in the charity shops are included at their fair value.

1.9 | Expenditure
Expenditure is accounted for on an accruals basis. Direct expenses are allocated to the department incurring the expenditure. Expenditure is stated inclusive of irrecoverable VAT. During the year ended 31 March 2022 YMCA England incurred VAT of £37,890 (2021: £33,340) which it was unable to recover.

Costs of generating funds includes all fundraising departments and operating costs for the trading subsidiaries.

Charitable activities comprises expenses attributable to the operating departments as detailed in note 3.2. Central services are allocated to activities/departments based on the estimated usage of the services on the following basis:

| Function | Allocation basis |
|-----------------------|-----------------------------|
| Office Services | Average number of employees |
| Central overheads | Average number of employees |
| Personnel and payroll | Average number of employees |
| Finance | Non-staff expenditure |
| IT | Number of PCs |

1.10 | Investments
FRS102 provides that investments should be shown as fixed assets at their market value. To comply with FRS102 investment gains and losses have to be shown on the face of the Statement of Comprehensive Income.

Investments in subsidiary companies are stated at cost less accumulated impairment.

Investment income is accounted for on a receivable basis.

1.11 | Operating leases
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

1.12 | Pensions
YMCA England and Wales 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 England & Wales.

As described in note 13, YMCA England & Wales has a contractual obligation to make annual pension deficit payments of £1.0m over the period to April 2029 (2020: £1.04m pa over period to April 2029) , accordingly this is shown as a liability in these accounts.

National Council of Young Men’s Christian Associations (Incorporated) | Accounting policies | Year ended 31 March 2022

In addition, YMCA England & Wales is required to contribute £224k (2021: £245k) pa to the operating expenses of the Pension Plan and these costs are charged to the Statement of Comprehensive Income as made.

As described in note 13 a defined contribution scheme has been set up which all staff are eligible to join.

1.13 | Liabilities

Liabilities are recognised when YMCA England & Wales has an absolute obligation to make payment to a third party.

1.14 | Cash at bank and in hand

This includes amounts held on accounts with access within thirty days. Amounts held on longer term notice are shown as short-term deposits.

Liquid resources for the purposes of the cashflow statement comprise bank and cash balances.

1.15 | Foreign currencies

Items paid in foreign currencies are translated at the exchange rate incurred for that transaction.

1.16 | Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the key judgements have been made in respect of the following:

- ▶ Until there is clarity on the State Aid limitations in force for the Retail, Leisure and Hospitality grants received during the prior year, these continue to be shown within creditors due within one year in case repayment is required;
- ▶ Whether there are indicators of impairment of the group’s assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset;
- ▶ Depreciation of tangible assets is based on their estimated useful lives;
- ▶ Provision is made for future leasehold property dilapidation costs at the best estimate of the likely future liability based on the nature and condition of the property;
- ▶ Donated stock has no value until it is sold. The value of items held at the year end is therefore based on the average sales in the first two weeks of April;
- ▶ The discount factor used for pension deficit contributions in future years;
- ▶ The underlying assumptions in relation to the estimate of the pension plan obligations such as return on assets, increases in pensions in payment and mortality. Variations in these assumptions have the ability to significantly influence the value of the pension liability and the annual contributions required.

National Council of Young Men’s Christian Associations (Incorporated) | Analysis of total income | Year ended 31 March 2022

| | Grants and Contracts for services £'000 | Other Income £'000 | TOTAL 2022 £'000 | Grants and Contracts for services £'000 | Other Income £'000 | TOTAL 2021 £'000 |
|---|--|--------------------------|------------------------|--|--------------------------|------------------------|
| 2.1 DONATIONS AND LEGACIES | | | | | | |
| Individuals | - | 2,332 | 2,332 | - | 2,519 | 2,519 |
| Legacies | - | 559 | 559 | - | 858 | 858 |
| Corporate and Trusts | - | 152 | 152 | - | 142 | 142 |
| | - | 3,043 | 3,043 | - | 3,519 | 3,519 |
| 2.2 AFFILIATION FEES | - | 1,039 | 1,039 | - | 736 | 736 |
| 2.3 INCOME FROM CHARITABLE ACTIVITIES | | | | | | |
| Movement Services | - | 55 | 55 | - | 43 | 43 |
| Programme Development | 674 | - | 674 | 348 | - | 348 |
| Communications, Policy & Research | 1 | 8 | 9 | - | - | - |
| International | - | 10 | 10 | - | - | - |
| Central Services | 1 | 36 | 37 | 74 | 82 | 156 |
| | 676 | 109 | 785 | 422 | 125 | 547 |
| 2.4 INCOME FROM TRADING ACTIVITIES | | | | | | |
| Income generated by charity shops | 344 | 12,150 | 12,494 | 3,444 | 4,526 | 7,970 |
| Trading companies (note 8) | - | 50 | 50 | - | 24 | 24 |
| | 344 | 12,200 | 12,544 | 3,444 | 4,550 | 7,994 |
| 2.5 INVESTMENTS, INTEREST AND RENTAL INCOME | | | | | | |
| Investment income | - | 167 | 167 | - | 181 | 181 |
| Interest receivable | - | 35 | 35 | - | 64 | 64 |
| Rental Income | - | - | - | - | 1 | 1 |
| | - | 202 | 202 | - | 246 | 246 |
| 2.6 PROFIT ON SALE OF FIXED ASSETS | | | | | | |
| (Loss) profit on sale of assets | - | (21) | (21) | - | 1,325 | 1,325 |
| | - | (21) | (21) | - | 1,325 | 1,325 |
| TOTAL INCOME | 1,020 | 16,572 | 17,592 | 3,866 | 10,501 | 14,367 |

National Council of Young Men’s Christian Associations (Incorporated) | Analysis of total income | Year ended 31 March 2022

The figures shown above for 'Grants and contracts for services' include amounts raised by fundraising staff for specific purposes.

YMCA England & Wales benefits greatly from the involvement of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of volunteers is not recognised in these accounts.

| | Grants and Contracts for services | Other Income | TOTAL 2022 | Grants and Contracts for services | Other Income | TOTAL 2021 |
|--|---|-----------------|---------------|---|-----------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| The above income includes the following statutory items: | | | | | | |
| Grants and contracts for services from Government sources: | | | | | | |
| - Furlough income | 77 | - | 77 | 1,667 | - | 1,667 |
| - Retail grants | 209 | - | 209 | 1,851 | - | 1,851 |
| - Kickstart | 59 | - | 59 | - | - | - |
| Gift aid receivable | - | 675 | 675 | - | 546 | 546 |
| | 345 | 675 | 1,020 | 3,518 | 546 | 4,064 |

National Council of Young Men’s Christian Associations (Incorporated) | Analysis of total expenditure | Year ended 31 March 2022

| | Staff Costs (Note 3.5) £'000 | Other Costs £'000 | Grants payable £'000 | Support Costs £'000 | TOTAL 2022 £'000 | Staff Costs (Note 3.5) £'000 | Other Costs £'000 | Grants payable £'000 | Support Costs £'000 | TOTAL 2021 £'000 |
|--|------------------------------------|-------------------------|----------------------------|---------------------------|------------------------|------------------------------------|-------------------------|----------------------------|---------------------------|------------------------|
| 3.1 COSTS OF RAISING FUNDS | | | | | | | | | | |
| Individuals | 385 | 504 | - | 165 | 1,054 | 511 | 439 | - | 172 | 1,122 |
| Legacies | 51 | 23 | - | 33 | 107 | 48 | 92 | - | 34 | 174 |
| Corporate and Trusts | 129 | 1 | - | 66 | 196 | 51 | 11 | - | 69 | 131 |
| | 565 | 528 | - | 264 | 1,357 | 610 | 542 | - | 275 | 1,427 |
| 3.2 CHARITABLE ACTIVITIES | | | | | | | | | | |
| Housing Management | - | - | - | - | - | - | 1 | - | - | 1 |
| Movement Services | 217 | 230 | - | 356 | 803 | 238 | (64) | - | 327 | 501 |
| Funding support | 176 | 180 | - | 66 | 422 | 76 | 77 | - | 69 | 222 |
| Programme Development | 113 | 170 | 469 | 50 | 802 | 71 | 134 | 85 | 51 | 341 |
| Communications, Policy & Research | 528 | 294 | - | 210 | 1,032 | 467 | 178 | - | 212 | 857 |
| Legal Support and Trust & Association Funds | - | 24 | 5 | 26 | 55 | - | 14 | 1,626 | 27 | 1,667 |
| Payments to YMCAs | - | - | 1,117 | - | 1,117 | - | - | 425 | - | 425 |
| International Work | - | 195 | 30 | 26 | 251 | 35 | 191 | - | 26 | 252 |
| Dunford House | - | (14) | 30 | - | 16 | 3 | 23 | 30 | - | 56 |
| Defined benefit pension scheme operating expenditure | 238 | - | - | - | 238 | 213 | - | - | - | 213 |
| Central Services (note 3.4) | 1,134 | 857 | - | (1,955) | 36 | 1,048 | 927 | - | (1,822) | 153 |
| | 2,406 | 1,936 | 1,651 | (1,221) | 4,772 | 2,151 | 1,481 | 2,166 | (1,110) | 4,688 |
| 3.3 OPERATING COSTS OF TRADING ACTIVITIES | | | | | | | | | | |
| Operating costs of charity shops | 5,154 | 4,792 | - | 957 | 10,903 | 4,386 | 3,262 | - | 835 | 8,483 |
| Trading companies (note 8) | - | 28 | - | - | 28 | - | 20 | - | - | 20 |
| | 5,154 | 4,820 | - | 957 | 10,931 | 4,386 | 3,282 | - | 835 | 8,503 |
| TOTAL EXPENDITURE | 8,125 | 7,284 | 1,651 | - | 17,060 | 7,147 | 5,305 | 2,166 | - | 14,618 |

The grants payable are made to local YMCAs.

Other costs within "operating costs of charity shops" in note 3.3 includes dilapidation provisions of £99K (2021: £119K), which is the estimated value of dilapidation obligations arising on the retail units based on floor area.

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

3.4 Central Services

Central service costs less the associated income (as shown in note 2.3) are allocated across activities on the following basis:

| | Basis of allocation | Fundraising Activities £'000 | Retail activities £'000 | Influencing Activities £'000 | Business Development £'000 | Movement Support £'000 | TOTAL 2022 £'000 |
|-----------------------|-----------------------------|------------------------------------|-------------------------------|------------------------------------|----------------------------------|------------------------------|------------------------|
| Office Services | London staff numbers | 143 | 171 | 96 | - | - | 410 |
| Central Overheads | Estimated time | 21 | 21 | 56 | 9 | 322 | 429 |
| Personnel and payroll | Average number of employees | 78 | 298 | 52 | 26 | 19 | 473 |
| Finance | Estimated time | 61 | 372 | 40 | 6 | 15 | 494 |
| IT | Number of PCs | 27 | 95 | 18 | 9 | - | 149 |
| TOTAL 2022 | | 330 | 957 | 262 | 50 | 356 | 1,955 |

| | Basis of allocation | Fundraising Activities £'000 | Retail activities £'000 | Influencing Activities £'000 | Business Development £'000 | Movement Support £'000 | TOTAL 2021 £'000 |
|-----------------------|-----------------------------|------------------------------------|-------------------------------|------------------------------------|----------------------------------|------------------------------|------------------------|
| Office Services | London staff numbers | 156 | 172 | 104 | - | - | 432 |
| Central Overheads | Estimated time | 19 | 19 | 50 | 8 | 287 | 383 |
| Personnel and payroll | Average number of employees | 91 | 233 | 61 | 30 | 26 | 441 |
| Finance | Estimated time | 56 | 323 | 36 | 6 | 14 | 435 |
| IT | Number of PCs | 22 | 88 | 14 | 7 | - | 131 |
| TOTAL 2021 | | 344 | 835 | 265 | 51 | 327 | 1,822 |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

3.5 EMPLOYEE COSTS (including subsidiaries)

| | TOTAL 2022 £'000 | TOTAL 2021 £'000 |
|--|------------------------|------------------------|
| Staff costs comprise: | | |
| Wages & salaries | 7,095 | 6,237 |
| Social security costs | 551 | 475 |
| Employer's contribution towards pension scheme operating expenditure | 238 | 213 |
| Other pension costs | 241 | 222 |
| | 8,125 | 7,147 |

| | | | | |
|--|-------------------|-------------------------|-------------------|-------------------------|
| The average number of employees during the year, including part time and seasonal staff, analysed by function was: | Average Number | Full-time Equivalent | Average Number | Full-time Equivalent |
| UK - charitable activities | 16 | 16 | 15 | 14 |
| UK - fundraising | 18 | 18 | 17 | 17 |
| UK - charity shops | 316 | 254 | 275 | 215 |
| UK - other activities | 21 | 20 | 20 | 19 |
| TOTAL | 371 | 308 | 327 | 265 |

| | | |
|---|--------|--------|
| The number of employees whose emoluments exceeded £60,000 (including pension contributions) per annum during the year was as follows: | Number | Number |
| £60,001 to £70,000 | 4 | 3 |
| £70,001 to £80,000 | 3 | 1 |
| £80,001 to £90,000 | - | - |
| £90,001 to £100,000 | - | - |
| £100,001 to £110,000 | 1 | 2 |
| £110,001 to £120,000 | 2 | 1 |
| £120,001 to £130,000 | - | 1 |
| £130,001 to £140,000 | 1 | - |
| | 11 | 8 |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

YMCA England & Wales operates a salary sacrifice scheme for pension contributions. All staff are eligible to join the defined contribution pension scheme. The Chief Executive is an ordinary member of the YMCA Group Personal Pension Scheme.

Total redundancy costs of £22,427 arose from shop closures (2021: £20,379 from restructuring the staff team).

The following information is given in respect of those employees defined as "directors" by the Accounting Direction for Private Registered Providers of Housing 2019.

| | 2022 | | 2021 | |
|--|--------|-------|--------|-------|
| | Number | £'000 | Number | £'000 |
| Aggregate remuneration (excluding pension contributions) | | 395 | | 382 |
| Pension contributions | | 76 | | 67 |
| Aggregate remuneration (including pension contributions) | 4 | 471 | 4 | 449 |
| Highest paid (excluding pension contributions) | | 115 | | 108 |
| Pension contributions | | 20 | | 19 |
| Highest paid (including pension contributions) | | 135 | | 127 |

3.6 EXPENSES
Due to Covid Board meetings were held electronically except for the AGM, board expenses of £229 were reimbursed (2021: £nil). No board members received any remuneration for their services during the year (2021: £nil). Members of the Senior Leadership Team were reimbursed for the following items of expenditure:

| | 2022 | 2021 |
|--------------|-------|-------|
| | £'000 | £'000 |
| Travel costs | 4 | 3 |
| Subsistence | 2 | - |
| Others | 3 | 4 |
| | 9 | 7 |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

4. NET EXPENDITURE FOR THE YEAR
The reported net expenditure for the year is after charging:

| | 2022 | 2021 |
|--|-------|-------|
| | £'000 | £'000 |
| Operating lease rentals payable: | | |
| Property rentals | 1,406 | 1,440 |
| Motor vehicles | 86 | 60 |
| Equipment | 13 | 13 |
| | 1,505 | 1,513 |
| Auditors remuneration: | | |
| Total (parent company £26,500 (2021: £26,100)) | 27 | 26 |
| and after crediting: | | |
| Income from UK listed investments | 167 | 181 |
| Rental income: | | |
| - External | - | 1 |
| Interest receivable: | | |
| - Interest on bank deposits | 4 | 2 |
| - Loan interest | 30 | 62 |
| | 35 | 64 |

5. REGISTERED SOCIAL LANDLORD ACTIVITIES

All of the supported housing accommodation has been sold to the management agents, accordingly there were no housing units held at March 2021 or 2022.

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

6.1 TANGIBLE FIXED ASSETS

| | Land & Buildings | | Equipment | TOTAL |
|---|------------------|-----------------|------------|---------|
| | Freehold | Short Leasehold | & Vehicles | |
| | £'000 | £'000 | £'000 | £'000 |
| Cost: | | | | |
| At 1 April 2021 | 2 | 487 | 2,064 | 2,553 |
| Additions | - | 17 | 332 | 349 |
| Disposals | - | (300) | (1,265) | (1,565) |
| At 31 March 2022 | 2 | 204 | 1,131 | 1,337 |
| Depreciation: | | | | |
| At 1 April 2021 | 1 | 400 | 1,580 | 1,981 |
| Charge for the year | - | 52 | 307 | 359 |
| Disposals | - | (293) | (1,251) | (1,544) |
| At 31 March 2022 | 1 | 159 | 636 | 796 |
| NET BOOK VALUE: | | | | |
| 31 March 2022 | 1 | 45 | 495 | 541 |
| 31 March 2021 | 1 | 87 | 484 | 572 |
| The above analysis includes Items held on leases: | | | | |
| 31 March 2022 | - | 45 | - | 45 |
| 31 March 2021 | - | 87 | - | 87 |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

| | Land & Buildings | | Equipment | TOTAL |
|---|------------------|-----------------|------------|-------|
| | Freehold | Short Leasehold | & Vehicles | |
| | £'000 | £'000 | £'000 | £'000 |
| The net book value at 31 March 2022 represents fixed assets used for: | | | | |
| Charitable Activities | 1 | - | - | 1 |
| Management & administration | - | 9 | 41 | 50 |
| Retail Operations | - | 36 | 454 | 490 |
| | 1 | 45 | 495 | 541 |
| The net book value at 31 March 2021 represents fixed assets used for: | | | | |
| Charitable Activities | 1 | - | - | 1 |
| Management & administration | - | 31 | 35 | 66 |
| Retail Operations | - | 56 | 449 | 505 |
| | 1 | 87 | 484 | 572 |

The net book value of freehold land and buildings includes land at cost of £400 (2021: £400) which is not depreciated.

- 6.2
- The majority of properties operated by the YMCA Movement throughout the country are owned by autonomous member YMCAs. Where the YMCA is unable to hold the title deeds itself these are held by the National Council as trustee for the YMCA. As these are not the equitable property of the National Council they are omitted from the above totals.

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

7. INVESTMENTS

7.1 The unrestricted investments comprise investments in listed funds held in:
March 2022:

| | At Cost | | | At Market Value | |
|--|---------------------|--------------------|---------------------|---------------------|---|
| | March 2021 £'000 | Additions £'000 | March 2022 £'000 | March 2022 £'000 | Unrealised gains during the year £'000 |
| COIF Charities Ethical Investment Fund | 5,000 | - | 5,000 | 5,866 | 459 |
| UBS Managed Funds | 5,000 | - | 5,000 | 6,565 | 630 |
| | 10,000 | - | 10,000 | 12,431 | 1,089 |
| | | | | | |
| March 2021: | At Cost | | | At Market Value | |
| | March 2020 £'000 | Additions £'000 | March 2021 £'000 | March 2021 £'000 | Unrealised gains during the year £'000 |
| COIF Charities Ethical Investment Fund | 5,000 | - | 5,000 | 5,407 | 907 |
| UBS Managed Funds | 2,000 | 3,000 | 5,000 | 5,935 | 936 |
| | 7,000 | 3,000 | 10,000 | 11,342 | 1,843 |

These funds are held to enable the charity to meet its future obligations to the pension scheme.

Investment Analysis:

| Cash and liquid assets £'000 | Equities £'000 | Bonds £'000 | Property and other investments £'000 |
|---------------------------------|-------------------|----------------|---|
| 532 | 4,292 | - | 1,042 |
| 542 | 5,004 | 617 | 402 |
| 1,074 | 9,296 | 617 | 1,444 |

Investment Analysis:

| Cash and liquid assets £'000 | Equities £'000 | Bonds £'000 | Property and other investments £'000 |
|---------------------------------|-------------------|----------------|---|
| 266 | 4,174 | - | 967 |
| 18 | 4,860 | 710 | 346 |
| 284 | 9,034 | 710 | 1,313 |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

7.2

The restricted fixed asset funds at March 2021 and 2022 comprise funds held by Dunford Trust. The other restricted fund investments at March 2020 were sold to finance the emergency response fund to assist local YMCAs as a response to Covid.

| | Cost £'000 | Market value £'000 |
|---|---------------|-----------------------|
| Value at 31 March 2020 | 1,086 | 1,818 |
| Disposals during the year | (1,078) | (1,846) |
| Realised gains (losses) during the year | - | 55 |
| Unrealised gains (losses) during the year | - | 7 |
| Value at 31 March 2021 | 8 | 34 |
| Unrealised gains (losses) during the year | - | 4 |
| Value at 31 March 2022 | 8 | 38 |

The fixed asset investments comprise investments in the following unit trusts:

| | March 2022 £'000 | March 2021 £'000 |
|-------------------------------|---------------------|---------------------|
| COIF Charity Investment Funds | 38 | 34 |

National Council of Young Men's Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

8. INVESTMENT IN SUBSIDIARIES

During the year, the charity had a trading company (registered in England & Wales) which covenanted its profits to the charity:

| | | | | |
|---------------------|----------------|------------------------------------|----------------|----------|
| Name: | Company number | Nature of business: | Type of Share: | Holding: |
| YMCA Retail Limited | 02232462 | Sponsorship and sales of new goods | Ordinary | 100% |

A summary of its trading results is shown below:

| | | |
|--|-----------------------------------|-----------------------------------|
| A summary of its trading results is shown below: | 31 March 2022 | 31 March 2021 |
| | YMCA Retail Limited £000 | YMCA Retail Limited £000 |
| Turnover | 50 | 24 |
| Cost of sales | (28) | (19) |
| GROSS PROFIT | <u>22</u> | <u>5</u> |
| Administration costs | (1) | (1) |
| NET PROFIT | <u>21</u> | <u>4</u> |
| Amount Gift Aided to YMCA England and Wales | (21) | (4) |
| Retained in subsidiary | <u>-</u> | <u>-</u> |
| Total Shareholders' Funds | <u>1</u> | <u>1</u> |

During the year the charity had the following transactions with its subsidiary trading company:

| | 31 March 2022 £000 | 31 March 2021 £000 |
|-----------------------------|-----------------------|-----------------------|
| Reimbursement of items paid | 28 | 19 |
| Gift aid of profits | 21 | 4 |
| | <u>49</u> | <u>23</u> |

National Council of Young Men's Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

| | | 31 March 2022 | | 31 March 2021 | |
|----|--------------------------|---------------|--------|---------------|--------|
| | | GROUP | PARENT | GROUP | PARENT |
| | | £'000 | £'000 | £'000 | £'000 |
| 9. | STOCKS | | | | |
| | Donated goods for resale | 235 | 235 | 167 | 167 |

| | 31 March 2022 | | 31 March 2021 | |
|--------------------------------|---------------|--------------|---------------|--------------|
| 10. DEBTORS | GROUP | PARENT | GROUP | PARENT |
| Other debtors | £'000 | £'000 | £'000 | £'000 |
| Due within one year | 329 | 329 | 757 | 757 |
| Due after one year (note 10.1) | 1,041 | 1,041 | 1,184 | 1,184 |
| Other taxes | 272 | 271 | 135 | 130 |
| Prepayments and accrued income | 1,196 | 1,196 | 931 | 931 |
| Due from Group Undertakings | - | 36 | - | 12 |
| | <u>2,838</u> | <u>2,873</u> | <u>3,007</u> | <u>3,014</u> |

| | | | | | | | | |
|------|---|---------------|-----|-----------------|---------------|--------|----------|----------|
| 10.1 | YMCA England & Wales had outstanding loans to: | 31 March 2022 | | | 31 March 2021 | | | |
| | | Repayment | | | Repayment | | | |
| | | within 12 | | After 12 months | within 12 | | After 12 | |
| | Amount | months | | | Amount | months | months | Interest |
| | £'000 | £'000 | | £'000 | £'000 | £'000 | £'000 | |
| | YMCA Thames Gateway | 1,061 | 108 | 953 | 1,259 | 215 | 1,044 | 2.5% |
| | YMCA Swansea | 63 | 36 | 27 | 96 | 36 | 60 | base +3% |
| | European Alliance of YMCAs (for YMCA 175 event) | 82 | 21 | 61 | 102 | 22 | 80 | base +3% |
| | | 1,206 | 165 | 1,041 | 1,457 | 273 | 1,184 | |

During the year ended March 2015, YMCA England & Wales sold the freehold of the housing scheme at Dartford to the local association at open market value for social housing, the consideration being received by a 20 year interest bearing loan at 2.5%.

The loans to YMCA Swansea (£95k) and European Alliance of YMCAs (£120k) were made during the year ended March 2020 and are repayable by instalments.

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 March 2022 | | 31 March 2021 | |
|---|---------------|--------------|---------------|--------------|
| | GROUP | PARENT | GROUP | PARENT |
| | £'000 | £'000 | £'000 | £'000 |
| Pension scheme obligations due within one year (note 13.1) | 1,000 | 1,000 | 1,287 | 1,287 |
| Taxes & Social Security Costs | 170 | 168 | 123 | 123 |
| Other Creditors | 1,717 | 1,717 | 1,244 | 1,244 |
| Recycled social housing grant (note 11.1) | 172 | 172 | 172 | 172 |
| Due to Group Undertakings | - | 13 | - | 2 |
| Provisions for liabilities payable within 12 months (note 12.1) | 252 | 252 | 408 | 408 |
| Accruals and deferred income | 2,121 | 2,120 | 1,810 | 1,809 |
| | <u>5,432</u> | <u>5,442</u> | <u>5,044</u> | <u>5,045</u> |

Deferred income consists of grants received in advance.

| | | | |
|------|---|------------|------------|
| 11.1 | Recycled social housing grant | £'000 | £'000 |
| | Balance at 1 April 2021 | | |
| | and 31 March 2022 | <u>172</u> | <u>172</u> |
| | This amount is over 3 years old and negotiations are progressing with Homes England for use by a local YMCA | | |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

12.1 PROVISION FOR LIABILTIES

At the balance sheet date YMCA England & Wales had obligations to make future payments in respect of the following items where the amount or timing is uncertain:

| | Balance at 1 April 2021 £'000 | Additional Provisions £'000 | Utilised in the year £'000 | Balance at 31 March 2022 £'000 | Balance at 1 April 2020 £'000 | Additional Provisions £'000 | Utilised in the year £'000 | Balance at 31 March 2021 £'000 |
|---|-------------------------------------|-----------------------------------|----------------------------------|--------------------------------------|-------------------------------------|-----------------------------------|----------------------------------|--------------------------------------|
| Lease dilapidations - retail (see note 3.3) | 971 | 99 | (63) | 1,007 | 983 | 119 | (131) | 971 |
| Lease dilapidations - non-retail | 100 | - | - | 100 | 100 | - | - | 100 |
| Allocate rent-free period over lease term | 21 | - | (16) | 5 | 43 | - | (22) | 21 |
| | <u>1,092</u> | <u>99</u> | <u>(79)</u> | <u>1,112</u> | <u>1,126</u> | <u>119</u> | <u>(153)</u> | <u>1,092</u> |

| | Within one year £'000 | Payable | | | After more than one year £'000 | TOTAL 2022 £'000 | TOTAL 2021 £'000 |
|---------------------|-----------------------------|------------------------------|-------------------------------|------------------------------|--------------------------------------|------------------------|------------------------|
| | | One to two years £'000 | Two to five years £'000 | After five years £'000 | | | |
| As at 31 March 2022 | <u>252</u> | <u>100</u> | <u>459</u> | <u>301</u> | <u>860</u> | <u>1,112</u> | |
| As at 31 March 2021 | <u>408</u> | <u>18</u> | <u>268</u> | <u>398</u> | <u>684</u> | | <u>1,092</u> |
| | | | | | | | |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

13. PENSION COMMITMENT
- 13.1 YMCA England & Wales 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 England & Wales and at the yearend these were invested in the Mercer Dynamic De-risking Solution, 63% matching portfolio and 37% 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 discount rates before and after retirement of 2.59% and 1.09% respectively, the increase in pensions in payment of 2.99% (for RPI capped at 5% p.a.), and the average life expectancy from normal retirement age (of 65) for a current male pensioner of 22.0 years, female 24.4 years, and 23.7 years for a male pensioner, female 26.1 years, retiring in 20 years' time. The result of the valuation showed that the actuarial value of the assets was £146.1m, which represented 79% of the benefits that had accrued to members.
- The Pension Plan was closed to new members and future service accrual with effect from 30 April 2007. With the removal of the salary linkage for benefits all employed deferred members became deferred members as from 1 May 2011.
- The valuation prepared as at 1 May 2020 for the YMCA Pension Plan as a whole showed that it had a deficit of £39 million. YMCA England and Wales has been advised that it will need to make monthly contributions of £83k from 1 May 2022. 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. Agreed future deficit contributions have been discounted using a rate of 3% (2021: 3%). The current recovery period is 7 years commencing 1st May 2022.
- In addition, YMCA England & Wales 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 England may be called upon to pay in the future.
- | | Within one year
£'000 | Repayable
One to two years
£'000 | Two to five years
£'000 | After five years
£'000 | After more than one year
£'000 | TOTAL
2022
£'000 | TOTAL
2021
£'000 |
|---------------------|--------------------------|--|----------------------------|---------------------------|-----------------------------------|------------------------|------------------------|
| As at 31 March 2022 | 1,000 | 1,000 | 3,002 | 2,001 | 6,003 | 7,003 | |
| As at 31 March 2021 | 1,287 | 1,035 | 3,106 | 3,107 | 7,248 | | 8,535 |
- In response to the Covid pandemic, the Trustee of the YMCA Pension Plan allowed participating employers to defer three months' of the 2020-21 contributions until 31 December 2021. Accordingly the contributions due within one year at March 2021 are increased.
- 13.2 YMCA England & Wales has opened a defined contribution group personal pension plan for employees. YMCA England & Wales is making employer contributions of 6% of pensionable earnings provided that employees make a contribution of at least 3%.
- YMCA England & Wales has also opened an auto-enrolment pension scheme for those employees who do not want to join the main scheme which has employer contributions of 3% of pensionable earnings provided that employees also make a contribution of 2%. The employee contributions increased to 5% from April 2019.
- Total pension contributions for the years ended 31 March 2021 and 2022 are shown in note 3.5.

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2021

14. RESTRICTED FUNDS
- The income and expenditure of the National Council include items relating to restricted funds comprising the following unexpended balances of donations and trusts held which can only be applied for specified purposes.
- | | Balance at
1 April 2020
£'000 | Year ended March 2021 | | | | Balance at
31 March 2021
£'000 | Year ended March 2022 | | | | Balance at
31 March 2022
£'000 |
|---|-------------------------------------|-----------------------|--|----------------------|--------------------|--------------------------------------|-----------------------|--|----------------------|--------------------|--------------------------------------|
| | | Income £'000 | Movement in funds: Investment gains (losses) £'000 | Expenditure £'000 | Transfers £'000 | | Income £'000 | Movement in funds: Investment gains (losses) £'000 | Expenditure £'000 | Transfers £'000 | |
| Restricted income funds: | | | | | | | | | | | |
| Amounts raised for local YMCAs | 136 | 24 | - | (50) | - | 110 | 93 | - | (87) | - | 116 |
| Emergency Response Fund | - | 350 | - | (236) | - | 114 | 1 | - | (21) | - | 94 |
| Ukraine Emergency Appeal | - | - | - | - | - | - | 11 | - | (30) | 30 | 11 |
| Amounts raised for YMCA England & Wales activities: | | | | | | | | | | | |
| - Ys Girls + Girls Move | - | 158 | - | (58) | - | 100 | 674 | - | (727) | - | 47 |
| - Changing Futures (including CAST) | 212 | 90 | - | (43) | 34 | 293 | 151 | - | (8) | - | 436 |
| - Homelessness | 30 | 200 | - | (152) | (34) | 44 | 10 | - | (33) | - | 21 |
| - HLF Project (YMCA 175) | 9 | - | - | (9) | - | - | - | - | - | - | - |
| - Programme Development | 15 | - | - | - | - | 15 | - | - | - | - | 15 |
| - Better Futures | 11 | - | - | - | - | 11 | - | - | - | - | 11 |
| - Risk training | 5 | - | - | - | - | 5 | - | - | (1) | - | 4 |
| - Diabetes prevention | 10 | - | - | (10) | - | - | - | - | - | - | - |
| Movement Trust Fund | 784 | 1 | (12) | (773) | - | - | 2 | - | (1) | - | 1 |
| Hartwoodside Award | 40 | 1 | 4 | - | - | 45 | - | - | - | - | 45 |
| Douglas Wood Charity | 1,000 | 9 | 52 | (868) | - | 193 | 1 | - | (6) | - | 188 |
| Other Trust & Association Funds | 43 | - | - | - | - | 43 | - | - | - | - | 43 |
| Birchwood YMCA | 16 | - | - | (16) | - | - | - | - | - | - | - |
| NW Region Trust Fund | 78 | 3 | 11 | - | - | 92 | 1 | - | - | - | 93 |
| Dunford House | (271) | 1,329 | 7 | (56) | - | 1,009 | - | 4 | (16) | (270) | 727 |
| Total Restricted Funds | 2,118 | 2,165 | 62 | (2,271) | - | 2,074 | 944 | 4 | (930) | (240) | 1,852 |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

YMCA England & Wales raises funds on behalf of member YMCAs and for YMCA England & Wales activities which can only be used for that specific purpose. The Emergency Response Fund was launched in response to the Covid pandemic to make grants to local YMCAs in co-ordination with the Movement Trust Fund, the Douglas Wood Charity and the regional trust funds . Grants of £1.6m were made to local YMCAs during the year ended March 2021 to ensure their survival whilst activities were forced to close. Further grants were made by the regional trust funds.

The Ukraine Emergency Appeal was launched in March 2022 with a £30k donation from YMCA England & Wales. Responses from the international YMCA network are being co-ordinated by the European Alliance of YMCAs. Further income was received from local YMCAs and individual donors and £121k was sent to the European YMCA in May 2022.

The Movement Trust Fund is established under the trusteeship of the National Council of YMCAs, with the purpose of assisting member YMCAs with grants and loans. Grants are also made by the Hartwoodside Award (which makes annual bursaries to young people in need, particularly disabled persons) and the Douglas Wood charity (which makes grants for the promotion of the education and training of young men in the science and practise on farming, horticulture or any similar profession or trade). The Trust & Association Funds represent mainly funds from defunct Associations. Income is either remitted to a specific activity or accumulated. The North West Region Trust Fund is administered on behalf of this regional trust fund.

The amount for Dunford House is the accumulated profits from the conference centre. In view of the disappointing performance, the Board decided to close this centre and activities ceased on 26 March 2018. The property was sold in August 2020, with the proceeds (net of costs) added to the restricted fund. The Board are considering options for the use of this fund which can only be used for "educational purposes of the National Council". As this activity has ceased it bought out of the YMCA Pension Plan at a total cost of £270k.

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

15. UNRESTRICTED FUNDS

The balance sheet shows how the unrestricted reserves are held. Some of these reserves are held in the form of long-term loans or tied up in fixed assets and therefore not directly available to support other activities, the remainder of the reserves are available to support the activities of YMCA England & Wales and are described as 'free reserves'.

| | 31 March 2022 £'000 | 31 March 2021 £'000 |
|---|------------------------|------------------------|
| Unrestricted funds | 6,089 | 3,999 |
| Less allocated to the following purposes: | | |
| Fixed assets | (541) | (572) |
| Long-term loan to associations | (1,041) | (1,184) |
| 'FREE RESERVES' | <u>4,507</u> | <u>2,243</u> |

16. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund Balances are represented by:

| | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL MARCH 2022 £'000 | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL MARCH 2021 £'000 |
|------------------------|-----------------------|---------------------|------------------------------|-----------------------|---------------------|------------------------------|
| Tangible Fixed Assets: | | | | | | |
| Other fixed assets | 541 | - | 541 | 572 | - | 572 |
| Investments | 12,431 | 38 | 12,469 | 11,342 | 34 | 11,376 |
| Total fixed assets | | | 13,010 | | | 11,948 |
| Net Current Assets | (20) | 1,814 | 1,794 | 17 | 2,040 | 2,057 |
| Long Term Liabilities | (6,863) | - | (6,863) | (7,932) | - | (7,932) |
| | <u>6,089</u> | <u>1,852</u> | <u>7,941</u> | <u>3,999</u> | <u>2,074</u> | <u>6,073</u> |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

17. CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

| | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL MARCH 2022 £'000 | UNRESTRICTED £'000 | RESTRICTED £'000 | TOTAL MARCH 2021 £'000 |
|---|-----------------------|---------------------|------------------------------|-----------------------|---------------------|------------------------------|
| Net movement in funds for the year | 2,090 | (222) | 1,868 | (556) | (44) | (600) |
| Net decrease (increase) in fixed assets | 31 | - | 31 | 114 | 141 | 255 |
| Net movement in funds available for future activities | 2,121 | (222) | 1,899 | (442) | 97 | (345) |

18. LEASING COMMITMENTS

At the balance sheet date, YMCA England & Wales had the following total commitments under operating leases:

| | 31 March 2022 | | 31 March 2021 | |
|------------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| | Property leases £'000 | Plant & machinery £'000 | Property leases £'000 | Plant & machinery £'000 |
| Expiring: | | | | |
| Within 12 months | 1,193 | 44 | 1,279 | 104 |
| 1 to 2 years | 940 | 23 | 1,120 | 44 |
| 2 to 5 years | 1,118 | 10 | 1,082 | 43 |
| After 5 years | 215 | - | 343 | 91 |
| | 3,466 | 77 | 3,824 | 282 |

National Council of Young Men’s Christian Associations (Incorporated) | Notes to the financial statements | Year ended 31 March 2022

19. GRANTS RECEIVED

The following grants were received during the year:

- £653,841 Dept for Culture, Media and Sport re Y's Girls Project
- £20,250 Penny Appeal re Y's Girls Project
- £12,900 Centre for Acceleration of Social Technology re Changing Futures

The following grants were received during the previous year:

- £186,208 Big Lottery Fund re Rough Sleepers Project
- £95,000 Garfield Weston Foundation re Y's Girls Project
- £62,988 Dept for Culture, Media and Sport re Y's Girls Project
- £4,350 London Homlessness Fund re work on homelessness

In addition, we received £20,000 from Amazon and £14,941 from the Catalyst and the National Lottery Community Fund Covid-19 Response towards the Covid emergency appeal.

All projects are run in conjunction with member YMCAs.

20. CONTINGENT LIABILITIES

As in prior years YMCA England & Wales has full repairing interests in properties occupied by member YMCAs. There are potential contingent liabilities arising from these interests, but the time and cost to ascertain the potential liability is disproportionate to the benefits gained.

21. TRANSACTIONS WITH RELATED PARTIES

Several Board members are connected with local YMCAs that affiliate to YMCA England & Wales on the normal terms.

The YMCA Pension Plan operates from the offices of YMCA England & Wales which received payments of £25,224 inc VAT (2021: £24,482 inc VAT) for staff time and support services provided.

Donations of £2,000 were received from the trustees on normal terms (2021: £2,550).

Transactions with group undertakings are shown in note 8. There were no other transactions with related parties.

ymca.org.uk



YMCA ENGLAND & WALES

10-11 Charterhouse Square
London EC1M 6EH

National Council
of Young Men's Christian Associations
(Incorporated)

Registered Charity no. 212810
Registered Company no. 00073749
Homes and Communities Agency no: LH2204



Here for young people
Here for communities
Here for you

YMCA enables people to develop their full potential in mind, body and spirit. Inspired by, and faithful to, our Christian values, we create supportive, inclusive and energising communities, where young people can truly belong, contribute and thrive.

FAMILY & YOUTH WORK

HEALTH & WELLBEING

HOUSING

TRAINING & EDUCATION

SUPPORT & ADVICE